

GOVERNOR SONNY PERDUE
STATE OF GEORGIA



GOVERNOR'S BUDGET REPORT

Fiscal Year 2009

THE GOVERNOR'S BUDGET REPORT

FISCAL YEAR 2009



SONNY PERDUE, GOVERNOR
STATE OF GEORGIA

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GOVERNOR'S BUDGET RECOMMENDATIONS

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STATE OF GEORGIA
OFFICE OF THE GOVERNOR
ATLANTA 30334-0900

Sonny Perdue
GOVERNOR

TO THE MEMBERS OF THE GENERAL ASSEMBLY

Placing Georgia on a sound financial path has been a hallmark of my administration and this budget is based on that record of discipline. Looking forward to the new budget year, this policy has given us the flexibility to meet the requirements of a rapidly growing state, even as we must show prudence in spending as uncertainty grows about the national economy.

As in all my budgets, emphasis remains on initiatives that will provide Georgians with the opportunity to fulfill their potential. We have taken significant steps to improve the educational opportunities for our children, protected our natural resources, offered individuals the ability to build on their dreams through tax reforms, and maintained an effective safety net to assist the most vulnerable members of our society – our children and our senior citizens.

My revenue estimates for the Amended FY 2008 and FY 2009 budgets are based on prudent revenue projections. Georgia's economy has performed well over the last three years. However, this growth is expected to moderate in the year ahead. While we appear better positioned to weather the headwinds affecting the national economy, it is likely that these national trends will reduce growth in our state. Fortunately, our overall budget position is strong and our reserves have been rebuilt from almost zero at the beginning of my administration to a record \$1.5 billion today.

At a mere two percent increase, my Amended FY 2008 budget represents the smallest percentage increase in state funds that I have recommended to the legislature since Georgia recovered from the recession in the beginning of my first term. This relatively small increase can be attributed to the efficiencies and cost avoidance techniques we have implemented through the Commission for a New Georgia and other efforts carried out by state agencies. Soon Georgia will be recognized as the best managed state in the nation.

EDUCATION

As our state's robust economy continues to propel population growth, the demands on our educational system continue to increase. To deal with enrollment growth and to improve the ability of teachers to meet the challenges of their jobs, the budget for Amended FY 2008 includes \$104 million in funds for the Quality Basic Education (QBE) formula grants. An additional \$211 million for QBE is allocated in FY 2009, including \$135 million for increased training and experience for educators. To meet other critical needs for our schools, the Amended FY 2008 budget includes \$40 million for technology upgrades and \$25 million for new buses. Classroom needs will be met with more than \$303 million in bonds for local school construction.

Helping our children succeed in school is more than books and classrooms. Over the last two years we have implemented and expanded our program of graduation coaches in middle and high schools to help students stay and succeed in school. The budget for FY 2009 includes \$14 million to expand this program in all new schools. This budget also includes an additional \$14 million to provide for a "Very Important Parent (VIP) Recruiter," a specialist with the primary function of engaging parents to encourage involvement in their child's education. Parents have a key role to play in the success of their children and this program is a vital step in rebuilding this partnership.

Post-secondary studies are critical to preparing Georgians to compete in the challenging economic climate of this century. The FY 2009 budget includes \$115 million to provide funding for enrollment growth in the university system. It also provides \$237 million in bonds for continued expansion and enhancement of facilities at institutions

around the state: \$70 million for the School of Dentistry at the Medical College of Georgia, \$33 million for an Engineering Technology Center at Southern Polytechnic State University, and \$30 million for major repairs and renovations system-wide. For those students who choose a technical school career path, the FY 2009 budget includes \$93 million in bonds to construct new facilities at technical colleges statewide.

TRANSPORTATION/INFRASTRUCTURE

Population growth fueled by a strong economy has placed new pressure on our state's infrastructure. Transportation improvements are also critical to continued economic success. The FY 2009 budget includes \$230 million in bonds for the Fast Forward highway construction program and \$13 million in bonds for the expansion of the Georgia Regional Transportation Authority's Xpress bus system. The FY2009 budget expedites local transportation projects by providing \$50 million to create a State Transportation Infrastructure Bank that will make loans available to eligible city and county applicants.

ENVIRONMENT & WATER

Water planning, conservation and storage are primary goals of the 2008 legislative session. The Amended FY 2008 budget includes \$40 million to fund regional reservoirs and water system improvements that can help provide for future water needs, \$500,000 for upgrades to 20 dams with the potential to serve as municipal water supply, and \$300,000 in FY 2009 to assist the Metropolitan North Georgia Water Planning District in updating its existing regional water plan. In addition, \$30 million in bonds is allocated in FY 2009 for additional local water system improvements. The FY 2009 budget also includes \$30 million to continue Georgia's land conservation efforts.

HEALTHCARE

Providing affordable health care access and controlling escalating costs remains a continuing challenge to state government. For the uncompensated costs associated with trauma care, \$53 million is included in Amended FY 2008 to strengthen our state trauma system. The budget for FY 2009 includes nearly \$17 million for the Health Insurance Partnership to incentivize small businesses to partner with employees to provide low cost health insurance. In addition, more than \$22 million is added to increase hospital Medicaid reimbursement rates. We will continue to provide care and protection to the more vulnerable members of our society. To maintain adequate health coverage for children, my budget includes \$15 million in Amended FY 2008 and \$17 million in FY 2009 to provide state funds to match federal funds under PeachCare. Additional funds of \$17.6 million are targeted to provide for improved compensation to nursing homes. We have been able to fund these improvements due to controlled costs in health care expenditures through cost control and managed care. This allowed us to reduce Medicaid expenditures in the Amended FY 2008 budget by more than \$70 million while maintaining current benefits for all eligible Georgians enrolled.

Additional health care improvements include new funds for our state hospitals which provide necessary services to those with mental and developmental disabilities. The Amended FY 2008 budget includes \$15 million to improve hospital operations. This is supplemented by \$21 million in new funds in FY 2009. Our children will always be the center of my budget considerations. This budget contains \$15 million in funds for increased Mental Retardation and Development Disability waiver slots. This annualizes 1,500 waiver slots approved by the General Assembly in FY 2008 and adds an additional 500 waiver slots in FY 2009.

PUBLIC SAFETY

My budget reflects my belief that protecting the public is a primary responsibility of state government. To protect drivers on our roads and highways, the FY 2009 budget includes more than \$9 million to fund three trooper schools, vehicles and personal services in order to increase the ranks of the State Patrol by 205 additional troopers by July of 2009. To reach these recruitment targets, the budget also includes \$2.3 million to establish a Regional Officer Trooper Cadet (ROTC) Program. FY 2009 also includes \$27 million in funds for more than 2,300 new secure beds in Georgia's corrections system. We are also making necessary changes in our juvenile justice system. We are eliminating the Short Term Placement program and repurposing space for committed youth to provide for better outcomes related to youth recidivism. To deal with the problem of identity theft, I am recommending the creation of an Identity Theft Unit in the GBI at a cost of \$1.1 million.

My Amended FY 2008 and FY 2009 budgets fund initiatives that give Georgians the opportunity to fulfill their potential, while illustrating prudence and discipline through limited growth in state government. I look forward to working with each of you in 2008.

Sincerely,


Sonny Perdue

GEORGIA ECONOMIC REPORT

EXECUTIVE SUMMARY

As the State approaches the middle of FY 2008, the national economic picture is one of slow growth with a heightened risk of recession. The strong growth of U.S. Gross Domestic Product in recent years has been fueled by consumer spending and a rapid expansion in both housing construction and home price appreciation. In recent months, the national housing sector has fallen into a severe correction. Housing starts and sales of new and existing homes are off substantially from prior year levels. Home prices are falling in many regional markets, especially those that experienced the highest rate of appreciation during the boom times. At the same time, financial markets have been in turmoil due to risk associated with sub-prime mortgages which have experienced high default rates in recent quarters. Financial institutions which have bought assets backed by mortgages have faced significant market losses as these assets have lost value. This has created liquidity problems in certain financial markets and resulted in tightening of credit standards across financial markets

The national housing correction has created concerns that the resulting slowdown in housing activity could spill into the broader economy and result in a recession. Housing related employment is declining on the order of 50,000 jobs per month while employment growth in other sectors is moderating. The overall impact is that net job growth has moderated to about 180,000 per month in late 2006 to about 100,000 per month as of November. Year over year job growth has declined to less than 1.2 percent.

Beyond the impact on job creation, the housing slowdown is expected to lead to slower growth in consumer spending. Slower job growth will lead to slower income growth for consumers. In addition, the declining value of housing will have a negative wealth effect on homeowners. Finally extremely high oil prices are likely to further weigh on consumer budgets. The combined impact is expected to slow consumer spending growth compared to the high growth rates seen in recent years.

While the residential construction and consumer spending are weighing on U.S. growth, support for continued growth is coming from foreign trade. The U.S. trade situation has improved in recent months. Exports have risen as the global economy has grown at a solid rate. In addition, the falling value of the dollar on foreign exchange markets provides a boost

to exports as the relative price falls to foreign buyers falls as the dollar declines. Imports have also risen but much slower than exports. Thus, the trade balance has improved and this contributes to GDP growth. In addition, corporate business have very health balance sheets. This positions them to invest in added capacity and to expand payrolls. However, the question is whether businesses will have the confidence to act on this capability and to actively invest and hire. Indicators of business confidence are noticeably down. These conflicting indicators highlight the uncertainty and risk currently facing the national economy.

Georgia's economy will be heavily influenced by the trends in the national economy. However, several factors suggest that the local economy should fare somewhat better than the nation as a whole. Job growth in Georgia slowed significantly beginning in mid-2006 but has shown signs of acceleration in recent months. Job growth in Georgia, whether measured on a year over year basis or on an annualized monthly basis, is stronger than for the U.S. Georgia's unemployment rate is low and in line with that of the U.S. Both are below typical estimates of the unemployment rate consistent with full employment.

Georgia's housing market is also going through a correction. Permits issued are off more than 35% over the prior year as of September 2007. However, housing prices, as measured for the Atlanta metropolitan area by S&P/Case-Shiller, have remained essentially stable during the previous year. This suggests that the housing correction will have less of an impact in Georgia than in other states, especially those that enjoyed exorbitant price appreciation during the boom years.

One key uncertainty facing Georgia is the severe drought in the state and surrounding areas. Policymakers have implemented bans on outdoor watering and other measures to conserve water. To date, the economic impacts of this drought have been primarily confined to the urban agriculture business, nurseries and landscapers for example. It is unclear if the drought will have broader repercussions for the regional economy.

The state has seen a significant slowdown in tax revenue growth in recent months. The chart on the following page illustrates growth Department of Revenue collections on a 3-month moving average basis. Growth plunged after July but has stabilized and shows some upward momentum. Low sales

GEORGIA ECONOMIC REPORT

tax collections, in part due to decreased housing construction, have been a key cause of the slowdown.

Given slowing growth in the U.S. and the elevated risk of recession, Georgia's economy is expected to

grow at slower rates than experienced in the last two fiscal years. This is reflected in lower expected growth in revenues for the Amended FY 2008 and FY 2009 budgets.

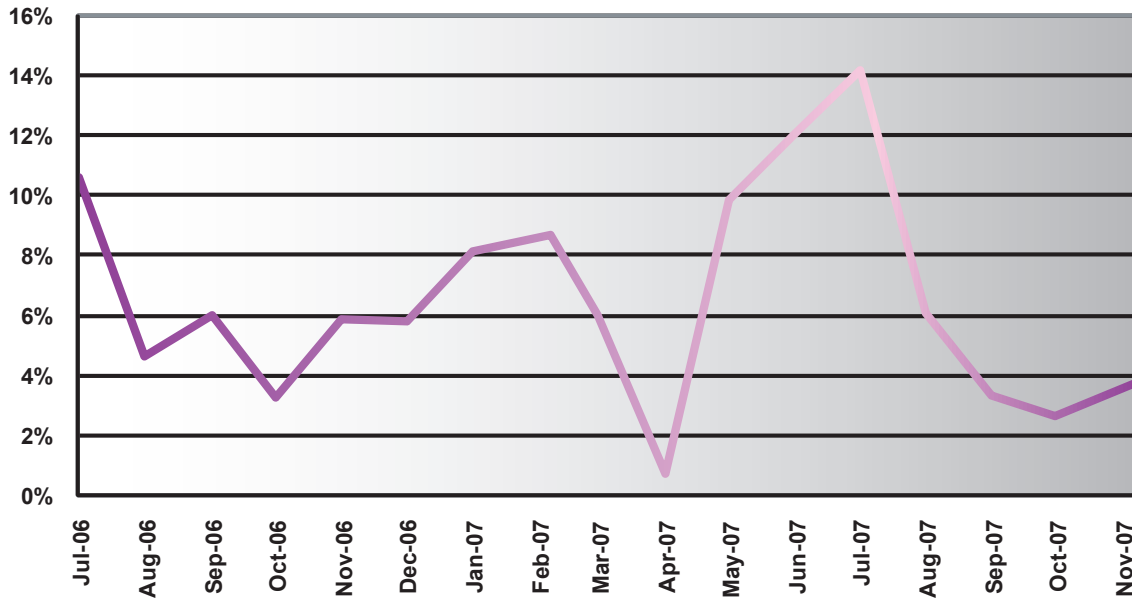


Figure 1.1 — Growth in DOR Revenues: Year/Year Percent Change - Three Month Moving Average

FY 2009 BUDGET HIGHLIGHTS

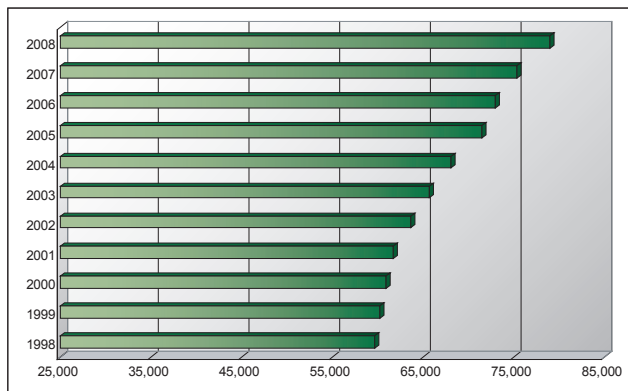
EDUCATED GEORGIA

Educating Georgia remains a priority representing an investment of over 55 percent of the state's total budget. Georgia's strong economic growth has fueled high population growth this decade, resulting in an increase of 250,000 students in the public schools. This budget continues to meet this dramatic growth and demonstrates a dedication to education by funding enrollment growth in all levels of education: Pre-K, K-12, and higher education. In addition to funding enrollment growth, this budget continues improvements that will help children succeed in school through continued expansion of the graduation coach program and through a new parental support initiative.

BUDGET HIGHLIGHTS

EARLY CARE AND LEARNING

\$6,425,206 in lottery funds added to fund enrollment growth, and ensure quality Pre-Kindergarten services are available to all interested students, increasing the total number of slots in the Pre-Kindergarten program to 79,000.

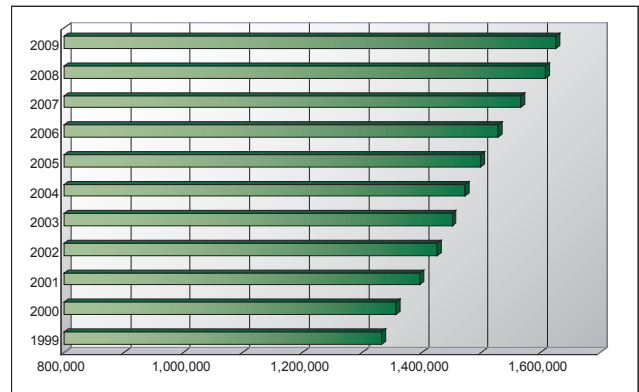


Pre-K Students in Georgia

K-12 PUBLIC SCHOOLS

\$210,770,249 to recognize a 1.09 percent increase in enrollment growth, bringing the total number of full time equivalent (FTE) students funded for FY 2009 to 1,625,306. This amount includes an increase of \$135,036,855 in the Department of Education's budget to recognize the increased training and experience of Georgia's teachers. Another \$6,373,221 is included to provide an alternative schooling option for 2,265 kindergarten through

eighth grade students through the state's first virtual charter school.

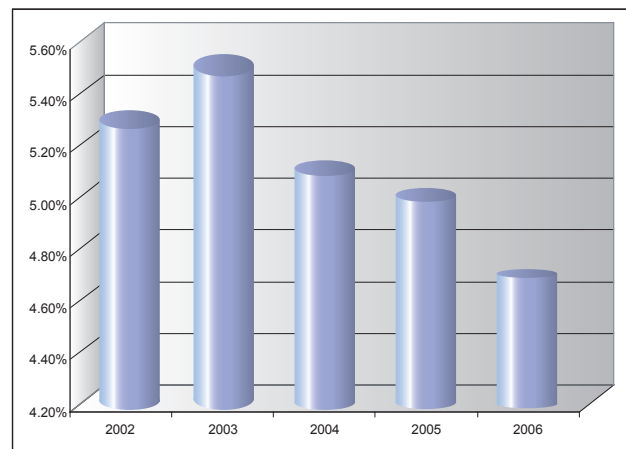


K-12 Enrollment in Georgia

\$537,820,376 in Equalization Grant funding has been provided to recognize the gap in wealth between school systems.

\$260,226 in additional funds to provide \$100 classroom gift cards to all full-time classroom teachers and media specialists within the K-12 system to purchase classroom and library supplies. More than 119,430 teachers and media specialists used these cards to purchase instructional materials in FY 2008.

\$14,250,000 to create a new parent support program for at-risk elementary, middle and high schools. These Very Important Parent (VIP) Recruiters will work to strengthen the greatest factor in a student's success – engaged parents and reduce the number of high school dropouts.

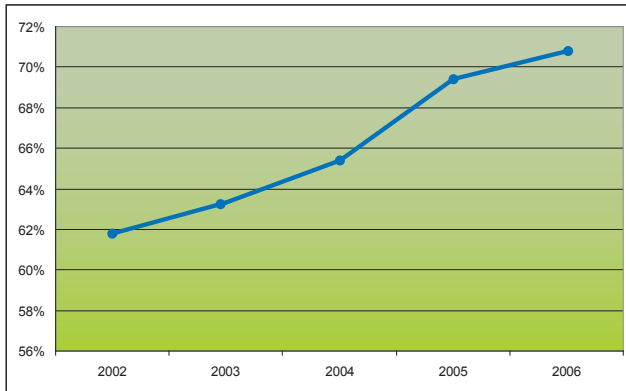


Dropout Rate in Georgia

\$14,452,408 in additional funds to expand the existing graduation coach program to all new middle and high schools. This program began in FY 2007 as an

FY 2009 BUDGET HIGHLIGHTS

innovative way to increase the high school graduation rate. The graduation coaches identify students who are at risk of dropping out of school and develop strategies and interventions to help these students graduate from high school. In the 2006-2007 school year graduation coaches were instrumental in decreasing the number of dropouts by over 2,200 students.



High School Graduation Rate in Georgia

\$1,998,000 to implement a new Math Mentor program.

\$304,490,000 in bonds for capital outlay construction in local school systems.

\$330,000 to provide new teachers with mentors during their first year of teaching. Veteran teachers with Master Teacher certification may earn \$500 per year to mentor one or two new teachers.

UNIVERSITY SYSTEM

\$114,715,169 is recommended to recognize a 3.36 percent increase in credit hours, bringing the total number of hours generated to 6,843,691. The credit hours were generated by a student body of 266,444 students engaged in post-secondary education activities. Both numbers represent an all-time high for the University System of Georgia (USG).

\$6,500,000 in additional funding for Georgia Gwinnett College (GGC) to assist with start up and accreditation requirements is recommended as part of the USG budget – GGC is the first new college in the University System since 1970. The first freshman class of 852 students started in the fall of 2007.

\$14,464,286 to provide the first year of funding for the Board of Regents' Retiree Health Benefit Fund to assist in meeting the Regents' OPEB liability.

\$1,000,000 to increase funding for books and materials for public libraries in addition to \$125,431 to

increase the public library state grants formula based on an increase in state population.

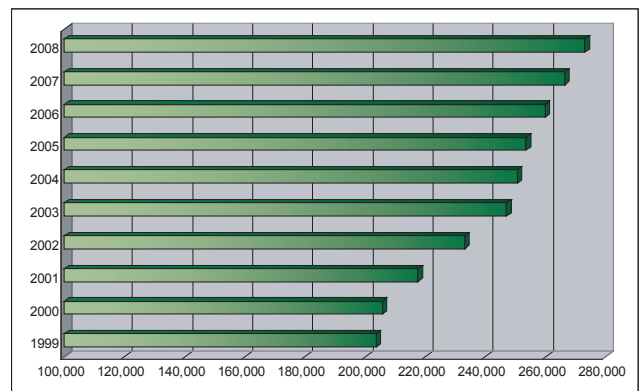
\$216,905,000 in bonds recommended for University System of Georgia (USG) capital outlay projects, specifically targeting Georgia's priority educational needs including a School of Dentistry at Medical College of Georgia, a nursing and health building at Gordon College, a new preparatory school at Georgia Military College, an Engineering Technology Center at Southern Polytechnic State University, and a teacher education building at Macon State College.

\$35,000,000 in cash and \$30,000,000 in general obligation bonds for major rehabilitation and renovation on USG's 35 campuses, representing an investment in the nearly 75 million square feet of real property operated and maintained by the University System.

\$700,000 for the Agricultural Experiment Station and \$300,000 for the Cooperative Extension Service to provide for ongoing maintenance and operating needs across the state.

\$800,000 to complete infrastructure improvements at the UGA-Griffin campus.

\$7,161,000 to expand Medical College of Georgia course offerings to regional campuses throughout Georgia to encourage an increase in medical school enrollment. \$159,000 to add 13 residency slots at teaching hospitals as part of an effort to increase the number of physicians practicing in underserved portions of the state. Currently, Georgia ranks 35th in the nation in physicians per capita.



Enrollment in the University System of Georgia

TECHNICAL AND ADULT EDUCATION

\$93,150,000 in bonds for new construction projects and equipment for the technical college system

FY 2009 BUDGET HIGHLIGHTS

capital outlay projects. This recommendation includes design and construction of a health sciences building at Central Georgia Technical College, construction of new Career Academies, and a life sciences building at Lanier Technical College.

STUDENT FINANCE

Increase Tuition Equalization Grants (TEG) from \$1,100 to \$1,200 per award to assist Georgia students attending private colleges and universities. Georgia has always recognized that private colleges and universities are important partners in ensuring Georgia students have access to higher education.

HEALTHY GEORGIA

Health care costs continue to be a major budgetary challenge to state government. Eligibility verification, utilization management and the implementation of managed care have allowed Georgia to reduce Medicaid appropriations by over \$70,000,000 in the last year without service or eligibility reductions. This has allowed the state to continue to provide quality care to its most vulnerable and needy populations.

This budget continues the diligent efforts made to contain increasing costs related to programs such as Medicaid and the State Health Benefit Plan, and investing in community-based solutions for consumers who will receive the best outcomes in such a setting. These recommendations are designed to best provide for Georgians in their most critical times of need.

BUDGET HIGHLIGHTS

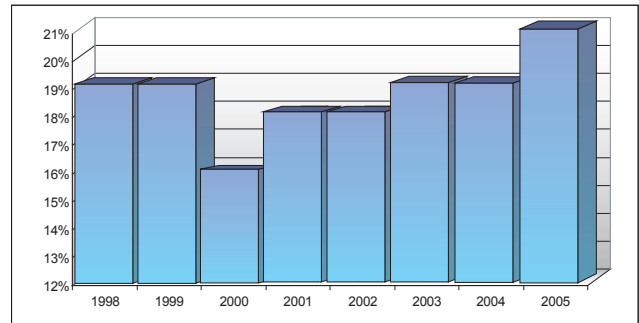
COMMUNITY HEALTH

\$17,296,679 to provide health insurance benefits to children enrolled in the PeachCare program.

\$30,000,000 in state funds (total funds: \$40,190,881) in addition to last year's investment of nearly \$147,000,000 in total funds to provide for Other Post Employment Benefits (OPEB) for retiree healthcare which will fund approximately 75 percent of the annual required contribution.

A 7.5 percent employee premium increase to more closely reflect a 75 percent employer/ 25 percent employee share of health care cost incurred, coupled with strategic health plan pricing as an incentive to employees to enroll in consumer driven health plans.

\$16,935,427 to implement the Health Insurance Partnership, providing small businesses and their employees' access to affordable health insurance, with the goal of decreasing the uninsured population by approximately 25,000 Georgians.



Uninsured in Georgia (Non-Elderly)

\$17,650,154 to more appropriately reimburse for capital expenditures incurred to upgrade Georgia nursing homes.

\$34,688,984 to provide for rate increases for hospitals, trauma hospitals, physicians and home health providers to maintain access and quality of care standards.

HUMAN RESOURCES

\$7,160,798 for public health grant-in-aid funding in order to stabilize the existing public health infrastructure, address health disparities, and to begin redistribution of funding based on population, poverty and uninsured rates.

\$21,000,000 for the state mental health hospitals to improve operations, quality of care and patient outcomes.

\$11,550,000 to fund community based mental health services in order to increase access, serve an additional 11,000 consumers, and mitigate the flow of mental health patients into state hospitals.

\$6,248,458 to fund 500 waiver slots for the Mental Retardation Waiver Program. This represents a continued commitment to the development of these services, as part of the over \$40,000,000 invested in the previous six fiscal years.

\$21,883,875 to satisfy the funding needs of Georgia's child welfare system, and provide appropriate protection and care for the child victims of neglect and abuse.

FY 2009 BUDGET HIGHLIGHTS

SAFE GEORGIA

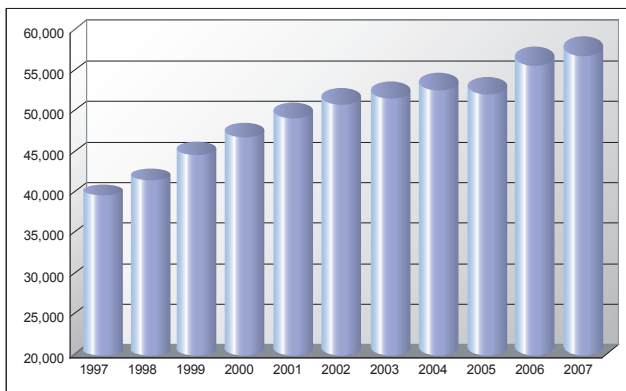
All Georgians should feel safe in their homes, on their streets, and in their communities. Government should provide the framework for this standard of security and confidence. These recommendations are designed to maintain a criminal justice system that can dispense justice swiftly and surely, and provide the law enforcement community with the tools and the resources to detect and prevent crimes, and to respond effectively when crimes do occur.

This budget supports the safety of Georgia's citizens by providing funding and services for those programs and initiatives that meet the performance expectations demanded by the people of this state. Funds are provided to ensure adequate bed space for both adult and juvenile offenders. In addition new funds provide for expanded rehabilitative services for youthful offenders.

BUDGET HIGHLIGHTS

CORRECTIONS

\$28,491,383 to provide the appropriate infrastructure and bed capacity for offenders in the Department of Corrections secure facilities across the state. This will provide over 2,300 secure beds.



Georgia DOC Facility Population

\$1,929,174 for 43 additional hearing officers to serve the 49 statewide judicial circuits under expansion of the probation management act to allow the department to apply swift and proportionate sanctions to violations of probation in order to reduce jail backlogs and make more efficient and effective use of alternatives.

\$5,270,885 to provide funding for 56 positions at 8 day reporting centers within the state as a means of providing intensive substance abuse treatment to probationers who have not responded to more traditional supervision and treatment efforts. This system can help to rehabilitate these individuals and successfully reduce recidivism rates.

GEORGIA BUREAU OF INVESTIGATION

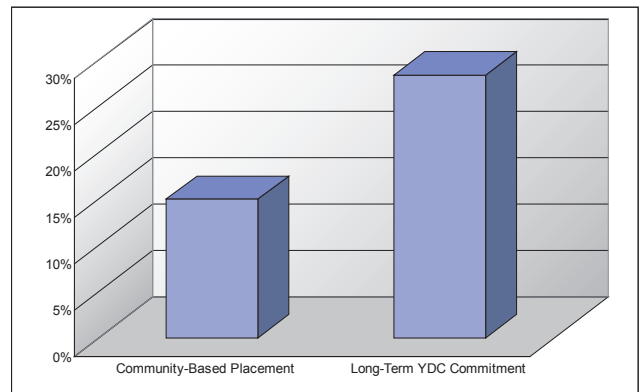
\$238,366 is recommended to expand DNA testing services and assist in the reduction of unsolved and other "cold" cases.

\$1,067,298 to create an Identity Theft Unit to protect Georgia's citizens from instances of identity theft and other cases of fraud and misrepresentation, and vigorously pursue offenders engaging in such activity.

JUVENILE JUSTICE

\$5,266,580 to provide necessary funding for the Institutional Foster Care system in light of changes in federal reimbursement policies.

\$3,199,738 in new funds and \$3,199,738 in existing funds to add 134 Juvenile Probation and Parole Specialist staff in the Community Supervision program to provide rehabilitative services to youth placed in non-secure community settings.



Three-Year Recidivism Rates for DJJ Youth

\$2,000,000 in the Children and Youth Coordinating Council to continue development of a system of care to coordinate delivery of community-based services for children with severe emotional disorders.

PUBLIC SAFETY

\$11,290,480 to provide necessary infrastructure and other investments for the Georgia State Patrol; including three trooper schools to recruit and train new staff, and funding to ensure existing staff are

FY 2009 BUDGET HIGHLIGHTS

able to effectively perform their duties and protect Georgia's roads and the people who travel them.

\$1,976,302 to provide funding for computer-aided dispatch and computer terminals in patrol vehicles; increasing the efficiency of state troopers.

GROWING GEORGIA

Georgia's vast natural and economic resources provide this state with a strong competitive advantage. However, this base must be continually developed and protected. A foundation of solid growth, built on policies that encourage business investment and job growth, has encouraged hundreds of thousands of people to choose Georgia as their home over the past decade. In just seven years, the state's population has increased by 1.4 million persons. Georgia is now the ninth most populous state in the nation, with a population exceeding 9.5 million.

These recommendations reflect the development needs of a rapidly growing state. They include investments in Georgia's economy by maintaining a business climate that sustains the state's existing companies, attracts new business, and empowers small businesses to grow and create jobs throughout the state. Similarly, they preserve the high quality of life Georgia's citizens expect by developing and protecting the state's unique and abundant natural resources.

BUDGET HIGHLIGHTS

TRANSPORTATION

\$131,204,202 in motor fuel funds for local roads, the second highest level of funding since FY 1999.

\$13,300,000 in bonds to purchase 28 clean-fuel buses for route expansion and service improvements and \$4,700,000 in bonds for right-of-way acquisition and construction of a park and ride lot for the Georgia Regional Transportation Authority's Xpress program. Xpress plays an important role in providing the Atlanta region's citizens a reliable commute alternative. Between FY 2006 and FY 2007, Xpress ridership more than doubled, increasing from 754,350 to 1,154,116.

\$230,000,000 in motor-fuel funded bonds for the Governor's Fast Forward program-- with the goal

of promoting short- and long-term congestion relief, spurring economic development, adding capacity to Georgia's highways, and improving the efficiency of the existing highway network.

\$50,000,000 in total funds for the State Transportation Infrastructure Bank (STIB), to be housed at the State Road and Tollway Authority; this is intended as a financial tool (a revolving loan fund) for local governments to accelerate projects to meet their economic and infrastructure needs for roads, bridges, transit, and airports.

\$500,000 to fund implementation of a freight logistics strategy to grow Georgia's logistics industry, spawn economic development, improve freight mobility, and guide future strategic investment in the state's transportation infrastructure.

NATURAL RESOURCES

\$30,000,000 in ongoing funding is recommended to acquire lands for the preservation and protection of Georgia's critical and essential watersheds and wildlife habitats within the Governor's Land Conservation program.

\$25,000,000 in bonds to fund the design and construction of public infrastructure improvements on Jekyll Island.

\$3,000,000 in bonds for the continued development of the Resaca Battlefield Historic Site in preparation for the Civil War commemoration and to support Georgia's cultural tourism efforts.

\$1,000,000 in bonds to renovate aging boat ramps, floating docks, and perform bulkhead repairs for multiple counties to provide Georgia anglers and boating enthusiasts with safe access to public waters is included in the Department of Natural Resources budget.

\$300,000 for the Metropolitan North Georgia Water Planning District to assist with mandated updates for water plans that will help ensure that Georgia's citizens have adequate drinking water demonstrates the commitment this budget makes to ensuring that the state's precious resources are appropriately and effectively managed.

\$675,000 to fill 15 vacant positions in wildlife management areas to provide for adequate law enforcement protection.

FY 2009 BUDGET HIGHLIGHTS

GEORGIA ENVIRONMENTAL FACILITIES AUTHORITY

\$30,000,000 in bonds for reservoirs and water system improvements throughout Georgia.

\$42,000,000 in bonds to fund statewide water and sewer infrastructure loans for local communities through the Georgia Fund program.

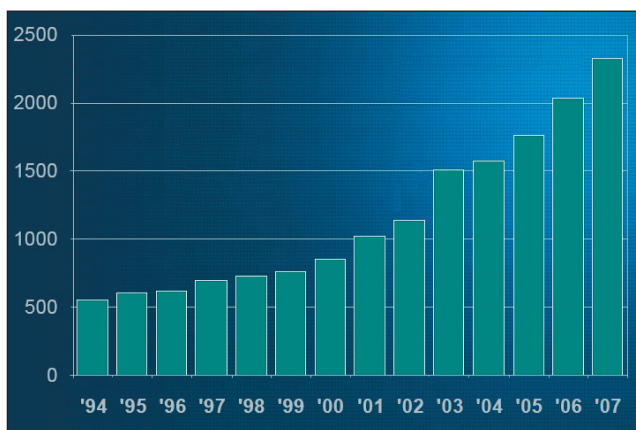
\$2,400,000 in bonds to provide the state match for the federal Clean Water State Revolving Fund for water and sewer infrastructure loans for local communities.

\$5,600,000 in bonds to provide the state match for the federal Drinking Water State Revolving Fund for water and sewer infrastructure loans for local communities.

ECONOMIC DEVELOPMENT

\$9,800,000 in bonds to acquire property, design, and construct additional parking at the Georgia World Congress Center.

\$52,000,000 in total funds, including \$17,000,000 in bonds, to finance dredging of the Savannah Harbor navigation channel from its current depth of 42 feet up to a depth of 48 feet. The Savannah Harbor expansion project will enable the Georgia Ports Authority to accommodate growing volumes of cargo, decrease transportation costs, increase productivity, and allow Georgia to capitalize on the opportunities and benefits connected with international trade.



Port of Savannah Container Throughput, in Thousands of TEUs

\$375,000 to fund the State of Georgia sponsorship of BIO 2009, the global event for biotechnology, with an anticipated attendance of more than 20,000.

BEST MANAGED STATE

Best managed means developing a culture of effectiveness and efficiency at all levels of government and finding innovative solutions to the most difficult problems facing Georgia and its people. A best managed state assesses the long-term implications of current and future policies and programs, provides decision-makers with quality data and information, and tracks progress and recognizes success.

This budget and its recommendations are evidence of a continuing effort to marry the budget development process with policy objectives and management best-practices that will improve efficiency, effectiveness, and outcomes for Georgia.

BUDGET HIGHLIGHTS

DRIVER SERVICES

\$478,173 to improve customer service by providing a comprehensive training and recruitment program for Department of Drivers Services' examiners.

\$1,591,023 to improve security and management of driver's license information and data to protect Georgia's citizens from instances of identity theft and other cases of fraud or misrepresentation.

REVENUE

\$1,210,020 to continue the development of the Department of Revenue's Data Warehouse, and increases the effectiveness and efficiency of the tax collection and revenue dispersal process. An additional \$10,750,000 in bond funding is recommended to aid in the development of this initiative by providing for the infrastructure needs these projects require.

\$10,497,034 in additional funds for the Homeowners Tax Relief Grant program.

FORESTRY COMMISSION

\$2,500,000 in bonds for fire fighting equipment so that rangers can continue to respond to fires in a timely manner, and work to contain them before they spread.

\$131,000 to reestablish the wildfire arson allowing the Commission to more aggressively pursue arsons and

FY 2009 BUDGET HIGHLIGHTS

other state burn law violations, resulting in a reduction in fires and property loss.

\$182,620 for two conservation foresters and two vehicles to assist landowners with land conservation easement donations resulting in increased property protected and preserved

OFFICE OF THE GOVERNOR

\$1,350,000 to improve customer service experiences across the state by enhancing the infrastructure of the state's Call Center and Knowledge Base, and expand the manner in which citizens may more readily access

the information they seek has been included in the Office of Consumer Affairs budget.

\$2,800,000 to fund the necessary management and recovery efforts related to fires, drought, and other natural disasters.

AVIATION AUTHORITY

\$18,400,000 in bonds to purchase one replacement airplane (King Air 350) and four replacement helicopters (Bell 407) for the Aviation Authority (*legislation pending*) to modernize fleet and achieve operational efficiencies across state government.



FINANCIAL SUMMARIES

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Statement of Financial Condition

| | June 30, 2006 | June 30, 2007 |
|---|----------------------------|----------------------------|
| ASSETS: | | |
| Cash and Cash Equivalents | \$6,555,716,746.08 | \$10,344,300,446.17 |
| Investments | 5,470,397,068.33 | 4,858,012,381.17 |
| Accounts Receivable | 264,834,149.40 | 172,010,512.31 |
| Other Assets | 4,096,940.68 | 0.00 |
| | \$12,295,044,904.49 | \$15,374,323,339.65 |
| LIABILITIES AND FUND EQUITY: | | |
| Liabilities: | | |
| Undrawn Appropriation Allotments | \$1,753,809,820.29 | \$1,098,839,555.70 |
| Undistributed Sales Tax | 109,400,000.00 | 140,700,000.00 |
| Unclaimed Bonds and Interest | 587,828.35 | 547,947.50 |
| Deferred Revenue | 0.00 | 7,177,729.18 |
| Funds Held for Others | 8,227,206,183.12 | 11,181,490,817.95 |
| | \$10,091,003,831.76 | \$12,428,756,050.33 |
| Fund Equity: | | |
| Fund Balances | | |
| Reserved: | | |
| Appropriation to Department of Transportation | \$62,081,604.77 | \$60,545,662.37 |
| Revenue Shortfall Reserve | 912,788,624.75 | 1,617,405,137.32 |
| Lottery for Education: | | |
| Restricted | 303,429,097.76 | 309,524,906.91 |
| Unrestricted | 440,784,391.15 | 569,613,782.90 |
| For Debt Service | 0.00 | 125,880,849.03 |
| Tobacco Settlement Funds | 167,511,505.08 | 156,882,526.54 |
| Guaranteed Revenue Debt Common Reserve Fund | 71,690,611.25 | 71,690,611.25 |
| For Unissued Debt | 245,676,937.97 | 24,983,639.00 |
| | \$2,203,962,772.73 | \$2,936,527,115.32 |
| Unreserved: | | |
| Undesignated Surplus | 78,300.00 | 9,040,174.00 |
| | \$2,204,041,072.73 | \$2,945,567,289.32 |
| Total Fund Equity | \$2,204,041,072.73 | \$2,945,567,289.32 |
| TOTAL LIABILITIES AND FUND EQUITY | \$12,295,044,904.49 | \$15,374,323,339.65 |

State Funds Surplus by Department

| Departments/Agencies | FY 2006 | FY 2007 |
|---|------------------------|-------------------------|
| General Assembly | \$2,690,253.78 | \$1,072,132.69 |
| Audits and Accounts, Department of | 345,570.55 | 538,326.82 |
| Judicial Branch | 521,105.86 | 346,798.67 |
| Accounting Office, State | 5,070.73 | 18,525.22 |
| Administrative Services, Department of | 233,180.39 | 2,451,590.84 |
| Agriculture, Department of | 105,230.01 | 14,298.92 |
| Banking and Finance, Department of | 358,133.39 | 27,907.50 |
| Community Affairs, Department of | 760,241.96 | 1,081,532.86 |
| Community Health, Department of | 8,671,964.53 | 69,344,281.39 |
| Corrections, Department of | 1,885,932.57 | 3,512,990.38 |
| Defense, Department of | 56,849.66 | 27,049.06 |
| Drivers Services, Department of | 97,742.25 | 705,080.32 |
| Bright from the Start: Early Care and Learning, Department of | 280.92 | 1,458.83 |
| Economic Development, Department of | 345,186.50 | 318,060.59 |
| Education, Department of | 10,806,643.46 | 8,172,469.64 |
| Forestry Commission, Georgia | 10,962.76 | 80,868.87 |
| Governor, Office of the | 5,611,544.76 | 1,010,586.80 |
| Human Resources, Department of | 7,047,970.69 | 10,458,265.36 |
| Insurance, Office of Commissioner of | 0.00 | 450,024.66 |
| Investigation, Georgia Bureau of | 92,754.02 | 160,054.33 |
| Juvenile Justice, Department of | 2,647,294.62 | 615,374.37 |
| Labor, Department of | 63,700.62 | 8,927.70 |
| Law, Department of | 329,773.40 | 164,321.29 |
| Natural Resources, Department of | 2,008,067.11 | 1,489,574.32 |
| Pardons and Paroles, State Board of | 98,257.37 | 153,184.81 |
| Properties Commission, State | 131,304.00 | 0.00 |
| Public Safety, Department of | 249,823.01 | 192,545.27 |
| Public Service Commission | 11,294.87 | 3,274.18 |
| Regents, University System of Georgia | 1,478,679.98 | 1,968,148.72 |
| Revenue, Department of | 943,617.64 | 3,798,396.08 |
| Secretary of State | 1,356,516.38 | 1,749,029.13 |
| Soil and Water Conservation Commission | 2,955.80 | 6,597.35 |
| Student Finance Commission, Georgia | 1,094.52 | 20,886.75 |
| Teachers' Retirement System | 292,205.57 | 262,570.50 |
| Technical and Adult Education, Department of | 408,999.68 | 404,658.75 |
| Transportation, Department of | 2,365,924.33 | 423,505.16 |
| Veterans Service, Department of | 954,098.51 | 0.00 |
| Workers' Compensation, State Board of | 20,740.92 | 20,994.57 |
| General Obligation Debt Sinking Fund | 78,300.00 | 4,520,174.00 |
| Total State General Funds Surplus | \$53,089,267.12 | \$115,594,466.70 |
| Audited State Funds Surplus, June 30 | \$53,089,267.12 | \$115,594,466.70 |
| Audited Lottery Funds Surplus, June 30 | 40,275,337.65 | 17,391,086.85 |
| Audited Motor Fuel Surplus, June 30 | | 4,520,000.00 |
| Audited Tobacco Funds Surplus, June 30 | 115,619.80 | 320,661.81 |
| TOTAL FUNDS SURPLUS | \$93,480,224.57 | \$137,826,215.36 |

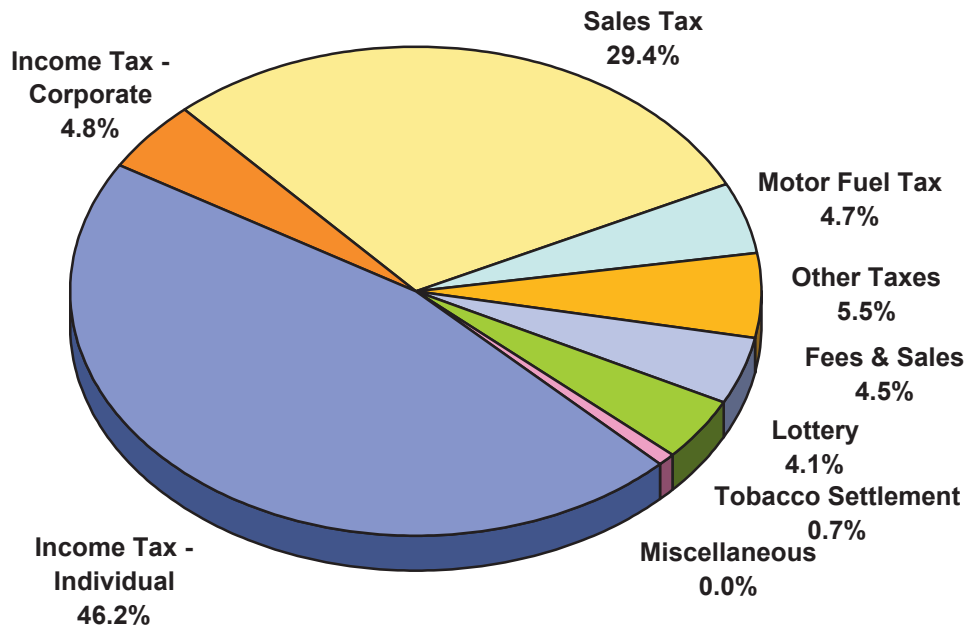
Georgia Revenues: FY 2005- FY 2007 and Estimated FY 2008 - FY 2009

| | FY 2005 Reported | FY 2006 Reported | FY 2007 Reported | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 1. General Funds | | | | | |
| Taxes: Revenue | | | | | |
| Income Tax - Individual | \$7,276,607,819 | \$8,021,933,827 | \$8,820,794,306 | \$9,287,733,409 | \$9,895,481,238 |
| Income Tax - Corporate | 729,640,400 | 862,730,327 | 1,019,117,939 | 1,006,491,000 | 1,023,261,200 |
| Sales and Use Tax-General | 5,215,447,136 | 5,711,915,442 | 5,915,521,040 | 6,030,988,430 | 6,300,840,102 |
| Motor Fuel* | 817,833,011 | 821,159,527 | 939,034,563 | 935,380,903 | 1,002,158,859 |
| Tobacco Taxes | 249,070,470 | 241,503,374 | 243,276,111 | 245,709,000 | 248,166,000 |
| Alcoholic Beverages Tax | 152,459,425 | 157,818,125 | 181,560,133 | 185,918,000 | 190,380,000 |
| Estate Tax | 42,930,113 | 12,786,407 | 1,426,030 | | |
| Property Tax | 66,489,431 | 72,138,489 | 77,842,189 | 83,429,813 | 88,852,098 |
| Taxes: Other | | | | | |
| Insurance Premium Tax | 331,612,139 | 342,982,442 | 341,745,785 | 338,486,958 | 346,949,132 |
| Motor Vehicle License Tax | 285,353,902 | 255,994,021 | 289,931,262 | 298,629,200 | 307,588,076 |
| Total Taxes | \$15,167,443,846 | \$16,500,961,980 | \$17,830,249,357 | \$18,412,766,713 | \$19,403,676,705 |
| Interest, Fees and Sales - Department of Revenue | 128,113,244 | 199,461,999 | 151,323,824 | 110,000,000 | 152,639,900 |
| Interest - Treasury and Fiscal Services | | | | | |
| Interest on Motor Fuel Deposits | 33,762,767 | 50,291,992 | 52,529,159 | 52,529,159 | 40,000,000 |
| Interest on all other Deposits | 14,969,917 | 55,249,378 | 105,403,055 | 80,000,000 | 60,000,000 |
| Interest Fees and Sales - Other | | | | | |
| Regulatory Fees and Sales | | | | | |
| Drivers Services | 50,403,174 | 61,896,306 | 63,494,126 | 64,000,000 | 64,000,000 |
| Natural Resources | 47,452,336 | 46,958,436 | 48,830,921 | 46,000,000 | 47,000,000 |
| Secretary of State | 53,524,647 | 60,063,070 | 65,830,011 | 60,000,000 | 60,000,000 |
| Labor Department | 31,444,019 | 32,291,937 | 32,616,320 | 30,000,000 | 29,500,000 |
| Human Resources | 17,637,660 | 9,021,409 | 28,534,965 | 26,100,000 | 26,100,000 |
| Banking and Finance | 20,682,946 | 22,814,714 | 22,125,811 | 19,637,900 | 20,137,900 |
| Corrections | 14,546,662 | 13,773,686 | 14,526,604 | 14,000,000 | 14,500,000 |
| Workers' Compensation | 13,700,314 | 16,196,305 | 16,431,405 | 17,165,000 | 17,500,000 |
| Public Service Commission | 2,073,149 | 1,140,575 | 2,066,311 | 1,140,000 | 1,140,000 |
| Nursing Home Provider Fees | 101,430,308 | 95,606,731 | 111,767,509 | 120,805,958 | 120,805,958 |
| Care Management Organization Fees | | 5,071,682 | 127,600,688 | 147,953,219 | 153,360,265 |
| Indigent Defense Fees | 27,526,643 | 37,422,286 | 43,304,260 | 43,304,260 | 43,304,260 |
| Peace Officers' and Prosecutors' Training Funds | 26,316,514 | 23,723,762 | 27,360,053 | 28,000,000 | 29,000,000 |
| All Other Departments | 62,968,520 | 106,813,340 | 96,447,261 | 91,521,683 | 94,181,038 |
| Total Regulatory Fees and Sales | \$646,552,820 | \$837,797,609 | \$1,010,192,282 | \$952,157,179 | \$973,169,321 |
| 2. Total General Funds | \$15,813,996,666 | \$17,338,759,589 | \$18,840,441,639 | \$19,364,923,892 | \$20,376,846,026 |
| 3. Lottery Funds | \$813,490,096 | \$847,970,098 | \$892,023,459 | \$841,554,506 | \$882,255,743 |
| 4. Tobacco Settlement Funds | 159,362,266 | 149,348,812 | 156,766,907 | 148,344,341 | 159,069,341 |
| 5. Brain and Spinal Injury Trust Fund | 1,689,400 | 4,560,600 | 3,007,691 | 1,968,993 | 1,968,993 |
| 6. Other | | | | | |
| a. Payments from Georgia Correctional Industries | | | | | 5,000,000 |
| b. Guaranteed Revenue Debt Interest | 1,387,202 | 2,546,934 | 3,736,864 | | |
| 7. Supplemental Fund Sources | | | | | |
| Mid-year Adjustment Reserve | | | | 188,404,416 | |
| TOTAL REVENUES AVAILABLE | \$16,789,925,631 | \$18,343,186,033 | \$19,895,976,559 | \$20,545,196,148 | \$21,425,140,103 |

*Fiscal Year 2007 reported collections reflect actual cash receipts collected by the Office of the Treasury and Fiscal Services and reported by the State Accounting Office for the Fiscal Year ending June 30, 2007. However, motor fuel collections as reported by the Department of Revenue are the basis for determining the mid-year appropriation of Motor Fuel Funds. For Fiscal Year 2007 this amount is \$927,572,644 (see Article III, Section IX, Paragraph VI of the Constitution of Georgia and OCGA 50-17-23 (b)(3)).

Georgia Estimated Revenues FY 2009

FY 2009 Estimated Revenues
Total: \$21,425,140,103



Summary of Appropriations

Governor's Recommendation - FY 2009

| Departments/Agencies | FY 2008 Current Budget | Changes | FY 2009 Recommended |
|---|---------------------------|--------------|------------------------|
| Legislative Branch | | | |
| Georgia Senate | \$10,942,603 | \$459,588 | \$11,402,191 |
| Georgia House of Representatives | 18,995,716 | 855,234 | 19,850,950 |
| Georgia General Assembly Joint Offices | 9,925,594 | 478,855 | 10,404,449 |
| Audits and Accounts, Department of | 34,642,067 | 1,124,330 | 35,766,397 |
| Judicial Branch | | | |
| Court of Appeals | 13,808,111 | 1,756,145 | 15,564,256 |
| Judicial Council | 16,198,503 | 2,121,660 | 18,320,163 |
| Juvenile Courts | 6,703,551 | 50,120 | 6,753,671 |
| Prosecuting Attorneys | 57,401,675 | 3,371,180 | 60,772,855 |
| Superior Courts | 60,845,688 | 4,724,966 | 65,570,654 |
| Supreme Court | 8,700,335 | 709,950 | 9,410,285 |
| Executive Branch | | | |
| Accounting Office, State | 7,205,916 | (1,525,456) | 5,680,460 |
| Administrative Services, Department of | 16,118,189 | (835,119) | 15,283,070 |
| Agriculture, Department of | 46,192,622 | 2,012,582 | 48,205,204 |
| Banking and Finance, Department of | 12,218,642 | 892,414 | 13,111,056 |
| Community Affairs, Department of | 140,821,229 | (14,552,999) | 126,268,230 |
| Community Health, Department of | 2,482,108,214 | 58,443,677 | 2,540,551,891 |
| Corrections, Department of | 1,100,549,710 | 92,372,940 | 1,192,922,650 |
| Defense, Department of | 11,344,298 | 230,598 | 11,574,896 |
| Driver Services, Department of | 61,420,009 | 2,923,875 | 64,343,884 |
| Bright from the Start: Early Care and Learning, Department of | 329,443,829 | 12,228,853 | 341,672,682 |
| Economic Development, Department of | 49,522,812 | (8,951,683) | 40,571,129 |
| Education, Department of | 7,806,980,808 | 393,496,235 | 8,200,477,043 |
| Employees' Retirement System | 4,674,801 | 101,525 | 4,776,326 |
| Forestry Commission, Georgia | 37,140,677 | 3,629,192 | 40,769,869 |
| Governor, Office of the | 46,716,383 | 5,729,909 | 52,446,292 |
| Human Resources, Department of | 1,563,191,298 | 126,242,839 | 1,689,434,137 |
| Insurance, Office of Commissioner of | 18,864,818 | 736,704 | 19,601,522 |
| Investigation, Georgia Bureau of | 74,268,077 | 2,532,804 | 76,800,881 |
| Juvenile Justice, Department of | 321,988,293 | 24,434,604 | 346,422,897 |
| Labor, Department of | 55,209,022 | 1,249,893 | 56,458,915 |
| Law, Department of | 18,446,804 | 1,837,646 | 20,284,450 |
| Natural Resources, Department of | 130,555,764 | 243,890 | 130,799,654 |
| Pardon and Paroles, State Board of | 55,612,881 | 2,636,156 | 58,249,037 |
| Properties Commission, State | 1,250,000 | (1,250,000) | 0 |
| Public Defender Standards Council, Georgia | 35,430,140 | 6,743,991 | 42,174,131 |
| Public Safety, Department of | 121,232,673 | 22,756,897 | 143,989,570 |
| Public Service Commission | 9,965,190 | 479,271 | 10,444,461 |
| Regents, University System of Georgia | 2,135,814,859 | 218,533,526 | 2,354,348,385 |
| Revenue, Department of | 554,241,659 | 18,175,582 | 572,417,241 |
| Secretary of State | 39,639,484 | 3,548,949 | 43,188,433 |

[Continued on next page]

Summary of Appropriations Governor's Recommendation - FY 2009

| Departments/Agencies | FY 2008 Current Budget | Changes | FY 2009 Recommended |
|---|---------------------------|------------------------|-------------------------|
| Soil and Water Conservation Commission | 3,517,863 | 86,269 | 3,604,132 |
| Student Finance Commission, Georgia | 556,920,642 | 28,568,121 | 585,488,763 |
| Teachers' Retirement System | 1,555,000 | (153,000) | 1,402,000 |
| Technical and Adult Education, Department of | 373,317,567 | 13,847,127 | 387,164,694 |
| Transportation, Department of | 773,787,194 | 77,332,661 | 851,119,855 |
| Veterans Service, Department of | 25,286,306 | (187,058) | 25,099,248 |
| Workers' Compensation, State Board of | 17,268,050 | 684,160 | 17,952,210 |
| General Obligation Debt Sinking Fund | 934,608,991 | 101,615,943 | 1,036,224,934 |
| TOTAL STATE FUNDS APPROPRIATIONS | \$20,212,594,557 | \$1,212,545,546 | \$21,425,140,103 |
| <u>Less:</u> | | | |
| Lottery Funds | 841,554,506 | 40,701,237 | 882,255,743 |
| Tobacco Settlement Funds | 148,344,341 | 10,725,000 | 159,069,341 |
| Brain and Spinal Injury Trust Fund | 3,063,194 | (1,094,201) | 1,968,993 |
| Motor Fuel Funds | 919,427,200 | 122,731,659 | 1,042,158,859 |
| TOTAL STATE GENERAL FUNDS APPROPRIATIONS | \$18,300,205,316 | \$1,039,481,851 | \$19,339,687,167 |

Summary of Appropriations: By Policy Area Governor's Recommendation - FY 2009

| Departments/Agencies | FY 2008 Current Budget | Changes | FY 2009 Recommended |
|---|---------------------------|----------------------|-------------------------|
| Educated Georgia | | | |
| Bright from the Start: Early Care and Learning, Department of | \$4,586,483 | \$68,051 | \$4,654,534 |
| Lottery Funds | 324,857,346 | 12,160,802 | 337,018,148 |
| Education, Department of | 7,806,980,808 | 393,496,235 | 8,200,477,043 |
| Regents, University System of Georgia | 2,130,064,859 | 217,033,526 | 2,347,098,385 |
| Tobacco Settlement Funds | 5,750,000 | 1,500,000 | 7,250,000 |
| Student Finance Commission, Georgia | 40,223,482 | 27,686 | 40,251,168 |
| Lottery Funds | 516,697,160 | 28,540,435 | 545,237,595 |
| Teachers' Retirement System | 1,555,000 | (153,000) | 1,402,000 |
| Technical and Adult Education, Department of | 373,317,567 | 13,847,127 | 387,164,694 |
| Total | \$11,204,032,705 | \$666,520,862 | \$11,870,553,567 |
| Healthy Georgia | | | |
| Community Health, Department of | \$2,428,284,558 | \$50,693,677 | \$2,478,978,235 |
| Tobacco Settlement Funds | 53,823,656 | 7,750,000 | 61,573,656 |
| Human Resources, Department of | 1,533,218,551 | 125,862,040 | 1,659,080,591 |
| Tobacco Settlement Funds | 26,909,553 | 1,475,000 | 28,384,553 |
| Brain and Spinal Injury Trust Fund | 3,063,194 | (1,094,201) | 1,968,993 |
| Veterans Service, Department of | 25,286,306 | (187,058) | 25,099,248 |
| Total | \$4,070,585,818 | \$184,499,458 | \$4,255,085,276 |
| Safe Georgia | | | |
| Corrections, Department of | \$1,100,549,710 | \$92,372,940 | \$1,192,922,650 |
| Defense, Department of | 11,344,298 | \$230,598 | 11,574,896 |
| Investigation, Georgia Bureau of | 74,268,077 | 2,532,804 | 76,800,881 |
| Juvenile Justice, Department of | 321,988,293 | 24,434,604 | 346,422,897 |
| Pardons and Paroles, State Board of | 55,612,881 | 2,636,156 | 58,249,037 |
| Public Safety, Department of | 121,232,673 | 22,756,897 | 143,989,570 |
| Total | \$1,684,995,932 | \$144,963,999 | \$1,829,959,931 |
| Best Managed State | | | |
| Georgia Senate | \$10,942,603 | \$459,588 | \$11,402,191 |
| Georgia House of Representatives | 18,995,716 | 855,234 | 19,850,950 |
| Georgia General Assembly Joint Offices | 9,925,594 | 478,855 | 10,404,449 |
| Audits and Accounts, Department of | 34,642,067 | 1,124,330 | 35,766,397 |
| Court of Appeals | 13,808,111 | 1,756,145 | 15,564,256 |
| Judicial Council | 16,198,503 | 2,121,660 | 18,320,163 |
| Juvenile Courts | 6,703,551 | 50,120 | 6,753,671 |
| Prosecuting Attorneys | 57,401,675 | 3,371,180 | 60,772,855 |
| Superior Courts | 60,845,688 | 4,724,966 | 65,570,654 |
| Supreme Court | 8,700,335 | 709,950 | 9,410,285 |
| Accounting Office, State | 7,205,916 | (1,525,456) | 5,680,460 |
| Administrative Services, Department of | 16,118,189 | (835,119) | 15,283,070 |
| Banking and Finance, Department of | 12,218,642 | 892,414 | 13,111,056 |
| Driver Services, Department of | 61,420,009 | 2,923,875 | 64,343,884 |
| Employees' Retirement System | 4,674,801 | 101,525 | 4,776,326 |

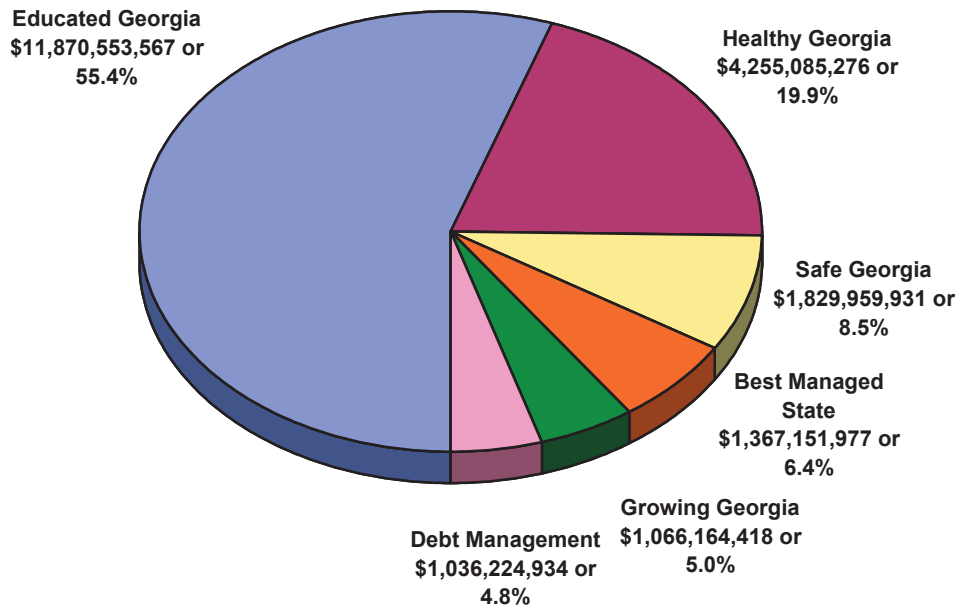
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Summary of Appropriations: By Policy Area Governor's Recommendation - FY 2009

| Departments/Agencies | FY 2008 Current Budget | Changes | FY 2009 Recommended |
|---|---------------------------|------------------------|-------------------------|
| Forestry Commission, Georgia | 37,140,677 | 3,629,192 | 40,769,869 |
| Governor, Office of the | 46,716,383 | 5,729,909 | 52,446,292 |
| Insurance, Office of the Commissioner of | 18,864,818 | 736,704 | 19,601,522 |
| Labor, Department of | 55,209,022 | 1,249,893 | 56,458,915 |
| Law, Department of | 18,446,804 | 1,837,646 | 20,284,450 |
| Natural Resources, Department of | 130,555,764 | 243,890 | 130,799,654 |
| Properties Commission, State | 1,250,000 | (1,250,000) | 0 |
| Public Defender Standards Council, Georgia | 35,430,140 | 6,743,991 | 42,174,131 |
| Public Service Commission | 9,965,190 | 479,271 | 10,444,461 |
| Revenue, Department of | 554,091,659 | 18,175,582 | 572,267,241 |
| Tobacco Settlement Funds | 150,000 | | 150,000 |
| Secretary of State | 39,639,484 | 3,548,949 | 43,188,433 |
| Soil and Water Conservation Commission | 3,517,863 | 86,269 | 3,604,132 |
| Workers' Compensation, State Board of | 17,268,050 | 684,160 | 17,952,210 |
| Total | \$1,308,047,254 | \$59,104,723 | \$1,367,151,977 |
| Growing Georgia | | | |
| Agriculture, Department of | \$46,192,622 | \$2,012,582 | \$48,205,204 |
| Community Affairs, Department of | 93,697,896 | (14,552,999) | 79,144,897 |
| Tobacco Settlement Funds | 47,123,333 | | 47,123,333 |
| Economic Development, Department of | 49,522,812 | (8,951,683) | 40,571,129 |
| Transportation, Department of | 23,372,316 | 1,190,023 | 24,562,339 |
| Motor Fuel Funds | 750,414,878 | 76,142,638 | 826,557,516 |
| Total | \$1,010,323,857 | \$55,840,561 | \$1,066,164,418 |
| Debt Management | | | |
| General Obligation Debt Sinking Fund | \$765,596,669 | \$55,026,922 | \$820,623,591 |
| Motor Fuel Funds | 169,012,322 | 46,589,021 | 215,601,343 |
| Total | \$934,608,991 | \$101,615,943 | \$1,036,224,934 |
| TOTAL STATE FUNDS APPROPRIATIONS | \$20,212,594,557 | \$1,212,545,546 | \$21,425,140,103 |
| <u>Less:</u> | | | |
| Lottery Funds | 841,554,506 | 40,701,237 | 882,255,743 |
| Tobacco Settlement Funds | 148,344,341 | 10,725,000 | 159,069,341 |
| Brain and Spinal Injury Trust Fund | 3,063,194 | (1,094,201) | 1,968,993 |
| Motor Fuel Funds | 919,427,200 | 122,731,659 | 1,042,158,859 |
| TOTAL STATE GENERAL FUNDS APPROPRIATIONS | \$18,300,205,316 | \$1,039,481,851 | \$19,339,687,167 |

State Funds by Policy Area Governor's Recommendation - FY 2009

**FY 2009 State Funds
Total: \$21,425,140,103**



Expenditures and Appropriations: State Funds

Governor's Recommendation - FY 2009

| Departments/Agencies | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Recommended |
|---|-------------------------|-------------------------|---------------------------|------------------------|
| Legislative Branch | | | | |
| Georgia Senate | \$8,524,126 | \$8,994,287 | \$10,942,603 | \$11,402,191 |
| Georgia House of Representatives | 15,682,309 | 16,307,150 | 18,995,716 | 19,850,950 |
| Georgia General Assembly Joint Offices | 11,740,696 | 8,665,862 | 9,925,594 | 10,404,449 |
| Audits and Accounts, Department of | 29,391,760 | 31,412,919 | 34,642,067 | 35,766,397 |
| Judicial Branch | | | | |
| Court of Appeals | 13,957,520 | 13,106,502 | 13,808,111 | 15,564,256 |
| Judicial Council | 13,015,495 | 13,439,083 | 16,198,503 | 18,320,163 |
| Juvenile Courts | 6,292,039 | 6,501,268 | 6,703,551 | 6,753,671 |
| Prosecuting Attorneys | 49,316,136 | 52,003,847 | 57,401,675 | 60,772,855 |
| Superior Courts | 52,307,860 | 54,235,096 | 60,845,688 | 65,570,654 |
| Supreme Court | 7,647,980 | 8,157,337 | 8,700,335 | 9,410,285 |
| Executive Branch | | | | |
| Accounting Office, State | 1,369,505 | 6,802,841 | 7,205,916 | 5,680,460 |
| Administrative Services, Department of | 24,069,430 | 21,306,672 | 16,118,189 | 15,283,070 |
| Agriculture, Department of | 42,777,970 | 42,906,900 | 46,192,622 | 48,205,204 |
| Banking and Finance, Department of | 10,710,388 | 11,555,308 | 12,218,642 | 13,111,056 |
| Community Affairs, Department of | 81,185,764 | 140,613,758 | 140,821,229 | 126,268,230 |
| Community Health, Department of | 2,005,735,654 | 2,077,745,248 | 2,482,108,214 | 2,540,551,891 |
| Corrections, Department of | 979,079,829 | 997,671,247 | 1,100,549,710 | 1,192,922,650 |
| Defense, Department of | 8,419,456 | 8,797,941 | 11,344,298 | 11,574,896 |
| Driver Services, Department of | 47,313,507 | 52,876,939 | 61,420,009 | 64,343,884 |
| Bright from the Start: Early Care and Learning, Department of | 293,936,119 | 313,635,532 | 329,443,829 | 341,672,682 |
| Economic Development, Department of | 31,376,666 | 34,714,269 | 49,522,812 | 40,571,129 |
| Education, Department of | 6,602,214,491 | 7,400,502,411 | 7,806,980,808 | 8,200,477,043 |
| Employees' Retirement System | 5,112,647 | 8,077,095 | 4,674,801 | 4,776,326 |
| Forestry Commission, Georgia | 33,425,411 | 33,922,187 | 37,140,677 | 40,769,869 |
| Governor, Office of the | 36,123,988 | 69,865,299 | 46,716,383 | 52,446,292 |
| Human Resources, Department of | 1,416,587,057 | 1,432,526,488 | 1,563,191,298 | 1,689,434,137 |
| Insurance, Office of Commissioner of | 16,131,375 | 17,236,944 | 18,864,818 | 19,601,522 |
| Investigation, Georgia Bureau of | 69,810,919 | 55,234,249 | 74,268,077 | 76,800,881 |
| Juvenile Justice, Department of | 284,895,413 | 293,901,429 | 321,988,293 | 346,422,897 |
| Labor, Department of | 53,797,214 | 50,359,884 | 55,209,022 | 56,458,915 |
| Law, Department of | 17,214,401 | 14,589,644 | 18,446,804 | 20,284,450 |
| Natural Resources, Department of | 114,091,951 | 106,154,306 | 130,555,764 | 130,799,654 |
| Pardons and Paroles, State Board of | 48,242,595 | 49,990,575 | 55,612,881 | 58,249,037 |
| Properties Commission, State | | | 1,250,000 | |
| Public Defender Standards Council, Georgia | 37,121,294 | 36,360,758 | 35,430,140 | 42,174,131 |
| Public Safety, Department of | 92,213,018 | 103,530,841 | 121,232,673 | 143,989,570 |
| Public Service Commission | 8,460,479 | 9,043,821 | 9,965,190 | 10,444,461 |
| Regents, University System of Georgia | 1,821,935,991 | 1,933,036,195 | 2,135,814,859 | 2,354,348,385 |
| Revenue, Department of | 524,713,155 | 537,144,924 | 554,241,659 | 572,417,241 |
| Secretary of State | 36,453,391 | 35,406,076 | 39,639,484 | 43,188,433 |
| Soil and Water Conservation Commission | 3,701,855 | 3,090,966 | 3,517,863 | 3,604,132 |
| Student Finance Commission, Georgia | 490,489,322 | 507,536,847 | 556,920,642 | 585,488,763 |

[Continued on next page]

Expenditures and Appropriations: State Funds Governor's Recommendation - FY 2009

| Departments/Agencies | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Recommended |
|---|-------------------------|-------------------------|---------------------------|-------------------------|
| Teachers' Retirement System | 1,687,794 | 1,497,430 | 1,555,000 | 1,402,000 |
| Technical and Adult Education, Department of | 329,477,420 | 336,782,686 | 373,317,567 | 387,164,694 |
| Transportation, Department of | 974,769,567 | 612,153,278 | 773,787,194 | 851,119,855 |
| Veterans Service, Department of | 21,281,385 | 23,409,505 | 25,286,306 | 25,099,248 |
| Workers' Compensation, State Board of | 15,706,280 | 16,079,599 | 17,268,050 | 17,952,210 |
| General Obligation Debt Sinking Fund | 863,830,091 | 953,134,753 | 934,608,991 | 1,036,224,934 |
| TOTAL STATE FUNDS APPROPRIATIONS | \$17,653,338,713 | \$18,562,018,196 | \$20,212,594,557 | \$21,425,140,103 |
| <u>Less:</u> | | | | |
| Lottery Funds | 744,885,910 | 780,468,189 | 841,554,506 | 882,255,743 |
| Tobacco Settlement Funds | 156,623,291 | 147,518,095 | 148,344,341 | 159,069,341 |
| Brain and Spinal Injury Trust Fund | 3,000,000 | 3,007,691 | 3,063,194 | 1,968,993 |
| Motor Fuel Funds | 1,117,226,624 | 750,028,692 | 919,427,200 | 1,042,158,859 |
| TOTAL STATE GENERAL FUNDS APPROPRIATIONS | \$15,631,602,888 | \$16,880,995,529 | \$18,300,205,316 | \$19,339,687,167 |

Note:

Program and fund source expenditure data for FY 2006 and FY 2007 included in this budget document were obtained from the Budgetary Compliance Report issued by the State Accounting Office and are for comparison purposes only. The Department of Audits and Accounts performed certain procedures, which are enumerated in the "Independent Accountant's Report on Applying Agreed-Upon Procedures," for the purpose of assessing the accuracy of the financial information contained within the Budgetary Compliance Report. Expenditure data should not be construed to present the financial position or results of the operations of the State of Georgia as a whole. Such information is presented in the State of Georgia Comprehensive Annual Financial Report and the State of Georgia Single Audit Report.

Expenditures and Appropriations: Total Funds

Governor's Recommendation - FY 2009

| Departments/Agencies | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Recommended |
|---|-------------------------|-------------------------|---------------------------|------------------------|
| Legislative Branch | | | | |
| Georgia Senate | 8,524,126 | 9,519,316 | 10,942,603 | \$11,402,191 |
| Georgia House of Representatives | 15,682,309 | 16,875,335 | 18,995,716 | 19,850,950 |
| Georgia General Assembly Joint Offices | 11,740,696 | 9,338,131 | 9,925,594 | 10,404,449 |
| Audits and Accounts, Department of | 29,391,760 | 31,412,919 | 34,642,067 | 35,766,397 |
| Judicial Branch | | | | |
| Court of Appeals | 14,087,849 | 13,257,444 | \$13,958,111 | 15,714,256 |
| Judicial Council | 15,242,460 | 15,726,805 | 19,048,050 | 18,320,163 |
| Juvenile Courts | 7,065,424 | 6,941,607 | 7,151,007 | 6,753,671 |
| Prosecuting Attorneys | 56,721,511 | 61,980,929 | 59,168,721 | 62,539,901 |
| Superior Courts | 52,393,121 | 54,290,096 | 60,845,688 | 65,570,654 |
| Supreme Court | 7,682,004 | 8,182,560 | 8,700,335 | 9,410,285 |
| Executive Branch | | | | |
| Accounting Office, State | 13,605,841 | \$17,624,732 | 16,464,688 | 14,939,232 |
| Administrative Services, Department of | \$164,782,628 | 166,295,762 | 165,929,280 | 156,791,162 |
| Agriculture, Department of | 57,889,015 | 55,177,704 | 54,926,632 | 59,639,214 |
| Banking and Finance, Department of | 10,835,388 | 11,555,308 | 12,218,642 | 13,111,056 |
| Community Affairs, Department of | 249,744,757 | 306,844,195 | 286,980,800 | 285,356,307 |
| Community Health, Department of | 9,193,396,033 | 10,465,304,482 | 11,457,296,223 | 12,435,539,988 |
| Corrections, Department of | 1,040,289,288 | 1,080,980,539 | 1,124,626,358 | 1,251,879,200 |
| Defense, Department of | 37,387,503 | 42,355,703 | 40,973,340 | 41,348,336 |
| Driver Services, Department of | 52,629,768 | 56,815,344 | 62,141,465 | 67,195,063 |
| Bright from the Start: Early Care and Learning, Department of | 412,220,745 | 434,265,528 | 451,305,508 | 463,788,568 |
| Economic Development, Department of | 34,291,911 | 34,734,513 | 49,543,056 | 40,591,373 |
| Education, Department of | 8,267,110,127 | 9,019,225,384 | 8,941,022,862 | 9,842,372,899 |
| Employees' Retirement System | 26,811,299 | 30,417,118 | 25,234,071 | 22,644,632 |
| Forestry Commission, Georgia | 50,249,660 | 81,508,708 | 50,670,582 | 54,299,774 |
| Governor, Office of the | 118,594,220 | 126,879,701 | 59,253,461 | 91,887,639 |
| Human Resources, Department of | 3,364,209,542 | 3,243,268,884 | 3,488,474,180 | 3,567,233,872 |
| Insurance, Office of Commissioner of | 17,146,393 | 17,767,742 | 19,916,605 | 20,653,309 |
| Investigation, Georgia Bureau of | 123,537,794 | 115,473,100 | 109,039,275 | 126,931,904 |
| Juvenile Justice, Department of | 308,275,962 | 320,421,886 | 343,268,352 | 362,818,881 |
| Labor, Department of | 399,465,803 | 402,581,303 | 353,640,288 | 422,321,160 |
| Law, Department of | 54,357,905 | 56,544,368 | 55,273,044 | 57,126,700 |
| Natural Resources, Department of | 279,934,086 | 294,376,061 | 165,611,317 | 291,481,240 |
| Pardons and Paroles, State Board of | 49,576,323 | 51,403,012 | 55,612,881 | 59,055,087 |
| Personnel Administration, State | 17,771,150 | 14,749,747 | 13,728,359 | 14,225,080 |
| Properties Commission, State | 3,261,962 | 6,059,809 | 2,249,895 | 3,891,416 |
| Public Defender Standards Council, Georgia | 57,349,002 | 67,108,875 | 40,265,178 | 43,874,131 |
| Public Safety, Department of | 135,483,412 | 152,425,779 | 138,944,014 | 187,403,647 |
| Public Service Commission | 9,110,487 | 9,717,313 | 10,414,190 | 11,114,461 |
| Regents, University System of Georgia | 4,406,198,236 | 4,669,324,384 | 5,077,824,782 | 5,402,841,345 |
| Revenue, Department of | 544,639,524 | 560,467,943 | 561,247,007 | 592,163,511 |
| Secretary of State | 41,755,222 | 39,510,960 | 41,139,767 | 44,688,716 |

[Continued on next page]

Expenditures and Appropriations: Total Funds Governor's Recommendation - FY 2009

| Departments/Agencies | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Recommended |
|--|-------------------------|-------------------------|---------------------------|-------------------------|
| Soil and Water Conservation Commission | 12,352,110 | 12,194,353 | 13,574,056 | 13,660,325 |
| Student Finance Commission, Georgia | 494,327,765 | 516,014,831 | 563,063,788 | 591,381,909 |
| Teachers' Retirement System | 22,846,853 | 24,552,894 | 27,906,456 | 28,008,781 |
| Technical and Adult Education, Department of | 533,716,890 | 549,366,689 | 523,117,567 | 637,279,694 |
| Transportation, Department of | 2,765,534,780 | 5,134,829,472 | 2,118,137,339 | 2,140,201,437 |
| Veterans Service, Department of | 34,111,900 | 45,374,292 | 37,206,185 | 36,076,627 |
| Workers' Compensation, State Board of | 16,232,694 | 16,662,438 | 17,268,050 | 18,152,210 |
| General Obligation Debt Sinking Fund | 863,830,091 | 953,134,753 | 934,608,991 | 1,036,224,934 |
| TOTAL FUNDS APPROPRIATIONS | \$34,503,395,329 | \$39,430,840,751 | \$37,753,496,426 | \$40,805,927,737 |

Total Debt Authorized by State Agency In General Obligation and Revenue Bonds

The following table sets forth by purpose the aggregate general obligation debt and guaranteed revenue debt authorized by the General Assembly of the State for the fiscal years ended June 30, 1975 through June 30, 2008. The amounts of such general obligation debt and guaranteed revenue debt actually issued through December 31, 2007 and the remaining amounts authorized but unissued have been aggregated for presentation in the third and fourth columns of this table and labeled "State Obligations Issued" and "Unissued Authorized Indebtedness."

| <u>Agency</u> | General Obligation Debt Authorized | Guaranteed Revenue Debt Authorized | State Obligations Issued | Unissued Authorized Indebtedness |
|---|---|---|---|---|
| Transportation | \$3,799,330,000 | \$755,245,000 | \$4,478,550,000 | \$76,025,000 |
| School Construction | 4,376,850,000 | | 4,087,860,000 | 288,990,000 |
| University Facilities | 3,427,988,000 | | 3,427,988,000 | |
| World Congress Center | 619,330,000 | | 619,330,000 | |
| Human Resources Facilities | 300,340,000 | | 300,340,000 | |
| Port Facilities | 596,425,000 | | 595,635,000 | 790,000 |
| Correctional Facilities | 799,440,000 | | 799,440,000 | |
| Public Safety Facilities | 66,745,000 | | 66,745,000 | |
| Georgia Bureau of Investigation | 80,575,000 | | 80,575,000 | |
| Georgia Department of Revenue | 18,325,000 | | 18,325,000 | |
| Department of Labor | 53,810,000 | | 53,810,000 | |
| Department of Natural Resources | 543,405,000 | | 533,475,000 | 9,930,000 |
| Technical and Adult Education | 996,057,000 | | 996,057,000 | |
| Environmental Facilities Authority | 431,000,000 | 97,470,000 | 528,470,000 | |
| Department of Administrative Services | 57,605,000 | | 57,605,000 | |
| Department of Agriculture | 32,530,000 | | 32,530,000 | |
| Georgia Building Authority | 499,740,000 | | 499,740,000 | |
| Stone Mountain Memorial Assn. | 48,400,000 | | 48,400,000 | |
| Department of Veterans Services | 12,345,000 | | 11,295,000 | 1,050,000 |
| Jekyll Island State Park Authority | 28,190,000 | | 28,190,000 | |
| Office of the Secretary of State | 55,050,000 | | 55,050,000 | |
| Department of Defense | 19,610,000 | | 14,825,000 | 4,785,000 |
| Department of Community Affairs | 8,200,000 | | 8,200,000 | |
| Department of Economic Development | 151,265,000 | | 151,265,000 | |
| Georgia Emergency Management Agency | 200,000 | | 200,000 | |
| State Soil & Water Conservation | 3,840,000 | | 3,840,000 | |
| Department of Juvenile Justice | 236,335,000 | | 236,335,000 | |
| Georgia Golf Hall of Fame | 6,000,000 | | 6,000,000 | |
| Georgia Forestry Commission | 17,235,000 | | 17,235,000 | |
| Georgia Agricultural Exposition Authority | 14,055,000 | | 14,055,000 | |
| Other | 31,600,000 | | 31,600,000 | |
| Subtotal | \$17,331,820,000 | \$852,715,000 | \$17,802,965,000 | \$381,570,000 |
| Net Increase resulting from the 1986B, 1992A, 1993E, GEFA Series 1997, GA 400 Tollway Series 1998, 1998E, 2004C, 2005B and 2007C refunding bond issues. | \$136,460,000 | \$6,925,000 | \$143,385,000 | |
| TOTAL | \$17,468,280,000 | \$859,640,000 | \$17,946,350,000 | \$381,570,000 |

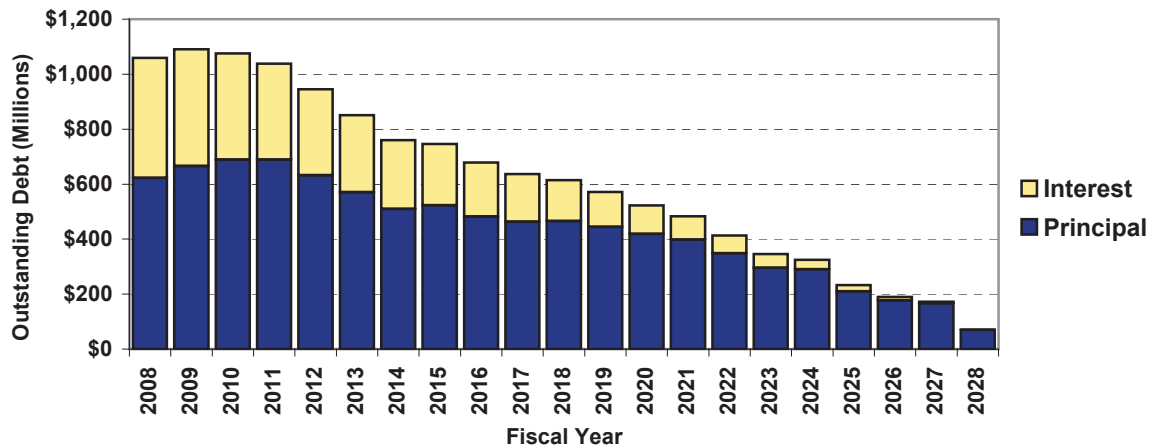
Source: Georgia State Financing and Investment Commission

Principal and Interest Owed On Outstanding Bonds

The following table sets forth the aggregate fiscal year debt service of the State of Georgia for all outstanding general obligation and guaranteed revenue debt as of December 30, 2007.

| Fiscal Year | General Obligation Debt Principal | Guaranteed Revenue Principal | Total Principal | Total Interest | Total Debt Service |
|--------------|---|------------------------------------|------------------------|------------------------|-------------------------|
| 2008 | \$583,745,000 | \$39,300,000 | \$623,045,000 | \$436,527,492 | \$1,059,572,492 |
| 2009 | 625,065,000 | 41,145,000 | 666,210,000 | 423,868,523 | 1,090,078,523 |
| 2010 | 645,455,000 | 43,120,000 | 688,575,000 | 387,355,276 | 1,075,930,276 |
| 2011 | 645,510,000 | 43,535,000 | 689,045,000 | 349,307,874 | 1,038,352,874 |
| 2012 | 584,905,000 | 47,675,000 | 632,580,000 | 313,077,324 | 945,657,324 |
| 2013 | 538,470,000 | 32,390,000 | 570,860,000 | 279,700,355 | 850,560,355 |
| 2014 | 475,785,000 | 34,125,000 | 509,910,000 | 250,265,006 | 760,175,006 |
| 2015 | 486,130,000 | 35,945,000 | 522,075,000 | 223,448,408 | 745,523,408 |
| 2016 | 443,800,000 | 37,840,000 | 481,640,000 | 196,497,904 | 678,137,904 |
| 2017 | 423,950,000 | 39,830,000 | 463,780,000 | 172,508,660 | 636,288,660 |
| 2018 | 423,580,000 | 41,925,000 | 465,505,000 | 148,973,121 | 614,478,121 |
| 2019 | 400,845,000 | 44,045,000 | 444,890,000 | 126,154,359 | 571,044,359 |
| 2020 | 372,205,000 | 46,305,000 | 418,510,000 | 104,574,190 | 523,084,190 |
| 2021 | 349,585,000 | 48,675,000 | 398,260,000 | 84,418,414 | 482,678,414 |
| 2022 | 326,605,000 | 21,545,000 | 348,150,000 | 65,574,290 | 413,724,290 |
| 2023 | 273,500,000 | 22,650,000 | 296,150,000 | 50,105,059 | 346,255,059 |
| 2024 | 265,485,000 | 23,810,000 | 289,295,000 | 35,736,044 | 325,031,044 |
| 2025 | 209,030,000 | | 209,030,000 | 23,443,988 | 232,473,988 |
| 2026 | 176,835,000 | | 176,835,000 | 13,053,575 | 189,888,575 |
| 2027 | 166,450,000 | | 166,450,000 | 5,711,375 | 172,161,375 |
| 2028 | 69,595,000 | | 69,595,000 | 1,018,763 | 70,613,763 |
| TOTAL | \$8,486,530,000 | \$643,860,000 | \$9,130,390,000 | \$3,691,319,997 | \$12,821,709,997 |

Source: Georgia State Financing and Investment Commission



* FY 2008 is debt outstanding as of June 30, 2007 plus all debt issued through December 31, 2007

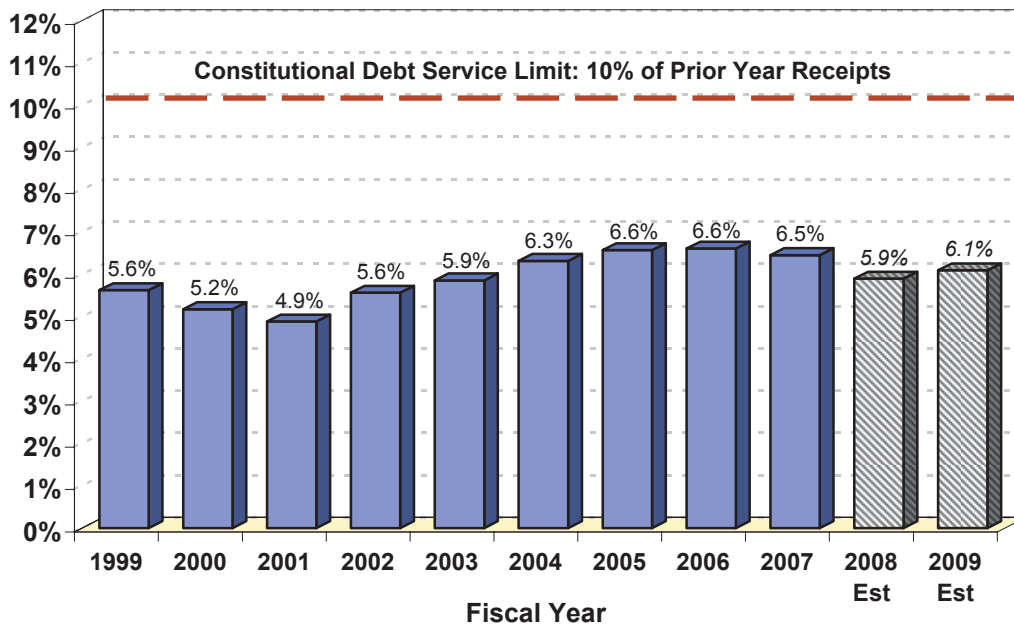
State Debt Service as a Percentage of Prior Year Net Treasury Receipts

The following sets forth the highest aggregate annual debt service (including recommended debt) as a percentage of the net treasury receipts for the prior fiscal year. Prior to FY 1984 the maximum percentage allowed by the Constitution was 15 percent.

| Fiscal Year | Highest Annual Debt Service | Prior Year Net Treasury Receipts | Percentage |
|-------------|--------------------------------|-------------------------------------|------------|
| 2009 (Est.) | \$1,251,895,334 | \$20,545,196,148 | 6.1% |
| 2008 (Est.) | 1,173,214,321 | 19,895,976,560 | 5.9% |
| 2007 | 1,183,981,964 | 18,343,186,033 | 6.5% |
| 2006 | 1,109,553,454 | 16,789,925,631 | 6.6% |
| 2005 | 1,020,462,428 | 15,530,262,707 | 6.6% |
| 2004 | 931,047,735 | 14,737,541,220 | 6.3% |
| 2003 | 885,771,950 | 15,126,479,334 | 5.9% |
| 2002 | 877,399,865 | 15,768,578,047 | 5.6% |
| 2001 | 730,856,404 | 14,959,980,702 | 4.9% |
| 2000 | 700,994,815 | 13,539,916,503 | 5.2% |
| 1999 | 702,079,328 | 12,478,602,944 | 5.6% |

Source: Debt Service from Georgia State Financing and Investment Commission

State Debt Service as Percentage of Prior Year Net Treasury Receipts

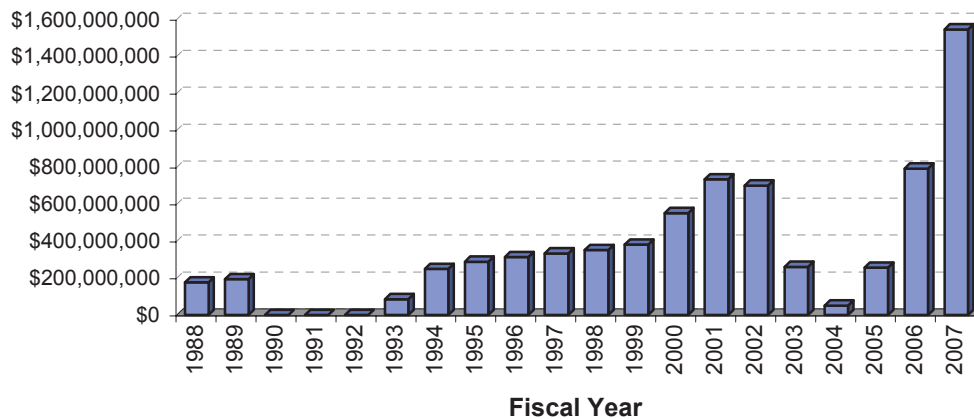


Revenue Shortfall Reserve

The 1976 session of the General Assembly created the Revenue Shortfall Reserve in lieu of the Working Reserve. This reserve acts as a savings account or "rainy day" fund for the state should revenue collections decline unexpectedly or uncontrollably. Current law provides that the reserve cannot exceed 10% of the previous fiscal year's net revenue. For each fiscal year, the General Assembly may appropriate an amount up to 1% of the net revenue collections of the preceding fiscal year for funding increased K-12 needs. In addition, the Governor has the authority to release funds from the reserve in excess of 4% of the net revenue of the preceding fiscal year. The chart for FY 2007 includes agency surplus collected after June 30, 2007 and does not include funds used for mid-year K-12 adjustment.

| Fiscal Year | Revenue Shortfall Reserve |
|-------------|---|
| 1988 | \$176,727,306 |
| 1989 | 194,030,593 |
| 1990 | - 0 - |
| 1991 | - 0 - |
| 1992 | - 0 - |
| 1993 | 85,537,891 <i>Partially filled</i> |
| 1994 | 249,484,896 <i>Partially filled</i> |
| 1995 | 288,769,754 |
| 1996 | 313,385,534 |
| 1997 | 333,941,806 |
| 1998 | 351,545,470 |
| 1999 | 380,883,294 |
| 2000 | 551,277,500 <i>Maximum increased from 3% to 4%</i> |
| 2001 | 734,449,390 <i>Maximum increased from 4% to 5%</i> |
| 2002 | 700,273,960 |
| 2003 | 260,600,570 <i>Partially filled</i> |
| 2004 | 51,577,479 <i>Partially filled</i> |
| 2005 | 256,664,658 <i>Partially filled (Statute changed to two tier method as described above)</i> |
| 2006 | 792,490,296 <i>Exceeds 4% of Net Revenue Collections</i> |
| 2007 | 1,544,595,188 <i>Exceeds 4% of Net Revenue Collections</i> |

Revenue Shortfall Reserve Amounts



Tobacco Settlement Funds

Governor's Recommendation

| Use of Tobacco Settlement Funds | | FY 2008 Current Budget | FY 2009 Recommendations |
|--|---------|---------------------------|----------------------------|
| RURAL ECONOMIC DEVELOPMENT | | | |
| OneGeorgia Authority | DCA | \$47,123,333 | \$47,123,333 |
| HEALTHCARE | | | |
| Direct Healthcare | | | |
| Medicaid (Includes expansion for pregnant women and infants) | DCH | 13,999,451 | 13,999,451 |
| Critical Access Hospital reimbursement | DCH | 3,500,000 | 3,500,000 |
| Rural Primary Care Access Initiative | DCH | 1,350,000 | 10,600,000 |
| Medicaid Inpatient Hospital Reimbursement | DCH | 30,000,000 | 30,000,000 |
| Community Care Services Program | DHR | 4,190,586 | 4,190,586 |
| Home and Community Based Services for the Elderly | DHR | 2,000,000 | 2,000,000 |
| Mental Retardation Waiver Programs | DHR | 10,256,358 | 10,256,358 |
| Suicide Prevention | DHR | 150,000 | 150,000 |
| Subtotal: | | \$65,446,395 | \$74,696,395 |
| Cancer Treatment and Prevention | | | |
| Smoking Prevention and Cessation | DHR | 3,205,245 | 3,205,245 |
| Regional Programs of Excellence (Funded in the Cancer Coalition Initiatives for FY 2009) | DCH | 1,500,000 | 0 |
| Breast and Cervical Cancer Treatment | DCH | 3,474,205 | 3,474,205 |
| Cancer Screening | DHR | 1,757,364 | 1,757,364 |
| Cancer Treatment for Low-Income Uninsured | DHR | 5,000,000 | 6,475,000 |
| Cancer Registry | DHR | 350,000 | 350,000 |
| Eminent Cancer Scientists and Clinicians | Regents | 8,050,000 | 8,050,000 |
| Eminent Cancer Scholar Endowment | Regents | 750,000 | 750,000 |
| MCG: Cancer Center Mission Enhancement | Regents | 5,000,000 | 5,000,000 |
| Coalition Staff | Regents | 1,454,466 | 1,454,466 |
| Cancer Coalition Initiatives | Regents | 5,083,333 | 6,583,333 |
| Enforcement/Compliance for Underage Smoking | DOR | 150,000 | 150,000 |
| Subtotal: | | \$35,774,613 | \$37,249,613 |
| Total - Healthcare | | \$101,221,008 | \$111,946,008 |
| TOTAL TOBACCO SETTLEMENT FUNDS | | \$148,344,341 | \$159,069,341 |
| <u>SUMMARY BY AGENCY</u> | | | |
| Department of Community Affairs (OneGeorgia Authority) | | \$47,123,333 | \$47,123,333 |
| Department of Community Health | | 53,823,656 | 61,573,656 |
| Department of Human Resources | | 26,909,553 | 28,384,553 |
| Regents, University System of Georgia | | 20,337,799 | 21,837,799 |
| Department of Revenue | | 150,000 | 150,000 |
| Total | | \$148,344,341 | \$159,069,341 |

Lottery Funds

Governor's Recommendation - Amended FY 2008 and FY 2009

| Budget Classes / Fund Sources | FY 2008 Current Budget | Amended FY 2008 Governor's Recommendations | FY 2009 Governor's Recommendations |
|--|---------------------------|--|--|
| Bright from the Start: Early Care and Learning, Department of | | | |
| Pre-Kindergarten - Grants | \$324,857,346 | \$324,857,346 | \$337,018,148 |
| Subtotal | <u>\$324,857,346</u> | <u>\$324,857,346</u> | <u>\$337,018,148</u> |
| Georgia Student Finance Commission | | | |
| HOPE Scholarships - Public Schools | \$338,950,936 | \$332,098,185 | \$354,733,920 |
| HOPE Scholarships - Private Colleges | 45,651,732 | 45,651,732 | 45,651,732 |
| HOPE Grant | 104,972,024 | 111,824,775 | 119,377,888 |
| Accel | 6,000,000 | 6,000,000 | 4,200,000 |
| HOPE GED | 2,461,614 | 2,461,614 | 2,461,614 |
| Georgia Military College Scholarship | 1,228,708 | 1,228,708 | 1,228,708 |
| Public Safety Memorial Grant | 255,850 | 255,850 | 255,850 |
| Teacher Scholarships | 5,332,698 | 5,332,698 | 5,332,698 |
| PROMISE Scholarships | 5,855,278 | 5,855,278 | 5,855,278 |
| Engineer Scholarships | 760,000 | 760,000 | 760,000 |
| HOPE Administration | 5,228,320 | 5,228,320 | 5,379,907 |
| Subtotal | <u>\$516,697,160</u> | <u>\$516,697,160</u> | <u>\$545,237,595</u> |
| TOTAL LOTTERY FOR EDUCATION | \$841,554,506 | \$841,554,506 | \$882,255,743 |

LOTTERY RESERVES

Georgia's lottery laws require the establishment of two reserves that are funded as a percentage of lottery collections to avoid disruption in programs should collections fall short of annual appropriations.

The Shortfall Reserve Subaccount was included in the original law and requires that an amount be set aside each year equal to 10% of the prior year's total lottery proceeds deposited into the Lottery for Education Account. If net funds in the account are not sufficient to meet appropriations, funds shall be drawn from the reserve to compensate for the shortage.

The lottery law was amended during the 1994 legislative session to require that a second reserve account within the Lottery for Education Account be established called the Scholarship Shortfall Reserve Subaccount.

The scholarship reserve law requires a reserve equal to 50% of the amount of scholarship proceeds disbursed during the preceding year be maintained.

The two lottery reserves as of June 30, 2007 total as follows:

| | |
|--|----------------------|
| Shortfall Reserve Subaccount | \$82,279,660 |
| Scholarship Shortfall Reserve Subaccount | <u>227,245,246</u> |
| TOTAL LOTTERY RESERVES | \$309,524,906 |

Salary Adjustments

Governor's Recommendation - FY 2009

Currently, Georgia is ranked 1st in the southeast for average teacher salaries. Governor Perdue continues to demonstrate his respect and appreciation for the hard work of teachers by providing a 2.5% pay raise for all teachers, which is in addition to the 3% salary increase that more than half of the teachers will earn due to progression on the teacher salary schedule. The Governor also understands that many teachers purchase classroom supplies out of their pockets, to ensure their students have the tools they need to learn. In recognition of this, the Governor is continuing to provide public school K-12 teachers in Georgia with a \$100 gift card to buy much needed classroom supplies. Also, the dedicated faculty and staff at the University System and Department of Technical and Adult Education will receive a 2.5% salary enhancement. Average faculty salaries in Georgia continue to rank near the top of SREB states and are nearly 98 percent of the national average. This increase will ensure that faculty salaries remain competitive.

Recruitment and retention of talented State employees continues to be one of the most important issues facing the public sector. Because we are faced with an increasingly competitive labor market it is important to ensure that our salaries and benefits remain commensurate with similar employers. Again this year, the Governor is recommending 1% of state personal services funds to be used for performance incentives. Critical job classifications that have been identified as more than 15% below market rate will be eligible for a supplemental salary adjustment. Additionally, special adjustments to selected job classes are being recommended to enhance our recruitment and retention efforts.

The Governor's vision of becoming the best managed state in the nation can only be achieved by employing the best employees. Therefore, the recommendations put forth by the Governor in this budget are focused on attracting, motivating, and retaining a high performing workforce.

| Description | Amount |
|---|----------------------|
| Pay Package | |
| 1. Provide a 2.5% increase to the state base salary on the teacher salary schedule for the State Board of Education effective September 1, 2008. This proposed 2.5% salary improvement is in addition to the salary increases awarded to certificated personnel through normal progression on the teacher salary schedule. Provide for a 2.5% increase for bus drivers and lunchroom workers effective July 1, 2008. | \$166,252,553 |
| 2. Provide a 2.5% funding level for merit-based increases for Regents faculty and Regents non-academic personnel effective January 1, 2009. Provide a 2.5% salary increase for public librarians effective January 1, 2009. | 24,562,713 |
| 3. Provide a 2.5% salary increase for faculty and non-academic personnel with the Department of Technical and Adult Education effective January 1, 2009. | 3,988,833 |
| 4. Provide for general salary increase of 2.5% for employees of the Executive and Legislative Branches effective January 1, 2009. The proposed salary adjustment for Executive Branch employees will be in conformance with the compensation and performance management plans promulgated by the State Personnel Board or as otherwise provided by law. Provide also for a cost-of-living adjustment as provided by O.C.G.A. code section 45-7-4(a) and (b). Additionally, provide 1% of state personal services funds to be used for performance incentives; and provide for a 3% structure adjustment to increase the minimum and maximum of the statewide salary plan. | 47,632,754 |
| 5. Provide for supplemental salary adjustments for employees paid less than 85% of market as of January 1, 2009 in identified critical job classifications to ensure that all incumbents in these job classifications as of January 1, 2009 are paid no less than a target market salary as identified by the State Personnel Administration. | 5,996,298 |
| 6. Provide for special adjustments to selected job classes to address turnover and recruitment issues as identified by the State Personnel Administration. | 5,392,346 |
| Total | \$253,825,497 |

Summary of Critical Job Classification Adjustments

Governor's Recommendation - FY 2009

| Departments/Agencies | Critical Job Classification Title |
|----------------------------------|---|
| Agriculture, Department of | Agriculture Inspector 1 Agriculture Manager 1 Plant Protection Field Agent Meat Inspector 1 |
| Driver Services, Department of | Driver Examiner 1 |
| Forestry Commission, Georgia | Forest Ranger, Chief Forester District |
| Human Resources, Department of | DFCS Medicaid Eligibility Specialist Family Independence Case Manager 1 Social Service Case Manager Social Service Case Manager, Associate Social Service Case Manager, Advanced Social Services Specialist Social Service Provider Hospital Health Services Technician 1 Nurse (Inpatient) Nurse Licensed Practical Inpatient |
| Juvenile Justice, Department of | Juvenile Correctional Lieutenant Juvenile Correctional Officer 1 Juvenile Correctional Officer 2 Juvenile Probation/Parole Specialist 1 |
| Natural Resources, Department of | Environmental Engineer 1 Environmental Specialist 1 Environmental Specialist 2 Parks Ranger 1 |
| Public Safety, Department of | Public Safety Training Instructor 3 Public Safety Training Instructor 4 Communications Equipment Officer 2 |

Note:

Job classifications were identified by the State Personnel Administration.

Summary of Special Job Classification Adjustments

Governor's Recommendation - FY 2009

| Departments/Agencies | Special Job Classification Title |
|--|---|
| Corrections, Department of | Correctional Officer |
| Drugs and Narcotics Agency, Georgia | Special Agent |
| Forestry Commission, Georgia | Ranger 1 / District Ranger |
| Investigation, Georgia Bureau of | Crime Lab Scientist 3 |
| Law, Department of | Attorneys |
| Physician Workforce, Georgia Board of | Administrative Assistant Manager 2 Outreach Coordinator Statistical Research Analyst |
| Soil and Water Conservation Commission | Administrative Assistant Deputy Executive Director Erosion and Sediment Control Specialist GIS Field Mapping Specialist Information Technology Coordinator Information Technology Project Specialist Personnel Representative Secretary 2 Secretary 3 Workshop Coordinator |

Note:

Job classifications were identified by the State Personnel Administration.

Summary of Authorized Positions Governor's Recommendation - FY 2009

| Departments/Agencies | FY 2007 | FY 2008 | FY 2009 |
|---|----------------|----------------|----------------|
| Accounting Office, State | 93 | 121 | 110 |
| Administrative Services, Department of | 992 | 873 | 859 |
| Agriculture, Department of | 840 | 844 | 844 |
| Banking and Finance, Department of | 149 | 149 | 149 |
| Community Affairs, Department of | 539 | 555 | 555 |
| Community Health, Department of | 507 | 529 | 529 |
| Corrections, Department of | 15,547 | 15,749 | 16,018 |
| Defense, Department of | 473 | 519 | 519 |
| Driver Services, Department of | 819 | 874 | 918 |
| Bright from the Start: Early Care and Learning, Department of | 198 | 198 | 197 |
| Economic Development, Department of | 202 | 207 | 207 |
| Education, Department of | 900 | 916 | 926 |
| Employees' Retirement System | 99 | 99 | 99 |
| Forestry Commission, Georgia | 687 | 687 | 691 |
| Governor, Office of the | 349 | 395 | 396 |
| Human Resources, Department of | 19,404 | 19,404 | 19,404 |
| Insurance, Office of Commissioner of | 310 | 310 | 310 |
| Investigation, Georgia Bureau of | 861 | 882 | 890 |
| Juvenile Justice, Department of | 4,386 | 4,693 | 4,760 |
| Labor, Department of | 3,890 | 3,894 | 3,899 |
| Law, Department of | 192 | 221 | 221 |
| Natural Resources, Department of | 1,854 | 1,859 | 1,869 |
| Pardons and Paroles, State Board of | 821 | 827 | 827 |
| Properties Commission, State | 295 | 295 | 300 |
| Public Defenders Standards Council, Georgia | | 404 | 416 |
| Public Safety, Department of | 1,996 | 1,996 | 1,997 |
| Public Service Commission | 101 | 100 | 100 |
| Regents, Board of | 37,972 | 38,463 | 38,472 |
| Revenue, Department of | 1,365 | 1,377 | 1,377 |
| Secretary of State | 448 | 464 | 467 |
| Soil and Water Conservation Commission | 61 | 60 | 60 |
| State Personnel Administration | 133 | 133 | 133 |
| Student Finance Commission, Georgia | 60 | 65 | 65 |
| Teachers' Retirement System | 189 | 190 | 190 |
| Technical and Adult Education, Department of | 5,500 | 5,500 | 5,500 |
| Transportation, Department of | 6,084 | 6,115 | 6,118 |
| Veterans Service, Department of | 134 | 134 | 137 |
| Workers' Compensation, State Board of | 166 | 166 | 166 |
| TOTAL | 108,616 | 110,267 | 110,695 |

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DEPARTMENT SUMMARIES

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Georgia Senate

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$10,942,603 | \$459,588 | \$11,402,191 |
| TOTAL STATE FUNDS | <u>\$10,942,603</u> | <u>\$459,588</u> | <u>\$11,402,191</u> |
| TOTAL FUNDS | \$10,942,603 | \$459,588 | \$11,402,191 |

Lieutenant Governor's Office

Recommended Change:

| | |
|--|----------|
| 1. Reflect the budget request of the Georgia Senate. | \$39,331 |
| Total Change | \$39,331 |

Secretary of the Senate's Office

Recommended Change:

| | |
|--|----------|
| 1. Reflect the budget request of the Georgia Senate. | \$27,031 |
| Total Change | \$27,031 |

Senate

Recommended Change:

| | |
|--|-----------|
| 1. Reflect the budget request of the Georgia Senate. | \$368,525 |
| Total Change | \$368,525 |

Senate Budget and Evaluation Office

Purpose: Provide budget development and evaluation expertise to the State Senate.

Recommended Change:

| | |
|--|----------|
| 1. Reflect the budget request of the Georgia Senate. | \$24,701 |
| Total Change | \$24,701 |

Georgia Senate

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|-------------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---------------------|
| Lieutenant Governor's Office | \$715,085 | \$835,957 | \$1,326,662 | \$1,365,993 | \$1,365,993 |
| Secretary of the Senate's Office | 1,117,842 | 1,020,762 | 1,307,366 | 1,334,397 | 1,334,397 |
| Senate | 5,833,222 | 6,794,966 | 7,260,970 | 7,629,495 | 7,629,495 |
| Senate Budget and Evaluation Office | 857,977 | 867,631 | 1,047,605 | 1,072,306 | 1,072,306 |
| TOTAL FUNDS | \$8,524,126 | \$9,519,316 | \$10,942,603 | \$11,402,191 | \$11,402,191 |
| <u>Less:</u> | | | | | |
| Other Funds | | \$525,029 | | | |
| Subtotal | \$0 | \$525,029 | \$0 | \$0 | \$0 |
| State General Funds | \$8,524,126 | \$8,994,287 | \$10,942,603 | \$11,402,191 | \$11,402,191 |
| TOTAL STATE FUNDS | \$8,524,126 | \$8,994,287 | \$10,942,603 | \$11,402,191 | \$11,402,191 |

The budget requests for the Georgia Senate, General Assembly Joint Offices, and Georgia House of Representatives are made available individually.

DESCRIPTION: The Constitution provides that the legislative power of the state shall be vested in the General Assembly, which consists of the Senate and the House of Representatives. The General Assembly convenes in regular session annually on the second Monday in January. With two exceptions, all bills may originate in either the Senate or the House of Representatives, but all bills must be passed by both branches and signed by the Governor before becoming law. The exceptions are bills raising revenue and bills that appropriate money, which can originate only in the House. In the event of the Governor's veto of any bill during a session, the bill can be overridden by two-thirds majority vote in both houses.

Georgia Senate

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|-------------------------------------|---------------------------|------------------|---------------------|
| Department Budget Summary | | | |
| State General Funds | \$10,942,603 | \$459,588 | \$11,402,191 |
| TOTAL STATE FUNDS | \$10,942,603 | \$459,588 | \$11,402,191 |
| TOTAL FUNDS | \$10,942,603 | \$459,588 | \$11,402,191 |
| Lieutenant Governor's Office | | | |
| State General Funds | \$1,326,662 | \$39,331 | \$1,365,993 |
| Total Funds | \$1,326,662 | \$39,331 | \$1,365,993 |
| Secretary of the Senate's Office | | | |
| State General Funds | \$1,307,366 | \$27,031 | \$1,334,397 |
| Total Funds | \$1,307,366 | \$27,031 | \$1,334,397 |
| Senate | | | |
| State General Funds | \$7,260,970 | \$368,525 | \$7,629,495 |
| Total Funds | \$7,260,970 | \$368,525 | \$7,629,495 |
| Senate Budget and Evaluation Office | | | |
| State General Funds | \$1,047,605 | \$24,701 | \$1,072,306 |
| Total Funds | \$1,047,605 | \$24,701 | \$1,072,306 |

Georgia House of Representatives

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$18,995,716 | \$855,234 | \$19,850,950 |
| TOTAL STATE FUNDS | <u>\$18,995,716</u> | <u>\$855,234</u> | <u>\$19,850,950</u> |
| TOTAL FUNDS | \$18,995,716 | \$855,234 | \$19,850,950 |

Georgia House of Representatives

Purpose: Provide services for the legislative branch of government.

Recommended Change:

| | | |
|----|---|-----------|
| 1. | Reflect the budget request of the Georgia House of Representatives. | \$855,234 |
| | Total Change | \$855,234 |

Georgia House of Representatives Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|----------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---------------------|
| Georgia House of Representatives | \$15,682,309 | \$16,875,335 | \$18,995,716 | \$19,850,950 | \$19,850,950 |
| TOTAL FUNDS | \$15,682,309 | \$16,875,335 | \$18,995,716 | \$19,850,950 | \$19,850,950 |
| <u>Less:</u> | | | | | |
| Other Funds | | \$568,185 | | | |
| Subtotal | \$0 | \$568,185 | \$0 | \$0 | \$0 |
| State General Funds | \$15,682,309 | \$16,307,150 | \$18,995,716 | \$19,850,950 | \$19,850,950 |
| TOTAL STATE FUNDS | \$15,682,309 | \$16,307,150 | \$18,995,716 | \$19,850,950 | \$19,850,950 |

The budget requests for the Georgia House of Representatives, General Assembly Joint Offices, and Georgia Senate are made available individually.

DESCRIPTION: The Constitution provides that the legislative power of the state shall be vested in the General Assembly, which consists of the Senate and the House of Representatives. The General Assembly convenes in regular session annually on the second Monday in January. With two exceptions, all bills may originate in either the Senate or the House of Representatives, but all bills must be passed by both branches and signed by the Governor before becoming law. The exceptions are bills raising revenue and bills that appropriate money, which can originate only in the House. In the event of the Governor's veto of any bill during a session, the bill can be overridden by two-thirds majority vote in both houses.

Georgia House of Representatives

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|----------------------------------|---------------------------|------------------|---------------------|
| Department Budget Summary | | | |
| State General Funds | \$18,995,716 | \$855,234 | \$19,850,950 |
| TOTAL STATE FUNDS | \$18,995,716 | \$855,234 | \$19,850,950 |
| TOTAL FUNDS | \$18,995,716 | \$855,234 | \$19,850,950 |
| Georgia House of Representatives | | | |
| State General Funds | \$18,995,716 | \$855,234 | \$19,850,950 |
| Total Funds | \$18,995,716 | \$855,234 | \$19,850,950 |

Georgia General Assembly Joint Offices

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$9,925,594 | \$478,855 | \$10,404,449 |
| TOTAL STATE FUNDS | <u>\$9,925,594</u> | <u>\$478,855</u> | <u>\$10,404,449</u> |
| TOTAL FUNDS | \$9,925,594 | \$478,855 | \$10,404,449 |

Ancillary Activities

Purpose: Provide services for the legislative branch of government.

Recommended Change:

- | | |
|--|-----------|
| 1. Reflect the budget request of the Georgia General Assembly Joint Offices. | \$418,959 |
| Total Change | \$418,959 |

Legislative Fiscal Office

Purpose: Act as the bookkeeper-comptroller for the legislative branch of government and maintain an account of legislative expenditures and commitments.

Recommended Change:

- | | |
|--|------------|
| 1. Reflect the budget request of the Georgia General Assembly Joint Offices. | (\$41,342) |
| Total Change | (\$41,342) |

Office of Legislative Counsel

Purpose: Provide bill-drafting services, advice and counsel for members of the General Assembly.

Recommended Change:

- | | |
|--|-----------|
| 1. Reflect the budget request of the Georgia General Assembly Joint Offices. | \$101,238 |
| Total Change | \$101,238 |

Georgia General Assembly Joint Offices Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|-------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---------------------|
| Ancillary Activities | \$7,227,410 | \$4,461,723 | \$4,234,402 | \$4,653,361 | \$4,653,361 |
| Legislative Fiscal Office | 2,112,449 | 2,299,897 | 2,687,623 | 2,646,281 | 2,646,281 |
| Office of Legislative Counsel | 2,400,837 | 2,576,511 | 3,003,569 | 3,104,807 | 3,104,807 |
| TOTAL FUNDS | \$11,740,696 | \$9,338,131 | \$9,925,594 | \$10,404,449 | \$10,404,449 |
| <u>Less:</u> | | | | | |
| Other Funds | | \$672,269 | | | |
| Subtotal | \$0 | \$672,269 | \$0 | \$0 | \$0 |
| State General Funds | \$11,740,696 | \$8,665,862 | \$9,925,594 | \$10,404,449 | \$10,404,449 |
| TOTAL STATE FUNDS | \$11,740,696 | \$8,665,862 | \$9,925,594 | \$10,404,449 | \$10,404,449 |

The budget requests for the General Assembly Joint Offices, Georgia House of Representatives, and Georgia Senate are made available individually.

DESCRIPTION: The Constitution provides that the legislative power of the state shall be vested in the General Assembly, which consists of the Senate and the House of Representatives. The General Assembly convenes in regular session annually on the second Monday in January. With two exceptions, all bills may originate in either the Senate or the House of Representatives, but all bills must be passed by both branches and signed by the Governor before becoming law. The exceptions are bills raising revenue and bills that appropriate money, which can originate only in the House. In the event of the Governor's veto of any bill during a session, the bill can be overridden by two-thirds majority vote in both houses.

Georgia General Assembly Joint Offices

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|----------------------------------|---------------------------|------------------|---------------------|
| Department Budget Summary | | | |
| State General Funds | \$9,925,594 | \$478,855 | \$10,404,449 |
| TOTAL STATE FUNDS | \$9,925,594 | \$478,855 | \$10,404,449 |
| TOTAL FUNDS | \$9,925,594 | \$478,855 | \$10,404,449 |
| | | | |
| Ancillary Activities | | | |
| State General Funds | \$4,234,402 | \$418,959 | \$4,653,361 |
| Total Funds | \$4,234,402 | \$418,959 | \$4,653,361 |
| | | | |
| Legislative Fiscal Office | | | |
| State General Funds | \$2,687,623 | (\$41,342) | \$2,646,281 |
| Total Funds | \$2,687,623 | (\$41,342) | \$2,646,281 |
| | | | |
| Office of Legislative Counsel | | | |
| State General Funds | \$3,003,569 | \$101,238 | \$3,104,807 |
| Total Funds | \$3,003,569 | \$101,238 | \$3,104,807 |

Department of Audits and Accounts

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$34,642,067 | \$1,124,330 | \$35,766,397 |
| TOTAL STATE FUNDS | \$34,642,067 | \$1,124,330 | \$35,766,397 |
| TOTAL FUNDS | \$34,642,067 | \$1,124,330 | \$35,766,397 |

Administration

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$20,531 |
| 2. Provide for a general salary increase of 4% effective January 1, 2009. | 21,972 |
| 3. Reduce funds to reflect operational efficiencies. | (2,157) |
| Total Change | \$40,346 |

Audits and Assurance Services

Purpose: Provide financial, performance, and information system audits.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$511,402 |
| 2. Provide for a general salary increase of 4% effective January 1, 2009. | 600,400 |
| 3. Reduce funds to reflect operational efficiencies. | (76,986) |
| Total Change | \$1,034,816 |

Legislative Services

Purpose: Provide information on retirement system services, promulgate statewide policies and procedures, and provide fiscal note services.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,390 |
| 2. Provide for a general salary increase of 4% effective January 1, 2009. | 2,534 |
| 3. Reduce funds to reflect operational efficiencies. | (1,492) |
| Total Change | \$3,432 |

Statewide Equalized Adjusted Property Tax Digest

Purpose: Establish an equalized adjusted property tax digest for each county and for the State as a whole for use in allocating state funds for public school systems.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$27,928 |
| 2. Provide for a general salary increase of 4% effective January 1, 2009. | 32,765 |
| 3. Reduce funds to reflect operational efficiencies. | (14,957) |
| Total Change | \$45,736 |

Department of Audits and Accounts

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Audits and Assurance Services | | | | |
| 1. Percentage of external peer reviews and internal quality assurance reviews that determines the department performs its engagements accurately and in compliance with applicable statutes and professional standards | 100% | 100% | 100% | 100% |
| 2. Number of subprograms that completed 90% of mandated or requested projects by specified guidelines | 7 of 8 | 7 of 8 | 8 of 8 | 8 of 8 |
| 3. Percentage of recommendations from performance audits that were implemented (fully or partially) as determined by follow-up reviews | 86% | 90% | 85% | 85% |
| Legislative Services | | | | |
| 1. Percentage of retirement certifications issued within five working days of initial request | 95% | 100% | 95% | 95% |
| 2. Percentage of non-tax fiscal notes completed during the legislative session in comparison to the number requested | 100% | 100% | 100% | 100% |
| 3. Percentage of actuarial investigations issued on or before the statutorily mandated November 1st deadline (Note: actuarial investigations are performed during the summer and fall following the first term of the biennial legislative session. Therefore, performance measurement data is only captured every other year.) | 96% | 100% | 100% | 100% |
| Statewide Equalized Adjusted Property Tax Digest | | | | |
| 1. Percent of statutorily mandated sales ratio studies and reports available to the Office of Planning and Budget, Department of Education, and Department of Revenue issued within required deadlines | 100% | 100% | 100% | 100% |

Department of Audits and Accounts

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---------------------|
| Administration | \$1,556,026 | \$1,564,050 | \$1,697,528 | \$1,737,874 | \$1,737,874 |
| Audits and Assurance Services | 25,755,479 | 27,655,477 | 30,554,156 | 31,588,972 | 31,588,972 |
| Legislative Services | 100,288 | 106,426 | 121,985 | 125,417 | 125,417 |
| Statewide Equalized Adjusted Property Tax Digest | 1,979,967 | 2,086,966 | 2,268,398 | 2,314,134 | 2,314,134 |
| TOTAL FUNDS | <u>\$29,391,760</u> | <u>\$31,412,919</u> | <u>\$34,642,067</u> | <u>\$35,766,397</u> | <u>\$35,766,397</u> |
| State General Funds | \$29,391,760 | \$31,412,919 | \$34,642,067 | \$35,766,397 | \$35,766,397 |
| TOTAL STATE FUNDS | \$29,391,760 | \$31,412,919 | \$34,642,067 | \$35,766,397 | \$35,766,397 |
| Positions | 350 | 353 | 358 | 358 | 358 |
| Motor Vehicles | 95 | 95 | 95 | 95 | 95 |

The budget request for the Department of Audits and Accounts is included in the Governor's recommendation as submitted for FY 2009.

EXPLANATION OF REQUEST: The Department of Audits and Accounts request includes a 4% pay raise effective January 1, 2009, an annualizer for the FY 2008 salary adjustment, as well as operational efficiencies.

The Department of Audits and Accounts performs the following functions: (1) annual audits and reviews of state agencies, authorities, retirement systems and state colleges and universities; (2) annual financial audits of local boards of education, regional and local libraries; (3) performance audits on the efficiency and effectiveness of state programs and activities; (4) program evaluations to assist the General Assembly in establishing an ongoing review and evaluation of all programs and functions of state government; (5) financial and program audits on Medicaid providers, legislation, and (6) prepare an equalized property tax digest for public school funding.

Department of Audits and Accounts

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|--|---------------------------|--------------------|---------------------|
| Department Budget Summary | | | |
| State General Funds | \$34,642,067 | \$1,124,330 | \$35,766,397 |
| TOTAL STATE FUNDS | \$34,642,067 | \$1,124,330 | \$35,766,397 |
| TOTAL FUNDS | \$34,642,067 | \$1,124,330 | \$35,766,397 |
| Administration | | | |
| State General Funds | \$1,697,528 | \$40,346 | \$1,737,874 |
| Total Funds | \$1,697,528 | \$40,346 | \$1,737,874 |
| Audits and Assurance Services | | | |
| State General Funds | \$30,554,156 | \$1,034,816 | \$31,588,972 |
| Total Funds | \$30,554,156 | \$1,034,816 | \$31,588,972 |
| Legislative Services | | | |
| State General Funds | \$121,985 | \$3,432 | \$125,417 |
| Total Funds | \$121,985 | \$3,432 | \$125,417 |
| Statewide Equalized Adjusted Property Tax Digest | | | |
| State General Funds | \$2,268,398 | \$45,736 | \$2,314,134 |
| Total Funds | \$2,268,398 | \$45,736 | \$2,314,134 |

Court of Appeals

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$13,808,111 | \$1,756,145 | \$15,564,256 |
| TOTAL STATE FUNDS | \$13,808,111 | \$1,756,145 | \$15,564,256 |
| Other Funds | 150,000 | | 150,000 |
| TOTAL FUNDS | \$13,958,111 | \$1,756,145 | \$15,714,256 |

Department Statewide Budget Changes (Information Only):

State General Funds:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$212,303 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 222,811 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 124,574 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (13,386) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 48,698 |
| Total Change | \$595,000 |

Court of Appeals

Purpose: Review and exercise appellate and certiorari jurisdiction in all cases not reserved to the Supreme Court or conferred on other courts by law.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$212,303 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 222,811 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 124,574 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (13,386) |
| 5. Increase the GBA real estate rental rate for office space. | 48,698 |
| 6. Fund increases in operating expenses. | 234,068 |
| 7. Provide funds for a public information officer to conduct research, analysis, and public contact work. | 145,518 |
| 8. Delete one-time funding for a disaster recovery plan. | (30,000) |
| 9. Provide funds for a salary scale adjustment for staff attorneys including longevity steps and two additional steps to help recruit and maintain top attorneys. | 213,100 |
| 10. Provide funds for security for judges and staff. | 70,073 |
| 11. Add one receptionist position to provide information to the public, as well as provide additional security for judges. | 76,627 |
| 12. Provide additional real estate rental funding due to additional space acquired and an increase in square footage costs. | 258,530 |
| 13. Replace the court's docket system to improve access and provide simultaneous access through electronic case files. | 147,900 |
| 14. Provide funds for e-file initiative to allow court documents to be filed electronically. | 45,329 |
| Total Change | \$1,756,145 |

Court of Appeals Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|--------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---------------------|
| Court of Appeals | \$14,087,849 | \$13,257,444 | \$13,958,111 | \$15,714,256 | \$15,714,256 |
| TOTAL FUNDS | \$14,087,849 | \$13,257,444 | \$13,958,111 | \$15,714,256 | \$15,714,256 |
| <u>Less:</u> | | | | | |
| Other Funds | \$130,329 | \$150,942 | \$150,000 | \$150,000 | \$150,000 |
| Subtotal | \$130,329 | \$150,942 | \$150,000 | \$150,000 | \$150,000 |
| State General Funds | \$13,957,520 | \$13,106,502 | \$13,808,111 | \$15,564,256 | \$15,564,256 |
| TOTAL STATE FUNDS | \$13,957,520 | \$13,106,502 | \$13,808,111 | \$15,564,256 | \$15,564,256 |

The budget request for the Court of Appeals is included in the Governor's recommendation as submitted for FY 2009.

Court of Appeals

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|----------------------------------|---------------------------|--------------------|---------------------|
| Department Budget Summary | | | |
| State General Funds | \$13,808,111 | \$1,756,145 | \$15,564,256 |
| TOTAL STATE FUNDS | \$13,808,111 | \$1,756,145 | \$15,564,256 |
| Other Funds | 150,000 | | 150,000 |
| TOTAL FUNDS | \$13,958,111 | \$1,756,145 | \$15,714,256 |
| | | | |
| Court of Appeals | | | |
| State General Funds | \$13,808,111 | \$1,756,145 | \$15,564,256 |
| Other Funds | 150,000 | | 150,000 |
| Total Funds | \$13,958,111 | \$1,756,145 | \$15,714,256 |

Judicial Council

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | <u>Changes</u> | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | | <u>Recommendation</u> |
| State General Funds | \$16,198,503 | \$2,121,660 | \$18,320,163 |
| TOTAL STATE FUNDS | \$16,198,503 | \$2,121,660 | \$18,320,163 |
| Federal Funds | 2,227,953 | (2,227,953) | 0 |
| Other Funds | 621,594 | (621,594) | 0 |
| TOTAL FUNDS | \$19,048,050 | (\$727,887) | \$18,320,163 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$117,691 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 119,387 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 76,603 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (8,174) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 29,018 |
| Total Change | \$334,525 |

Appellate Resource Center

Purpose: Provide representation to all death penalty-sentenced inmates in habeas proceedings.

Recommended Change:

| | |
|---|-----------|
| 1. Provide funds for litigation costs and one attorney for the Appellate Resource Center. | \$105,000 |
| Total Change | \$105,000 |

Georgia Office of Dispute Resolution

Purpose: Oversee the development of court-connected alternative dispute resolution programs in Georgia.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$3,912 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 4,364 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,800 |
| 4. Restore operating funds. | 250,000 |
| 5. Reduce other funds (\$185,679) to reflect projected expenditures. | Yes |
| Total Change | \$261,076 |

Institute of Continuing Judicial Education

Purpose: Provide basic training and continuing education to elected officials, court support personnel, and volunteer agents of the state's judicial branch.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$18,311 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 8,547 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,484 |
| 4. Provide funding to the Institute of Continuing Judicial Education for training of five new judges. | 17,500 |
| 5. Provide funds for the court administrators professional certificate program (\$77,296) and for Magistrate Court judicial education products (\$100,000). | 177,296 |
| 6. Reduce other funds (\$202,530) due to projected expenditures. | Yes |
| Total Change | \$227,138 |

Judicial Council

FY 2009 Program Budgets

Judicial Council

Purpose: Assist judges, administrators, clerks of court, and other officers and employees of the court pertaining to matters relating to court administration, provided that \$2,150,000 is designated for Drug and DUI Courts.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$92,675 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 103,360 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 66,319 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (8,174) |
| 5. Increase the GBA real estate rental rate for office space. | 29,018 |
| 6. Reduce federal funds (\$2,227,953) and other funds (\$233,385) to reflect projected expenditures. | Yes |
| 7. Reduce one-time funding for the child support calculator changes and for the mock trial competition. | (215,000) |
| 8. Add two juvenile law assistants for two judicial circuits to increase Title IV-E reimbursements. | 115,236 |
| 9. Provide funds for mental health court summits to provide information dissemination to improve responses to individuals with mental illness who come into contact with the criminal justice system. | 25,350 |
| 10. Fund a pilot project for the Appalachian Circuit Family Law Information Center to serve Fannin, Gilmer, and Pickens counties. | 124,276 |
| 11. Provide support funding for the Supreme Court Commission on Children, Marriage, and Family Law. | 104,718 |
| 12. Add one full-time compliance coordinator for the Board of Court Reporting (\$28,232) and one quality assessment and evaluation coordinator for the Commission on Interpreters (\$49,316). | 77,548 |
| 13. Provide funds to implement three new drug courts, Drug Court Planning Initiative (DCPI) training for eight drug court teams, and a statewide evaluation for adult felony drug courts. | 395,632 |
| 14. Fund two new DUI courts. | 199,656 |
| 15. Provide funds for the magistrate benchbook and newsletter for the Council of Magistrate Court Judges. | 17,500 |
| 16. Provide funds for national mock trial program and one law clerk position for the Council of State Court Judges. | 91,500 |
| 17. Provide funds for statewide standards and data sharing program for the Courts Automation Commission. | 300,923 |
| Total Change | \$1,520,537 |

Judicial Qualifications Commission

Purpose: Discipline, remove, and cause involuntary retirement of judges.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,793 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 3,116 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,000 |
| Total Change | \$7,909 |

Judicial Council

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---------------------|
| Appellate Resource Center | \$800,000 | \$800,000 | \$800,000 | \$905,000 | \$905,000 |
| Georgia Office of Dispute Resolution | 362,429 | 371,417 | 330,322 | 405,719 | 405,719 |
| Institute of Continuing Judicial Education | 1,334,210 | 1,330,632 | 1,311,827 | 1,336,435 | 1,336,435 |
| Judicial Council | 12,487,775 | 12,959,647 | 16,303,302 | 15,362,501 | 15,362,501 |
| Judicial Qualifications Commission | 258,046 | 265,109 | 302,599 | 310,508 | 310,508 |
| TOTAL FUNDS | \$15,242,460 | \$15,726,805 | \$19,048,050 | \$18,320,163 | \$18,320,163 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$1,613,350 | \$1,766,616 | \$2,227,953 | | |
| Other Funds | 613,615 | 521,106 | 621,594 | | |
| Subtotal | \$2,226,965 | \$2,287,722 | \$2,849,547 | \$0 | \$0 |
| State General Funds | \$13,015,495 | \$13,439,083 | \$16,198,503 | \$18,320,163 | \$18,320,163 |
| TOTAL STATE FUNDS | \$13,015,495 | \$13,439,083 | \$16,198,503 | \$18,320,163 | \$18,320,163 |

The budget request for the Judicial Council is included in the Governor's recommendation as submitted for FY 2009.

Judicial Council

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|--|---------------------------|--------------------|---------------------|
| Department Budget Summary | | | |
| State General Funds | \$16,198,503 | \$2,121,660 | \$18,320,163 |
| TOTAL STATE FUNDS | \$16,198,503 | \$2,121,660 | \$18,320,163 |
| Federal Funds | 2,227,953 | (2,227,953) | 0 |
| Other Funds | 621,594 | (621,594) | 0 |
| TOTAL FUNDS | \$19,048,050 | (\$727,887) | \$18,320,163 |
| | | | |
| Appellate Resource Center | | | |
| State General Funds | \$800,000 | \$105,000 | \$905,000 |
| Total Funds | \$800,000 | \$105,000 | \$905,000 |
| | | | |
| Georgia Office of Dispute Resolution | | | |
| State General Funds | \$144,643 | \$261,076 | \$405,719 |
| Other Funds | 185,679 | (185,679) | |
| Total Funds | \$330,322 | \$75,397 | \$405,719 |
| | | | |
| Institute of Continuing Judicial Education | | | |
| State General Funds | \$1,109,297 | \$227,138 | \$1,336,435 |
| Other Funds | 202,530 | (202,530) | |
| Total Funds | \$1,311,827 | \$24,608 | \$1,336,435 |
| | | | |
| Judicial Council | | | |
| State General Funds | \$13,841,964 | \$1,520,537 | \$15,362,501 |
| Federal Funds | 2,227,953 | (2,227,953) | |
| Other Funds | 233,385 | (233,385) | |
| Total Funds | \$16,303,302 | (\$940,801) | \$15,362,501 |
| | | | |
| Judicial Qualifications Commission | | | |
| State General Funds | \$302,599 | \$7,909 | \$310,508 |
| Total Funds | \$302,599 | \$7,909 | \$310,508 |

Juvenile Courts

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$6,703,551 | \$50,120 | \$6,753,671 |
| TOTAL STATE FUNDS | \$6,703,551 | \$50,120 | \$6,753,671 |
| Federal Funds | 447,456 | (447,456) | 0 |
| TOTAL FUNDS | \$7,151,007 | (\$397,336) | \$6,753,671 |

Department Statewide Budget Changes (Information Only):

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$17,837 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 19,864 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 12,419 |
| Total Change | \$50,120 |

Council of Juvenile Court Judges

Purpose: Represents all the juvenile judges in Georgia. Jurisdiction in cases involving children includes delinquencies, status offenses, and deprivation.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$17,837 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 19,864 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 12,419 |
| 4. Increase federal funds (\$447,456) to reflect projected expenditures. | Yes |
| Total Change | \$50,120 |

Grants to Counties for Juvenile Court Judges

Purpose: Mandates payment of state funds to circuits to pay for juvenile court judges salaries.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Juvenile Courts Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|--------------------|
| Council of Juvenile Court Judges | \$2,250,883 | \$2,052,632 | \$2,148,581 | \$1,751,245 | \$1,751,245 |
| Grants to Counties for Juvenile Court Judges | 4,814,541 | 4,888,975 | 5,002,426 | 5,002,426 | 5,002,426 |
| TOTAL FUNDS | \$7,065,424 | \$6,941,607 | \$7,151,007 | \$6,753,671 | \$6,753,671 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$773,385 | \$440,339 | \$447,456 | | |
| Subtotal | \$773,385 | \$440,339 | \$447,456 | \$0 | \$0 |
| State General Funds | \$6,292,039 | \$6,501,268 | \$6,703,551 | \$6,753,671 | \$6,753,671 |
| TOTAL STATE FUNDS | \$6,292,039 | \$6,501,268 | \$6,703,551 | \$6,753,671 | \$6,753,671 |

The budget request for the Juvenile Courts is included in the Governor's recommendation as submitted for FY 2009.

Juvenile Courts

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|--|---------------------------|--------------------|--------------------|
| Department Budget Summary | | | |
| State General Funds | \$6,703,551 | \$50,120 | \$6,753,671 |
| TOTAL STATE FUNDS | \$6,703,551 | \$50,120 | \$6,753,671 |
| Federal Funds | 447,456 | (447,456) | 0 |
| TOTAL FUNDS | \$7,151,007 | (\$397,336) | \$6,753,671 |
| Council of Juvenile Court Judges | | | |
| State General Funds | \$1,701,125 | \$50,120 | \$1,751,245 |
| Federal Funds | 447,456 | (447,456) | |
| Total Funds | \$2,148,581 | \$50,120 | \$1,751,245 |
| Grants to Counties for Juvenile Court Judges | | | |
| State General Funds | \$5,002,426 | | \$5,002,426 |
| Total Funds | \$5,002,426 | \$0 | \$5,002,426 |

Prosecuting Attorneys

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$57,401,675 | \$3,371,180 | \$60,772,855 |
| TOTAL STATE FUNDS | \$57,401,675 | \$3,371,180 | \$60,772,855 |
| Other Funds | 1,767,046 | | 1,767,046 |
| TOTAL FUNDS | \$59,168,721 | \$3,371,180 | \$62,539,901 |

Department Statewide Budget Changes (Information Only):

State General Funds:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$738,024 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 966,790 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 623,703 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 697 |
| Total Change | \$2,329,214 |

District Attorneys

Purpose: Represent the State of Georgia in the trial and appeal of felony criminal cases in the Superior Court for the judicial circuit and delinquency cases in the juvenile courts.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$679,722 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 893,000 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 576,099 |
| 4. Provide additional funds for increased expenses in mileage reimbursement. | 103,672 |
| 5. Provide funds to adjust salaries and salary plans for District Attorney investigators effective July 1, 2008. | 100,000 |
| Total Change | \$2,352,493 |

Prosecuting Attorneys Council

Purpose: Assist Georgia's District Attorneys and State Court Solicitors.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$58,302 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 73,790 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 47,604 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 697 |
| 5. Provide funds for the continued development and deployment of a statewide case management system. | 252,719 |
| 6. Add one additional accounts receivable position (\$54,316) and one payroll clerk position (\$56,361). | 110,677 |
| 8. Provide additional funds for real estate rents. | 16,036 |
| 9. Provide funds for a software contract to purchase a web-based application that provides fast access to reliable information about people and businesses that will provide District Attorney offices with the ability to locate people. | 18,000 |
| 10. Fund increases in workers' compensation, liability insurance, and unemployment insurance increases. | 46,737 |
| 11. Purchase and replace obsolete computer equipment in District Attorney offices. | 280,125 |
| 12. Purchase Daniel's Criminal Trial Practice and Milich on Evidence reference books for District Attorney offices. | 114,000 |
| Total Change | \$1,018,687 |

Prosecuting Attorneys Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|-------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---------------------|
| District Attorneys | \$50,310,956 | \$56,308,212 | \$52,961,249 | \$55,313,742 | \$55,313,742 |
| Prosecuting Attorneys Council | 6,410,555 | 5,672,717 | 6,207,472 | 7,226,159 | 7,226,159 |
| TOTAL FUNDS | <u>\$56,721,511</u> | <u>\$61,980,929</u> | <u>\$59,168,721</u> | <u>\$62,539,901</u> | <u>\$62,539,901</u> |
| <u>Less:</u> | | | | | |
| Federal Funds | \$6,835,244 | \$1,775,830 | | | |
| Other Funds | 570,131 | 8,201,252 | \$1,767,046 | \$1,767,046 | \$1,767,046 |
| Subtotal | <u>\$7,405,375</u> | <u>\$9,977,082</u> | <u>\$1,767,046</u> | <u>\$1,767,046</u> | <u>\$1,767,046</u> |
| State General Funds | \$49,316,136 | \$52,003,847 | \$57,401,675 | \$60,772,855 | \$60,772,855 |
| TOTAL STATE FUNDS | \$49,316,136 | \$52,003,847 | \$57,401,675 | \$60,772,855 | \$60,772,855 |

The budget request for the Prosecuting Attorneys is included in the Governor's recommendation as submitted for FY 2009.

Prosecuting Attorneys

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|----------------------------------|---------------------------|--------------------|---------------------|
| Department Budget Summary | | | |
| State General Funds | \$57,401,675 | \$3,371,180 | \$60,772,855 |
| TOTAL STATE FUNDS | \$57,401,675 | \$3,371,180 | \$60,772,855 |
| Other Funds | 1,767,046 | | 1,767,046 |
| TOTAL FUNDS | \$59,168,721 | \$3,371,180 | \$62,539,901 |
| District Attorneys | | | |
| State General Funds | \$51,194,203 | \$2,352,493 | \$53,546,696 |
| Other Funds | 1,767,046 | | 1,767,046 |
| Total Funds | \$52,961,249 | \$2,352,493 | \$55,313,742 |
| Prosecuting Attorneys Council | | | |
| State General Funds | \$6,207,472 | \$1,018,687 | \$7,226,159 |
| Total Funds | \$6,207,472 | \$1,018,687 | \$7,226,159 |

Superior Courts

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|----------------------------|---------------------------|----------------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | <u>\$60,845,688</u> | <u>\$4,724,966</u> | <u>\$65,570,654</u> |
| TOTAL STATE FUNDS | <u>\$60,845,688</u> | <u>\$4,724,966</u> | <u>\$65,570,654</u> |
| TOTAL FUNDS | <u>\$60,845,688</u> | <u>\$4,724,966</u> | <u>\$65,570,654</u> |

Department Statewide Budget Changes (Information Only):

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$798,393 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 993,527 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 498,612 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (39,312) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 10,151 |
| Total Change | \$2,261,371 |

Council of Superior Court Clerks

Purpose: Assist superior court clerks throughout the state in the execution of their duties, and to promote and assist in their training of the superior court clerks.

Recommended Change:

| | |
|--|-------------|
| 1. Provide funds for the continuation of the Judicial Data Exchange (JDX) Project. | \$1,311,595 |
| Total Change | \$1,311,595 |

Council of Superior Court Judges

Purpose: Further the improvement of the superior court and the administration of justice through leadership, training, policy development and budgetary and fiscal administration.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$13,165 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 22,685 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 11,385 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 39,777 |
| 5. Redirect funds from the Superior Court Judges program for five contract employees to the Council of Superior Court Judges program for five permanent positions. | 352,226 |
| 6. Add one paralegal position (\$37,363) and fund a permanent increase in temporary labor funds (\$15,000). | 52,363 |
| 7. Reduce one-time funding for temporary labor. | (27,200) |
| 8. Reduce funds for Sentence Review Panel. | (54,208) |
| 9. Provide for increases in operating expenses (\$28,626) and increase the GBA real estate rental rate for office space (\$10,151). | 38,777 |
| 10. Provide for an increase in personal services to provide future step increases and allow flexibility in new hire salaries. | 50,725 |
| 11. Annualize step increase for council staff effective July 1, 2007. | 39,453 |
| Total Change | \$539,148 |

Judicial Administrative Districts

Purpose: Provide regional administrative support to the judges of the superior court. This support includes managing budgets, policy, procedure, and providing a liaison between local and state courts.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$28,047 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 34,104 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 17,115 |
| 4. Provide funds for real estate rents. | 11,059 |

Superior Courts FY 2009 Program Budgets

| | |
|--|----------|
| 5. Provide additional funds for court security training. | 25,000 |
| 6. Reduce one-time funding for security training. | (25,000) |
| Total Change | \$90,325 |

Superior Court Judges

Purpose: Be a general jurisdiction trial court and exercise exclusive, constitutional authority over felony cases, divorce, equity and cases regarding title to land; provided that law clerks over the fifty provided by law are to be allocated back to the circuits by caseload ranks.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$757,181 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 936,738 |
| 3. Reflect an adjustment in the Workers' Compensation premium rate structure. | (79,089) |
| 4. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 470,112 |
| 5. Redirect funds from the Superior Court Judges program for 5 contract employees to the Council of Superior Court Judges program for 5 permanent positions. | (352,226) |
| 6. Reduce one-time funding for Fulton Business Court. | (100,000) |
| 7. Reduce one-time funding for equipment and furniture (\$75,000) and for new judgeships (\$75,000). | (150,000) |
| 8. Annualize funding for the employer contributions for the county courts (juvenile court judges, state court judges, and county solicitors general) retirement fund. | 440,991 |
| 9. Fund an increase in travel funds for mileage reimbursements and judges travel costs. | 180,000 |
| 10. Annualize increases and adjustments in health insurance, retirement, FICA, county paid secretaries and law assistants and other costs. | 103,469 |
| 11. Fund employer contributions for the county courts (juvenile court judges, state court judges, and county solicitors general) retirement fund. | 155,000 |
| 12. Annualize funding for three new judgeships (Cordele, Enotah, and Gwinnett) starting January 1, 2008. | 421,722 |
| Total Change | \$2,783,898 |

Superior Courts Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---------------------|
| Council of Superior Court Clerks | \$144,925 | \$243,000 | \$258,000 | \$1,569,595 | \$1,569,595 |
| Council of Superior Court Judges | 876,816 | 998,964 | 1,079,165 | 1,608,162 | 1,608,162 |
| Judicial Administrative Districts | 2,215,430 | 2,242,780 | 2,378,508 | 2,468,833 | 2,468,833 |
| Statewide Felony and Juvenile Drug Courts | 1,000,000 | | | | |
| Superior Court Judges | 48,155,950 | 50,805,352 | 57,130,015 | 59,924,064 | 59,924,064 |
| TOTAL FUNDS | <u>\$52,393,121</u> | <u>\$54,290,096</u> | <u>\$60,845,688</u> | <u>\$65,570,654</u> | <u>\$65,570,654</u> |
| <u>Less:</u> | | | | | |
| Federal Funds | \$66,410 | | | | |
| Other Funds | 18,851 | \$55,000 | | | |
| Subtotal | <u>\$85,261</u> | <u>\$55,000</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| State General Funds | \$52,307,860 | \$54,235,096 | \$60,845,688 | \$65,570,654 | \$65,570,654 |
| TOTAL STATE FUNDS | \$52,307,860 | \$54,235,096 | \$60,845,688 | \$65,570,654 | \$65,570,654 |

The budget request for the Superior Courts is included in the Governor's recommendation as submitted for FY 2009.

Superior Courts

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|-----------------------------------|---------------------------|--------------------|---------------------|
| Department Budget Summary | | | |
| State General Funds | \$60,845,688 | \$4,724,966 | \$65,570,654 |
| TOTAL STATE FUNDS | \$60,845,688 | \$4,724,966 | \$65,570,654 |
| TOTAL FUNDS | \$60,845,688 | \$4,724,966 | \$65,570,654 |
| | | | |
| Council of Superior Court Clerks | | | |
| State General Funds | \$258,000 | \$1,311,595 | \$1,569,595 |
| Total Funds | \$258,000 | \$1,311,595 | \$1,569,595 |
| | | | |
| Council of Superior Court Judges | | | |
| State General Funds | \$1,079,165 | \$539,148 | \$1,618,313 |
| Total Funds | \$1,079,165 | \$539,148 | \$1,618,313 |
| | | | |
| Judicial Administrative Districts | | | |
| State General Funds | \$2,378,508 | \$90,325 | \$2,468,833 |
| Total Funds | \$2,378,508 | \$90,325 | \$2,468,833 |
| | | | |
| Superior Court Judges | | | |
| State General Funds | \$57,130,015 | \$2,783,898 | \$59,913,913 |
| Total Funds | \$57,130,015 | \$2,783,898 | \$59,913,913 |

Supreme Court

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$8,700,335 | \$709,950 | \$9,410,285 |
| TOTAL STATE FUNDS | \$8,700,335 | \$709,950 | \$9,410,285 |
| TOTAL FUNDS | \$8,700,335 | \$709,950 | \$9,410,285 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$104,629 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 125,729 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 69,308 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (9,146) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 38,774 |
| Total Change | \$329,294 |

Supreme Court

Purpose: Be a court of review and exercise exclusive appellate jurisdiction in all cases involving the construction of a treaty or of the Constitution of the State of Georgia or of the United States and all cases in which the constitutionality of a law, ordinance, or constitutional provision has been drawn in question, and all cases of election contest.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$104,629 |
| 2. Provide for a general salary increase of 3.5% effective January 1, 2009. | 125,729 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 69,308 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (9,146) |
| 5. Increase the GBA real estate rental rate for office space (\$38,774) and DOAS liability insurance (\$12,000). | 50,774 |
| 6. Fund postage expenses (\$5,000) and increases in operating expenses (\$162,047). | 167,047 |
| 7. Provide funds for travel reimbursement for justices in accordance with HB 120. | 11,356 |
| 8. Provide additional funds for contract renewals for Lexis-Nexis and Westlaw. | 3,298 |
| 9. Add one Supreme Court security officer position. | 78,905 |
| 10. Provide funds for the creation and update of Supreme Court videos (\$37,000) and for the creation of a disaster recovery co-location site and upgrades in computer equipment (\$71,050). | 108,050 |
| Total Change | \$709,950 |

Supreme Court Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Request |
|--------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|--------------------|
| Supreme Court | \$7,682,004 | \$8,182,560 | \$8,700,335 | \$9,410,285 | \$9,410,285 |
| TOTAL FUNDS | \$7,682,004 | \$8,182,560 | \$8,700,335 | \$9,410,285 | \$9,410,285 |
| <u>Less:</u> | | | | | |
| Other Funds | \$34,024 | \$25,223 | | | |
| Subtotal | \$34,024 | \$25,223 | \$0 | \$0 | \$0 |
| State General Funds | \$7,647,980 | \$8,157,337 | \$8,700,335 | \$9,410,285 | \$9,410,285 |
| TOTAL STATE FUNDS | \$7,647,980 | \$8,157,337 | \$8,700,335 | \$9,410,285 | \$9,410,285 |

The budget request for the Supreme Court is included in the Governor's recommendation as submitted for FY 2009.

Supreme Court

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Request |
|----------------------------------|---------------------------|------------------|--------------------|
| Department Budget Summary | | | |
| State General Funds | \$8,700,335 | \$709,950 | \$9,410,285 |
| TOTAL STATE FUNDS | \$8,700,335 | \$709,950 | \$9,410,285 |
| TOTAL FUNDS | \$8,700,335 | \$709,950 | \$9,410,285 |
| Supreme Court | | | |
| State General Funds | \$8,700,335 | \$709,950 | \$9,410,285 |
| Total Funds | \$8,700,335 | \$709,950 | \$9,410,285 |

State Accounting Office

Roles, Responsibilities, and Organization

The State Accounting Office (SAO) was established on October 6, 2004 with an executive order signed by Governor Sonny Perdue and House Bill 293, which realigned the state's financial reporting and financial systems responsibilities under a single state accounting officer. The purpose of SAO is to support and develop statewide PeopleSoft financials and human capital management, provide the comprehensive annual financial report of Georgia, and create accounting procedures and policies for state agencies.

ADMINISTRATION

Administration is responsible for the operations of SAO and includes the following functions: executive management, purchasing, accounting, budget, payroll, and human resources.

FINANCIAL REPORTING

The Financial Reporting division prepares and distributes annual financial statements, reviews and certifies financial reports in coordination with the state auditor, and ensures compliance with state and federal financial accounting and reporting requirements. In addition, Financial Reporting is responsible for the preparation of the comprehensive annual financial report for Georgia, which provides credible and accurate financial information to decision makers and bond rating agencies.

FINANCIAL SYSTEMS

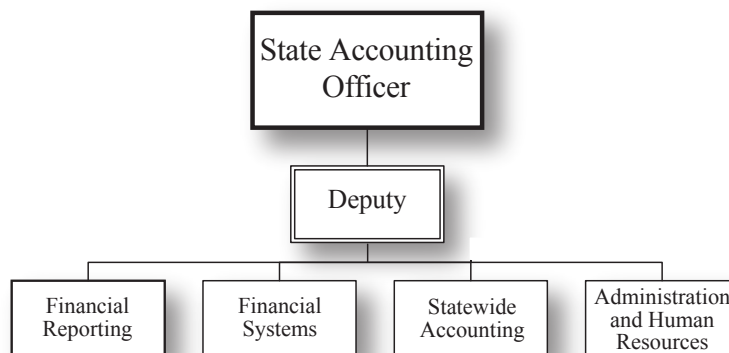
The Financial Systems division is responsible for the support of the statewide human capital management system and the financial and accounting systems. Financial Systems provides the following services: customer support to resolve system and application issues; help desk services to track issues and problems through to resolution; system enhancements and modifications; business process reengineering; PeopleSoft training; data integrity; and management of the full life cycle for the system, including implementation and deployment. This division is also responsible for all technical support within SAO.

STATEWIDE ACCOUNTING

Statewide Accounting is responsible for developing processes and systems to improve the accountable and efficient collection of accounts receivables due to Georgia. This division works to increase efficiency in the cash management areas including streamlined banking processes. In addition, Statewide Accounting is responsible for developing and publishing the accounting standards and policies to be implemented by all state agencies.

AUTHORITY

Title 50-5B, Official Code of Georgia Annotated.



State Accounting Office

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|----------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$7,205,916 | (\$1,525,456) | \$5,680,460 |
| TOTAL STATE FUNDS | \$7,205,916 | (\$1,525,456) | \$5,680,460 |
| Other Funds | 9,258,772 | | 9,258,772 |
| TOTAL FUNDS | \$16,464,688 | (\$1,525,456) | \$14,939,232 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$62,155 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$40,448), and for performance increases (\$16,179). | 56,627 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 30,559 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 12,246 |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 42,075 |
| Total Change | \$203,662 |

State Accounting Office

Purpose: Support statewide PeopleSoft financials and human capital management, provide the comprehensive annual financial report of Georgia, and create accounting procedures and policies for state agencies.

Recommended Change:

| | |
|--|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$62,155 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$40,448), and for performance increases (\$16,179). | 56,627 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 30,559 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 12,246 |
| 5. Increase the GBA real estate rental rate for office space. | 42,075 |
| 6. Fund independent verification and validation required by GTA for the streamlined banking project. | 120,000 |
| 7. Reduce postage (\$50,000), real estate (\$50,000), and computer charges (\$44,118) to reflect projected expenditures. | (144,118) |
| 8. Transfer funds and 11 positions for the asset management program (fleet management system) from the State Accounting Office to the Department of Administrative Services. | (1,705,000) |
| Total Change | (\$1,525,456) |

State Accounting Office Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| State Accounting Office | | | | |
| 1. Human resource system availability | 98.30% | 97.50% | 95% | 95% |
| 2. Financial system availability | 96.80% | 98.50% | 95% | 95% |
| 3. Time needed to produce CAFR (in months) | 6 | 6 | 6 | 6 |

State Accounting Office Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| State Accounting Office | \$13,605,841 | \$17,624,732 | \$16,464,688 | \$17,794,843 | \$14,939,232 |
| TOTAL FUNDS | \$13,605,841 | \$17,624,732 | \$16,464,688 | \$17,794,843 | \$14,939,232 |
| <u>Less:</u> | | | | | |
| Other Funds | \$12,236,336 | \$10,821,891 | \$9,258,772 | \$9,258,772 | \$9,258,772 |
| Subtotal | \$12,236,336 | \$10,821,891 | \$9,258,772 | \$9,258,772 | \$9,258,772 |
| State General Funds | \$1,369,505 | \$6,802,841 | \$7,205,916 | \$8,536,071 | \$5,680,460 |
| TOTAL STATE FUNDS | \$1,369,505 | \$6,802,841 | \$7,205,916 | \$8,536,071 | \$5,680,460 |
| Positions | 93 | 93 | 121 | 121 | 110 |

State Accounting Office

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$7,205,916 | (\$1,525,456) | \$5,680,460 |
| TOTAL STATE FUNDS | \$7,205,916 | (\$1,525,456) | \$5,680,460 |
| Other Funds | 9,258,772 | | 9,258,772 |
| TOTAL FUNDS | \$16,464,688 | (\$1,525,456) | \$14,939,232 |
| | | | |
| State Accounting Office | | | |
| State General Funds | \$7,205,916 | (\$1,525,456) | \$5,680,460 |
| Other Funds | 9,258,772 | | 9,258,772 |
| TOTAL FUNDS | \$16,464,688 | (\$1,525,456) | \$14,939,232 |

Department of Administrative Services

Roles, Responsibilities, and Organization

The Department of Administrative Services (DOAS) provides business solutions for state and local governments. DOAS's product and service offerings encompass a broad spectrum that includes purchasing, risk management, fleet management services, surplus property, mail and courier, and document services.

DOAS strives to meet the business needs of its customers while providing the highest level of customer service in a rapidly changing state government.

DOAS SERVICES

State Purchasing is responsible for procuring a wide range of commodities and services for state government. Purchasing negotiates statewide contracts for the benefit of state and local governments and offers technical assistance in conducting and assessing competitive bids. Purchasing provides cost reduction through aggregation of purchasing demand, competitive procurement, efficient purchasing systems, standards, specifications, and practices. Furthermore, Purchasing promotes fair and equitable business opportunities among vendors and strives to ensure the availability of high quality goods and services to state and local governments at the lowest possible price.

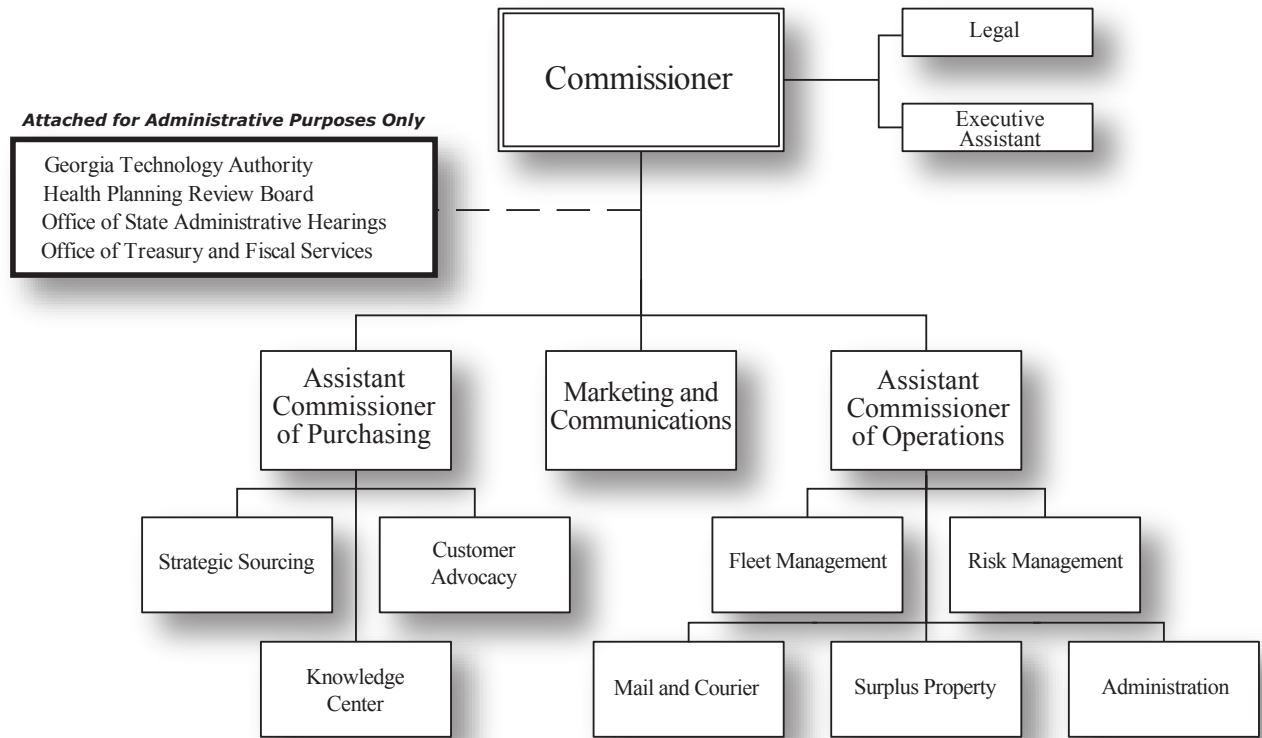
Risk Management directs the state's internal workers' compensation, liability, property, and unemployment insurance programs and also manages the Georgia State Indemnification, Georgia Public School Personnel Indemnification, and Educators' Professional Liability programs. Risk Management oversees the claims administration process and assists state entities in identifying unique loss exposures

and developing strategies to reduce the cost of risk associated with individual business operations. Through these efforts, Risk Management assures responsive stewardship of state funds and the protection of state assets.

The Office of Fleet Management, in conjunction with the Office of Planning and Budget, regulates state government's motor vehicle fleet management functions to ensure efficient and cost-effective fleet operations and to minimize the life-cycle costs associated with vehicle ownership. The Office of Fleet Management provides state government with guidance on vehicle purchases, assignment, usage, maintenance, operation, and disposal. DOAS also provides an economical and convenient transportation alternative for state employees traveling on official business through a daily vehicle rental program for state entities with over 200 rental locations across the state.

Surplus Property is responsible for redistribution of state and federal surplus personal property to state and local governments, eligible non-profits, and to the public. Redistribution through sales to the public is accomplished through Internet sales service providers and through fixed price "stores" located at each service center. Surplus Property centers are located in Tucker (Atlanta), Americus, and Swainsboro. Surplus Property also provides assistance to state and local governments with the disposal of personal property.

Document Services provides a variety of copy and printing services to state government within metro Atlanta from three locations on Capitol Hill along with management of two USPS Automated Attendants.



Department of Administrative Services

Roles, Responsibilities, and Organization

Mail and Courier operates an interoffice mail and courier delivery network, delivers mail to state entities, and manages a U.S. Post Office on Capitol Hill. Mail and Courier provides convenient, efficient, and cost-effective services to customers in their day-to-day business activities.

ATTACHED AGENCIES

The Office of Treasury and Fiscal Services manages, invests, and distributes state revenue collections.

The Health Planning Review Board conducts appeal hearings on decisions of the Health Planning Agency.

The Office of State Administrative Hearings (OSAH) conducts administrative hearings to resolved disputes between the public and state agencies in a timely, impartial, courteous, and professional manner.

The Georgia Technology Authority provides information technology services to state agencies and oversees critical information technology (IT) projects, leads statewide IT strategic planning, and sets enterprise IT and security policies and standards.

AUTHORITY

Title 9-14-53, 15-5-60, 15-6-29, 15-6-30 15-18-14, 15-18-14.2, 15-18-18, 15-18-19, 15-18-40, 20-2-168, 20-2-552, 20-2-930, 20-3-152, 31-6-44, 45-9-1, 45-9-4, 45-9-4.2, 45-9-40,, 45-9-40.1, 45-9-41, 45-9-42, 45-9-43, 45-9-70 thru 79.5, 45-9-80 thru 106, 45-9-110, 48-7-38, 50-5-1 thru 50-5-146, , 50-16-9 thru 13, 50-16-160 and 163, 50-19-1 thru 26, 50-21-20 thru 37, Official Code of Georgia Annotated.

Department of Administrative Services

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|----------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$16,118,189 | (\$835,119) | \$15,283,070 |
| TOTAL STATE FUNDS | \$16,118,189 | (\$835,119) | \$15,283,070 |
| Other Funds | 149,811,091 | (8,302,999) | 141,508,092 |
| TOTAL FUNDS | \$165,929,280 | (\$9,138,118) | \$156,791,162 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment for the department (\$147,883) and the Office of State Administrative Hearings (OSAH) (\$57,589). | \$205,472 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$133,971), for performance increases (\$53,588), and for structure adjustments to the statewide salary plan for the department (\$463). | 188,022 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (\$93,801). | 93,801 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (47,392) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 70,000 |
| Total Change | \$509,903 |

Administration

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment (Total Funds: \$91,399). | \$48,251 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$18,352), for performance increases (\$7,341), and for structure adjustments to the statewide salary plan (\$463). | 26,156 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 12,843 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (12,796) |
| 5. Increase the GBA real estate rental rate for office space. | 22,566 |
| 6. Transfer the marketing and communications unit and three positions from the State Purchasing program to the Administration program (Total Funds: \$239,344). | 138,254 |
| 7. Reduce funding for real estate rentals based on projected expenditures (Total Funds: \$50,962). | (27,519) |
| 8. Provide other funds (\$145,932) to continue the department's transformation to upgrade services and improve enterprise programs. | Yes |
| 9. Increase other funds (\$371,447) to help cover a projected shortfall in personal services. | Yes |
| Total Change | \$207,755 |

Fiscal Services

Purpose: Provide administrative functions and services necessary for the fulfillment of the responsibilities of the Superior Courts.

Recommended Change:

| | |
|--|-----|
| 1. Terminate the contract with Superior Courts for accounting services and transfer six positions, eliminating the Fiscal Services program and \$325,184 in other funds. | Yes |
| Total Change | \$0 |

Fleet Management

Purpose: In conjunction with OPB, centralize state government motor vehicle fleet management functions to ensure efficient and cost-effective fleet operations and minimize the life-cycle costs associated with vehicle ownership.

Recommended Change:

| | |
|--|-------------|
| 1. Transfer funds and 11 positions for the asset management program (fleet management system) to the Department of Administrative Services from the State Accounting Office. | \$1,705,000 |
|--|-------------|

Department of Administrative Services

FY 2009 Program Budgets

| | |
|---|-------------|
| 2. Provide \$12,284 in other funds to annualize the cost of the FY 2008 salary adjustment. | Yes |
| 3. Provide \$75,393 in other funds to continue the department's transformation to upgrade services and improve enterprise programs. | Yes |
| 4. Reduce other funds by \$383,545 based on projected cost efficiencies. | Yes |
| 5. Increase other funds by \$7,662 for real estate based on projected expenditures. | Yes |
| 6. Eliminate \$1,198,993 in other funds, nine positions, and 163 vehicles as a result of the Enterprise contract. | Yes |
| Total Change | \$1,705,000 |

Mail and Courier

Purpose: Provide convenient, efficient, and cost effective services through aggregation of demand for Capitol Hill and metro area mail and package delivery services.

Recommended Change:

| | |
|---|-----|
| 1. Provide \$8,733 in other funds to annualize the cost of the FY 2008 salary adjustment. | Yes |
| 2. Reduce other funds by \$63,723 and eliminate one position to continue the department's transformation to upgrade services and improve enterprise programs. | Yes |
| 3. Reduce other funds by \$111,643 based on projected cost efficiencies. | Yes |
| 4. Reduce other funds by \$102,194 for real estate rentals based on projected expenditures. | Yes |
| Total Change | \$0 |

Risk Management

Purpose: Minimize cost and provide fair treatment of citizens through effective claims management.

Recommended Change:

| | |
|--|-----|
| 1. Provide \$63,480 in other funds to annualize the cost of the FY 2008 salary adjustment. | Yes |
| 2. Increase other funds by \$99,612 to help cover a projected shortfall in personal services. | Yes |
| 3. Reduce other funds by \$4,115,442 to reflect recent claims activity and anticipated savings due to loss control efforts. | Yes |
| 4. Reduce other funds by \$2,902,654 for re-insurance due to the negotiation of lower rates. | Yes |
| 5. Reduce other funds by \$89,597 to continue the department's transformation to upgrade services and improve enterprise programs. | Yes |
| 6. Reduce other funds by \$629,562 based on projected cost efficiencies. | Yes |
| 7. Increase other funds by \$25,997 for real estate rentals based on projected expenditures. | Yes |
| Total Change | \$0 |

State Purchasing

Purpose: Reduce cost through aggregation of purchasing demand for state and local governments and provide fair and equitable access through open, structured competitive procurement.

Recommended Change:

| | |
|--|------------|
| 1. Annualize the cost of the FY 2008 salary adjustment (Total Funds: \$113,026). | \$99,632 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$76,416), and for performance increases (\$30,566). | 106,982 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 53,474 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (34,596) |
| 5. Increase the GBA real estate rental rate for office space. | 47,434 |
| 6. Reduce personal services to reflect vacancy and hiring patterns. | (148,653) |
| 7. Transfer the marketing and communications unit, and three positions from the State Purchasing program to the Administration program (Total Funds: \$293,344). | (138,254) |
| 8. Adjust funding for real estate rentals based on projected expenditures (Total Funds: \$113,322). | 3,429 |
| 9. Provide \$292,103 in other funds to continue the department's transformation to upgrade services and improve enterprise programs. | Yes |
| Total Change | (\$10,552) |

Department of Administrative Services

FY 2009 Program Budgets

Surplus Property

Purpose: Reduce cost through maximization of the useful life of state-owned equipment and redistribution of property to state and local governments, qualifying non-profits, and to the public through auction.

Recommended Change:

| | |
|--|-----|
| 1. Provide \$29,215 in other funds to annualize the cost of the FY 2008 salary adjustment. | Yes |
| 2. Provide \$127,556 in other funds to continue the department's transformation to upgrade services and improve enterprise programs. | Yes |
| 3. Increase other funds by \$209,287 due to cost efficiencies redirected from other programs. | Yes |
| 4. Increase other funds by \$40,477 for personal services to fill vacancies. | Yes |
| Total Change | \$0 |

U.S. Post Office

Purpose: Provide convenient and cost-effective postal services to agencies and individuals.

Recommended Change:

| | |
|---|------------|
| 1. Provide \$1,263 in other funds to annualize the cost of the FY 2008 salary adjustment. | Yes |
| 2. Increase other funds by \$15,016 for personal services to fill vacancies. | Yes |
| 3. Reduce other funds by \$5,838 for real estate rentals based on projected expenditures. | Yes |
| 4. Realize savings and eliminate three positions due to the closure of the Floyd building post office and consolidation of services with the rapid copy vendor (Total Funds: \$96,925). | (21,415) |
| Total Change | (\$21,415) |

Agencies Attached for Administrative Purposes:

Agency for the Removal of Hazardous Materials

Purpose: Establish and administer a program for the abatement and removal of asbestos and other hazardous materials from premises of the state.

Recommended Change:

| | |
|--|------------|
| 1. Eliminate funding due to GBA handling the remaining work of asbestos removal on Capitol Hill. | (\$85,354) |
| Total Change | (\$85,354) |

Health Planning Review Board

Purpose: Review decisions made by hearing officers.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Office of State Administrative Hearings

Purpose: Provide an impartial, independent forum for resolving disputes between the public and state agencies.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$57,589 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$39,203), and for performance increases (\$15,681). | 54,884 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 27,484 |
| 4. Realign the budget to reflect projected expenditures by reducing personal services (\$897,519) and increasing operating expenses (\$348,778). | (548,741) |
| Total Change | (\$408,784) |

Department of Administrative Services

FY 2009 Program Budgets

Office of Treasury and Fiscal Services

Purpose: Receive and keep safely all monies paid to the treasury and pay all warrants legally drawn on the treasury.

Recommended Change:

| | |
|--|-----|
| 1. Provide \$32,437 in other funds to annualize the cost of the FY 2008 salary adjustment. | Yes |
| Total Change | \$0 |

Payments to Georgia Technology Authority

Purpose: Set the direction for the state's use of technology and promote efficient, secure, and cost-effective delivery of information technology services.

Recommended Change:

| | |
|---|---------------|
| 1. Eliminate five positions and funding for the implementation of the Commission for a New Georgia's Information Technology Task Force recommendations. | (\$396,769) |
| 2. Eliminate grant funding for wireless broadband. | (1,000,000) |
| Total Change | (\$1,396,769) |

Compensation Per General Assembly Resolutions

Purpose: Fund HR102 of the 2007 Session.

Recommended Change:

| | |
|---|-------------|
| 1. Delete the one-time cost of purchasing an annuity for an individual who was wrongfully imprisoned. | (\$825,000) |
| Total Change | (\$825,000) |

Capital Outlay Summary

Georgia Aviation Authority

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| 1. Purchase 1 replacement airplane (King Air 350) and 4 replacement helicopters (Bell 407) | 5 | \$18,400,000 | \$4,250,400 |
| Total | | \$18,400,000 | \$4,250,400 |

Department of Administrative Services

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Risk Management | | | | |
| 1. Number of Workers' Compensation claims | 9,089 | 8,838 | 8,396 | 7,976 |
| 2. Incurred cost of Workers' Compensation claims | \$36,032,736 | \$35,749,035 | \$34,319,083 | \$32,946,310 |
| 3. Number of property claims | 315 | 302 | 290 | 278 |
| 4. Incurred cost of property claims | \$4,477,394 | \$4,253,524 | \$4,040,848 | \$3,838,806 |
| 5. Number of auto liability claims | 1,674 | 1,623 | 1,558 | 1,493 |
| 6. Incurred cost of auto liability claims | \$4,695,726 | \$4,460,939 | \$4,237,893 | \$4,025,998 |
| State Purchasing | | | | |
| 1. Number of statewide contracts | 76 | 82 | 90 | 99 |
| 2. Statewide savings in state spend through the procurement transformation initiative (in millions) | \$308.75 | \$358.49 | \$421.26 | \$483.96 |
| Office of State Administrative Hearings | | | | |
| 1. Number of cases | 28,418 | 32,745 | 34,382 | 36,101 |
| Office of Treasury and Fiscal Services | | | | |
| 1. Interest earned in excess of fees for state fund bank accounts held by state agencies (in millions) | \$105 | \$158 | \$100 | \$100 |
| 2. Georgia Fund 1 annualized return | 4.20% | 5.30% | 4.25% | 4.25% |

Department of Administrative Services

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|----------------------------|----------------------------|----------------------------|------------------------------------|---|
| Administration | \$3,874,175 | \$5,047,481 | \$4,347,678 | \$6,854,564 | \$5,193,607 |
| Fiscal Services | 297,475 | 348,773 | 325,184 | | |
| Fleet Management | 2,539,046 | 1,344,057 | 2,154,337 | 764,856 | 2,372,138 |
| Mail and Courier | 1,142,363 | 992,297 | 1,398,982 | 1,130,859 | 1,130,155 |
| Risk Management | 124,374,337 | 134,835,880 | 137,428,923 | 130,488,483 | 129,880,757 |
| State Purchasing | 22,782,068 | 8,953,333 | 7,622,622 | 8,454,391 | 7,926,370 |
| Surplus Property | 2,483,386 | 2,455,305 | 2,332,891 | 2,739,426 | 2,739,426 |
| U.S. Post Office | 195,945 | 173,557 | 176,990 | 110,506 | 90,506 |
| SUBTOTAL (Excludes Attached Agencies) | <u>\$157,688,795</u> | <u>\$154,150,683</u> | <u>\$155,787,607</u> | <u>\$150,543,085</u> | <u>\$149,332,959</u> |
| ATTACHED AGENCIES: | | | | | |
| Agency for the Removal of Hazardous Materials | \$85,354 | \$85,354 | \$85,354 | \$85,354 | |
| Health Planning Review Board | 60,438 | 60,468 | 60,473 | 60,473 | \$60,473 |
| Office of State Administrative Hearings | 4,051,461 | 4,309,305 | 4,651,397 | 4,708,986 | 4,242,613 |
| Office of Treasury and Fiscal Services | 2,499,811 | 3,293,183 | 3,122,680 | 3,155,117 | 3,155,117 |
| Payments to Georgia Technology Authority | 396,769 | 4,396,769 | 1,396,769 | 1,396,769 | |
| Compensation Per General Assembly Resolutions | | | 825,000 | | |
| TOTAL FUNDS | <u>\$164,782,628</u> | <u>\$166,295,762</u> | <u>\$165,929,280</u> | <u>\$159,949,784</u> | <u>\$156,791,162</u> |
| Less: | | | | | |
| Other Funds | \$140,713,198 | \$144,989,090 | \$149,811,091 | \$143,861,123 | \$141,508,092 |
| Subtotal | <u>\$140,713,198</u> | <u>\$144,989,090</u> | <u>\$149,811,091</u> | <u>\$143,861,123</u> | <u>\$141,508,092</u> |
| State General Funds | \$24,069,430 | \$21,306,672 | \$16,118,189 | \$16,088,661 | \$15,283,070 |
| TOTAL STATE FUNDS | <u>\$24,069,430</u> | <u>\$21,306,672</u> | <u>\$16,118,189</u> | <u>\$16,088,661</u> | <u>\$15,283,070</u> |
| Positions | 990 | 992 | 873 | 872 | 859 |
| Motor Vehicles | 323 | 302 | 302 | 139 | 139 |

Department of Administrative Services

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$16,118,189 | (\$835,119) | \$15,283,070 |
| TOTAL STATE FUNDS | \$16,118,189 | (\$835,119) | \$15,283,070 |
| Other Funds | 149,811,091 | (8,302,999) | 141,508,092 |
| TOTAL FUNDS | \$165,929,280 | (\$9,138,118) | \$156,791,162 |
| | | | |
| Administration | | | |
| State General Funds | \$2,349,936 | \$207,755 | \$2,557,691 |
| Other Funds | 1,997,742 | 638,174 | 2,635,916 |
| Total Funds | <u>\$4,347,678</u> | <u>\$845,929</u> | <u>\$5,193,607</u> |
| | | | |
| Fiscal Services | | | |
| Other Funds | \$325,184 | (\$325,184) | \$0 |
| Total Funds | <u>\$325,184</u> | <u>(\$325,184)</u> | <u>\$0</u> |
| | | | |
| Fleet Management | | | |
| State General Funds | | \$1,705,000 | \$1,705,000 |
| Other Funds | \$2,154,337 | (1,487,199) | 667,138 |
| Total Funds | <u>\$2,154,337</u> | <u>\$217,801</u> | <u>\$2,372,138</u> |
| | | | |
| Mail and Courier | | | |
| Other Funds | \$1,398,982 | (\$268,827) | \$1,130,155 |
| Total Funds | <u>\$1,398,982</u> | <u>(\$268,827)</u> | <u>\$1,130,155</u> |
| | | | |
| Risk Management | | | |
| Other Funds | \$137,428,923 | (\$7,548,166) | \$129,880,757 |
| Total Funds | <u>\$137,428,923</u> | <u>(\$7,548,166)</u> | <u>\$129,880,757</u> |
| | | | |
| State Purchasing | | | |
| State General Funds | \$7,336,529 | (\$10,552) | \$7,325,977 |
| Other Funds | 286,093 | 314,300 | 600,393 |
| Total Funds | <u>\$7,622,622</u> | <u>\$303,748</u> | <u>\$7,926,370</u> |
| | | | |
| Surplus Property | | | |
| Other Funds | \$2,332,891 | \$406,535 | \$2,739,426 |
| Total Funds | <u>\$2,332,891</u> | <u>\$406,535</u> | <u>\$2,739,426</u> |
| | | | |
| U.S. Post Office | | | |
| State General Funds | \$21,415 | (\$21,415) | \$0 |
| Other Funds | 155,575 | (65,069) | 90,506 |
| Total Funds | <u>\$176,990</u> | <u>(\$86,484)</u> | <u>\$90,506</u> |

Department of Administrative Services

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|---------------|---------------------------|
| Agencies Attached for Administrative Purposes: | | | |
| Agency for the Removal of Hazardous Materials | | | |
| State General Funds | \$85,354 | (\$85,354) | \$0 |
| Total Funds | \$85,354 | (\$85,354) | \$0 |
| Health Planning Review Board | | | |
| State General Funds | \$60,473 | | \$60,473 |
| Total Funds | \$60,473 | \$0 | \$60,473 |
| Office of State Administrative Hearings | | | |
| State General Funds | \$4,042,713 | (\$408,784) | \$3,633,929 |
| Other Funds | 608,684 | | 608,684 |
| Total Funds | \$4,651,397 | (\$408,784) | \$4,242,613 |
| Office of Treasury and Fiscal Services | | | |
| Other Funds | \$3,122,680 | \$32,437 | \$3,155,117 |
| Total Funds | \$3,122,680 | \$32,437 | \$3,155,117 |
| Payments to Georgia Technology Authority | | | |
| State General Funds | \$1,396,769 | (\$1,396,769) | \$0 |
| Total Funds | \$1,396,769 | (\$1,396,769) | \$0 |
| Compensation Per General Assembly Resolutions | | | |
| State General Funds | \$825,000 | (\$825,000) | \$0 |
| Total Funds | \$825,000 | (\$825,000) | \$0 |

Department of Agriculture

Roles, Responsibilities, and Organization

The Georgia Department of Agriculture administers a variety of programs which all share the goals of maintaining the state's viable farm industry and protecting the consuming public. These multifaceted programs affect all Georgians as well as countless others throughout the United States and the world, wherever Georgia agribusiness products are consumed.

ATHENS/TIFTON VETERINARY DIAGNOSTIC LABS

The Athens and Tifton Veterinary Diagnostic Labs, which are attached to the department, ensure the safety of the food supply and the health of animals and people within Georgia by providing diagnostic support, investigative resources and disease surveillance for naturally occurring animal diseases, foreign animal diseases, and bioterrorism. The labs address the concerns of veterinarians, regulatory agencies, animal owners, and wildlife groups regarding livestock, equine, and companion animals as well as wildlife.

PLANT INDUSTRY DIVISION

The role of the Plant Industry Division is to administer and enforce federal and state laws relating to fertilizers, feeds, grains, seeds, pesticides and pest control, nursery and plant certification, honeybees, treated timber, boll weevil eradication, and other related environmental protection programs. The division promotes Georgia's agricultural and horticultural interests and inspects and tests sufficient quantities of each commodity to guarantee that those commodities reaching the consumer meet minimum standards and are correctly labeled.

ANIMAL INDUSTRY DIVISION

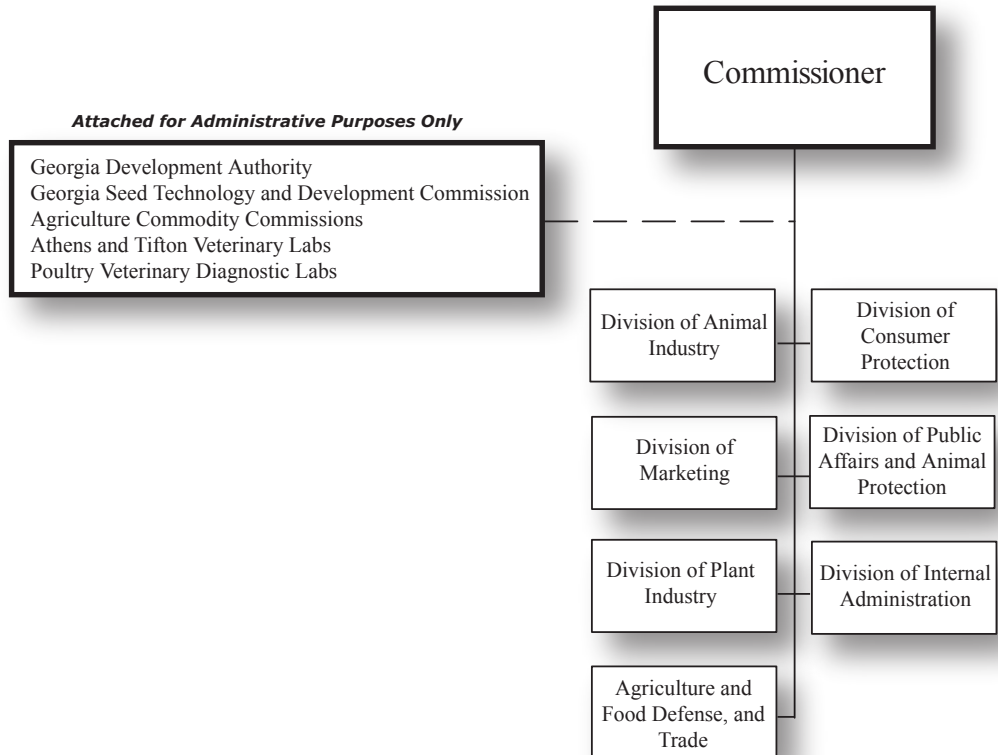
Animal agriculture is the largest sector of agriculture, contributing over \$5.8 billion to Georgia's farm gate value. Assuring that the livestock

and poultry sectors remain healthy and productive are the top priorities of the Animal Industry Division. The Animal Industry Division consists of veterinarians, field inspectors, laboratory technicians, program managers, and support staff, all working to ensure the continued protection of animal and public health. The division works to guarantee food safety, animal welfare, and successful livestock production. The Animal Industry Division is responsible for monitoring, detecting, and controlling over 100 animal diseases that can have a significant impact on the agricultural economy and can be contagious to both animals and people. This division also ensures the humane treatment of equines and other animals, and promotes dog and cat sterilization through its license plate program.

The Meat Inspection Section is the largest functional area of the Animal Industry Division. The section licenses 163 facilities in Georgia and protects consumers from food-borne diseases. Meat inspectors ensure that consumers receive wholesome, safe, and truthfully labeled meat and poultry products by assuring compliance with food safety standards. The section also has a primary role in food security and would serve as a first responder to an intentional threat to Georgia's meat supply.

CONSUMER PROTECTION DIVISION

The primary function of the Food and Dairy Section is to prevent the sale and distribution of adulterated or misbranded foods to consumers. The Food Section conducts on-site inspections focusing on food safety risk factors and also protects consumers against fraud by checking scanners and scales to ensure the accuracy of pricing and weights. Included in these responsibilities is a dairy inspection program for farms and processing plants, so that Georgia dairy products can be marketed as "Grade A" throughout the United States.



Department of Agriculture

Roles, Responsibilities, and Organization

The primary function of the Fuel and Measures Section is to ensure equity in the market place by verifying the accuracy of weighing and measuring devices. The Fuel and Measures Section inspects all measuring devices used for commerce by conducting on-site inspections and tests of commercial weighing devices including scales, liquefied petroleum gas meters, milk tanks, moisture meters, gasoline pumps, transport tank trucks, fuel oil terminals, and bulk plants. Included in these responsibilities is the operation of the state fuel oil laboratory and the state weights laboratory, both of which ensure that Georgia's regulated consumer products meet required quality standards.

MARKETING DIVISION

The Marketing Division operates six regional farmers' markets and nine seasonal/local markets. This division collects and distributes market information on Georgia agricultural products and administers various marketing programs. The Marketing Division also provides supervision for the nine Georgia Agricultural Commodity Commissions. Additionally, the division enforces the requirements of the Agricultural Products Act to license and bond dealers who purchase from Georgia producers. The State Warehouse Section examines and audits licensed and bonded facilities that store Georgia agricultural products. The division registers and licenses Vidalia onion growers, licenses processors of Vidalia onion products, and enforces the requirements of the U.S. Certification Mark VIDALIA.

The Homeland Security Program is responsible for handling any day-to-day agricultural crisis, whether man-made or natural, and for working through GEMA to respond to any agricultural emergency declared by the Governor. The Office of International Trade assists Georgia agricultural companies with their marketing efforts both nationally and internationally. Using databases, trade shows, trade missions, and reverse trade missions, the office helps companies explore market opportunities.

POULTRY VETERINARY DIAGNOSTIC LABS

As the official state agency for the administration of the USDA's National Poultry Improvement Plan (NPIP) attached to the Department of Agriculture, the Georgia Poultry Lab Network carries out the national plan and provides diagnostic and monitoring services for Georgia poultry growers and the poultry industry in the state. The labs' primary mission is to certify that flocks are free from certain devastating poultry diseases including avian influenza; this ensures that Georgia has the healthiest flocks possible and can continue to produce more poultry products annually than any other state. The labs are headquartered in Oakwood with nine regional labs spread throughout Georgia.

AUTHORITY

Title 2, Official Code of Georgia Annotated.

Department of Agriculture

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$46,192,622 | \$2,012,582 | \$48,205,204 |
| TOTAL STATE FUNDS | \$46,192,622 | \$2,012,582 | \$48,205,204 |
| Federal Funds Not Specifically Identified | 6,849,321 | 1,200,000 | 8,049,321 |
| Other Funds | 1,884,689 | 1,500,000 | 3,384,689 |
| TOTAL FUNDS | \$54,926,632 | \$4,712,582 | \$59,639,214 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$612,897 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$376,295), for performance increases (\$150,518), for employees in specified critical jobs (\$119,317), and for structure adjustments to the statewide salary plan (\$11,803). | 657,933 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 278,893 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (80,518) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 101,583 |
| Total Change | \$1,570,788 |

Administration

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$59,717 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$35,204) and for performance increases (\$17,656). | 52,860 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 32,715 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (9,445) |
| 5. Increase the GBA real estate rental rate for office space. | 11,916 |
| 6. Delete one-time funds for online licensing implementation. | (280,000) |
| Total Change | (\$132,237) |

Athens/Tifton Veterinary Diagnostic Laboratories

Purpose: Ensure the health of production, equine, and companion animals, and protect public health as it relates to animals within the State of Georgia.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$124,384 |
| Total Change | \$124,384 |

Consumer Protection

Purpose: Ensure a safe food supply, guarantee a safe and healthy supply of agricultural products, provide for accurate commercial transactions, and protect animal health (production, equine, and companion) for the citizens of Georgia.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$298,447 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$212,938), for performance increases (\$106,797), for employees in specified critical jobs (\$119,317), and structure adjustments to the statewide salary plan (\$11,803). | 450,855 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 197,883 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (57,130) |

Department of Agriculture FY 2009 Program Budgets

| | |
|--|-------------|
| 5. Increase the GBA real estate rental rate for office space. | 72,076 |
| 6. Fill two vacant imported food/seafood positions and one vacant dairy industry position to protect the food supply and promote the Georgia dairy industry. | 199,374 |
| 7. Delete one-time funds used to replace eight high-mileage vehicles. | (120,000) |
| 8. Replace 27 vehicles with mileage in excess of 170,000 used by department inspectors in their daily work. | 405,000 |
| 9. Eliminate the equine manager position due to department reorganization. | (82,580) |
| 10. Provide ethanol and biodiesel testing equipment to perform mandated testing. | 275,000 |
| 11. Transfer one position from the Poultry Veterinary Diagnostic Laboratory to the Consumer Protection program. | Yes |
| 12. Increase federal funds (\$450,000) and other funds (\$750,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$1,638,925 |

Marketing and Promotion

Purpose: Expand sales of Georgia's commodities from growers by promoting them domestically and internationally.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$56,741 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$51,969) and for performance increases (\$26,065). | 78,034 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 48,295 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (13,943) |
| 5. Increase the GBA real estate rental rate for office space. | 17,591 |
| 6. Replace three vehicles with mileage in excess of 170,000 used by department inspectors in their daily work. | 45,000 |
| 7. Increase federal funds (\$750,000) and other funds (\$750,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$231,718 |

Poultry Veterinary Diagnostic Laboratories

Purpose: Provide poultry disease diagnostic and monitoring services with a focus on avian influenza.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$73,608 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009. | 76,184 |
| 3. Transfer one position from the Poultry Veterinary Diagnostic Laboratory to the Consumer Protection program. | Yes |
| Total Change | \$149,792 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|---------------------|
| 1. Renovate and repair of State Farmers' Markets, statewide | 5 | \$1,250,000 | \$288,750 |
| Total | | \$1,250,000 | \$288,750 |

Department of Agriculture

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Consumer Protection | | | | |
| 1. Percentage of fuel sold in Georgia meeting minimum quality standards | 97% | 97% | 97% | 97% |
| 2. Percent of licensed food establishments maintaining compliance with the Georgia Food Act and regulations | 99.6% | 100% | 99.5% | 99.5% |
| Marketing and Promotion | | | | |
| 1. Percentage increase in total sales at the Atlanta Farmers' Market | 1% | 2% | 2% | 2% |
| 2. Percentage increase in total users of the Atlanta Farmers' Market | 2% | 2% | 2% | 2% |
| Athens/Tifton Veterinary Diagnostic Laboratories | | | | |
| 1. Number of animals and/or samples submitted to the labs per year for surveillance and/or health care | 108,180 | 113,691 | 110,000 | 115,000 |
| Poultry Veterinary Diagnostic Laboratories | | | | |
| 1. Number of avian influenza tests provided to poultry growers and hobbyists | 210,569 | 291,708 | 240,000 | 240,000 |
| 2. Number of samples submitted to the poultry lab network yearly for diagnostic testing | 44,769 | 54,524 | 45,000 | 45,000 |

Department of Agriculture

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$9,827,540 | \$7,460,502 | \$7,111,084 | \$6,890,801 | \$6,978,847 |
| Athens-Tifton Veterinary Diagnostic Laboratories | 3,271,132 | 3,485,061 | 3,651,229 | 3,775,613 | 3,775,613 |
| Consumer Protection | 30,428,462 | 31,799,876 | 31,684,732 | 32,384,973 | 34,523,657 |
| Marketing and Promotion | 10,929,514 | 8,820,465 | 8,991,043 | 9,092,784 | 10,722,761 |
| Poultry Veterinary Diagnostic Laboratories | 3,432,367 | 3,611,800 | 3,488,544 | 3,562,152 | 3,638,336 |
| TOTAL FUNDS | \$57,889,015 | \$55,177,704 | \$54,926,632 | \$55,706,323 | \$59,639,214 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$9,406,608 | \$8,802,320 | \$6,849,321 | \$6,849,321 | \$8,049,321 |
| Other Funds | 5,704,437 | 3,468,484 | 1,884,689 | 1,884,689 | 3,384,689 |
| Subtotal | \$15,111,045 | \$12,270,804 | \$8,734,010 | \$8,734,010 | \$11,434,010 |
| State General Funds | \$42,777,970 | \$42,906,900 | \$46,192,622 | \$46,972,313 | \$48,205,204 |
| TOTAL STATE FUNDS | \$42,777,970 | \$42,906,900 | \$46,192,622 | \$46,972,313 | \$48,205,204 |
| Positions | 840 | 840 | 844 | 844 | 844 |
| Motor Vehicles | 295 | 295 | 295 | 295 | 295 |

Department of Agriculture

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|--------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$46,192,622 | \$2,012,582 | \$48,205,204 |
| TOTAL STATE FUNDS | \$46,192,622 | \$2,012,582 | \$48,205,204 |
| Federal Funds Not Specifically Identified | 6,849,321 | 1,200,000 | 8,049,321 |
| Other Funds | 1,884,689 | 1,500,000 | 3,384,689 |
| TOTAL FUNDS | \$54,926,632 | \$4,712,582 | \$59,639,214 |
| Administration | | | |
| State General Funds | \$6,782,863 | (\$132,237) | \$6,650,626 |
| Federal Funds Not Specifically Identified | 69,500 | | 69,500 |
| Other Funds | 258,721 | | 258,721 |
| Total Funds | \$7,111,084 | (\$132,237) | \$6,978,847 |
| Athens-Tifton Veterinary Diagnostic Laboratories | | | |
| State General Funds | \$3,651,229 | \$124,384 | \$3,775,613 |
| Total Funds | \$3,651,229 | \$124,384 | \$3,775,613 |
| Consumer Protection | | | |
| State General Funds | \$24,000,511 | \$1,638,925 | \$25,639,436 |
| Federal Funds Not Specifically Identified | 6,749,221 | 450,000 | 7,199,221 |
| Other Funds | 935,000 | 750,000 | 1,685,000 |
| Total Funds | \$31,684,732 | \$2,838,925 | \$34,523,657 |
| Marketing & Promotion | | | |
| State General Funds | \$8,269,475 | \$231,718 | \$8,501,193 |
| Federal Funds Not Specifically Identified | 30,600 | 750,000 | 780,600 |
| Other Funds | 690,968 | 750,000 | 1,440,968 |
| Total Funds | \$8,991,043 | \$1,731,718 | \$10,722,761 |
| Poultry Veterinary Diagnostic Laboratories | | | |
| State General Funds | \$3,488,544 | \$149,792 | \$3,638,336 |
| Total Funds | \$3,488,544 | \$149,792 | \$3,638,336 |

Department of Banking and Finance

Roles, Responsibilities, and Organization

The Department of Banking and Finance enforces and administers all state laws, rules and regulations governing the operation of state-chartered financial institutions in Georgia. The department works to ensure the following banking conditions for Georgia customers:

- Safe and sound operation of financial institutions;
- Public confidence in our financial institutions;
- Protection for the interests of the depositors, creditors, and shareholders of financial institutions;
- Service by financial institutions responsive to the convenience and needs of the public; and,
- Appropriate competition among all financial institutions to promote economic growth.

The department collects supervision, examination and administrative fees from regulated entities to cover the expenses incurred in the operation of the Department. All fees collected by the department are deposited into the State Treasury. To accomplish its objectives, the department has four principal functions:

- Supervise and regulate financial institutions
- License mortgage brokers and lenders and money service businesses
- Conduct examinations of financial institutions, mortgage brokers and lenders, and money service businesses, as appropriate and as required by law
- Consumer protection and assistance

SUPERVISION AND REGULATION

The department has the authority to adopt rules and regulations regarding the operation of financial institutions to:

- Allow state-chartered financial institutions to compete fairly with those chartered by the federal government, other states, or foreign governments;
- Protect Georgia financial institutions threatened by economic conditions or technological developments; and,
- Prevent unfair, misleading or deceptive business practices by financial services providers.

The Department of Banking and Finance has responsibility for regulating and monitoring the condition of 290 state-chartered banks,

68 credit unions, 262 Georgia holding companies, four international bank agencies, 3,329 mortgage brokers and lenders, 827 check cashers, 26 check sellers, and 82 money transmitters (as of July 30, 2007).

LICENSING AND REGISTRATION

Article 13 of Title 7 of the Official Code of Georgia Annotated requires mortgage lenders and mortgage brokers to be licensed or registered with the department in order to transact business in Georgia. As of July 30, 2007, 3,329 mortgage brokers and lenders were licensed with the department. The department is responsible for licensing money service businesses (check sellers, check cashers and money transmitters). The department also conducts investigations and resolves consumer complaints regarding residential mortgage lending and money service businesses.

FINANCIAL EXAMINATIONS

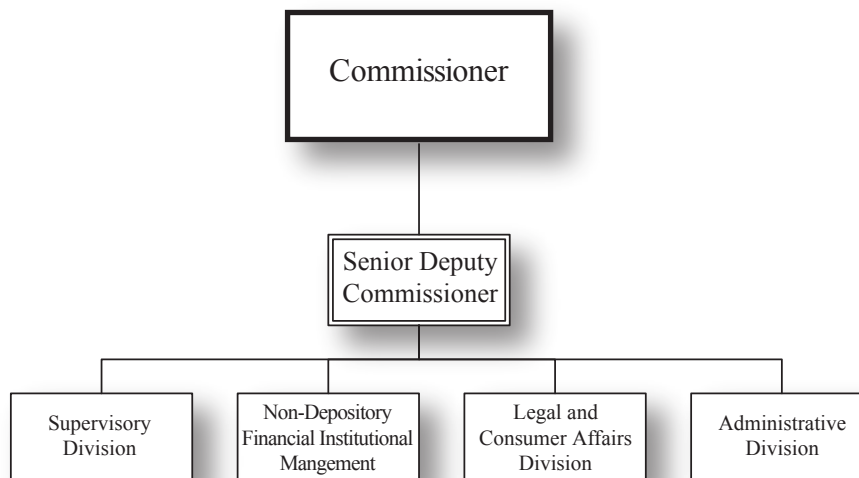
The department is responsible for examining all financial institutions at least once each year. Mortgage lenders/brokers are to be examined at least once every 24 months. Exceptions to these examination frequencies are allowed under specific conditions as provided by law and/or policy. If necessary, the department may require extra reports and conduct additional examinations to obtain essential information. The department is authorized to issue and enforce orders requiring financial institutions to correct unacceptable conditions discovered through examinations.

OTHER RESPONSIBILITIES

Other responsibilities of the department include approval of all proposals to incorporate as a state-chartered financial institution, approval of requests to change existing articles of incorporation, and approval of mergers and consolidations of financial institutions. Also, the department investigates possible violations of state interest and usury laws.

AUTHORITY

Title 7, Official Code of Georgia Annotated.



Department of Banking and Finance

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | Changes | FY 2009 |
|---------------------------|----------------------------|-------------------------|----------------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | <u>\$12,218,642</u> | <u>\$892,414</u> | <u>\$13,111,056</u> |
| TOTAL STATE FUNDS | <u>\$12,218,642</u> | <u>\$892,414</u> | <u>\$13,111,056</u> |
| TOTAL FUNDS | <u>\$12,218,642</u> | <u>\$892,414</u> | <u>\$13,111,056</u> |

Department Statewide Budget Changes (Information Only):

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$378,756 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$140,588) and for performance increases (\$56,235). | 196,823 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 103,926 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (23,116) |
| Total Change | \$656,389 |

Administration

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$26,939 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$21,808) and for performance increases (\$8,722). | 30,530 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 16,121 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (2,789) |
| 5. Transfer funds from the Chartering, Licensing, and Applications/Non-Mortgage Entities program to the Administration program to properly budget funds for projected expenses. | 174,693 |
| Total Change | \$245,494 |

Chartering, Licensing and Applications/Non-Mortgage Entities

Purpose: Provide efficient and flexible application, registration, and notification procedures for financial institutions that are in compliance with applicable laws, regulations, and department policies.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$14,472 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,555) and for performance increases (\$2,622). | 9,177 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,845 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (775) |
| 5. Transfer funds from the Chartering, Licensing, and Applications/Non-Mortgage Entities program to the Administration program (\$174,693), Consumer Protection and Assistance program (\$80,516), and Financial Institution Supervision program (\$462,430) to properly budget funds for projected expenses. | (717,639) |
| Total Change | (\$689,920) |

Consumer Protection and Assistance

Purpose: Assist consumers with problems encountered when dealing with department regulated entities.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$11,825 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,872) and for performance increases (\$2,749). | 9,621 |

Department of Banking and Finance

FY 2009 Program Budgets

| | |
|---|-----------|
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,080 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (930) |
| 5. Transfer funds from the Chartering, Licensing, and Applications/Non-Mortgage Entities program to the Consumer Protection and Assistance program to properly budget funds for projected expenses. | 80,516 |
| Total Change | \$106,112 |

Financial Institution Supervision

Purpose: Provide for safe and sound operation of Georgia state-chartered financial institutions, and protect the interests of the depositors, creditors, and shareholders of those institutions.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$263,851 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$87,276) and for performance increases (\$34,910). | 122,186 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 64,517 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (15,367) |
| 5. Transfer funds from the Chartering, Licensing, and Applications/Non-Mortgage Entities program (\$462,430) and the Mortgage Supervision program (\$21,534) to the Financial Institution Supervision program to properly budget funds for projected expenses. | 483,964 |
| 6. Restore operational funding for VOIP phone system for field offices. | 181,025 |
| 7. Provide funds to improve information systems controls that support business processes and objectives. | 55,000 |
| Total Change | \$1,155,176 |

Mortgage Supervision

Purpose: Protect customers from unfair, deceptive, or fraudulent residential mortgage lending practices and enforce applicable laws and regulations.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$61,669 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$18,078) and for performance increases (\$7,231). | 25,309 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 13,363 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (3,255) |
| 5. Transfer funds from the Mortgage Supervision program to the Financial Institution Supervision program to properly budget funds for projected expenses. | (21,534) |
| Total Change | \$75,552 |

Department of Banking and Finance

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Financial Institution Supervision | | | | |
| 1. Average number of examiners compared to total supervised assets (in millions) | 52 / \$280 | 56 / \$277 | 57 / \$290 | 57 / \$295 |
| Mortgage Supervision | | | | |
| 1. Average number of mortgage licensees and registrants | 3,413 | 3,212 | 3,200 | 3,300 |
| Consumer Protection and Assistance | | | | |
| 1. Customer Service: Percentage of customer responses and feedback indicating satisfaction with the service provided during the handling of their complaint | 83% | 98% | 92% | 92% |

Department Banking and Finance

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$1,659,755 | \$1,854,481 | \$1,876,614 | \$2,146,763 | \$2,122,108 |
| Chartering, Licensing and Applications/Non-Mortgage Entities | 478,594 | 497,876 | 1,250,814 | 483,129 | 560,894 |
| Consumer Protection and Assistance | 481,343 | 599,270 | 564,842 | 520,671 | 670,954 |
| Financial Institution Supervision | 6,392,145 | 6,972,574 | 6,734,312 | 7,645,076 | 7,889,488 |
| Mortgage Supervision | 1,823,551 | 1,631,107 | 1,792,060 | 1,957,513 | 1,867,612 |
| TOTAL FUNDS | <u>\$10,835,388</u> | <u>\$11,555,308</u> | <u>\$12,218,642</u> | <u>\$12,753,152</u> | <u>\$13,111,056</u> |
| <u>Less:</u> | | | | | |
| Other Funds | <u>\$125,000</u> | | | | |
| Subtotal | <u>\$125,000</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| State General Funds | <u>\$10,710,388</u> | <u>\$11,555,308</u> | <u>\$12,218,642</u> | <u>\$12,753,152</u> | <u>\$13,111,056</u> |
| TOTAL STATE FUNDS | \$10,710,388 | \$11,555,308 | \$12,218,642 | \$12,753,152 | \$13,111,056 |
| Positions | 148 | 149 | 149 | 149 | 149 |
| Motor Vehicles | 53 | 52 | 52 | 52 | 52 |

Department of Banking and Finance

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$12,218,642 | \$892,414 | \$13,111,056 |
| TOTAL STATE FUNDS | \$12,218,642 | \$892,414 | \$13,111,056 |
| TOTAL FUNDS | \$12,218,642 | \$892,414 | \$13,111,056 |
| Administration | | | |
| State General Funds | \$1,876,614 | \$245,494 | \$2,122,108 |
| Total Funds | \$1,876,614 | \$245,494 | \$2,122,108 |
| Chartering, Licensing and Applications/Non-Mortgage Entities | | | |
| State General Funds | \$1,250,814 | (\$689,920) | \$560,894 |
| Total Funds | \$1,250,814 | (\$689,920) | \$560,894 |
| Consumer Protection and Assistance | | | |
| State General Funds | \$564,842 | \$106,112 | \$670,954 |
| Total Funds | \$564,842 | \$106,112 | \$670,954 |
| Financial Institution Supervision | | | |
| State General Funds | \$6,734,312 | \$1,155,176 | \$7,889,488 |
| Total Funds | \$6,734,312 | \$1,155,176 | \$7,889,488 |
| Mortgage Supervision | | | |
| State General Funds | \$1,792,060 | \$75,552 | \$1,867,612 |
| Total Funds | \$1,792,060 | \$75,552 | \$1,867,612 |

Department of Community Affairs

Roles, Responsibilities, and Organization

The Department of Community Affairs (DCA) operates a host of state and federal grant programs; serves as the state's lead agency in housing finance and development; publishes building codes which are applicable to every structure built in Georgia; provides comprehensive planning, technical, and research assistance to local governments; and serves as the lead agency for the state's solid waste reduction efforts. DCA's three core businesses are safe and affordable housing, community and economic development, and local government assistance.

SAFE AND AFFORDABLE HOUSING

DCA supports Georgia communities in addressing their housing needs by offering funding and expertise to communities, non-profit and for-profit organizations, and individuals. The agency provides financing for affordable housing development, mortgages, and down payment loans for moderate-income first-time home buyers and financing for housing for people with special needs.

DCA's homeless and special needs housing programs support local programs that provide emergency shelter, transitional housing, essential services, and permanent supportive housing for persons who need community support in order to retain stable housing. The Housing Choice Voucher program provides rent subsidies to landlords who agree to maintain their rental properties at the required Housing Quality Standards and to rent to qualified low-income families.

COMMUNITY AND ECONOMIC DEVELOPMENT

DCA's community development programs help the state's communities realize their growth and development goals. The agency administers

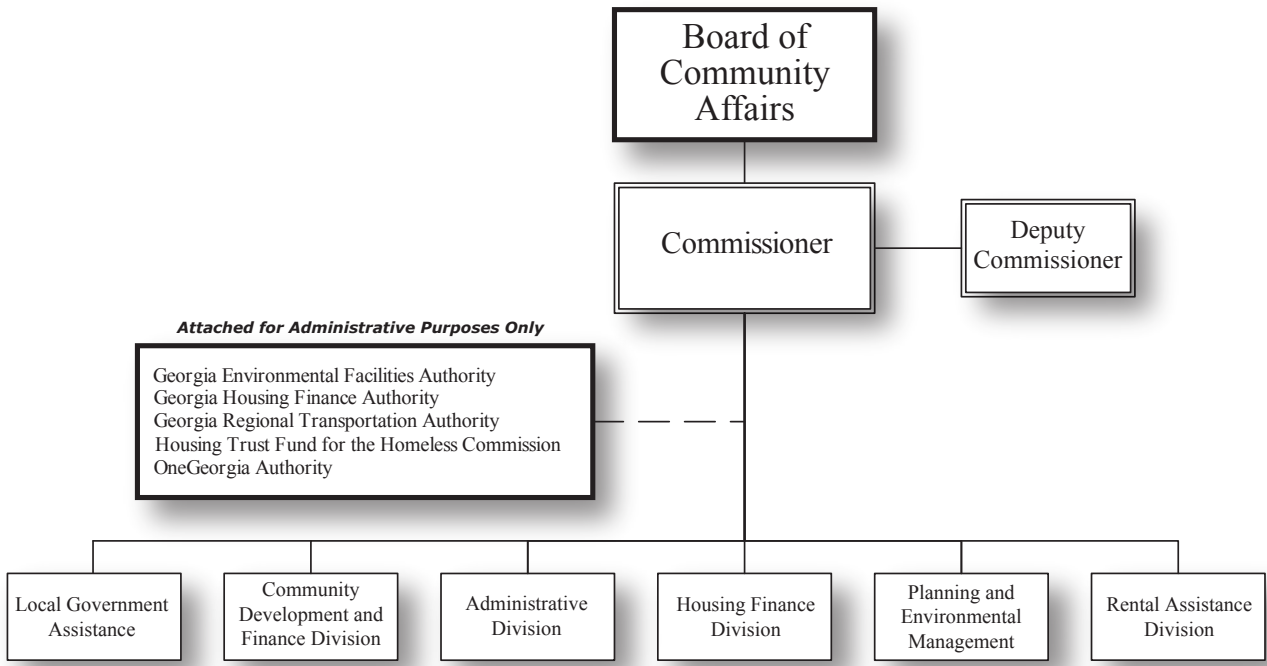
the federal Community Development Block Grant program, which provides approximately \$40 million in grants annually to cities and counties outside major metropolitan areas in Georgia. DCA's community service programs deliver approximately \$4 million annually in funding support to 13 AmeriCorps programs located throughout the state. The Leadership Development team helps communities to design, develop, and execute leadership training programs, and coordinates the regional multi-day Georgia Academy for Economic Development in every region of Georgia.

DCA offers economic development and redevelopment incentives and tools designed to help promote growth and job creation throughout the state. Economic development programs deliver over \$54 million in grants and loans annually to Georgia. Grants or loans are available for infrastructure (for businesses creating or retaining jobs), brownfield redevelopment, site preparation, downtown redevelopment, and project funding for North Georgia Appalachian communities. Training, design, and technical assistance are also available specifically for downtown development programs.

Planning and quality growth assistance is aimed at helping communities address issues of growth, development, and quality of life through implementation of recognized best practices for planning and growth management. This assistance includes advisory clinics, technical assistance, quality growth audits, on-site visits by resource teams, special issue workshops, and how-to toolkits.

LOCAL GOVERNMENT ASSISTANCE

Regional Services staff maintains partnerships with local, regional, state and federal organizations and agencies, and facilitates community



Department of Community Affairs

Roles, Responsibilities, and Organization

issue identification, goal development, and implementation of best practices. Regional field teams coordinate self-improvement initiatives such as the Main Street, Better Home Town, Signature Community, and Communities of Opportunity programs. The agency's Office of Environmental Management serves to integrate the importance of sound environmental management with the overall health and development of Georgia's communities, through such programs as the Governor's Litter Initiative, Keep Georgia Beautiful, Solid Waste and Recycling, and WaterFirst. These resources enhance the capacity of local governments and communities to protect the health, safety, and welfare of their residents through the sustainable stewardship of the environment and improvement in the quality of life for our citizens.

The department administers local government surveys related to topics including finance, solid waste, and wages and salaries. It also publishes and maintains information and data about local

governments and prepares local government fiscal notes for the General Assembly.

ATTACHED AGENCIES

The following agencies are administratively attached to DCA:

- Georgia Housing and Finance Authority
- Georgia Regional Transportation Authority
- Georgia Environmental Facilities Authority
- OneGeorgia Authority
- State Housing Trust Fund for the Homeless Commission

AUTHORITY

Titles 8, 12, 36, 48 and 50, Official Code of Georgia Annotated.

Department of Community Affairs

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---|-----------------------|-----------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$93,697,896 | (\$14,552,999) | \$79,144,897 |
| Tobacco Settlement Funds | 47,123,333 | | 47,123,333 |
| TOTAL STATE FUNDS | \$140,821,229 | (\$14,552,999) | \$126,268,230 |
| Federal Funds Not Specifically Identified | 130,537,107 | 9,111,046 | 139,648,153 |
| Other Funds | 15,622,464 | 3,817,460 | 19,439,924 |
| TOTAL FUNDS | \$286,980,800 | (\$1,624,493) | \$285,356,307 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$210,129 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$159,202), for performance increases (\$63,682), and for structure adjustments to the statewide salary plan (\$1,886). | 224,770 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 121,455 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (67,530) |
| Total Change | \$488,824 |

Administration

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$24,169 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$17,441), for performance increases (\$6,977), and for structure adjustments to the statewide salary plan (\$1,886). | 26,304 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 13,216 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (9,198) |
| Total Change | \$54,491 |

Building Construction

Purpose: Establish minimum building construction standards for all new structures, including mass-produced factory built (modular) buildings, built in the state.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$4,266 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,428) and for performance increases (\$1,371). | 4,799 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,597 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,808) |
| 5. Increase other funds (\$1,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$9,854 |

Coordinated Planning

Purpose: Give communities the information, assistance, tools, and funding needed to successfully implement planning and quality growth solutions to enhance and fulfill the requirements of Coordinated Comprehensive Planning according to the Georgia Planning Act of 1989.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$25,590 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$20,741) and for performance increases (\$8,296). | 29,037 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 15,715 |

Department of Community Affairs

FY 2009 Program Budgets

| | |
|---|---------------|
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (10,938) |
| 5. Increase funds to implement the Coastal Comprehensive Plan to ensure quality growth in Georgia's coastal region. | 275,000 |
| 6. Delete one-time funding for the Local Update of Census Addresses project. | (1,411,000) |
| Total Change | (\$1,076,596) |

Environmental Education and Assistance

Purpose: Provide technical assistance, resource tools, and public education outreach resources.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$9,952 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$7,328) and for performance increases (\$2,931) | 10,259 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,552 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (3,864) |
| 5. Increase other funds (\$2,905,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$21,899 |

Federal Community and Economic Development Programs

Purpose: Administer incentive and education programs, and provide technical assistance in the area of economic development to local governments, development authorities, and private for-profit entities.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$24,169 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$20,467) and for performance increases (\$8,187). | 28,654 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 15,506 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (10,793) |
| 5. Increase federal funds (\$9,061,046) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$57,536 |

Homeownership Programs

Purpose: Expand the supply of standard affordable housing through rehabilitation and construction, and provide homeownership opportunities for low and moderate-income individuals.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Local Assistance Grants

Purpose: Make grants or loans to eligible recipients or qualified local governments specified by recipient, amount, and purpose in an appropriation to the department.

Recommended Change:

| | |
|---|---------------|
| 1. Delete one-time funding for Local Assistance Grants. | (\$6,529,284) |
| Total Change | (\$6,529,284) |

Regional Services

Purpose: Assist in the marketing, development, and implementation of housing and community and economic development projects and services.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$28,825 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$17,999) and for performance increases (\$7,200). | 25,199 |

Department of Community Affairs

FY 2009 Program Budgets

| | |
|---|-------------|
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 13,636 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (9,491) |
| 5. Restore funding for the Local Development Fund. | 5,000,000 |
| 6. Increase other funds (\$500,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$5,058,169 |

Rental Housing Programs

Purpose: Provide affordable housing to very low and low to moderate-income households by allocating federal and state housing tax credits on a competitive basis and by providing subsidized housing through the Housing Choice Voucher Program.

Recommended Change:

| | |
|---|-----|
| 1. Increase federal funds (\$45,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$0 |

Research and Surveys

Purpose: Conduct surveys and collect financial/management data from local governments and authorities as directed by statute.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$8,530 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,000) and for performance increases (\$2,400). | 8,400 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,545 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (3,164) |
| 5. Increase other funds (\$24,163) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$18,311 |

Special Housing Initiatives

Purpose: Provide funding for special housing initiatives.

| | |
|--|-------------|
| 1. Increase funding for the State Housing Trust Fund to provide contract caseworkers to assist homeless families in achieving housing stability. | \$1,500,000 |
| 2. Increase other funds (\$63,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$1,500,000 |

State Community Development Programs

Purpose: Assist Georgia cities, small towns, and neighborhoods in the development of their core commercial areas, and champion new development opportunities for rural Georgia.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$17,061 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$11,999) and for performance increases (\$4,800). | 16,799 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 9,091 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (6,328) |
| 5. Increase federal funds (\$5,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$36,623 |

State Economic Development Program

Purpose: Facilitate and stimulate economic activity, private investment, and job creation by various means, including making loans and grants.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,422 |
|---|---------|

Department of Community Affairs

FY 2009 Program Budgets

| | |
|---|-------------|
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$1,063) and for performance increases (\$425). | 1,488 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 805 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (560) |
| 5. Delete one-time REBA funding to assist local redevelopment authorities with comprehensive economic development planning. | (80,471) |
| 6. Delete one-time funding appropriated to the City of Richland for an emergency water redistribution system. | (600,000) |
| Total Change | (\$677,316) |

Agencies Attached for Administrative Purposes:

Payments to Georgia Environmental Facilities Authority

Purpose: Provide funds for water, wastewater, solid waste, energy, and land conservation projects.

Recommended Change:

| | |
|--|----------------|
| 1. Provide one position and funding to coordinate energy savings programs. | \$139,232 |
| 2. Delete one-time funding for projects of statewide significance in the Governor's Land Conservation program. | (12,337,944) |
| 3. Delete one-time funding for treated wastewater reuse incentive grants. | (500,000) |
| 4. Delete one-time funding for the E-85 grant program. | (400,000) |
| Total Change | (\$13,098,712) |

Payments to Georgia Regional Transportation Authority

Purpose: Improve Georgia's mobility, air quality, and land use practices.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$66,145 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$52,736) and for performance increases (\$21,095). | 73,831 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 40,792 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (11,386) |
| 5. Eliminate the vacant board secretary position due to efficiencies. | (97,356) |
| 6. Utilize funds to expand Xpress service by implementing five new routes and service improvements on two routes. | Yes |
| 7. Utilize existing funds for a pilot ending June 30, 2009 of the Georgia Towing and Recovery Incentive Program (TRIP), paying heavy duty recovery companies a monetary bonus for clearing major commercial vehicle wrecks in metro Atlanta within set timeframes. | Yes |
| Total Change | \$72,026 |

Payments to One Georgia Authority

Purpose: Provide funds for the One Georgia Authority.

Recommended Change:

| | |
|--|-----|
| 1. Increase other funds (\$324,297) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$0 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|---------------------|
| Georgia Environmental Facilities Authority | | | |
| 1. Provide low-interest loans for local water and sewer construction projects. | 20 | \$42,000,000 | \$3,586,800 |
| 2. Provide matching funds for the clean water state revolving loan fund program. | 20 | 2,400,000 | 204,960 |
| 3. Provide matching funds for the drinking water state revolving loan fund program. | 20 | 5,600,000 | 478,240 |

Department of Community Affairs

FY 2009 Program Budgets

| | | | |
|---|----|--------------|-------------|
| 4. Fund reservoirs and water system improvements. | 20 | 30,000,000 | 2,562,000 |
| 5. Fund corrective construction work on state-owned fuel storage tanks. | 20 | 3,000,000 | 256,200 |
| | | \$83,000,000 | \$7,088,200 |
| Georgia Regional Transportation Authority | | | |
| 1. Acquire right of way (\$700,000) for the Salem park and ride lot in Rockdale County, and construct a park and ride lot (\$4,000,000) for Town Center, Cobb County, for the Xpress program. | 20 | \$4,700,000 | \$401,380 |
| 2. Purchase buses for route expansion and service improvements for the Xpress program. | 5 | 13,300,000 | 3,072,300 |
| Total | | \$18,000,000 | \$3,473,680 |

Department of Community Affairs

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Building Construction | | | | |
| 1. Number of building code clarifications/technical assistance provided to public and private sector customers | 4,887 | 4,758 | 3,500 | 3,500 |
| Coordinated Planning | | | | |
| 1. Customer Service - Percentage of local comprehensive plans and similar reviews completed within designated 30-day timeframe | N/A | 85% | 98% | 98% |
| Environmental Education and Assistance | | | | |
| 1. Percent of Georgia's population served by a Keep America Beautiful program | 75% | 76% | 77% | 77% |
| Federal Community and Economic Development Programs | | | | |
| 1. Amount of private investment leveraged for Appalachian Regional Commission economic development projects | N/A | \$83,881,307 | \$95,000,000 | \$98,000,000 |
| Homeownership Programs | | | | |
| 1. Number of Georgia Dream First Mortgage loans purchased | 725 | 1,354 | 1,200 | 1,300 |
| Regional Services | | | | |
| 1. Number of community-level leadership programs held | 25 | 20 | 25 | 25 |
| Research and Surveys | | | | |
| 1. Percent of registered local government authorities completing the annual Report of Registered Authority Finances | N/A | 77% | 80% | 85% |
| State Community Development Programs | | | | |
| 1. Number of new Main Street/Better Hometown cities | 5 | 5 | 3 | 3 |
| State Economic Development Program | | | | |
| 1. Number of jobs created or retained | 3,913 | 4,558 | 4,500 | 4,500 |
| Georgia Regional Transportation Authority | | | | |
| 1. Number of Xpress riders | 754,350 | 1,154,116 | 1,600,000 | 2,000,000 |

Department of Community Affairs

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$5,294,888 | \$5,649,188 | \$5,544,154 | \$5,568,323 | \$5,598,645 |
| Building Construction | 470,520 | 495,627 | 548,706 | 552,972 | 559,560 |
| Coordinated Planning | 3,841,686 | 3,767,473 | 5,284,729 | 4,174,319 | 4,208,133 |
| Environmental Education and Assistance | 1,298,674 | 1,754,735 | 1,529,320 | 1,539,272 | 4,456,219 |
| Federal Community and Economic Development Programs | 57,637,705 | 50,576,683 | 38,374,883 | 38,399,052 | 47,493,465 |
| Homeownership Programs | 3,775,404 | 3,941,563 | 4,631,991 | 4,631,991 | 4,631,991 |
| Local Assistance Grants | 4,593,075 | 6,477,930 | 6,529,284 | (6,529,284) | |
| Regional Services | 3,547,767 | 2,640,372 | 2,304,905 | 2,333,730 | 7,863,074 |
| Rental Housing Programs | 110,280,590 | 109,357,551 | 101,448,277 | 101,448,277 | 101,493,277 |
| Research and Surveys | 523,277 | 633,368 | 620,782 | 629,312 | 663,256 |
| Special Housing Initiatives | | 5,065,882 | 5,731,954 | 8,731,954 | 7,294,954 |
| State Community Development Programs | 1,262,976 | 1,265,083 | 1,377,599 | 1,394,660 | 1,419,222 |
| State Economic Development Program | 4,422,412 | 56,412,603 | 10,882,995 | 9,357,539 | 10,205,679 |
| SUBTOTAL (Excludes Attached Agencies) | \$196,948,974 | \$248,038,058 | \$184,809,579 | \$172,232,117 | \$195,887,475 |
| ATTACHED AGENCIES: | | | | | |
| Payments to Georgia Environmental Facilities Authority | \$900,000 | \$6,585,782 | \$49,823,726 | \$9,212,195 | \$36,725,014 |
| Payments to Georgia Regional Transportation Authority | 4,363,228 | 4,570,617 | 4,867,816 | 5,806,503 | 4,939,842 |
| Payments to OneGeorgia Authority | 47,532,555 | 47,649,738 | 47,479,679 | 47,479,679 | 47,803,976 |
| TOTAL FUNDS | \$249,744,757 | \$306,844,195 | \$286,980,800 | \$234,730,494 | \$285,356,307 |
| Less: | | | | | |
| Federal Funds | \$158,764,827 | \$155,892,230 | \$130,537,107 | \$130,537,107 | \$139,648,153 |
| Other Funds | 12,664,011 | 10,338,207 | 15,622,464 | 15,622,464 | 19,439,924 |
| Subtotal | \$171,428,838 | \$166,230,437 | \$146,159,571 | \$146,159,571 | \$159,088,077 |
| State General Funds | \$34,062,431 | \$93,490,426 | \$93,697,896 | \$47,976,874 | \$79,144,897 |
| Tobacco Settlement Funds | 47,123,333 | 47,123,332 | 47,123,333 | 47,123,333 | 47,123,333 |
| TOTAL STATE FUNDS | \$81,185,764 | \$140,613,758 | \$140,821,229 | \$95,100,207 | \$126,268,230 |
| Positions | 516 | 539 | 555 | 555 | 555 |
| Motor Vehicles | 203 | 229 | 183 | 183 | 183 |

Department of Community Affairs

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|-----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$93,697,896 | (\$14,552,999) | \$79,144,897 |
| Tobacco Settlement Funds | 47,123,333 | | 47,123,333 |
| TOTAL STATE FUNDS | <u>\$140,821,229</u> | <u>(\$14,552,999)</u> | <u>\$126,268,230</u> |
| Federal Funds Not Specifically Identified | 130,537,107 | 9,111,046 | 139,648,153 |
| Other Funds | 15,622,464 | 3,817,460 | 19,439,924 |
| TOTAL FUNDS | <u>\$286,980,800</u> | <u>(\$1,624,493)</u> | <u>\$285,356,307</u> |
| Administration | | | |
| State General Funds | \$2,205,751 | \$54,491 | \$2,260,242 |
| Federal Funds Not Specifically Identified | 1,320,986 | | 1,320,986 |
| Other Funds | 2,017,417 | | 2,017,417 |
| Total Funds | <u>\$5,544,154</u> | <u>\$54,491</u> | <u>\$5,598,645</u> |
| Building Construction | | | |
| State General Funds | \$310,002 | \$9,854 | \$319,856 |
| Other Funds | 238,704 | 1,000 | 239,704 |
| Total Funds | <u>\$548,706</u> | <u>\$10,854</u> | <u>\$559,560</u> |
| Coordinated Planning | | | |
| State General Funds | \$5,233,811 | (\$1,076,596) | \$4,157,215 |
| Other Funds | 50,918 | | 50,918 |
| Total Funds | <u>\$5,284,729</u> | <u>(\$1,076,596)</u> | <u>\$4,208,133</u> |
| Environmental Education and Assistance | | | |
| State General Funds | \$1,047,840 | \$21,899 | \$1,069,739 |
| Other Funds | 481,480 | 2,905,000 | 3,386,480 |
| Total Funds | <u>\$1,529,320</u> | <u>\$2,926,899</u> | <u>\$4,456,219</u> |
| Federal Community and Economic Development | | | |
| State General Funds | \$2,040,932 | \$57,536 | \$2,098,468 |
| Federal Funds Not Specifically Identified | 36,004,364 | 9,061,046 | 45,065,410 |
| Other Funds | 329,587 | | 329,587 |
| Total Funds | <u>\$38,374,883</u> | <u>\$9,118,582</u> | <u>\$47,493,465</u> |
| Homeownership Programs | | | |
| Other Funds | \$4,631,991 | | \$4,631,991 |
| Total Funds | <u>\$4,631,991</u> | <u>\$0</u> | <u>\$4,631,991</u> |
| Local Assistance Grants | | | |
| State General Funds | \$6,529,284 | (\$6,529,284) | \$0 |
| Total Funds | <u>\$6,529,284</u> | <u>(\$6,529,284)</u> | <u>\$0</u> |

Department of Community Affairs

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|-----------------------|---------------------------|
| Regional Services | | | |
| State General Funds | \$2,304,905 | \$5,058,169 | \$7,363,074 |
| Other Funds | | 500,000 | 500,000 |
| Total Funds | <u>\$2,304,905</u> | <u>\$5,558,169</u> | <u>\$7,863,074</u> |
| Rental Housing Programs | | | |
| State General Funds | \$3,287,829 | | \$3,287,829 |
| Federal Funds Not Specifically Identified | 93,198,170 | \$45,000 | 93,243,170 |
| Other Funds | 4,962,278 | | 4,962,278 |
| Total Funds | <u>\$101,448,277</u> | <u>\$45,000</u> | <u>\$101,493,277</u> |
| Research and Surveys | | | |
| State General Funds | \$620,782 | \$18,311 | \$639,093 |
| Other Funds | | 24,163 | 24,163 |
| Total Funds | <u>\$620,782</u> | <u>\$42,474</u> | <u>\$663,256</u> |
| Special Housing Initiatives | | | |
| State General Funds | \$3,332,892 | \$1,500,000 | \$4,832,892 |
| Other Funds | 2,399,062 | 63,000 | 2,462,062 |
| Total Funds | <u>\$5,731,954</u> | <u>\$1,563,000</u> | <u>\$7,294,954</u> |
| State Community Development Programs | | | |
| State General Funds | \$1,377,599 | \$36,623 | \$1,414,222 |
| Federal Funds Not Specifically Identified | | 5,000 | 5,000 |
| Total Funds | <u>\$1,377,599</u> | <u>\$41,623</u> | <u>\$1,419,222</u> |
| State Economic Development Program | | | |
| State General Funds | \$10,714,727 | (\$677,316) | \$10,037,411 |
| Federal Funds Not Specifically Identified | 13,587 | | 13,587 |
| Other Funds | 154,681 | | 154,681 |
| Total Funds | <u>\$10,882,995</u> | <u>(\$677,316)</u> | <u>\$10,205,679</u> |
| Agencies Attached for Administrative Purposes: | | | |
| Georgia Environmental Facilities Authority | | | |
| State General Funds | \$49,823,726 | (\$13,098,712) | \$36,725,014 |
| Total Funds | <u>\$49,823,726</u> | <u>(\$13,098,712)</u> | <u>\$36,725,014</u> |
| Georgia Regional Transportation Authority | | | |
| State General Funds | \$4,867,816 | \$72,026 | \$4,939,842 |
| Total Funds | <u>\$4,867,816</u> | <u>\$72,026</u> | <u>\$4,939,842</u> |
| OneGeorgia Authority | | | |
| Tobacco Settlement Funds | \$47,123,333 | | \$47,123,333 |
| Other Funds | 356,346 | \$324,297 | 680,643 |
| Total Funds | <u>\$47,479,679</u> | <u>\$324,297</u> | <u>\$47,803,976</u> |

Department of Community Health

Roles, Responsibilities, and Organization

The Department of Community Health (DCH) champions the following:

- Access to affordable, quality health care in our communities;
- Responsible health planning and use of health care resources; and,
- Healthy behaviors and improved health outcomes.

The department works to ensure that quality health care services are provided to a wide array of individuals, including state employees, teachers, and retirees; and those citizens who are eligible for Medicaid or PeachCare for Kids by virtue of being aged, low-income, or disabled. The department is additionally charged with identifying and evaluating available options that would provide health insurance coverage for the estimated 1.7 million Georgians currently uninsured. A nine-person board appointed by the Governor has policy-making authority for DCH.

The department has three major divisions: the Division of Medical Assistance Plans, the Division of Managed Care and Quality, and the Division of State Health Benefit Plan. DCH also targets health care access and improvement through the Office of Rural Health Services.

There are three Boards that are administratively attached to the department: the Composite State Board of Medical Examiners, which licenses physicians; the Georgia Board for Physician Workforce, which provides financial aid to medical schools and residency training programs; and the State Medical Education Board, which administers medical scholarships and loans to promote medical practice in rural areas.

DIVISION OF MEDICAL ASSISTANCE PLANS

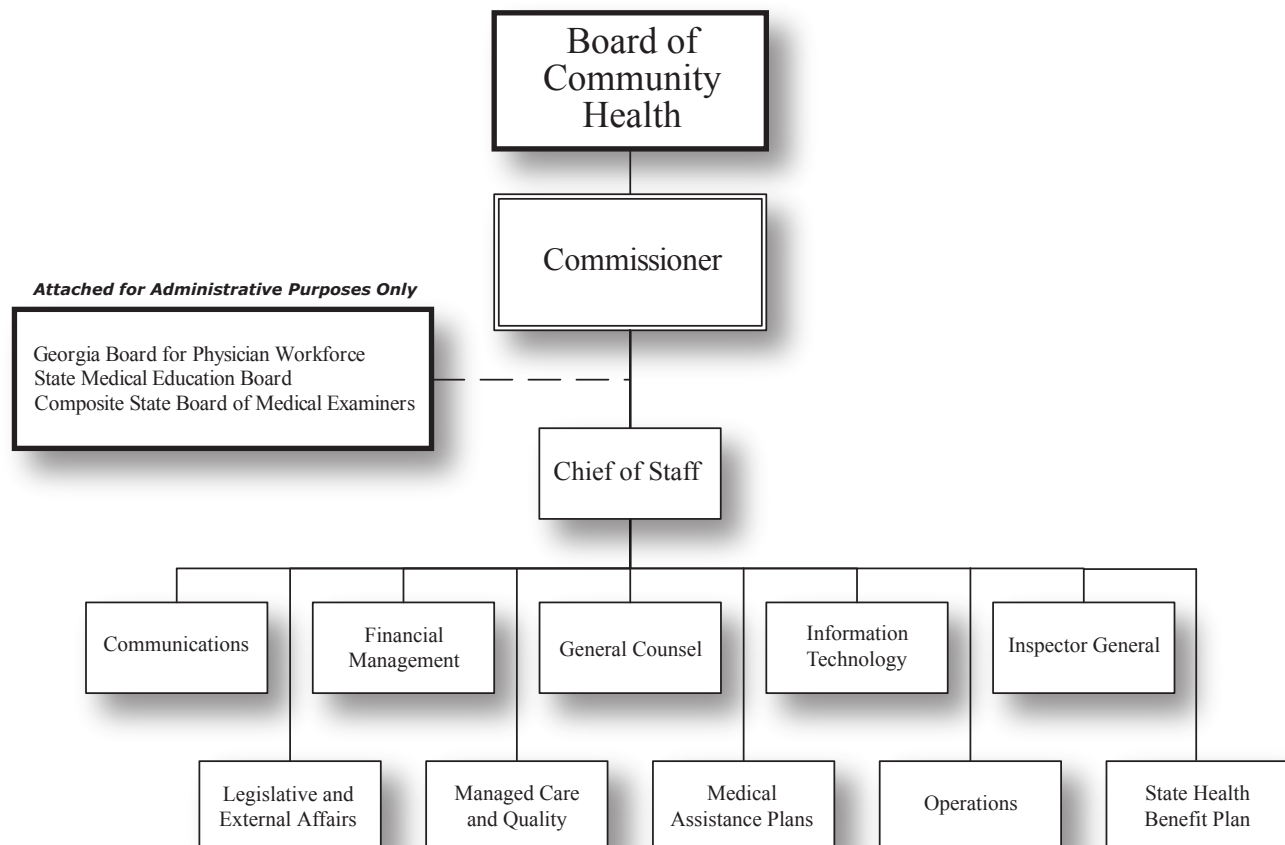
The largest division in the department, the Division of Medical Assistance Plans, administers the Medicaid program, which purchases health care on behalf of nearly 1.3 million persons who are aged, blind, disabled, or indigent. State and federal dollars fund Medicaid with the federal government paying for about 63% of health care costs. A broad array of health care services is available that address the needs of program participants, including hospital, physician, pharmacy, and nursing home services.

The division administers the state's Indigent Care Trust Fund (ICTF), which completed its 17th year of operation in 2007. Utilizing intergovernmental transfers and federal matching funds, the ICTF reimburses hospitals serving a disproportionate share of medically indigent Georgians.

The division is also responsible for the PeachCare for Kids Program, Georgia's version of the federal Children's Health Insurance Program. PeachCare provides medical and dental coverage for over 260,000 children whose parents' income is too high to qualify for Medicaid, but who cannot afford private health insurance. Current eligibility allows children in families with incomes between 185% and 235% of the federal poverty level to participate.

DIVISION OF MANAGED CARE AND QUALITY

The Division of Managed Care and Quality is responsible for implementing and directing the state's new healthcare management effort known as Georgia Families (GF).



Department of Community Health

Roles, Responsibilities, and Organization

Implemented in June 2006, the department, in partnership with private Care Management Organizations, provides a more efficient delivery of health care services, better care for members, and accountability to taxpayers while at the same time maintaining predictable and sustainable expenditure growth. Children, pregnant women and women with breast or cervical cancer on Medicaid, as well as children enrolled in PeachCare, are eligible to participate in GF. The GF initiative was phased-in on a regional basis beginning June 2006 with the final regions brought into the plan September 2006. GF currently covers over 900,000 members.

DIVISION OF STATE HEALTH BENEFIT PLAN

The Division of State Health Benefit Plan (SHBP) manages the health plan which provides health insurance coverage to nearly 700,000 state employees, teachers, retirees, and their dependents. The SHBP offers members several coverage options, including three consumer-

driven health plans, a Preferred Provider Organization (PPO), several Health Management Organization (HMO) choices, and a traditional indemnity plan.

OTHER DIVISIONS

The department also contains other divisions including General Counsel, which provides legal assistance to the department and administers the Certificate of Need (CON) process; Office of Inspector General; Operations; Information Technology; Community Affairs; Communications; and Financial Management.

AUTHORITY

Titles XIX and XXI, Social Security Act; Title 31-5A, Official Code of Georgia Annotated.

Department of Community Health

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|------------------------------------|-------------------------|----------------------|-------------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$2,428,284,558 | \$50,693,677 | \$2,478,978,235 |
| Tobacco Settlement Funds | 53,823,656 | 7,750,000 | 61,573,656 |
| TOTAL STATE FUNDS | <u>\$2,482,108,214</u> | <u>\$58,443,677</u> | <u>\$2,540,551,891</u> |
| Medical Assistance | 5,259,003,078 | 662,834,043 | 5,921,837,121 |
| State Children's Insurance Program | 250,479,058 | 9,767,210 | 260,246,268 |
| TOTAL FEDERAL FUNDS | <u>\$5,509,482,136</u> | <u>\$672,601,253</u> | <u>\$6,182,083,389</u> |
| Other Funds | 3,465,705,873 | 247,198,835 | 3,712,904,708 |
| TOTAL FUNDS | <u>\$11,457,296,223</u> | <u>\$978,243,765</u> | <u>\$12,435,539,988</u> |

Department Statewide Budget Changes (Information Only):

| | |
|--|--------------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$363,660 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$259,668), for performance increases (\$103,868), for special adjustments to selected job classes (\$31,977), and for structure adjustments to the statewide salary plan (\$5,203). | 400,716 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 196,763 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (30,963) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 82,055 |
| Total Change | <u>\$1,012,231</u> |

Administration

Recommended Change:

| | |
|---|---------------------|
| 1. Annualize the cost of the FY 2008 salary adjustment (Total Funds: \$915,937). | \$318,145 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$219,425), for performance increases (\$87,770), and for structure adjustments to the statewide salary plan (\$4,921). | 312,116 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 165,863 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (30,963) |
| 5. Increase the GBA real estate rental rate for office space. | 82,055 |
| 6. Redirect funds from the Administration program to the Health Care Access and Improvement program to reflect department reorganization of two positions. | (171,426) |
| 7. Transfer funds from the Aged, Blind, and Disabled Medicaid program to the Administration program to replace the loss of one-time funds reserved for FY 2008 administrative services. | 14,130,000 |
| 8. Reduce operational expenses in the Administration program (Total Funds: \$5,124,112). | (1,566,028) |
| 9. Provide funds to continue implementation of the Health Information Exchange pilot program. | 750,000 |
| 10. Reduce other funds to reflect the loss of one-time funds reserved for FY 2008 administrative services (Total Funds: \$14,130,000). | Yes |
| Total Change | <u>\$13,989,762</u> |

Aged, Blind, and Disabled Medicaid

Purpose: Improve healthcare access primarily to elderly and disabled individuals.

Recommended Change:

| | |
|---|----------------|
| 1. Transfer funds from the Aged, Blind, and Disabled Medicaid program to the Administration program to replace the loss of one-time funds reserved for FY 2008 administrative services (Total Funds: \$39,403,235). | (\$14,130,000) |
| 2. Reduce Medicaid benefits to reflect projected expenditures (Total Funds: \$25,097,602). | (9,000,000) |

Department of Community Health

FY 2009 Program Budgets

| | | |
|-----|--|--------------|
| 3. | Add 100 Independent Care Waiver Program (ICWP) slots for the Money Follows the Person Demonstration Grant to move qualified members from institutions to the community (Total Funds: \$3,968,341). | 1,423,047 |
| 4. | Provide funds for 50 slots in the ICWP program to address the community waiting list (Total Funds: \$2,176,267). | 780,409 |
| 5. | Provide the following rate adjustments for all Medicaid and PeachCare member services, both Fee-For-Service and Managed Care: | |
| a. | Update the maximum allowable reimbursement to 88.5% of the 2007 Resource Based Relative Value Scale (RBRVS), as specified by Medicare for the Atlanta area, for providers of the following services: Physician, Physician Assistant, Nurse Midwife, Advanced Nurse Practitioners, Podiatry, Oral Maxillofacial Surgery, Children's Intervention Services, Children's Intervention School Services, Psychological Services, Dialysis Professional Services, Vision, and Family Planning (Total Funds: \$9,537,986). | 3,420,322 |
| b. | Increase cost coverage for inpatient hospital services from 95.1% to 98.6% of cost for designated trauma hospitals Levels I through III, and increase cost coverage from 90.1% to 92.6% of cost for all other hospitals (Total Funds: \$18,354,264). | 6,581,839 |
| c. | Update outpatient hospital reimbursement to a facility-wide Cost-to-Charge ratio to determine cost, and pay 100% of cost for designated trauma hospitals Levels I through III, and 95% of cost for all other hospitals for outpatient services; increase the cap on outpatient services based on increases in inpatient hospital reimbursement; and, increase the triage fee for non-emergency use of the Emergency Room from \$50 to \$60 (Total Funds: \$5,822,103). | 2,087,806 |
| d. | Increase the cap for home health services to \$90 and pay the lesser of the cap or 100% of cost, according to FY 2006 cost reports (Total Funds: \$3,168,664). | 1,136,283 |
| e. | Increase Healthcheck reimbursement rate by 2.5% (Total Funds: \$50,924). | 18,261 |
| f. | Provide coverage for digital mammography services (Total Funds: \$316,487). | 113,492 |
| g. | Increase codes for global maternity delivery rates by 2.5% (Total Funds: \$608,772). | 218,306 |
| 6. | Provide an additional 1% add-on to per diems for nursing facilities meeting the requirements of the quality incentive program (Total Funds: \$4,998,963). | 1,792,628 |
| 7. | Increase funding for the nursing home per diem rate to align with current fair rental value indices and to recognize capital expenditures associated with facility upgrades (Total Funds: \$49,219,615). | 17,650,154 |
| 8. | Develop a quality incentive proposal for all home and community based waiver services in partnership with the Department of Human Resources (DHR). | Yes |
| 9. | Reflect changes in the Federal Financial Participation (FFP) rate for Medicaid (Total Funds: \$149,586,628). | Yes |
| 10. | Realign Medicaid benefits and utilize FY 2008 state fund reserves (\$63,872,418) for FY 2008 Incurred But Not Reported (IBNR) claims expense (Total Funds: \$178,116,057). | Yes |
| | Total Change | \$12,092,547 |

Health Care Access and Improvement

Purpose: Improve the health, wellness, and access to healthcare for Georgians.

Recommended Change:

State General Funds:

| | | |
|----|---|------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$9,501 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$6,553), and for performance increases (\$2,621). | 9,174 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,953 |
| 4. | Redirect funds from the Administration program to the Health Care Access and Improvement program to reflect department reorganization of two positions. | 171,426 |
| 5. | Provide funding for the Health Insurance Partnership in order to decrease Georgia's working uninsured by providing low cost health insurance to approximately 25,000 Georgians. The program will target sole proprietors, small businesses, and their employees with incomes less than 300% of the federal poverty level (Total Funds: \$63,446,489). | 16,935,427 |
| 6. | Continue development and implementation of a consumer focused Web site expanding access to health care information. | 750,000 |

Department of Community Health

FY 2009 Program Budgets

| | |
|--|--------------|
| 7. Delete one-time funds for "new start" Community Health Centers in Bacon, Bibb, Gwinnett, Lanier, Murray, and Richmond counties. | (1,500,000) |
| 8. Delete one-time funds for behavioral health services integration with existing Community Health Centers in Bacon, Dougherty, Emanuel, Muscogee, and Washington counties. | (1,250,000) |
| 9. Delete one-time funds to the Georgia Association for Primary Health Care to complete the statewide Electronic Medical Records system to link together the Federally Qualified Community Health Centers. | (750,000) |
| 10. Reflect the final year of the state funds contribution to the Hughes Spalding Children's Hospital. | (1,750,000) |
| Total Change | \$12,630,481 |
| <u>Tobacco Settlement Funds:</u> | |
| 1. Provide tobacco settlement funding to increase access to primary health care in rural Georgia through the development of regional systems of care. | \$9,250,000 |
| 2. Redirect core funding for Regional Cancer Coalitions from the Department of Community Health to the Board of Regents, Payments to Georgia Cancer Coalition. | (1,500,000) |
| Total Change | \$7,750,000 |

Indigent Care Trust Fund

Purpose: Support rural and other healthcare providers, primarily hospitals, that serve medically indigent Georgians.

Recommended Change:

| | |
|--|-------------|
| 1. Reduce state funds in the Indigent Care Trust Fund by replacing state funds appropriated to the Georgia Cancer Coalition with revenue generated from the renewal of breast cancer license tags. | (\$500,000) |
| 2. Reflect changes in the FFP rate for Medicaid (Total Funds: \$36,414,795) | Yes |
| Total Change | (\$500,000) |

Low-Income Medicaid

Purpose: Improve healthcare access primarily to low-income individuals.

Recommended Change:

| | |
|--|-----------|
| 1. Add 100 Independent Care Waiver Program (ICWP) slots for the Money Follows the Person Demonstration Grant to move qualified members from institutions to the community (Total Funds: \$10,271). | \$3,683 |
| 2. Provide funds for 50 slots in the ICWP program to address the community waiting list (Total Funds: \$5,633). | 2,020 |
| 3. Provide the following rate adjustments for all Medicaid and PeachCare member services, both Fee-For-Service and Managed Care: | |
| a. Update the maximum allowable reimbursement to 88.5% of the 2007 Resource Based Relative Value Scale (RBRVS), as specified by Medicare for the Atlanta area, for providers of the following services: Physician, Physician Assistant, Nurse Midwife, Advanced Nurse Practitioners, Podiatry, Oral Maxillofacial Surgery, Children's Intervention Services, Children's Intervention School Services, Psychological Services, Dialysis Professional Services, Vision, and Family Planning (Total Funds: \$18,500,525). | 6,634,288 |
| b. Increase cost coverage for inpatient hospital services from 95.1% to 98.6% of cost for designated trauma hospitals Levels I through III, and increase cost coverage from 90.1% to 92.6% of cost for all other hospitals (Total Funds: \$24,514,205). | 8,790,794 |
| c. Update outpatient hospital reimbursement to a facility-wide Cost-to-Charge ratio to determine cost, and pay 100% of cost for designated trauma hospitals Levels I through III, and 95% of cost for all other hospitals for outpatient services; increase the cap on outpatient services based on increases in inpatient hospital reimbursement; and, increase the triage fee for non-emergency use of the Emergency Room from \$50 to \$60 (Total Funds: \$11,479,702). | 4,116,621 |
| d. Increase the cap for home health services to \$90 and pay the lesser of the cap or 100% of cost, according to FY 2006 cost reports (Total Funds: \$649,519). | 232,918 |
| e. Increase Healthcheck reimbursement rate by 2.5% (Total Funds: \$1,370,224). | 491,362 |
| f. Provide coverage for digital mammography services (Total Funds: \$624,031). | 223,778 |
| g. Increase codes for global maternity delivery rates by 2.5% (Total Funds: \$1,737,073). | 622,914 |
| 4. Provide an additional 1% add-on to per diems for nursing facilities meeting the requirements of the quality incentive program (Total Funds: \$1,037). | 372 |

Department of Community Health

FY 2009 Program Budgets

| | |
|--|---------------|
| 5. Reduce CMO fees to reflect projected revenue due to lower program enrollment (Total Funds: \$74,006,015). | (26,538,557) |
| 6. Develop a quality incentive proposal for all home and community based waiver services in partnership with DHR. | Yes |
| 7. Reflect changes in the FFP rate for Medicaid (Total Funds: \$98,550,081). | Yes |
| 8. Realign Medicaid benefits and utilize FY 2008 state fund reserves (\$141,028,264) for FY 2008 Incurred But Not Reported (IBNR) claims expense (Total Funds: \$393,274,579). | Yes |
| Total Change | (\$5,419,807) |

Nursing Home Provider Fees

Purpose: There is hereby appropriated to the Department of Community Health a specific sum of money equal to all the provider fees paid to the Indigent Care Trust Fund created pursuant to Article 6A of chapter 8 of Title 31. The sum of money is appropriated for payments to nursing homes pursuant to Article 6A.

Recommended Change:

| | |
|--|-----|
| 1. Reflect changes in the FFP rate for Medicaid (Total Funds: \$10,948,871). | Yes |
| Total Change | \$0 |

PeachCare

Purpose: Improve access to healthcare for qualified low-income Georgia children.

Recommended Change:

| | |
|---|--------------|
| 1. Provide the following rate adjustments for all Medicaid and PeachCare member services, both Fee-For-Service and Managed Care: | |
| a. Update the maximum allowable reimbursement to 88.5% of the 2007 Resource Based Relative Value Scale (RBRVS), as specified by Medicare for the Atlanta area, for providers of the following services: Physician, Physician Assistant, Nurse Midwife, Advanced Nurse Practitioners, Podiatry, Oral Maxillofacial Surgery, Children's Intervention Services, Children's Intervention School Services, Psychological Services, Dialysis Professional Services, Vision, and Family Planning (Total Funds: \$920,100). | \$230,301 |
| b. Increase cost coverage for inpatient hospital services from 95.1% to 98.6% of cost for designated trauma hospitals Levels I through III, and increase cost coverage from 90.1% to 92.6% of cost for all other hospitals (Total Funds: \$895,158). | 224,058 |
| c. Update outpatient hospital reimbursement to a facility-wide Cost-to-Charge ratio to determine cost, and pay 100% of cost for designated trauma hospitals Levels I through III, and 95% of cost for all other hospitals for outpatient services; increase the cap on outpatient services based on increases in inpatient hospital reimbursement; and, increase the triage fee for non-emergency use of the Emergency Room from \$50 to \$60 (Total Funds: \$1,554,966). | 389,208 |
| d. Increase the cap for home health services to \$90 and pay the lesser of the cap or 100% of cost, according to FY 2006 cost reports (Total Funds: \$16,997). | 4,254 |
| e. Increase Healthcheck reimbursement rate by 2.5% (Total Funds: \$190,503). | 47,683 |
| f. Provide coverage for digital mammography services (Total Funds: \$84,483). | 21,146 |
| g. Increase codes for global maternity delivery rates by 2.5% (Total Funds: \$207,907). | 52,039 |
| 2. Provide state funds to cover projected benefit expenditures in the PeachCare program. | 17,296,679 |
| 3. Reduce CMO fees to reflect projected revenue (Total Funds: \$5,023,440). | (1,257,367) |
| 4. Reflect changes in the FFP rate for PeachCare (Total Funds: \$10,631,858). | Yes |
| Total Change | \$17,008,001 |

State Health Benefit Plan

Purpose: Provide a healthcare benefit that is competitive with other commercial benefit plans in quality of care, access to providers, and efficient management of provider fees and utilization.

Recommended Change:

| | |
|---|-----|
| 1. Implement optimal pricing strategies to incentivize member enrollment in Consumer Driven Health Plans (CDHP) while increasing employee premiums by an average of 7.5% (Total Funds: \$24,177,001). | Yes |
|---|-----|

Department of Community Health

FY 2009 Program Budgets

| | |
|--|-----|
| 2. Provide funds for Other Post-Employment Benefits (OPEB) for retiree health care for state employees and their dependents by increasing the percent of payroll contribution from 22.843% to 24.182% (Total funds: \$40,540,022). | Yes |
| 3. Increase funds to reflect appropriated employer contributions for premium payments and OPEB for legislative and judicial agencies as reflected in House Bill 95 (Total Funds: \$9,898,650). | Yes |
| Total Change | \$0 |

Agencies Attached for Administrative Purposes:

Composite Board of Medical Examiners

Purpose: Protect the public's health by ensuring healthcare practitioners are qualified to practice in the state of Georgia.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$27,226 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$25,270), for performance increases (\$10,108), and for structure adjustments to the statewide salary plan (\$282). | 35,660 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 19,078 |
| 4. Provide funds for three replacement vehicles in excess of 135,000 miles for investigative agents. | 45,000 |
| 5. Reduce telecommunication expenses due to implementation of new technology. | (15,000) |
| Total Change | \$111,964 |

Georgia Board of Physician Workforce

Purpose: Address the physician workforce needs of Georgia communities through the support and development of medical education programs and through a public/private partnership with private medical schools in Georgia.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$6,486 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$5,716), for performance increases (\$2,287), and for special adjustments to selected job classes (\$31,977). | 39,980 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,755 |
| 4. Provide one-time funding of \$21,525 for a physician matching services program to increase Georgia's ability to recruit needed physicians. | 82,424 |
| 5. Increase operating expenses to include one-time funds of \$5,000 for cost shared with State Medical Education Board to accurately reflect expenses. | 17,500 |
| 6. Increase funds for inflationary increases to data broker contracts, and for participation in the Governor's Intern Program. | 20,500 |
| 7. Provide funds for a Medical Education study to evaluate Georgia's teaching institutions' capacity to expand their residency programs. | 110,000 |
| 8. Add two pediatric residency slots at Medical Center of Central Georgia and two pediatric residency slots at Memorial Health University Medical Center. | 72,534 |
| 9. Add two family medicine residency slots at Medical Center of Central Georgia. | 43,800 |
| 10. Add three general surgery residency slots at Memorial Health University Medical Center, and four general surgery slots at Medical Center of Central Georgia. | 126,000 |
| 11. Add two OB/GYN residency slots at Memorial Health University Medical Center. | 36,000 |
| Total Change | \$559,979 |

State Medical Education Board

Purpose: Ensure an adequate supply of physicians in rural areas of the state, and provide a program of aid to promising medical students.

Recommended Change:

| | |
|--|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,302 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$2,704), and for performance increases (\$1,082). | 3,786 |

Department of Community Health FY 2009 Program Budgets

| | |
|---|-----------------|
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,114 |
| 4. Increase operating expenses to include one-time funds of \$5,000 for cost shared with Georgia Board of Physician Workforce to accurately reflect expenses. | 12,548 |
| 5. Provide one-time funds for an increase to reflect default payment collections to make more funds available for Physicians for Rural Area Assistance program. | 200,000 |
| Total Change | <hr/> \$220,750 |

Department of Community Health

Performance Measures - FY 2009

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Aged, Blind and Disabled Medicaid | | | | |
| 1. Percent decrease in ER visits, hospital stays, and hospital days for members receiving Disease Management and Administrative Services | N/A | TBD | 10% | 10% |
| Aged, Blind and Disabled Medicaid and Low-Income Medicaid | | | | |
| 1. Percentage of members receiving Medicaid program services whose income is validated during the eligibility process | N/A | 50% | 100% | 100% |
| Low-Income Medicaid and PeachCare | | | | |
| 1. Percentage of members in Georgia Families receiving annual Health Check screens and immunizations | N/A | | 100% | 100% |
| State Health Benefit Plan | | | | |
| 1. Percent of SHBP enrollees in consumer directed plan options | | 0.4% | 3.8% | 8.1% |

Department of Community Health

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$377,727,650 | \$353,172,087 | \$430,930,823 | \$427,301,222 | \$427,830,293 |
| Aged, Blind, and Disabled Medicaid | 3,529,666,085 | 3,423,576,591 | 4,273,886,947 | 4,475,743,604 | 4,635,311,181 |
| Health Care Access and Improvement | 9,362,493 | 15,773,448 | 17,987,926 | 13,668,853 | 84,879,469 |
| Indigent Care Trust Fund | 286,846,185 | 992,026,716 | 432,822,000 | 396,168,028 | 395,907,205 |
| Low-Income Medicaid | 2,279,578,654 | 2,647,502,617 | 2,924,600,849 | 2,997,831,450 | 3,401,311,714 |
| Nursing Home Provider Fees | 242,656,677 | 291,977,289 | 324,921,888 | 321,097,220 | 335,870,759 |
| PeachCare | 243,480,979 | 319,778,416 | 313,825,507 | 328,377,885 | 340,600,718 |
| State Health Benefit Plan | 2,181,900,482 | 2,377,546,895 | 2,687,375,431 | 2,846,267,534 | 2,761,991,104 |
| SUBTOTAL FUNDS (Excludes Attached Agencies) | \$9,151,219,205 | \$10,421,354,059 | \$11,406,351,371 | \$11,806,455,796 | \$12,383,702,443 |
| ATTACHED AGENCIES: | | | | | |
| Composite Board of Medical Examiners | \$2,328,542 | \$2,330,072 | \$2,366,731 | \$2,478,672 | \$2,478,695 |
| Georgia Board of Physician Workforce | 38,440,853 | 40,273,090 | 47,150,712 | 47,157,198 | 47,710,691 |
| State Medical Education Board | 1,407,433 | 1,347,261 | 1,427,409 | 1,629,711 | 1,648,159 |
| TOTAL FUNDS | \$9,193,396,033 | \$10,465,304,482 | \$11,457,296,223 | \$11,857,721,377 | \$12,435,539,988 |
| Less: | | | | | |
| Federal Funds | \$4,216,819,679 | \$4,968,954,197 | \$5,509,482,136 | \$5,768,390,172 | \$6,182,083,389 |
| Other Funds | 2,970,840,700 | 3,418,605,038 | 3,465,705,873 | 3,366,943,382 | 3,712,904,708 |
| Subtotal | \$7,187,660,379 | \$8,387,559,235 | \$8,975,188,009 | \$9,135,333,554 | \$9,894,988,097 |
| State General Funds | \$1,947,648,270 | \$2,021,800,887 | \$2,428,284,558 | \$2,668,564,167 | \$2,478,978,235 |
| Tobacco Settlement Funds | 58,087,386 | 55,944,361 | 53,823,656 | 53,823,656 | 61,573,656 |
| TOTAL STATE FUNDS | \$2,005,735,654 | \$2,077,745,247 | \$2,482,108,214 | \$2,722,387,823 | \$2,540,551,891 |
| Positions | 507 | 507 | 529 | 529 | 529 |
| Motor Vehicles | 24 | 19 | 19 | 19 | 19 |

Department of Community Health

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$2,428,284,558 | \$50,693,677 | \$2,478,978,235 |
| Tobacco Settlement Funds | 53,823,656 | 7,750,000 | 61,573,656 |
| TOTAL STATE FUNDS | \$2,482,108,214 | \$58,443,677 | \$2,540,551,891 |
| Medical Assistance | 5,259,003,078 | 662,834,043 | 5,921,837,121 |
| State Children's Insurance Program | 250,479,058 | 9,767,210 | 260,246,268 |
| TOTAL FEDERAL FUNDS | \$5,509,482,136 | \$672,601,253 | \$6,182,083,389 |
| Other Funds | 3,465,705,873 | 247,198,835 | 3,712,904,708 |
| TOTAL FUNDS | \$11,457,296,223 | \$978,243,765 | \$12,435,539,988 |
| Administration | | | |
| State General Funds | \$94,102,323 | \$13,989,762 | \$108,092,085 |
| Medical Assistance | 282,177,993 | (3,139,462) | 279,038,531 |
| State Children's Insurance Program | 18,154,035 | | 18,154,035 |
| Other Funds | 36,496,472 | (13,950,830) | 22,545,642 |
| Total Funds | \$430,930,823 | (\$3,100,530) | \$427,830,293 |
| Aged, Blind and Disabled Medicaid | | | |
| State General Funds | \$1,135,312,137 | \$12,092,547 | \$1,147,404,684 |
| Medical Assistance | 2,663,301,386 | 285,459,269 | 2,948,760,655 |
| Other Funds | 475,273,424 | 63,872,418 | 539,145,842 |
| Total Funds | \$4,273,886,947 | \$361,424,234 | \$4,635,311,181 |
| Health Care Access and Improvement | | | |
| State General Funds | \$14,449,088 | \$12,630,481 | \$27,079,569 |
| Tobacco Settlement Funds | 2,850,000 | 7,750,000 | 10,600,000 |
| Medical Assistance | 588,838 | 46,511,062 | 47,099,900 |
| Other Funds | 100,000 | | 100,000 |
| Total Funds | \$17,987,926 | \$66,891,543 | \$84,879,469 |
| Indigent Care Trust Fund | | | |
| State General Funds | \$500,000 | (\$500,000) | \$0 |
| Medical Assistance | 271,584,678 | (18,048,105) | 253,536,573 |
| Other Funds | 160,737,322 | (18,366,690) | 142,370,632 |
| Total Funds | \$432,822,000 | (\$36,914,795) | \$395,907,205 |
| Low-Income Medicaid | | | |
| State General Funds | \$930,821,499 | (\$5,419,807) | \$925,401,692 |
| Tobacco Settlement Funds | 50,973,656 | | 50,973,656 |
| Medical Assistance | 1,837,234,253 | 341,102,408 | 2,178,336,661 |
| Other Funds | 105,571,441 | 141,028,264 | 246,599,705 |
| Total Funds | \$2,924,600,849 | \$476,710,865 | \$3,401,311,714 |

Department of Community Health

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|--------------|---------------------------|
| Nursing Home Provider Fees | | | |
| State General Funds | \$120,805,958 | | \$120,805,958 |
| Medical Assistance | 204,115,930 | \$10,948,871 | 215,064,801 |
| Total Funds | \$324,921,888 | \$10,948,871 | \$335,870,759 |
| PeachCare | | | |
| State General Funds | \$81,348,701 | \$17,008,001 | \$98,356,702 |
| State Children's Insurance Program | 232,325,023 | 9,767,210 | 242,092,233 |
| Other Funds | 151,783 | | 151,783 |
| Total Funds | \$313,825,507 | \$26,775,211 | \$340,600,718 |
| State Health Benefit Plan | | | |
| Other Funds | \$2,687,375,431 | \$74,615,673 | \$2,761,991,104 |
| Total Funds | \$2,687,375,431 | \$74,615,673 | \$2,761,991,104 |
| Agencies Attached for Administrative Purposes: | | | |
| Composite Board of Medical Examiners | | | |
| State General Funds | \$2,366,731 | \$111,964 | \$2,478,695 |
| Total Funds | \$2,366,731 | \$111,964 | \$2,478,695 |
| Georgia Board for Physician Workforce, Administration | | | |
| State General Funds | \$591,850 | \$281,645 | \$873,495 |
| Total Funds | \$591,850 | \$281,645 | \$873,495 |
| Georgia Board for Physician Workforce, Graduate Medical Education | | | |
| State General Funds | \$7,212,223 | \$278,334 | \$7,490,557 |
| Total Funds | \$7,212,223 | \$278,334 | \$7,490,557 |
| Georgia Board for Physician Workforce, Mercer School of Medicine | | | |
| State General Funds | \$24,560,862 | | \$24,560,862 |
| Total Funds | \$24,560,862 | \$0 | \$24,560,862 |
| Georgia Board for Physician Workforce, Morehouse School of Medicine | | | |
| State General Funds | \$11,247,293 | | \$11,247,293 |
| Total Funds | \$11,247,293 | \$0 | \$11,247,293 |
| Georgia Board for Physician Workforce, Undergraduate Medical Education | | | |
| State General Funds | \$3,538,484 | | \$3,538,484 |
| Total Funds | \$3,538,484 | \$0 | \$3,538,484 |
| State Medical Education Board | | | |
| State General Funds | \$1,427,409 | \$220,750 | \$1,648,159 |
| Total Funds | \$1,427,409 | \$220,750 | \$1,648,159 |

Department of Corrections

Roles, Responsibilities, and Organization

The Georgia Department of Corrections administers the prison and probation sentences of offenders adjudicated by Georgia courts. More than 54,700 of these offenders are serving prison sentences. More than 150,600 offenders are on probation.

As part of its strategic plan, the department has developed the following priorities:

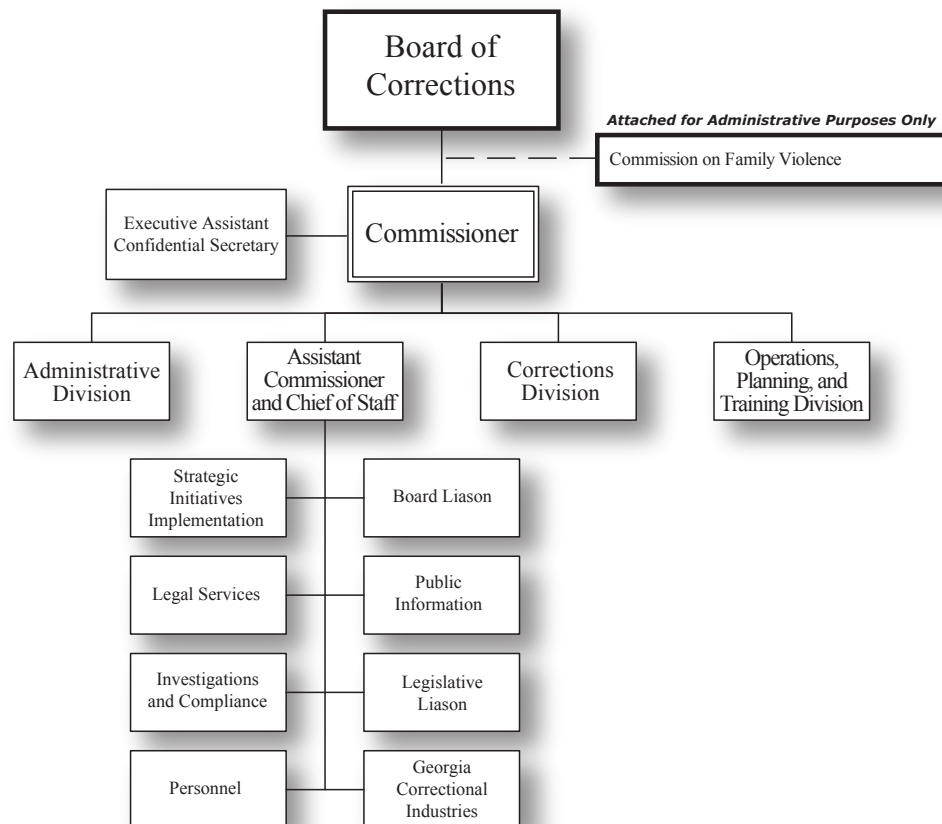
- Sound correctional practice is founded upon reliable and timely information.
- Citizens are safe from incarcerated and supervised offenders; correctional environments will be safe, secure, and disciplined for all staff and offenders.
- Communications are hallmarked by enhanced public awareness, collaborative partnerships, and effective departmental teamwork.
- A continuum of balanced sanctions is available to the criminal justice system.
- A highly trained, professional workforce is available to achieve the department's mission today, and in years to come.
- Prepare offenders to accept responsibility for their acts, to restore harm done to the community, and to lead a productive, crime-free life.

DEPARTMENT OPERATIONS

Incarceration offers a highly structured and secure environment, which removes from the community those offenders who pose a high risk. DOC provides legally mandated services in the areas of physical and mental health, counseling, education, vocational training, chaplain services, and recreation.

DOC requires offenders in its facilities to work to support the system and the community. Inmates and probationers work on prison farms, in food preparation, laundry, and construction, in facility and landscape maintenance, and performing factory work in Correctional Industries' manufacturing plants. The types of DOC institutions include the following facilities:

- State Prisons (38): These institutions are typically reserved for felony offenders with more than one year of incarceration to serve.
- County Prisons (24): The state pays a subsidy to county institutions to house and supervise state inmates. Inmates assigned to the county prisons typically work on roadway or construction projects for the county in which they are housed.
- Inmate Boot Camps (2), Probation Boot Camps (1), Probation Detention Centers (18): These three programs offer a short-term, intensive incarceration period. The boot camp program enforces strict discipline and military protocol.
- Transitional Centers (13): These community-based centers are designed to allow offenders nearing the end of their prison term to prepare for life in the community. DOC requires offenders to have jobs in the local community, pay room and board to the center, and support their families.
- Pre-Release Centers (7): A new concept in Georgia, these facilities are designed to give inmates additional work experience, cognitive skill, vocational, and AA/NA treatment programs prior to release. Inmates are selected within two years of their scheduled release.
- Probation Diversion Centers (10): Judges may sentence offenders to diversion centers as an alternative to prison. Like transitional center residents, offenders in the diversion centers



Department of Corrections

Roles, Responsibilities, and Organization

work and pay room and board, restitution, fines, and family support.

- Day Reporting Centers (5): Non-custody facilities provide substance abuse treatment to offenders that are assessed to have a greater risk of re-offending without appropriate interventions. The DRCs provide interventions focusing on substance abuse, criminal thinking, education, and employment.
- Private Prisons (3): D. Ray James prison, owned and operated by Cornell Corrections and prisons in Coffee and Wheeler counties owned and operated by Corrections Corporation of America house state sentenced inmates. Like state prisons, these facilities are typically reserved for felony offenders with more than one year of incarceration to serve.

Probation is designed to enforce judicial sentences in the community. The Statewide Probation Act of 1956 laid the legal foundation for the

Probation Division. The law provides for standardized supervision by sworn peace officers of those offenders sentenced to probation, either directly from court on a straight probation sentence, or after completing a specified term of imprisonment on a split sentence.

Probationers are required to be employed and to pay restitution, fees, fines, and court costs. Many probationers are also required to perform community service – unpaid labor for the local community. Probationers are supervised with increasing levels of intensity in accordance with the risk they pose to the community. Requirements at these varied supervision levels may include adherence to a curfew, wearing an electronic device to monitor movements, drug testing, and home and job visits by the probation officer.

AUTHORITY

Titles 9, 42, and 77, Official Code of Georgia Annotated.

Department of Corrections

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|------------------------|----------------------|------------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$1,100,549,710 | \$92,372,940 | \$1,192,922,650 |
| TOTAL STATE FUNDS | \$1,100,549,710 | \$92,372,940 | \$1,192,922,650 |
| Federal Funds | 3,111,139 | 4,380,838 | 7,491,977 |
| Other Funds | 20,965,509 | 30,499,064 | 51,464,573 |
| TOTAL FUNDS | \$1,124,626,358 | \$127,252,842 | \$1,251,879,200 |

Department Statewide Budget Changes (Information Only):

| | |
|---|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$11,704,555 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$7,942,465), for performance increases (\$3,176,986), for special adjustments to selected job classes (\$3,144,665), and for structure adjustments to the statewide salary plan (\$482,038). | 14,746,154 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 6,241,763 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 2,930,630 |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 80,896 |
| Total Change | \$35,703,998 |

Administration

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$358,937 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$480,338), for performance increases (\$192,135), for special adjustments to selected job classes (\$6,805), and for structure adjustments to the statewide salary plan (\$29,152). | 708,430 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 356,871 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 117,402 |
| 5. Increase the GBA real estate rental rate for office space. | 80,896 |
| 6. Provide 12 months of operating funds for bed expansions at five state prisons (Dooly SP - 256 beds, Macon SP - 256 beds, Smith SP - 256 beds, Valdosta SP - 256 beds, and Wilcox SP - 192 beds). | 6,100 |
| 7. Provide startup and partial year operating funds for the 256 bed fast track expansion at Coastal State Prison (two months), including 44 positions and 12 vehicles. | 1,135 |
| 8. Provide startup and partial year operating funds for the 256 bed fast track expansion at Ware State Prison (nine months), including 44 positions and 12 vehicles. | 3,121 |
| 9. Provide startup and partial year operating funds for the 256 bed fast track expansion at Hays State Prison (four months), including 44 positions and 12 vehicles. | 1,703 |
| 10. Provide 12 months operating funds for the 18-bed medical unit at Autry State Prison, including 10 positions and 1 vehicle. | 2,298 |
| 11. Provide 12 months operating funds for the 14-bed medical unit at Coastal State Prison, including 10 positions and 1 vehicle. | 2,298 |
| 12. Provide 12 months operating funds for the 96 bed expansion at the Emanuel Probation Detention Center (PDC), including 27 positions. | 1,456 |
| 13. Provide funding (including residual funds from the Atlanta Day Reporting Center and the Athens Diversion Center conversion) for 12 months operating for an additional eight day reporting centers within strategic communities and judicial circuits throughout the state, including 56 positions and 8 vehicles, to provide a sentencing option for low-level offenders with drug treatment needs. | 17,120 |
| 14. Provide state funds for the continuation of Residential Substance Abuse Treatment (RSAT) services to replace federal RSAT funds and inmate telephone commission funds no longer available. | 362,000 |
| 15. Provide 12 months operating funds for the 150 bed expansion at the Dublin Transitional Center, including 34 positions and 12 vehicles. | 3,405 |

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| | | |
|---|-----|-------------|
| 16. Increase federal funds (\$836,421) and other funds (\$1,392,996) to reflect projected expenditures for FY 2009. | Yes | |
| Total Change | | \$2,023,172 |

Bainbridge Probation Substance Abuse Treatment Center

Purpose: Provide a sanctioning option for probationers who require more security and supervision than provided by regular community supervision.

Recommended Change:

| | | |
|--|----------|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$47,567 | |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$45,348), for performance increases (\$18,139), for special adjustments to selected job classes (\$23,217), and for structure adjustments to the statewide salary plan (\$2,752). | 89,456 | |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 35,384 | |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 12,737 | |
| 5. Provide state funds for the continuation of Residential Substance Abuse Treatment (RSAT) services to replace federal RSAT funds and inmate telephone commission funds no longer available. | 26,427 | |
| 6. Increase other funds (\$277,082) to reflect projected expenditures for FY 2009. | | Yes |
| Total Change | | \$211,571 |

Food and Farm Operations

Purpose: Raise crops and livestock, and produce dairy items used in preparing meals for offenders.

Recommended Change:

| | | |
|--|----------|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$60,287 | |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$63,254), for performance increases (\$25,303), for special adjustments to selected job classes (\$10,407), and for structure adjustments to the statewide salary plan (\$3,839). | 102,803 | |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 48,946 | |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 22,117 | |
| 5. Provide 12 months of operating funds for bed expansions at five state prisons (Dooly SP - 256 beds, Macon SP - 256 beds, Smith SP - 256 beds, Valdosta SP - 256 beds, and Wilcox SP - 192 beds). | 68,242 | |
| 6. Provide startup and partial year operating funds for the 256 bed fast track expansion at Coastal State Prison (two months), including 44 positions and 12 vehicles. | 19,706 | |
| 7. Provide startup and partial year operating funds for the 256 bed fast track expansion at Hays State Prison (four months), including 44 positions and 12 vehicles. | 29,560 | |
| 8. Provide startup and partial year operating funds for the 256 bed fast track expansion at Ware State Prison (nine months), including 44 positions and 12 vehicles. | 54,193 | |
| 9. Provide funding for cost escalation in Food Services. | 446,776 | |
| 10. Provide 12 months operating funds for the 96 bed expansion at the Emanuel PDC, including 27 positions. | 21,994 | |
| 11. Provide 12 months operating funds for the 150 bed expansion at the Dublin Transitional center, including 34 positions and 12 vehicles. | 2,763 | |
| 12. Delete one-time start-up funds for Valdosta Transitional Center. | (4,680) | |
| 13. Increase other funds (\$1,944,622) to reflect projected expenditures for FY 2009. | | Yes |
| Total Change | | \$872,707 |

Health

Purpose: Provide the required constitutional level of health care to the inmates of the correctional system in the most cost effective and humane manner possible.

Recommended Change:

| | | |
|--|-----------|--|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$148,034 | |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$166,173), for performance increases (\$66,469), and for structure adjustments to the statewide salary plan (\$10,085). | 242,727 | |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 124,586 | |

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| | |
|--|--------------|
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 144,991 |
| 5. Provide 12 months of operating funds for bed expansions at five state prisons (Dooly SP - 256 beds, Macon SP - 256 beds, Smith SP - 256 beds, Valdosta SP - 256 beds, and Wilcox SP - 192 beds). | 2,573,807 |
| 6. Provide startup and partial year operating funds for the 256 bed fast track expansion at Coastal State Prison (two months), including 44 positions and 12 vehicles. | 221,051 |
| 7. Provide startup and partial year operating funds for the 256 bed fast track expansion at Hays State Prison (four months), including 44 positions and 12 vehicles. | 443,333 |
| 8. Provide startup and partial year operating funds for the 256 bed fast track expansion at Ware State Prison (nine months), including 44 positions and 12 vehicles. | 999,036 |
| 9. Provide 12 months operating funds for the 18-bed medical unit at Autry State Prison, including 10 positions and 1 vehicle. | 1,052,500 |
| 10. Provide 12 months operating funds for the 14-bed medical unit at Coastal State Prison, including 10 positions and 1 vehicle. | 1,052,500 |
| 11. Provide for a 4% inflationary increase for inmate health care to cover the Medical College of Georgia contract (\$6,536,828) and for physical health care due to increase in direct care claims (\$5,154,311). | 11,691,139 |
| 12. Provide funds for crucial unmet needs of a growing inmate mental health population to move towards industry recognized professional staff-to-inmate ratios. | 2,314,781 |
| 13. Provide state funds for the continuation of core mental health services to replace inmate telephone commission funds no longer available. | 2,500,000 |
| 14. Provide funds for the continuation of core dental health services to move towards industry recognized professional staff-to-inmate ratios. | 1,162,000 |
| 15. Provide 12 months operating funds for the 96 bed expansion at the Emanuel (PDC), including 27 positions. | 500,021 |
| 16. Provide 12 months operating funds for the 150 bed expansion at the Dublin Transitional center, including 34 positions and 12 vehicles. | 781,583 |
| 17. Delete one-time start-up funds for Valdosta Transitional Center. | (5,500) |
| 18. Increase federal funds (\$55,608) and other funds (\$2,896,290) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$25,946,589 |

Jail Subsidy

Purpose: Reimburse counties for the costs of incarcerating state prisoners in their local facilities.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Offender Management

Purpose: Provide cost effective correctional services that ensures public safety.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$38,537 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$46,013), for performance increases (\$18,405), and for structure adjustments to the statewide salary plan (\$2,793). | 67,211 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 35,508 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 39,477 |
| 5. Provide funding for competitive grant program to increase bed space capacity at County Correctional Institutions, while providing a highly skilled, low cost workforce for certain county needs. | 8,000,000 |
| 6. Increase other funds (\$30,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$8,180,733 |

Parole Revocation Centers

Purpose: Provide a sanction for parole violations.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$68,319 |
|---|----------|

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| | |
|--|-----------|
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$48,073), for performance increases (\$19,229), for special adjustments to selected job classes (\$24,818), and for structure adjustments to the statewide salary plan (\$2,918). | 95,038 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 39,655 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 17,746 |
| 5. Increase other funds (\$312,585) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$220,758 |

Private Prisons

Purpose: Provide a cost effective correctional service that ensures public safety.

Recommended Change:

| | |
|--|-------------|
| 1. Provide for a 2.5% consumer price index (CPI) increase in the per diem rate for the state's three contracted private prisons. | \$2,017,747 |
| 2. Provide 12 months funding for capacity maximized additions at private prison facilities adding 64 beds. | 489,626 |
| 3. Provide 1 month operating expenses for construction expansions at private prisons. | 490,560 |
| Total Change | \$2,997,933 |

Probation Detention Centers

Purpose: Provide a sanctioning option for probationers who require more security or supervision than provided by the regular community supervision or a diversion center.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$706,700 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$553,121), for performance increases (\$221,248), for special adjustments to selected job classes (\$258,988), and for structure adjustments to the statewide salary plan (\$33,570). | 1,066,925 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 381,696 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 188,398 |
| 5. Provide 12 months operating funds for the 96 bed expansion at the Emanuel PDC, including 27 positions. | 1,483,608 |
| 6. Increase federal funds (\$327,955) and other funds (\$4,906,754) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$3,827,327 |

Probation Diversion Centers

Purpose: Provide a residential sentencing option that allows offenders to continue to work in the community while receiving close supervision from corrections officials.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$207,592 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$172,258), for performance increases (\$68,903), for special adjustments to selected job classes (\$47,634), and for structure adjustments to the statewide salary plan (\$10,455). | 299,250 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 134,561 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 56,971 |
| 5. Transfer Athens Diversion Center funds to the new Athens Day Reporting Center and for the expansion of eight additional day reporting centers. | (1,069,332) |
| 6. Increase other funds (\$414,544) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | (\$370,958) |

Probation Supervision

Purpose: Supervise probationers.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,428,838 |
|---|-------------|

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|--|--------------|
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$836,831), for performance increases (\$334,732), and for structure adjustments to the statewide salary plan (\$50,788). | 1,222,351 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 696,729 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 362,121 |
| 5. Provide funding (including residual funds from the Atlanta Day Reporting Center and the Athens Diversion Center conversion) for 12 months operating for an additional eight day reporting centers within strategic communities and judicial circuits throughout the state, including 56 positions and 8 vehicles, to provide a sentencing option for low-level offenders with drug treatment needs. | 5,253,765 |
| 6. Transfer Athens Diversion Center funds to the new Athens Day Reporting Center and for the expansion of eight additional day reporting centers. | 1,069,332 |
| 7. Provide funds for 43 additional hearing officers and utilize six existing hearing officers to serve all 49 judicial circuits statewide in support of the expansion of the probation management act in delivering swift, certain and proportionate sanctions to violations of probation and allow for more efficient and effective use of alternatives to incarceration. | 1,928,174 |
| 8. Delete operating funds for the Atlanta Day Reporting Center to reflect the transfer to the Parole Reporting Center in the Board of Pardons and Paroles. | (354,981) |
| 9. Increase other funds (\$159,114) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$11,606,329 |

State Prisons

Purpose: House violent or repeat criminals, or nonviolent inmates who have exhausted all other forms of punishment.

Recommended Change:

| | |
|---|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$8,287,038 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$5,281,438), for performance increases (\$2,112,576), for special adjustments to selected job classes (\$2,673,526), and for structure adjustments to the statewide salary plan (\$320,537). | 10,388,077 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,189,528 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 1,876,911 |
| 5. Provide 12 months of operating funds for bed expansions at five state prisons (Dooly SP - 256 beds, Macon SP - 256 beds, Smith SP - 256 beds, Valdosta SP - 256 beds, and Wilcox SP - 192 beds). | 1,093,665 |
| 6. Provide startup and partial year operating funds for the 256 bed fast track expansion at Coastal State Prison (two months), including 44 positions and 12 vehicles. | 1,374,727 |
| 7. Provide startup and partial year operating funds for the 256 bed fast track expansion at Hays State Prison (four months), including 44 positions and 12 vehicles. | 1,807,453 |
| 8. Provide startup and partial year operating funds for the 256 bed fast track expansion at Ware State Prison (nine months), including 44 positions and 12 vehicles. | 2,889,277 |
| 9. Provide 12 months operating funds for the 18-bed medical unit at Autry State Prison, including 10 positions and 1 vehicle. | 573,735 |
| 10. Provide 12 months operating funds for the 14-bed medical unit at Coastal State Prison, including 10 positions and 1 vehicle. | 571,326 |
| 11. Provide state funds for the continuation of Residential Substance Abuse Treatment (RSAT) services to replace federal RSAT funds and inmate telephone commission funds no longer available. | 1,284,251 |
| 12. Increase federal funds (\$3,160,854) and other funds (\$18,128,004) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$34,335,988 |

Transitional Centers

Purpose: Provide "work release," allowing the inmate to obtain and maintain a paying job in the community while requiring him or her to conform to the structure of the center.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$352,706 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$249,618), for performance increases (\$99,847), for special adjustments to selected job classes (\$99,272), and for structure adjustments to the statewide salary plan (\$15,149). | 463,886 |

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|---|-------------|
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 198,299 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 91,759 |
| 5. Provide 12 months operating funds for the 150 bed expansion at the Dublin Transitional Center, including 34 positions and 12 vehicles. | 1,875,601 |
| 6. Delete one-time start-up funds for the Valdosta Transitional Center. | (461,460) |
| 7. Increase other funds (\$37,073) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$2,520,791 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|---------------------|
| 1. Major facilities repairs, statewide | 5 | \$5,000,000 | \$1,155,000 |
| 2. Minor facility construction and renovations, statewide | 5 | 4,000,000 | 924,000 |
| 3. Complete the funding of the Headquarters Relocation and Training Academy, Forsyth, Monroe County | 20 | 31,300,000 | 2,673,020 |
| 4. Security and life safety upgrades, statewide | 5 | 9,880,000 | 843,752 |
| Total | | \$50,180,000 | \$5,595,772 |

Department of Corrections

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Bainbridge Probation Substance Abuse Treatment Center | | | | |
| 1. Annual occupancy rate (Bed Space Utilization) | 99% | 78% | 95% | 90% |
| 2. Three-year felony reconviction rate | 34% | 22% | 23% | 22% |
| 3. Number of GED's received | 33 | 38 | 75 | 80 |
| Food and Farm Operations | | | | |
| 1. Cost per meal per offender | \$1.48 | \$1.51 | \$1.52 | \$1.53 |
| 2. Percentage of annual food requirements produced through farms | 45% | 43% | 43% | 43% |
| Health | | | | |
| 1. Physical Health per day per inmate rate | \$8.63 | \$9.44 | \$9.43 | \$10.30 |
| 2. Mental Health per day per inmate rate | \$1.04 | \$0.75 | \$1.05 | \$1.05 |
| 3. Percentage of facilities passing clinical audits | 88% | N/A | 85% | 85% |
| Jail Subsidy | | | | |
| 1. Customer Service Measure: Timely payment of jail subsidy | 100% | 100% | 100% | 100% |
| Offender Management | | | | |
| 1. Utilization of all available bed space (prisons and centers) | 98% | 101% | 99% | 99% |
| Parole Revocation Centers | | | | |
| 1. Annual occupancy rate (Bed Space Utilization) | 96% | 98% | 99% | 99% |
| 2. Number of GED's received | 53 | 34 | 50 | 60 |
| Private Prisons | | | | |
| 1. Annual occupancy rate (Bed Space Utilization) | 99% | 100% | 100% | 100% |
| 2. Three-year felony reconviction rate | 30% | 28% | 29% | 29% |
| 3. Number of GED's received | 65 | 146 | 200 | 150 |
| Probation Detention Centers | | | | |
| 1. Annual occupancy rate (Bed Space Utilization) | 92% | 98% | 95% | 97% |
| 2. Three-year felony reconviction rate | 25% | 25% | 25% | 25% |
| 3. Number of GED's received | 294 | 379 | 400 | 400 |
| Probation Diversion Centers | | | | |
| 1. Annual occupancy rate (Bed Space Utilization) | 83% | 95% | 95% | 95% |
| 2. Three-year felony reconviction rate | 24% | 23% | 24% | 24% |
| 3. Number of GED's received | 20 | 1 | 10 | 10 |
| Probation Supervision | | | | |
| 1. Three-year felony reconviction rate | 7% | 22% | 23% | 23% |
| 2. Customer Service Measure: Value of community service provided to local communities | \$4,973,455 | \$5,268,865 | \$5,400,000 | \$5,700,000 |

Department of Corrections

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| State Prisons | | | | |
| 1. Annual occupancy rate (Bed Space Utilization) | 100% | 106% | 99% | 100% |
| 2. Three-year felony reconviction rate | 29% | 28% | 28% | 28% |
| 3. Number of GED's received | 3,295 | 5,683 | 6,000 | 6,500 |
| Transitional Centers | | | | |
| 1. Annual occupancy rate (Bed Space Utilization) | 98% | 85% | 99% | 100% |
| 2. Three-year felony reconviction rate | 19% | 18% | 18% | 19% |

Department of Corrections

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$60,459,587 | \$58,051,493 | \$57,040,846 | \$58,356,555 | \$61,293,435 |
| Bainbridge Probation Substance Abuse Treatment Center | 3,650,070 | 4,791,065 | 6,263,402 | 6,396,890 | 6,752,055 |
| Food and Farm Operations | 14,369,850 | 15,595,378 | 13,355,692 | 15,693,317 | 16,173,021 |
| Health | 179,365,833 | 193,980,252 | 203,601,834 | 237,435,891 | 232,500,321 |
| Inmate Compensation | 695,942 | | | | |
| Jail Subsidy | 14,583,113 | 4,798,492 | 6,196,724 | 6,196,724 | 6,196,724 |
| Offender Management | 44,300,649 | 44,315,714 | 44,724,989 | 76,120,616 | 52,935,722 |
| Parole Revocation Centers | 4,450,213 | 4,865,887 | 4,465,585 | 4,601,649 | 4,998,928 |
| Private Prisons | 76,687,832 | 79,182,514 | 80,709,877 | 83,393,129 | 83,707,810 |
| Probation Detention Centers | 52,672,157 | 48,705,061 | 47,398,027 | 40,406,552 | 56,460,063 |
| Probation Diversion Centers | 16,058,746 | 13,789,185 | 16,022,874 | | 16,066,460 |
| Probation Supervision | 68,951,608 | 74,151,436 | 82,167,745 | 91,949,930 | 93,933,188 |
| State Prisons | 483,281,076 | 514,739,677 | 536,302,363 | 567,762,240 | 591,927,209 |
| Transitional Centers | 20,762,612 | 24,014,385 | 26,376,400 | 29,328,668 | 28,934,264 |
| TOTAL FUNDS | \$1,040,289,288 | \$1,080,980,539 | \$1,124,626,358 | \$1,217,642,161 | \$1,251,879,200 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$9,491,699 | \$16,681,899 | \$3,111,139 | \$3,111,139 | \$7,491,977 |
| Other Funds | 51,717,761 | 66,627,393 | 20,965,509 | 18,152,648 | 51,464,573 |
| Subtotal | \$61,209,459 | \$83,309,292 | \$24,076,648 | \$21,263,787 | \$58,956,550 |
| State General Funds | \$979,079,829 | \$997,671,247 | \$1,100,549,710 | \$1,196,378,374 | \$1,192,922,650 |
| TOTAL STATE FUNDS | \$979,079,829 | \$997,671,247 | \$1,100,549,710 | \$1,196,378,374 | \$1,192,922,650 |
| Positions | 15,930 | 15,547 | 15,749 | 14,931 | 16,018 |
| Motor Vehicles | 2,050 | 2,028 | 2,086 | 2,146 | 2,144 |

Department of Corrections

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$1,100,549,710 | \$92,372,940 | \$1,192,922,650 |
| TOTAL STATE FUNDS | \$1,100,549,710 | \$92,372,940 | \$1,192,922,650 |
| Federal Funds | 3,111,139 | 4,380,838 | 7,491,977 |
| Other Funds | 20,965,509 | 30,499,064 | 51,464,573 |
| TOTAL FUNDS | \$1,124,626,358 | \$127,252,842 | \$1,251,879,200 |
| | | | |
| Administration | | | |
| State General Funds | \$55,204,846 | \$2,023,172 | \$57,228,018 |
| Federal Funds | 1,836,000 | 836,421 | 2,672,421 |
| Other Funds | | 1,392,996 | 1,392,996 |
| Total Funds | <u>\$57,040,846</u> | <u>\$4,252,589</u> | <u>\$61,293,435</u> |
| | | | |
| Bainbridge Probation Substance Abuse Treatment Center | | | |
| State General Funds | \$6,235,613 | \$211,571 | \$6,447,184 |
| Federal Funds | 20,743 | | 20,743 |
| Other Funds | 7,046 | 277,082 | 284,128 |
| Total Funds | <u>\$6,263,402</u> | <u>\$488,653</u> | <u>\$6,752,055</u> |
| | | | |
| Food and Farm Operations | | | |
| State General Funds | \$13,288,692 | \$872,707 | \$14,161,399 |
| Federal Funds | 22,000 | | 22,000 |
| Other Funds | 45,000 | 1,944,622 | 1,989,622 |
| Total Funds | <u>\$13,355,692</u> | <u>\$2,817,329</u> | <u>\$16,173,021</u> |
| | | | |
| Health | | | |
| State General Funds | \$195,137,625 | \$25,946,589 | \$221,084,214 |
| Federal Funds | | 55,608 | 55,608 |
| Other Funds | 8,464,209 | 2,896,290 | 11,360,499 |
| Total Funds | <u>\$203,601,834</u> | <u>\$28,898,487</u> | <u>\$232,500,321</u> |
| | | | |
| Jail Subsidy | | | |
| State General Funds | 6,196,724 | | 6,196,724 |
| Total Funds | <u>\$6,196,724</u> | <u>\$0</u> | <u>\$6,196,724</u> |
| | | | |
| Offender Management | | | |
| State General Funds | \$44,724,989 | \$8,180,733 | \$52,905,722 |
| Other Funds | | 30,000 | 30,000 |
| Total Funds | <u>\$44,724,989</u> | <u>\$8,210,733</u> | <u>\$52,935,722</u> |
| | | | |
| Parole Revocation Centers | | | |
| State General Funds | \$4,405,937 | \$220,758 | \$4,626,695 |
| Federal Funds | 10,510 | | 10,510 |
| Other Funds | 49,138 | 312,585 | 361,723 |
| Total Funds | <u>\$4,465,585</u> | <u>\$533,343</u> | <u>\$4,998,928</u> |

Department of Corrections

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|-----------------------------|---------------------------|---------------------|---------------------------|
| Private Prisons | | | |
| State General Funds | \$80,709,877 | \$2,997,933 | \$83,707,810 |
| Total Funds | <u>\$80,709,877</u> | <u>\$2,997,933</u> | <u>\$83,707,810</u> |
| Probation Detention Centers | | | |
| State General Funds | \$46,080,772 | \$3,827,327 | \$49,908,099 |
| Federal Funds | 127,140 | 327,955 | 455,095 |
| Other Funds | 1,190,115 | 4,906,754 | 6,096,869 |
| Total Funds | <u>\$47,398,027</u> | <u>\$9,062,036</u> | <u>\$56,460,063</u> |
| Probation Diversion Centers | | | |
| State General Funds | \$13,210,013 | (\$370,958) | \$12,839,055 |
| Other Funds | 2,812,861 | 414,544 | 3,227,405 |
| Total Funds | <u>\$16,022,874</u> | <u>\$43,586</u> | <u>\$16,066,460</u> |
| Probation Supervision | | | |
| State General Funds | \$82,167,745 | \$11,606,329 | \$93,774,074 |
| Other Funds | | 159,114 | 159,114 |
| Total Funds | <u>\$82,167,745</u> | <u>\$11,765,443</u> | <u>\$93,933,188</u> |
| State Prisons | | | |
| State General Funds | \$526,810,477 | \$34,335,988 | \$561,146,465 |
| Federal Funds | 1,094,746 | 3,160,854 | 4,255,600 |
| Other Funds | 8,397,140 | 18,128,004 | 26,525,144 |
| Total Funds | <u>\$536,302,363</u> | <u>\$55,624,846</u> | <u>\$591,927,209</u> |
| Transitional Centers | | | |
| State General Funds | \$26,376,400 | \$2,520,791 | \$28,897,191 |
| Other Funds | | 37,073 | 37,073 |
| Total Funds | <u>\$26,376,400</u> | <u>\$2,557,864</u> | <u>\$28,934,264</u> |

Department of Defense

Roles, Responsibilities, and Organization

The Department of Defense serves the nation and the State of Georgia by organizing and maintaining National Guard forces, which the President of the United States can call to active duty to augment the nation's regular armed services, or which the Governor, as Commander-in-Chief of the State Militia, can order deployed in instances of disaster, riot, violence, or other dangers threatening the state and its citizens. The department achieves these objectives through its four components: Office of the Adjutant General, Air National Guard, the Army National Guard, and the State Defense Force. Using these components, the department operates and manages approximately 1,200 training, maintenance, and logistics army facilities statewide.

Another responsibility of the Department of Defense is the operation of Youth Challenge Academies for at-risk youth in the State of Georgia.

GEORGIA AIR NATIONAL GUARD

The role of the Georgia Air National Guard is to provide fully equipped, fully trained combat units which are prepared to respond to state or national emergencies. The activation/ deactivation, organization, administration, training, equipping, and housing of its units as well as the evaluation of its wartime capability are mandated responsibilities.

GEORGIA ARMY NATIONAL GUARD

The Georgia Army National Guard is responsible for maintaining a level of operational readiness, which allows for immediate and

effective response to state or national emergencies, civil disturbances, and natural disasters.

OFFICE OF THE ADJUTANT GENERAL

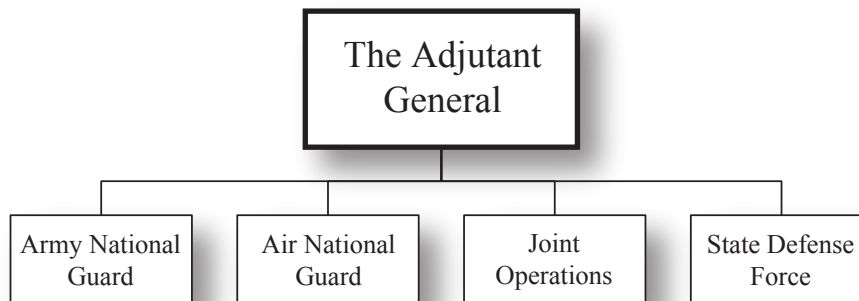
The role of the Office of the Adjutant General is to provide command and control of the entire organization as well as centralized administrative support for the department. The Adjutant General also serves as the state's director of the Selective Service System.

STATE DEFENSE FORCE

The role of the State Defense Force is to serve as a caretaker administration in the event of a full mobilization, and to provide assistance during emergencies and natural disasters as well as support for the staging of special events.

AUTHORITY

Title 38, Official Code of Georgia Annotated.



Department of Defense

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$11,344,298 | \$230,598 | \$11,574,896 |
| TOTAL STATE FUNDS | \$11,344,298 | \$230,598 | \$11,574,896 |
| Federal Funds | 28,812,701 | (500,000) | 28,312,701 |
| Other Funds | 816,341 | | 816,341 |
| TOTAL FUNDS | \$40,973,340 | (\$269,402) | \$40,703,938 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment (Total Funds: \$481,677). | \$108,761 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$94,813), for performance increases (\$37,925), and for structure adjustments to the statewide salary plan (\$22,631). | \$155,369 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | \$73,243 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 96 |
| Total Change | \$337,469 |

Administration

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$12,900 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$11,246), for performance increases (\$4,498), and for structure adjustments to the statewide salary plan (\$2,684). | 18,428 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 8,687 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 11 |
| Total Change | \$40,026 |

Military Readiness

Purpose: Provide a trained and ready military land force and air force that can be activated and deployed at the direction of the President or the Governor to ensure the safety and well being of all citizens.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$51,871 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$45,218), for performance increases (\$18,088), and for structure adjustments to the statewide salary plan (\$10,794). | 74,100 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 29,624 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 46 |
| 5. Provide funding to convert the Assistant Adjutant General positions for the Air and Army National Guard from part-time to full-time status. | 176,244 |
| 6. Delete one-time funds for armory renovations (Total funds: \$1,000,000). | (500,000) |
| 7. Increase funding to pay for rising utility costs. | 106,885 |
| 8. Replace two high mileage maintenance vehicles. | 110,000 |
| Total Change | \$48,770 |

Youth Educational Services

Purpose: Provide educational and vocational opportunities to at-risk youth in Georgia.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$43,990 |
|---|----------|

Department of Defense FY 2009 Program Budgets

| | | |
|--|-----------|--|
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$38,349), for performance increases (\$15,339), and for structure adjustments to the statewide salary plan (\$9,153). | 62,841 | |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 34,932 | |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 39 | |
| Total Change | \$141,802 | |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|---------------------|
| 1. Facility and site improvements at Readiness Centers (Armories), statewide, match Federal funds | 5 | \$1,365,000 | \$315,315 |
| Total | | \$1,365,000 | \$315,315 |

Department of Defense Performance Measures - FY 2009

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Military Readiness | | | | |
| 1. Customer Service: Percentage of successful responses within 24 hours to an "Alert Notice" by the Georgia Emergency Management Agency and the Army/Air National Guard Command Post | 100% | 100% | 100% | 100% |
| 2. Customer Service: Number of State Defense Force volunteers for state and community support | 1,610 | 4,180 | 4,000 | 4,000 |
| 3. Customer Service: Percentage of requests where information was successfully and accurately provided in response to inquiries from the media and other interested parties | 100% | 100% | 100% | 100% |
| 4. Percentage of armories requiring major repairs and renovations (more than \$100,000) | 24% | 12% | 0% | 0% |
| Youth Educational Services | | | | |
| 1. Percentage of at-risk youth that graduate from the Youth Challenge Academy who have successfully earned their GED | 70% | 72% | 80% | 80% |
| 2. Percentage of graduates that meet the DOD standard for success 6 months after graduation from the Youth Challenge Academy | 74% | 78% | 90% | 90% |

Department of Defense

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|----------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$1,487,456 | \$1,504,572 | \$1,713,493 | \$1,729,093 | \$1,753,519 |
| Military Readiness | 27,073,280 | 31,394,408 | 26,593,019 | 26,683,108 | 26,141,789 |
| Youth Educational Services | 8,826,767 | 9,456,723 | 12,666,828 | 12,240,749 | 12,808,630 |
| TOTAL FUNDS | \$37,387,503 | \$42,355,703 | \$40,973,340 | \$40,652,950 | \$40,703,938 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$27,536,034 | \$28,857,186 | \$28,812,701 | \$28,451,954 | \$28,312,701 |
| Other Funds | 1,432,014 | 4,700,576 | 816,341 | 837,720 | 816,341 |
| Subtotal | \$28,968,047 | \$33,557,762 | \$29,629,042 | \$29,289,674 | \$29,129,042 |
| State General Funds | \$8,419,456 | \$8,797,941 | \$11,344,298 | \$11,363,276 | \$11,574,896 |
| TOTAL STATE FUNDS | \$8,419,456 | \$8,797,941 | \$11,344,298 | \$11,363,276 | \$11,574,896 |
| Positions | 473 | 473 | 519 | 519 | 519 |
| Motor Vehicles | 88 | 88 | 88 | 88 | 88 |

Department of Defense

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|--------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$11,344,298 | \$230,598 | \$11,574,896 |
| TOTAL STATE FUNDS | \$11,344,298 | \$230,598 | \$11,574,896 |
| Federal Funds | 28,812,701 | (500,000) | 28,312,701 |
| Other Funds | 816,341 | | 816,341 |
| TOTAL FUNDS | \$40,973,340 | (\$269,402) | \$40,703,938 |
| Administration | | | |
| State General Funds | \$1,304,048 | \$40,026 | \$1,344,074 |
| Federal Funds | 409,445 | | 409,445 |
| Total Funds | <u>\$1,713,493</u> | <u>\$40,026</u> | <u>\$1,753,519</u> |
| Military Readiness | | | |
| State General Funds | \$5,176,545 | \$48,770 | \$5,225,315 |
| Federal Funds | 20,600,133 | (500,000) | 20,100,133 |
| Other Funds | 816,341 | | 816,341 |
| Total Funds | <u>\$26,593,019</u> | <u>(\$451,230)</u> | <u>\$26,141,789</u> |
| Youth Educational Services | | | |
| State General Funds | \$4,863,705 | \$141,802 | \$5,005,507 |
| Federal Funds | 7,803,123 | | 7,803,123 |
| Total Funds | <u>\$12,666,828</u> | <u>\$141,802</u> | <u>\$12,808,630</u> |

Department of Driver Services

Roles, Responsibilities, and Organization

The Department of Driver Services (DDS) was established by executive order on July 1, 2005, in accordance with HB 501.

CUSTOMER SERVICE SUPPORT

The Customer Service Support program is responsible for the assistance and policy direction of the Department of Driver Services. The function of the program is to provide administrative support for the Customer Service Licensing and Records and Regulatory Compliance Divisions. The areas within the program include administrative services, financial services, public information, legal services, business analysis and information technology.

CUSTOMER SERVICE LICENSING AND RECORDS DIVISION

The issuance of driver's licenses, permits and administration of the commercial driver's license program are carried out by the License Issuance program. The department utilizes 60 full testing customer service centers, and three part-time testing customer service centers.

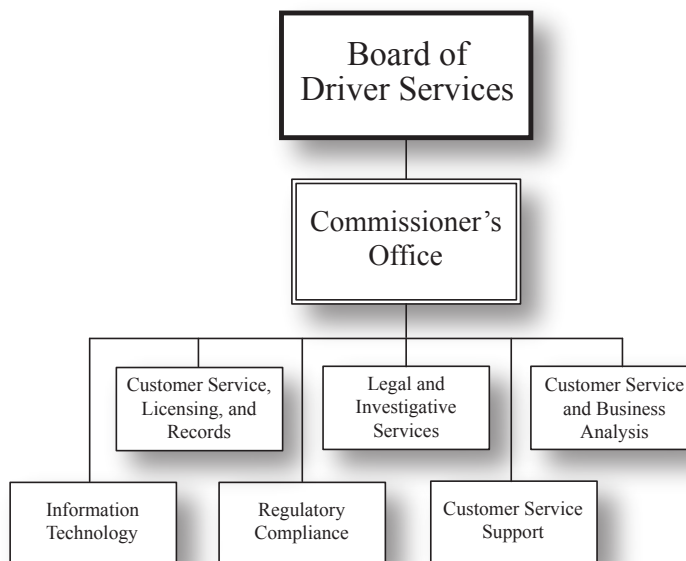
These centers are situated strategically throughout the state. Additional responsibilities include suspension and reinstatement of driver licenses as well as public identification cards. The Driver Services Section strives to provide quality customer service. During FY 2007 the department issued 2,763,431 driver licenses and ID cards.

REGULATORY COMPLIANCE DIVISION

The Regulatory Compliance program is responsible for licensing driver training schools and instructors, licensing driver improvement clinics and instructors, and certifying ignition interlock devices and provider centers. As well as, monitor and provide Alcohol and Drug Awareness Program (ADAP) classes and instructors

AUTHORITY

Chapter 16 of Title 40, Official Code of Georgia Annotated



Department of Driver Services

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$61,420,009 | \$2,923,875 | \$64,343,884 |
| TOTAL STATE FUNDS | \$61,420,009 | \$2,923,875 | \$64,343,884 |
| Other Funds | 721,456 | 2,129,723 | 2,851,179 |
| TOTAL FUNDS | \$62,141,465 | \$5,053,598 | \$67,195,063 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$588,234 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$441,548), for performance increases (\$176,619), for employees in specified critical jobs (\$332,192), and for structure adjustments to the statewide salary plan (\$5,322). | 955,681 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Total funds: \$343,341). | 336,202 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 137,643 |
| Total Change | \$2,017,760 |

Customer Service Support

Purpose: Administer license issuance, motor vehicle registration, and commercial truck compliance.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$79,228 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$64,146), for performance increases (\$25,658), and for structure adjustments to the statewide salary plan (\$773). | 90,577 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 48,842 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 17,785 |
| 5. Provide for a comprehensive training and recruitment program for examiners to improve customer service at Customer Service Centers. | 32,000 |
| 6. Add two positions and associated expenses to continue moving towards more secure identification cards and driver's licenses and provide timely customer service. | 102,953 |
| 7. Increase other funds to reflect projected expenditures in FY 2009 (Total Funds: \$500,000). | Yes |
| Total Change | \$371,385 |

License Issuance

Purpose: Issue Georgia driver's license renewals through alternative methods.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$484,684 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$357,448), for performance increases (\$142,980), for employees in specified critical jobs (\$332,192), and for structure adjustments to the statewide salary plan (\$4,308). | 836,928 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Total funds: \$276,541). | 272,167 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 114,338 |
| 5. Add 42 positions and regular operating expenses to continue moving towards more secure identification cards and driver's licenses and provide timely customer service. | 1,488,070 |
| 6. Provide for a comprehensive training and recruitment program for examiners to improve customer service at Customer Service Centers. | 446,173 |
| 7. Provide for the development of a Web reservation status application for commercial and non-commercial driver's license applicants to provide customers with an electronic means for managing road test reservations. | 196,450 |

Department of Driver Services

FY 2009 Program Budgets

| | |
|---|-------------|
| 8. Provide for the development of an online driver skills test to allow for immediate transmittal of information to the applicant's driving record. | 87,730 |
| 9. Provide funding to transition the DDS Customer Contact Center to a more modern Automated Call Distribution/Citizen Relationship Management technology. | 275,629 |
| 10. Provide funding for the reprogramming and updating of the driver's license issuance system to accommodate revised business requirements related to the Digitized Driver's License System. | 1,083,610 |
| 11. Delete one-time funding associated with call center agents added in FY 2008. | (24,500) |
| 12. Delete one-time funding for the construction of the Customer Service and CDL center in Brunswick. | (750,000) |
| 13. Delete one-time funding for the license issuance system feasibility study. | (300,000) |
| 14. Delete one-time funding for the implementation of an Electronic Document Imaging System. | (1,732,000) |
| 15. Increase other funds to reflect projected expenditures in FY 2009 (Total Funds: \$1,626,958). | Yes |
| Total Change | \$2,479,279 |

Regulatory Compliance

Purpose: Enforce and administer state laws and regulations for mandated programs relating to driver safety and driver education for both novice and problem drivers.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$24,322 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$19,954), for performance increases (\$7,981), and for structure adjustments to the statewide salary plan (\$241). | 28,176 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Total funds: \$17,958). | 15,193 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 5,520 |
| Total Change | \$73,211 |

Department of Driver Services Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Customer Service Support | | | | |
| 1. Number of driver's license fraud, immigrant, and internal affairs cases investigated | 1,102 | 758 | 1,690 | 1,940 |
| 2. Number of background investigations completed | 1,841 | 2,521 | 2,304 | 2,750 |
| License Issuance | | | | |
| 1. Customer Service: Percentage of customers initially served within 30 minutes | 92% | 95% | 93% | 95% |
| 2. Customer Service: Average percentage of calls answered within three minutes at the contact center | 50% | 63% | 65% | 75% |
| Regulatory Compliance | | | | |
| 1. Number of programs audited per year | 1,268 | 1,595 | 1,968 | 2,009 |
| 2. Customer Service: Number of makeup Alcohol Drug Awareness Program (ADAP) courses | 508 | 557 | 576 | 576 |

Department of Driver Services

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Customer Service Support | \$9,388,761 | \$9,118,571 | \$9,157,705 | \$10,873,471 | \$10,029,090 |
| License Issuance | 40,650,174 | 42,186,747 | 48,087,172 | 53,183,681 | 52,193,409 |
| Regulatory Compliance | 2,590,833 | 5,510,026 | 4,896,588 | 4,920,910 | 4,972,564 |
| TOTAL FUNDS | <u>\$52,629,768</u> | <u>\$56,815,344</u> | <u>\$62,141,465</u> | <u>\$68,978,062</u> | <u>\$67,195,063</u> |
| <u>Less:</u> | | | | | |
| Other Funds | <u>\$5,316,261</u> | <u>\$3,938,405</u> | <u>\$721,456</u> | <u>\$721,456</u> | <u>\$2,851,179</u> |
| Subtotal | <u>\$5,316,261</u> | <u>\$3,938,405</u> | <u>\$721,456</u> | <u>\$721,456</u> | <u>\$2,851,179</u> |
| State General Funds | <u>\$47,313,507</u> | <u>\$52,876,939</u> | <u>\$61,420,009</u> | <u>\$68,256,606</u> | <u>\$64,343,884</u> |
| TOTAL STATE FUNDS | \$47,313,507 | \$52,876,939 | \$61,420,009 | \$68,256,606 | \$64,343,884 |
| Positions | 764 | 819 | 874 | 969 | 918 |
| Motor Vehicles | 120 | 123 | 133 | 159 | 133 |

Department of Driver Services

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|--------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$61,420,009 | \$2,923,875 | \$64,343,884 |
| TOTAL STATE FUNDS | \$61,420,009 | \$2,923,875 | \$64,343,884 |
| Other Funds | 721,456 | 2,129,723 | 2,851,179 |
| TOTAL FUNDS | \$62,141,465 | \$5,053,598 | \$67,195,063 |
| | | | |
| Customer Service Support | | | |
| State General Funds | \$9,156,848 | \$371,385 | \$9,528,233 |
| Other Funds | 857 | 500,000 | 500,857 |
| Total Funds | \$9,157,705 | \$871,385 | \$10,029,090 |
| | | | |
| License Issuance | | | |
| State General Funds | \$47,881,921 | \$2,479,279 | \$50,361,200 |
| Other Funds | 205,251 | 1,626,958 | 1,832,209 |
| Total Funds | \$48,087,172 | \$4,106,237 | \$52,193,409 |
| | | | |
| Regulatory Compliance | | | |
| State General Funds | \$4,381,240 | \$73,211 | \$4,454,451 |
| Other Funds | 515,348 | 2,765 | 518,113 |
| Total Funds | \$4,896,588 | \$75,976 | \$4,972,564 |

Bright From the Start: Department of Early Care and Learning

Roles, Responsibilities, and Organization

Bright from the Start: Department of Early Care and Learning is responsible for meeting the child care and early education needs of Georgia's children ages birth through school age and their families. The department administers the nationally known Pre-Kindergarten Program, licenses and registers child care centers and home-based child care, administers federal nutrition programs and the Even Start program, and houses the Head Start Collaboration Office. Bright from the Start also works to enhance the quality and availability of early care and education by managing the Standards of Care and Homes of Quality programs, distributing federal funding, and working collaboratively with Georgia Child Care Resource and Referral Agencies and other organizations throughout the state.

PRE-KINDERGARTEN SERVICES

Georgia's lottery-funded voluntary Pre-Kindergarten Program currently serves approximately 78,000 students in 3,900 classes. Georgia's Pre-K Program is one of the largest and most comprehensive Pre-K programs in the nation and continues to be a model for other states.

Pre-K is offered in public school systems as well as through private providers. Children 4 years of age on September 1st of the current school year, whose parents are Georgia residents, are eligible to attend Georgia's Pre-K Program.

CHILD CARE SERVICES

Child Care Services is responsible for licensing and registering approximately 3,000 child care learning centers, over 5,374 family child care homes, 2,483 informal care providers, and 250 group day care homes. Licensing consultants conduct annual licensing inspections of all child care facilities and conduct additional periodic visits to all child care programs to evaluate compliance with state requirements and to provide consultation, training, and technical assistance to child care programs.

Child Care Services also provides regular customer-focused licensing orientation sessions for prospective centers and group day care homes; responds to inquiries from parents, concerned citizens, and

others regarding child care programs; and processes criminal record checks on all directors and family day care home providers.

NUTRITION SERVICES

The Nutrition Services Program is responsible for administering the United States Department of Agriculture's Child and Adult Care Food Program (CACFP) and the Summer Food Service Program (SFSP) for Georgia. The goal of these programs is to ensure that low-income children and adults throughout Georgia have access to nutritious meals while they are in a day care setting and during the summer when school is not in session.

QUALITY INITIATIVES

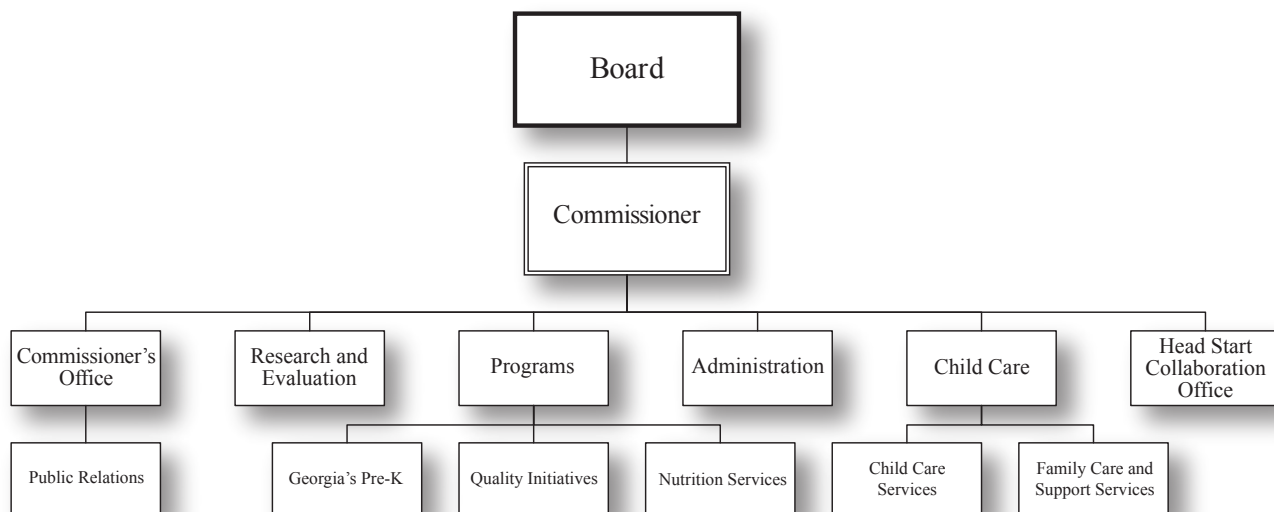
Bright from the Start works in a number of ways to enhance the quality of early child care and education experiences in Georgia. In partnership with internal and external resources, the Quality Initiatives Program implements innovative strategies that focus on improving the quality of early education, child care, and nutrition for Georgia's children and families. The division oversees the Standards of Care and Homes of Quality Programs, and the Even Start Literacy Program. It also coordinates the child care resource and referral agency system and elevates public awareness surrounding early childhood education issues.

The Quality Initiatives Program distributes federal Child Care Development Fund quality dollars to improve the quality, affordability, and accessibility of child care for children and families.

Training and professional development are integral parts of all programs administered by Bright from the Start. The program coordinates training and technical assistance for approximately 15,000 child care workers, early education providers, and program sponsors annually.

AUTHORITY

Title 20-1A-1 et seq., Official Code of Georgia Annotated.



Bright from the Start: Department of Early Care and Learning

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|---------------------|----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommended</u> |
| State General Funds | \$4,586,483 | \$68,051 | \$4,654,534 |
| Lottery Funds | 324,857,346 | 12,160,802 | 337,018,148 |
| TOTAL STATE FUNDS | \$329,443,829 | \$12,228,853 | \$341,672,682 |
| Federal Funds | 121,706,679 | 254,207 | 121,960,886 |
| Other Funds | 155,000 | | 155,000 |
| TOTAL FUNDS | \$451,305,508 | \$12,483,060 | \$463,788,568 |

Department Statewide Budget Changes (Information Only):

State General Funds:

- | | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment (Total Funds: \$102,373). | \$58,166 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$51,314), for performance increases (\$20,526), and for structure adjustments to the statewide salary plan (\$2,993). | 74,833 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 39,766 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (58,849) |
| Total Change | \$113,916 |

Lottery Funds:

- | | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$53,030 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$34,650) and for performance increases (\$13,860). | 48,510 |
| 3. Provide for a general salary increase of 2.5% for Pre-K teachers effective September 1, 2008. | 5,607,194 |
| 4. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 26,862 |
| Total Change | \$5,735,596 |

Child Care Services

Purpose: Guide and assist child care learning facilities to promote safe, healthy, quality child care so that children experience optimum opportunities for learning and growth.

Recommended Change:

- | | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment (Total Funds: \$102,373). | \$58,166 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$51,314), for performance increases (\$20,526), and for structure adjustments to the statewide salary plan (\$2,993). | 74,833 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 39,766 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (58,849) |
| 5. Eliminate one vacant administrative position. | (45,865) |
| 6. Increase federal funds (\$210,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$68,051 |

Nutrition

Purpose: Ensure that eligible children and adults receive USDA-compliant meals.

Recommended Change:

- | | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Bright from the Start: Department of Early Care and Learning FY 2009 Program Budgets

Pre-Kindergarten Program

Purpose: Provide funding, training, technical assistance, and oversight of Pre-K programs operated by public and private providers throughout the state.

Recommended Change:

Lottery Funds:

| | |
|---|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$53,030 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$34,650) and for performance increases (\$13,860). | 48,510 |
| 3. Provide for a general salary increase of 2.5% for Pre-K teachers effective September 1, 2008. | 5,607,194 |
| 4. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 26,862 |
| 5. Provide funds for 1,000 additional slots, bringing total enrollment to 79,000. | 6,425,206 |
| Total Change | \$12,160,802 |

Quality Initiatives

Purpose: Explore new ideas and help implement innovative strategies that focus on improving the quality of early education, child care, and nutrition for Georgia's children and families.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Bright from the Start: Department of Early Care and Learning Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Child Care Services | | | | |
| 1. Number of licensing, monitoring, and technical assistance visits to child care learning centers and group day care homes each fiscal year | 9,095 | 9,778 | 9,250 | 8,900 |
| 2. Increase the number of child care teachers tracking their training and professional development through the online Professional Development System | N/A | 47 | 300 | 500 |
| Nutrition | | | | |
| 1. Number of meals served per year by providers in the Child and Adult Care Food Program and the Summer Food Service Program | 79,660,859 | 79,696,584 | 80,900,000 | 82,000,000 |
| 2. Percentage of eligible providers reviewed with no missing meal components in the Child and Adult Care Food Program | 72% | 68% | 70% | 72% |
| Pre-Kindergarten Program | | | | |
| 1. Georgia Pre-K program enrollment | 72,902 | 75,299 | 77,420 | 79,000 |
| 2. Percentage of programs meeting or exceeding Pre-K Quality Assessment standards, as reported in the Annual Report Card | 84% | 84% | 85% | 86% |
| Quality Initiatives | | | | |
| 1. Number of Standards of Care Program training attendees | 2,356 | 1,739 | 880 | 900 |
| 2. Number of centers attaining Center of Distinction or Center of Recognition | 61 | 95 | 100 | 105 |
| 3. Number of providers participating in the Homes of Quality Program | 137 | 196 | 205 | 216 |

Bright from the Start: Department of Early Care and Learning

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Child Care Services | \$7,695,719 | \$7,840,506 | \$8,410,193 | \$8,512,566 | \$8,732,451 |
| Nutrition | 95,503,324 | 96,999,632 | 98,000,000 | 98,000,000 | 98,000,000 |
| Pre-Kindergarten | 290,431,703 | 310,088,988 | 325,525,169 | 338,985,452 | 337,685,971 |
| Quality Initiatives | 18,589,999 | 19,336,402 | 19,370,146 | 19,370,146 | 19,370,146 |
| TOTAL FUNDS | \$412,220,745 | \$434,265,528 | \$451,305,508 | \$464,868,164 | \$463,788,568 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$118,165,821 | \$120,557,426 | \$121,706,679 | \$121,750,886 | \$121,960,886 |
| Other Funds | 118,805 | 72,570 | 155,000 | 155,000 | 155,000 |
| Subtotal | \$118,284,626 | \$120,629,996 | \$121,861,679 | \$121,905,886 | \$122,115,886 |
| State General Funds | \$4,041,146 | \$4,056,199 | \$4,586,483 | \$4,644,649 | \$4,654,534 |
| Lottery Funds | 289,894,973 | 309,579,333 | 324,857,346 | 338,317,629 | 337,018,148 |
| TOTAL STATE FUNDS | \$293,936,119 | \$313,635,532 | \$329,443,829 | \$342,962,278 | \$341,672,682 |
| Positions | 197 | 198 | 198 | 198 | 197 |
| Motor Vehicles | 1 | 1 | 1 | 1 | 1 |

Bright from the Start: Department of Early Care and Learning

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|---------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$4,586,483 | \$68,051 | \$4,654,534 |
| Lottery Funds | 324,857,346 | 12,160,802 | 337,018,148 |
| TOTAL STATE FUNDS | \$329,443,829 | \$12,228,853 | \$341,672,682 |
| Federal Funds | 121,706,679 | 254,207 | 121,960,886 |
| Other Funds | 155,000 | | 155,000 |
| TOTAL FUNDS | \$451,305,508 | \$12,483,060 | \$463,788,568 |
| | | | |
| Child Care Services | | | |
| State General Funds | \$4,586,483 | \$68,051 | \$4,654,534 |
| Federal Funds | 3,668,710 | 254,207 | 3,922,917 |
| Other Funds | 155,000 | | 155,000 |
| Total Funds | \$8,410,193 | \$322,258 | \$8,732,451 |
| | | | |
| Nutrition | | | |
| Federal Funds | \$98,000,000 | | \$98,000,000 |
| Total Funds | \$98,000,000 | \$0 | \$98,000,000 |
| | | | |
| Pre-Kindergarten Program | | | |
| Lottery Funds | \$324,857,346 | \$12,160,802 | \$337,018,148 |
| Federal Funds | 667,823 | | 667,823 |
| Total Funds | \$325,525,169 | \$12,160,802 | \$337,685,971 |
| | | | |
| Quality Initiatives | | | |
| Federal Funds | \$19,370,146 | | \$19,370,146 |
| Total Funds | \$19,370,146 | \$0 | \$19,370,146 |

Department of Economic Development

Roles, Responsibilities, and Organization

The Department of Economic Development administers programs that promote and encourage the development of tourism and business in the state.

RECRUITMENT, EXPANSION, AND RETENTION

The Global Commerce Division promotes Georgia as a location for domestic and international businesses by: providing accurate information on such topics as wages, labor availability, and taxes; accompanying industry officials on tours of communities for prospective industrial development; and supporting local communities' business development programs. The division also encourages the continued prosperity of existing Georgia companies through the 13 regional project managers located across the state. The team assists companies with business expansions to advance the creation of new jobs and investment. The department provides staff support to the Georgia Allies, a public-private marketing partnership targeting industries that build on Georgia's competitive strengths and position the state well in the economy of the 21st century.

INTERNATIONAL RELATIONS AND TRADE

The Global Commerce Division promotes the sale of Georgia products and services to customers abroad and coordinates all facets of international trade and export in the state. Through the U.S. Export Assistance Center, the staff assists small and medium-sized businesses involved in exporting with trade leads, market analysis, trade shows, and identification of financial assistance options. Trade assistance is furthered through contracts with international representatives in key markets for Georgia businesses. The division also coordinates the operations of the overseas offices in Europe and Asia, which are primarily responsible for business recruitment.

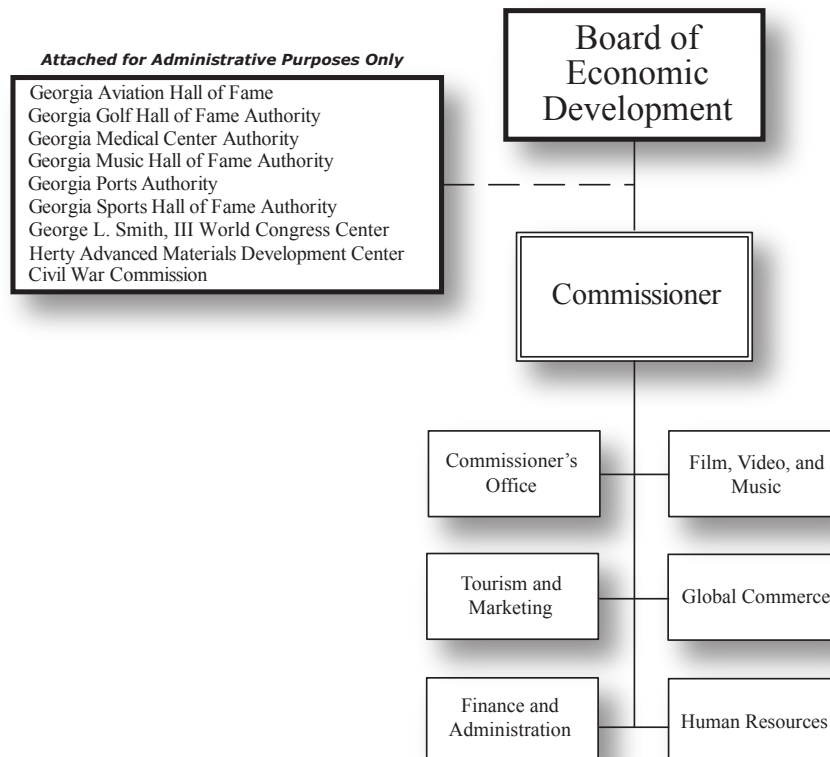
ENTREPRENEUR AND SMALL BUSINESS DEVELOPMENT

Through a three-pronged effort, the Global Commerce Division provides strategies and services that target: 1) entrepreneurs and small businesses, 2) communities, and, 3) other state agencies with the goal of encouraging entrepreneurship and small business development around the state. Procurement assistance, outreach, and the Governor's Mentor Protégé Program are available directly to entrepreneurs and small businesses. In an effort to help communities develop an entrepreneur and small business strategy, the staff has developed a five-step program that upon successful completion leads to a community's designation as "entrepreneur friendly." The division also leads the Georgia Entrepreneur and Small Business Coordinating Network, created to promote interagency collaboration as well as awareness among state service providers of the full spectrum of state resources available to entrepreneurs and small businesses.

INNOVATION AND TECHNOLOGY

The Innovation and Technology Office is aimed at attracting high technology, biotech companies and industries to locate and grow in Georgia. The office works with communities, companies, and institutions all over the state to identify and cultivate exceptional talent critical to keeping Georgia on the leading edge of research, product development, and groundbreaking advances in science and technology.

This program is charged with providing the resources and services needed to foster growth in the areas of agriculture, biosciences, logistics, advanced manufacturing, advanced communications, energy, financial services, and information technology; areas of strategic focus as designated by Governor Perdue in 2003. The office broadened its focus last year to concentrate on business development



Department of Economic Development

Roles, Responsibilities, and Organization

for strategic industries by working with the Centers of Innovation, technology industry business associations, and by attending strategic industry shows and trade missions.

FILM, VIDEO, AND MUSIC

The Georgia Film, Video and Music Office develops, supports and promotes the state's film, television, commercial production, music video production, music recording and video game development industries. The office actively pursues entertainment prospects through direct mail, advertising, marketing, prospect visits, and trade show participation. The staff provides assistance to clients in identifying production locations and production resources within the state, and serves as a liaison for customers with other state agencies and local governments. The staff is responsible for the promotion and administration of Georgia's Entertainment Industry Investment Act incentives program. The office also supports film festivals, music festivals, entertainment conferences and symposiums, and other industry initiatives throughout the state. The office promotes Georgia as a recording destination to music producers and artists. Staff provides assistance to recording companies, recording studios, publishers, artists, and artist management. The promotion of Georgia's growing video game industry and attraction of video game business relocations and headquarters locations is a current area of focus and opportunity.

TOURISM AND MARKETING

Through marketing and information services, the Tourism and Marketing Division works to increase the number of people who choose Georgia as a vacation destination. Regional tourism representatives assist local and regional tourism associations in the development of effective tourism programs. The division is also responsible for ensuring that the state's 11 visitor information centers are operated in a manner that encourages visitors to return to Georgia. The department plays a leadership role in and provides staff support to the Tourism Foundation, a public-private partnership charged with coordinating Georgia's tourism marketing efforts. The foundation is responsible for pooling the state's tourism marketing resources and leveraging the private sector to support the growth of tourism statewide.

The marketing and communications team leads the department's advertising, public relations, and communications efforts. The team also handles the tactical implementation of the department's marketing strategy.

AUTHORITY

Title 50-7, Official Code of Georgia Annotated.

Department of Economic Development

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|----------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$49,522,812 | (\$8,951,683) | \$40,571,129 |
| TOTAL STATE FUNDS | \$49,522,812 | (\$8,951,683) | \$40,571,129 |
| Other Funds | 20,244 | | 20,244 |
| TOTAL FUNDS | \$49,543,056 | (\$8,951,683) | \$40,591,373 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$262,703 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$212,958), for performance increases (\$85,185), and for structure adjustments to the statewide salary plan (\$962). | 299,105 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 161,992 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (22,983) |
| Total Change | \$700,817 |

Administration

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$62,886 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$43,533), for performance increases (\$17,413), and for structure adjustments to the statewide salary plan (\$962). | 61,908 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 33,372 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (22,983) |
| 5. Realign telecommunications costs to properly reflect expenditures. | (10,000) |
| 6. Realign real estate rental costs to properly reflect expenditures. | (376,506) |
| Total Change | (\$251,323) |

Business Recruitment and Expansion

Purpose: Provide assistance to local communities and to the state to recruit, retain, and expand businesses in Georgia.

Recommended Change:

| | |
|---|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$72,692 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$75,543) and for performance increases (\$30,217). | 105,760 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 57,909 |
| 4. Realign telecommunications costs to properly reflect expenditures. | 5,456 |
| 5. Realign real estate rental costs to properly reflect expenditures. | 128,506 |
| 6. Delete one-time funds for the renovation of Georgia Mountains Center parking deck in Gainesville. | (2,000,000) |
| Total Change | (\$1,629,677) |

Film, Music, and Video

Purpose: Increase industry awareness of Georgia business opportunities, infrastructure resources, and natural resources as they pertain to the film, video, and music industries.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$9,506 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,345) and for performance increases (\$2,538). | 8,883 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,864 |

Department of Economic Development

FY 2009 Program Budgets

| | |
|--|-----------|
| 4. Realign telecommunications costs to properly reflect expenditures. | 2,500 |
| 5. Realign real estate rental costs to properly reflect expenditures. | 47,000 |
| 6. Delete one-time funds for Music Hall of Fame anniversary celebration. | (75,000) |
| Total Change | (\$2,247) |

Innovation and Technology

Purpose: Provide leadership in the recruitment, growth, and marketing of the bioscience and technology industry in Georgia.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$8,946 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,191) and for performance increases (\$2,477). | 8,668 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,746 |
| 4. Realign telecommunications costs to properly reflect expenditures. | (17,500) |
| 5. Realign real estate rental costs to properly reflect expenditures. | 27,000 |
| 6. Delete one-time funds for microenterprise loans. | (75,000) |
| 7. Provide funding for sponsorship of the BIO 2009 international conference in Atlanta. | 375,000 |
| Total Change | \$331,860 |

International Relations and Trade

Purpose: Provide international trade opportunities through exports, executive leadership for international relations, and promote Georgia products and companies to other nations.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$15,287 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$10,697) and for performance increases (\$4,279). | 14,976 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 8,199 |
| 4. Realign telecommunications costs to properly reflect expenditures. | (13,282) |
| 5. Realign real estate rental costs to properly reflect expenditures. | 74,000 |
| Total Change | \$99,180 |

Small and Minority Business Development

Purpose: Provide guidance and support to agencies in maximizing access to state business opportunities for small and minority businesses.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$11,899 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$8,376) and for performance increases (\$3,350). | 11,726 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 6,421 |
| 4. Realign telecommunications costs to properly reflect expenditures. | (900) |
| Total Change | \$29,146 |

Tourism

Purpose: Provide information to visitors about tourism opportunities throughout the state and encourage tourism expenditures.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$64,540 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$46,586) and for performance increases (\$18,635). | 65,221 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 35,713 |

Department of Economic Development

FY 2009 Program Budgets

| | |
|--|---------------|
| 4. Delete one-time funds for Tour de Georgia (\$400,000), Warner Robins Air Force Base Museum (\$100,000), Washington-Wilkes Visitor Information Center (\$2,500), Civil War Trails (\$200,000), National Infantry Museum and Cobb Energy Performing Arts Center (\$7,500,000), and Zoo Atlanta hospital renovation (\$100,000). | (8,302,500) |
| 5. Provide one-time funding to design the Georgia Trail Exhibit at Zoo Atlanta, to serve as a statewide educational resource on Georgia's three physical ecosystems. | 300,000 |
| 6. Realign telecommunications costs to properly reflect expenditures. | 33,726 |
| 7. Realign real estate rental costs to properly reflect expenditures. | 100,000 |
| Total Change | (\$7,703,300) |

Agencies Attached for Administrative Purposes:

Payments to Aviation Hall of Fame

Purpose: Promote and encourage the growth and public support of aviation within the state by honoring those, living or dead, who by extraordinary achievement or service have made outstanding and lasting contributions to aviation in Georgia.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Civil War Commission

Purpose: Coordinate planning, preservation, and promotion of structures, buildings, sites, and battlefields associated with the Civil War, and acquire or provide funds for the acquisition of Civil War battlefields, cemeteries, and other historic properties associated with the Civil War.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Payments to Georgia Medical Center Authority

Purpose: Provide funds for the Georgia Medical Center Authority.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$3,712 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$2,901) and for performance increases (\$1,161). | 4,062 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,244 |
| Total Change | \$10,018 |

Payments to Golf Hall of Fame

Purpose: Honor those who have made outstanding contributions to the sport of golf.

| | |
|--|-----------|
| 1. Provide funds to operationalize the new strategic plan. | \$125,000 |
| Total Change | \$125,000 |

Payments to Music Hall of Fame

Purpose: Preserve Georgia's rich musical heritage.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$6,815 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$7,071) and for performance increases (\$2,829). | 9,900 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,059 |
| Total Change | \$21,774 |

Department of Economic Development

FY 2009 Program Budgets

Payments to Sports Hall of Fame

Purpose: Collect, preserve, and interpret the history of sports in Georgia.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$6,420 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$5,715) and for performance increases (\$2,286). | 8,001 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 3,465 |
| Total Change | \$17,886 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| Georgia Ports Authority | | | |
| 1. Provide a state match for the Savannah harbor expansion project. | 20 | \$17,000,000 | \$1,451,800 |
| | | \$17,000,000 | \$1,451,800 |
| Georgia World Congress Center | | | |
| 1. Fund the property acquisition, design, and construction for parking at the Georgia World Congress Center. | 20 | \$9,800,000 | \$836,920 |
| Total | | \$9,800,000 | \$836,920 |

Department of Economic Development

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Business Recruitment and Expansion | | | | |
| 1. Number of new location announcements | 69 | 71 | 70 | 73 |
| 2. Number of jobs created | 12,104 | 9,370 | 9,238 | 9,607 |
| Film, Video, and Music | | | | |
| 1. Number of feature films produced in Georgia | 6 | 5 | 8 | 8 |
| International Relations and Trade | | | | |
| 1. Number of leads developed to create business opportunities for Georgia companies | 501 | 1,462 | 2,234 | 2,400 |
| Small and Minority Business Development | | | | |
| 1. Amount of investment from new small business announcements | \$7,600,000 | \$27,000,000 | \$39,000,000 | \$42,900,000 |
| Tourism | | | | |
| 1. Number of jobs sustained by tourism activities | 217,000 | 219,300 | 221,000 | 223,500 |

Department of Economic Development

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$6,239,683 | \$6,410,103 | \$6,626,634 | \$6,153,014 | \$6,375,311 |
| Business Recruitment and Expansion | 8,782,827 | 7,056,573 | 13,403,644 | 14,610,298 | 11,773,967 |
| Film, Music, and Video | 891,599 | 1,189,211 | 1,209,137 | 1,193,143 | 1,206,890 |
| Innovation and Technology | 1,510,102 | 2,605,316 | 1,710,270 | 2,392,272 | 2,042,130 |
| International Relations and Trade | 2,005,852 | 2,293,864 | 2,358,416 | 2,434,421 | 2,457,596 |
| Small and Minority Business Development | 862,927 | 854,009 | 963,024 | 974,023 | 992,170 |
| Tourism | 11,354,448 | 12,155,787 | 21,129,409 | 12,561,619 | 13,426,109 |
| SUBTOTAL (Excludes Attached Agencies) | <u>\$31,647,438</u> | <u>\$32,564,863</u> | <u>\$47,400,534</u> | <u>\$40,318,790</u> | <u>\$38,274,173</u> |
| ATTACHED AGENCIES: | | | | | |
| Payments to Aviation Hall of Fame | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 |
| Civil War Commission | | 100,000 | 50,000 | 50,000 | 50,000 |
| Payments to Georgia Medical Center Authority | 250,000 | 405,000 | 408,712 | 412,424 | 418,730 |
| Payments to Golf Hall of Fame | 58,685 | 58,685 | | 150,000 | 125,000 |
| Payments to Music Hall of Fame | 1,560,248 | 814,070 | 840,466 | 847,281 | 862,240 |
| Payments to Sports Hall of Fame | 725,540 | 741,895 | 793,344 | 799,764 | 811,230 |
| TOTAL FUNDS | <u>\$34,291,911</u> | <u>\$34,734,513</u> | <u>\$49,543,056</u> | <u>\$42,628,259</u> | <u>\$40,591,373</u> |
| Less: | | | | | |
| Other Funds | \$2,915,245 | \$20,244 | \$20,244 | \$20,244 | \$20,244 |
| Subtotal | <u>\$2,915,245</u> | <u>\$20,244</u> | <u>\$20,244</u> | <u>\$20,244</u> | <u>\$20,244</u> |
| State General Funds | <u>\$31,376,666</u> | <u>\$34,714,269</u> | <u>\$49,522,812</u> | <u>\$42,608,015</u> | <u>\$40,571,129</u> |
| TOTAL STATE FUNDS | \$31,376,666 | \$34,714,269 | \$49,522,812 | \$42,608,015 | \$40,571,129 |
| Positions | 221 | 227 | 232 | 232 | 232 |
| Motor Vehicles | 11 | 11 | 11 | 11 | 11 |

Department of Economic Development

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$49,522,812 | (\$8,951,683) | \$40,571,129 |
| TOTAL STATE FUNDS | \$49,522,812 | (\$8,951,683) | \$40,571,129 |
| Other Funds | 20,244 | | 20,244 |
| TOTAL FUNDS | \$49,543,056 | (\$8,951,683) | \$40,591,373 |
| | | | |
| Administration | | | |
| State General Funds | \$6,626,634 | (\$251,323) | \$6,375,311 |
| Total Funds | \$6,626,634 | (\$251,323) | \$6,375,311 |
| | | | |
| Business Recruitment and Expansion | | | |
| State General Funds | \$13,403,644 | (\$1,629,677) | \$11,773,967 |
| Total Funds | \$13,403,644 | (\$1,629,677) | \$11,773,967 |
| | | | |
| Film, Video, and Music | | | |
| State General Funds | \$1,209,137 | (\$2,247) | \$1,206,890 |
| Total Funds | \$1,209,137 | (\$2,247) | \$1,206,890 |
| | | | |
| Innovation and Technology | | | |
| State General Funds | \$1,710,270 | \$331,860 | \$2,042,130 |
| Total Funds | \$1,710,270 | \$331,860 | \$2,042,130 |
| | | | |
| International Relations and Trade | | | |
| State General Funds | \$2,358,416 | \$99,180 | \$2,457,596 |
| Total Funds | \$2,358,416 | \$99,180 | \$2,457,596 |
| | | | |
| Small and Minority Business Development | | | |
| State General Funds | \$942,780 | \$29,146 | \$971,926 |
| Other Funds | 20,244 | | 20,244 |
| Total Funds | \$963,024 | \$29,146 | \$992,170 |
| | | | |
| Tourism | | | |
| State General Funds | \$21,129,409 | (\$7,703,300) | \$13,426,109 |
| Total Funds | \$21,129,409 | (\$7,703,300) | \$13,426,109 |
| | | | |
| Agencies Attached for Administrative Purposes: | | | |
| Payments to Aviation Hall of Fame | | | |
| State General Funds | \$50,000 | | \$50,000 |
| Total Funds | \$50,000 | \$0 | \$50,000 |
| | | | |
| Civil War Commission | | | |
| State General Funds | \$50,000 | | \$50,000 |
| Total Funds | \$50,000 | \$0 | \$50,000 |

Department of Economic Development

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|-----------|---------------------------|
| Payments to Georgia Medical Center Authority | | | |
| State General Funds | \$408,712 | \$10,018 | \$418,730 |
| Total Funds | \$408,712 | \$10,018 | \$418,730 |
| Payments to Golf Hall of Fame | | | |
| State General Funds | \$0 | \$125,000 | \$125,000 |
| Total Funds | \$0 | \$125,000 | \$125,000 |
| Payments to Music Hall of Fame | | | |
| State General Funds | \$840,466 | \$21,774 | \$862,240 |
| Total Funds | \$840,466 | \$21,774 | \$862,240 |
| Payments to Sports Hall of Fame | | | |
| State General Funds | \$793,344 | \$17,886 | \$811,230 |
| Total Funds | \$793,344 | \$17,886 | \$811,230 |

Department of Education

Roles, Responsibilities, and Organization

The State Board of Education establishes policies that the Georgia Department of Education administers under the direction of the State Superintendent of Schools. The department disburses state education funds, provides technical assistance and support services to local school systems, operates three state schools for hearing- and visually-impaired students, and provides intensive assistance to local schools identified by the Office of Student Achievement.

There are 180 school systems in the state operating more than 2,100 schools. These schools are primarily funded through the Quality Basic Education (QBE) formula - a partnership between the state and local school systems that provides \$8 billion in funding for education.

STUDENT LEARNING AND ACHIEVEMENT

The Department of Education provides leadership in developing and implementing the new curriculum, the Georgia Performance Standards for elementary, middle and secondary students. The new curriculum, which was implemented in FY 2005, is raising the expectations for all students. All English/Language Arts classes have been converted to the new curriculum, and all Science classes should be complete in FY 2008. Full implementation of the new curriculum is expected in FY 2012.

The State Board of Education has adopted new graduation requirements which will be in effect for the Class of 2012, first-time freshman entering high school in the 2008-2009 school year. The new Graduation Rule eliminates Georgia's "tiered" diploma. All students will be required to have 23 credits to include 4 credits each in Mathematics, Science, and English/Language Arts.

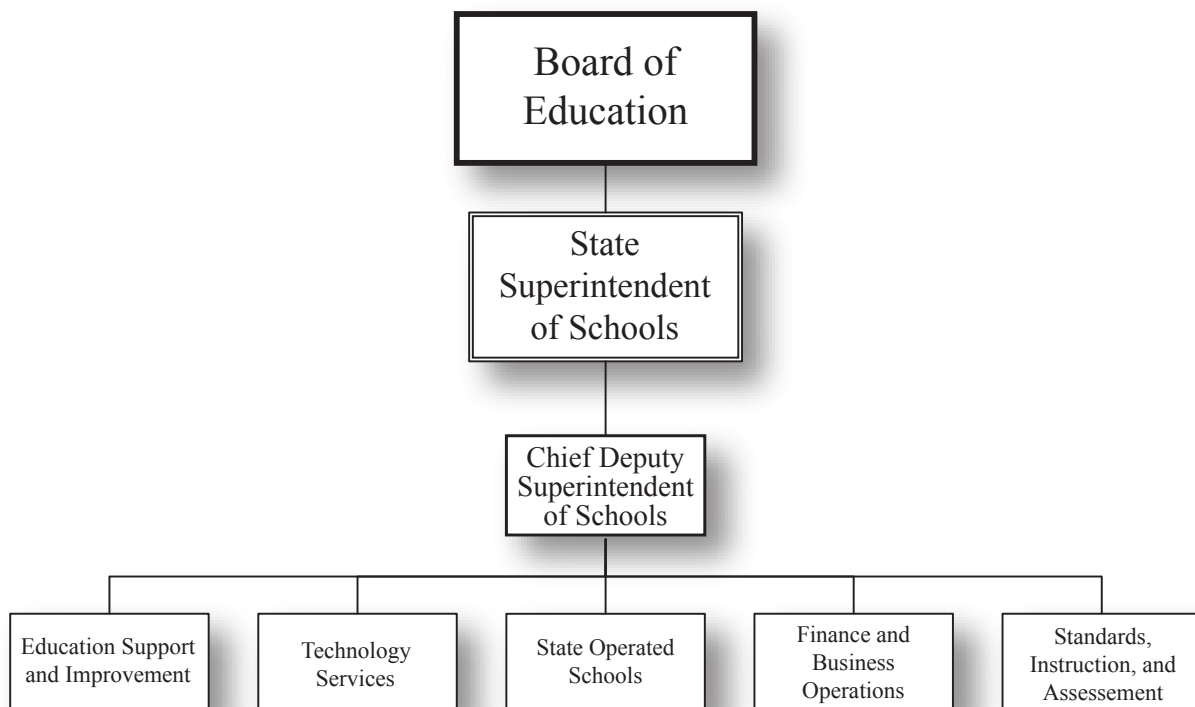
In addition to providing funds for daily instruction, the department also administers a number of programs for students in need of additional services. These include a program for handicapped preschool children, tuition for the multi-handicapped and funding for the Severely

Emotionally Disturbed (SED) network. Nearly 15,900 students are being served through these grants totaling \$112 million.

In an effort to expand educational opportunities for all students in Georgia, the department opened the Georgia Virtual School in FY 2006. The Georgia Virtual School provides a number of core curriculum, foreign language, business electives, and Advanced Placement (AP) courses online for public, private, and home school students. The state funded over 4,000 course enrollments for students during the 2006-2007 school year.

In an effort to improve the state's graduation rates, the department implemented an innovative graduation coach program which placed a graduation coach in every high school in FY 2007 and in every middle school in FY 2008. Graduation coaches are instrumental in identifying students who are at-risk of not graduating and providing necessary interventions and strategies to help students graduate. Such efforts include developing individual graduation plans (Peach State Pathways), organizing tutoring programs to prepare for the Georgia High School Graduation Test (GHS GT), and creating a network of graduation teams and community mentors/partners to support the students and schools. The graduation coaches were very instrumental in helping the state to reach a 72.3% graduation rate in FY 2007. They will continue to be a vital component in helping the state to reach its goal of an 80% graduation rate by 2010.

The Department of Education also provides resources for students preparing for the Scholastic Assessment Test (SAT). The department provides funding for high school sophomores to take the Preliminary Scholastic Assessment Test (PSAT). An online SAT prep resource was added in FY 2006 to serve public, private and home school high school students. This online tool allows students to take practice tests and quizzes that identifies the students' strengths and weaknesses and helps them prepare for the SAT. During FY 2007, over 153,000 students took advantage of this resource. More than 140,000



Department of Education

Roles, Responsibilities, and Organization

accounts have already been activated using this resource during FY 2008. In FY 2008, the Governor's Incentive Scholarships initiative was launched to cover the costs of an SAT or ACT examination for juniors and seniors who meet certain eligibility criteria.

SUPPORTING LOCAL SCHOOL SYSTEMS

The department also administers funds and provides technical assistance for school improvement. School Improvement Teams serve five statewide regions and provide intensive, targeted support, and additional resources for schools and school systems not meeting Adequate Yearly Progress (AYP) under the federal No Child Left Behind (NCLB) Act - particularly schools that have not made AYP for two or more years and are in Needs Improvement (NI) status. The school improvement program offers a wide array of services ranging from professional development, analysis and planning, and implementation strategies for schools not meeting the standards. Since the Department began its school improvement efforts in FY 2004, the number of schools in Needs Improvement status has declined from 533 to 323.

The Department of Education partners with 16 Regional Education Service Agencies (RESA) to provide shared services to improve the effectiveness of educational programs and services of local school systems and to provide direct instructional programs to selected public school students.

The Department of Education also provides funding and support for many state and federal grant programs including: Title I - Improving Basic Programs; Title II-A Improving Teacher Quality; Reading First; Migrant Education; Pupil Transportation; Equalization; and Career, Technical and Agricultural Education.

AUTHORITY

Title 20, Official Code of Georgia Annotated.

Department of Education

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---|------------------------|----------------------|------------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | <u>\$7,806,980,808</u> | <u>\$393,496,235</u> | <u>\$8,200,477,043</u> |
| TOTAL STATE FUNDS | \$7,806,980,808 | \$393,496,235 | \$8,200,477,043 |
| Federal Funds Not Specifically Identified | 1,121,650,747 | 493,397,026 | 1,615,047,773 |
| Other Funds | <u>12,391,307</u> | <u>14,456,776</u> | <u>26,848,083</u> |
| TOTAL FUNDS | \$8,941,022,862 | \$901,350,037 | \$9,842,372,899 |

Department Statewide Budget Changes (Information Only):

| | |
|--|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$37,523,392 |
| 2. Provide for a general increase of 2.5% to the state base salary schedule for the State Board of Education effective September 1, 2008. This proposed 2.5% salary improvement is in addition to a 3% salary increase awarded to more than half of the certificated personnel through the normal progression on the teacher salary schedule. | 159,018,715 |
| 3. Provide for a general increase of 2.5% for bus drivers (\$2,074,283) and lunchroom workers (\$1,078,830) effective July 1, 2008. | 3,153,113 |
| 4. Provide for a general salary increase of 2.5% for Regional Educational Services Agencies (RESAs) (\$179,668), the Severely Emotionally Disturbed (SED) Network (\$1,239,488), Preschool Handicapped (\$584,099), High School Agricultural (\$191,270) and Technology/Career Programs (\$207,380), Graduation Coaches (\$1,202,609), Georgia's Virtual High School program (\$86,503), State virtual charter school (\$124,365) and state school teachers (\$265,345) effective September 1, 2008. | 4,080,727 |
| 5. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$534,529), performance increases (\$213,812), and for structure adjustments to the statewide salary plan (\$75,907). | 824,248 |
| 6. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% for state employees. (Total Funds: \$448,876) | 282,791 |
| 7. Reflect an adjustment in the Workers' Compensation premium rate structure. | (82,037) |
| 8. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 70,795 |
| Total Change | \$204,871,744 |

Academic Coach

Purpose: Provide certificated public school teachers who exhibit excellence in the classroom with salary supplements or bonuses in exchange for mentoring other public school teachers.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$23,634 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$27,261) and for performance increases (\$10,904). | 38,165 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% for state employees. | 14,422 |
| 4. Create a new Math Mentor program with 17 positions by redirecting funds from the Agricultural Education program (\$56,056), Central Office program (\$262,000), School Improvement program (\$1,212,332) and State Interagency Transfers program (\$467,612). | 1,998,000 |
| 5. Reduce contractual services obligation in the Teacher Success program. | (300,000) |
| 6. Create a new Mentor Teacher program by redirecting funds from the High Performing Principal program. | 330,000 |
| Total Change | \$2,104,221 |

Agricultural Education

Purpose: Provide students with competencies to make them aware of the importance of the agricultural industry and develop skills to prepare them for the world of work.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$43,646 |
| 2. Provide for a general salary increase of 2.5% effective September 1, 2008. | 191,270 |

Department of Education

FY 2009 Program Budgets

| | |
|---|-------------|
| 3. Remove one-time funding provided for the engineering and installation of a sewage treatment facility at the Future Farmers of America (FFA) camp in Covington. | (912,000) |
| 4. Redirect funds provided for the Food Processing Centers to the new Math Mentor program. | (56,056) |
| 5. Increase other funds (\$3,090,002) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | (\$733,140) |

Central Office

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$282,682 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$359,204), performance increases (\$143,682), and for structure adjustments to the statewide salary plan (\$75,907). | 578,793 |
| 3. Reflect an adjustment in the Workers' Compensation premium rate structure. | (82,037) |
| 4. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% for state employees. | 190,036 |
| 5. Increase the GBA real estate rental rate for office space. | 70,795 |
| 6. Redirect funds in the Central Office program in the administration areas to the new Math Mentor program. | (262,000) |
| 7. Reduce funding for teacher liability premiums based on projected expenditures. | (300,000) |
| 8. Increase other funds (\$933,176) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$478,269 |

Charter Schools

Purpose: Support and encourage development and approval of charter public schools as one part of Georgia's overall school improvement strategy.

Recommended Change:

| | |
|--|-------------|
| 1. Provide funding to serve 2,265 students through the state's virtual charter school. | \$6,373,221 |
| 2. Provide for a general salary increase of 2.5% effective September 1, 2008. | 124,365 |
| Total Change | \$6,497,586 |

Communities in Schools

Purpose: Operate alternative education programs throughout the state, bringing community resources into schools to help students stay in school and prepare for life.

Recommended Change:

| | |
|---|-------------|
| 1. Delete one-time funding of \$175,000 for five new Communities in Schools local affiliate programs. | (\$175,000) |
| 2. Delete \$200,000 of the \$450,000 for operating funds for five Performance Learning Centers (PLC) funded in FY 2007. | (\$200,000) |
| 3. Redirect \$750,000 of existing funds to fund 3 new PLCs. | Yes |
| Total Change | (\$375,000) |

Curriculum Development

Purpose: Provide a world-class curriculum that will drive both instruction and assessment for Georgia's teachers and students.

Recommended Change:

| | |
|--|-------------|
| 1. Reduce funding for Georgia Performance Standards online video clips. | (\$300,000) |
| 2. Reduce funding for curriculum development in Georgia Performance Standards. | (200,000) |
| Total Change | (\$500,000) |

Dropout Prevention

Purpose: Reduce dropout rates for Georgia students.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$223,028 |
| 2. Provide for a general salary increase of 2.5% effective September 1, 2008. | 1,202,609 |

Department of Education

FY 2009 Program Budgets

| | |
|--|--------------|
| 3. Adjust funds for training and experience for middle and high school graduation coaches, and add funds for graduation coaches at 14 new middle and high schools. | 14,452,408 |
| 4. Provide funding for a Very Important Parent (VIP) Recruiter for at-risk elementary, middle, and high schools. | 14,250,000 |
| Total Change | \$30,128,045 |

Equalization

Purpose: Provide money to local school systems after assessing an equity breakdown of the Local Five Mill Share Program in order to narrow the gap (per pupil) between school systems.

Recommended Change:

| | |
|--|--------------|
| 1. Provide for an increase in Equalization Grants. | \$79,496,560 |
| Total Change | \$79,496,560 |

Federal Programs

Purpose: Coordinate federally funded programs and allocate federal funds to school systems.

Recommended Change:

| | |
|--|-----|
| 1. Increase federal funds (\$206,465,250) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$0 |

Foreign Language

Purpose: Provide funds to schools for foreign language instruction.

Recommended Change:

| | |
|--|---------------|
| 1. Redirect funding from the pilot elementary foreign language program to QBE to increase funding for media materials from \$15.31 to \$17.55 per FTE for grades K-5 and provide foreign language materials for elementary students statewide. | (\$1,590,857) |
| Total Change | (\$1,590,857) |

Georgia Learning Resources System (GLRS)

Purpose: Provide training and resources to educators and parents of students with disabilities through a network of centers around the state.

Recommended Change:

| | |
|--|-----|
| 1. Increase federal funds (\$984,003) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$0 |

Georgia Virtual School

Purpose: Provide students enrollment in state funded courses via the Internet or in any other manner not involving on-site interaction with a teacher.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$6,111 |
| 2. Provide for a general salary increase of 2.5% effective September 1, 2008. | 86,503 |
| 3. Provide funding for a total of 6,000 courses. | 1,521,870 |
| 4. Increase other funds (\$722,213) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$1,614,484 |

Georgia Youth Science and Technology

Purpose: Increase interest and enthusiasm in science and the technologies, particularly among elementary and middle school teachers and students.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Department of Education

FY 2009 Program Budgets

Governor's Honors Program

Purpose: Provide intellectually gifted and artistically talented high school students challenging and enriching educational opportunities not usually available to them during the regular school year.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$7,591 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$7,483) and for performance increases (\$2,993). | 10,476 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% for state employees. | 3,959 |
| Total Change | \$22,026 |

Information Technology Services

Purpose: Collect and report accurate data through the development and maintenance of web-enabled applications.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Local Five Mill Share

Purpose: Required local effort based on five mills of tax on the equalized adjusted property tax digest.

Recommended Change:

| | |
|--|-----------------|
| 1. Increase funds for Local Five Mill Share. | (\$142,093,503) |
| Total Change | (\$142,093,503) |

National Board Certification

Purpose: Provide the 10% salary increase for National Board Certified teachers to local systems (jointly administered between the Department of Education and the Professional Standards Commission).

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

National Science Center and Foundation

Purpose: Ignite and promote students' interest in mathematics and sciences, develop new ways to use technology in teaching and deploy those methods in our schools.

Recommended Change:

| | |
|---|---------------|
| 1. Redirect funding from the National Science Center and Foundation to the QBE program to provide comprehensive staff development training to teachers statewide. | (\$1,416,750) |
| Total Change | (\$1,416,750) |

Non-Quality Basic Education Grant

Purpose: Assure that sufficient funds are provided in order for the state's public school students to receive an effective education.

Recommended Change:

| | |
|--|-------------|
| 1. Increase funds for classroom cards for new teachers and media centers. | \$260,226 |
| 2. Provide funding for the Georgia Special Needs Scholarship. | 5,656,726 |
| 3. Redirect funding for summer remediation grants to the QBE formula to increase funding for additional instruction. | (1,400,000) |
| 4. Redirect funding from the High Performance Principal program to a new Mentor Teacher program. | (330,000) |
| 5. Remove one-time funds provided for the Regional Agriculture Center for the Toombs County Board of Education. | (1,200,000) |
| Total Change | \$2,986,952 |

Department of Education

FY 2009 Program Budgets

Nutrition

Purpose: Provide leadership, training, technical assistance, and resources so local program personnel can deliver meals that support nutritional well-being and performance at school.

Recommended Change:

| | |
|--|-------------|
| 1. Provide for a general salary increase of 2.5% effective July 1, 2008. | \$1,078,830 |
| 2. Increase federal funds (\$280,513,815) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$1,078,830 |

Preschool Handicapped

Purpose: Provide early intervention so students with disabilities will enter school with the skills to succeed.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$181,205 |
| 2. Provide for a general salary increase of 2.5% effective September 1, 2008. | 584,099 |
| 3. Add funds to the Preschool Handicapped program based on enrollment increases. | 457,613 |
| Total Change | \$1,222,917 |

Pupil Transportation

Purpose: Assist local school systems in their efforts to provide safe and efficient transportation for students to and from school and school-related activities.

Recommended Change:

| | |
|---|-------------|
| 1. Provide for a general increase of 2.5% effective July 1, 2008. | \$2,074,283 |
| Total Change | \$2,074,283 |

Quality Basic Education Program (QBE)

Purpose: Provide funds to school systems for the instruction of students in grades K-12 to ensure that Georgia's students are academically prepared for further education and the workplace.

Recommended Change:

| | |
|---|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$36,135,624 |
| 2. Provide for a general increase of 2.5% to the state base salary schedule for the State Board of Education effective September 1, 2008. This proposed 2.5% salary improvement is in addition to a 3% salary increase awarded to more than half of the certificated personnel through the normal progression on the teacher salary schedule. | 159,018,715 |
| 3. Redirect funding from summer remediation grants to the QBE formula to increase the funding for additional instruction. | 1,400,000 |
| 4. Redirect funding for the National Science Center and Foundation to the QBE program to provide comprehensive staff development training to teachers statewide. | 1,416,750 |
| 5. Redirect funding from the pilot elementary foreign language program to QBE to increase funding for media materials from \$15.31 to \$17.55 per FTE for grades K-5 and provide foreign language materials for elementary students statewide. | 1,590,857 |
| 6. Increase funds for QBE enrollment growth of 1.09% (\$75,733,394) and for training and experience (\$135,036,855). | 210,770,249 |
| Total Change | \$410,332,195 |

Regional Educational Service Agencies (RESAs)

Purpose: Provide Georgia's 16 Regional Educational Service Agencies (RESAs) with shared services to improve the effectiveness of educational programs and services of local school systems.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$60,089 |
| 2. Provide for a general salary increase of 2.5% effective September 1, 2008. | 179,668 |
| Total Change | \$239,757 |

Department of Education

FY 2009 Program Budgets

School Improvement

Purpose: Design and implement a coherent and sustained statewide system of support and process for improvement, providing local education agencies and schools in Georgia with tools and resources as well as intensive support for schools not making Adequate Yearly Progress (AYP).

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$132,611 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$140,581) and for performance increases (\$56,233). | 196,814 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% for state employees. | 74,374 |
| 4. Redirect operational funds from the School Improvement program to the new Math Mentor program. | (1,212,332) |
| Total Change | (\$808,533) |

School Nurses

Purpose: Provide appropriate health procedures to allow students to remain in school and increase opportunities for academic success.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Severe Emotionally Disturbed

Purpose: Provides statewide services to parents and educators of students with disabilities.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$290,340 |
| 2. Provide for a general salary increase of 2.5% effective September 1, 2008. | 1,239,488 |
| 3. Provide funds for the FY 2008 pay raises and other FY 2008 statewide budget changes for state funded positions. | 1,481,581 |
| Total Change | \$3,011,409 |

State Interagency Transfers

Purpose: Provide health insurance to retired teachers and non-certified personnel and to pass through funding via a contract.

Recommended Change:

| | |
|--|-------------|
| 1. Reduce funds in the interagency transfer grant based on projected expenditures and redirect funds (\$467,612) to the new Math Mentor program. | (\$467,660) |
| 2. Increase federal funds (\$556,379) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | (\$467,660) |

State Schools

Purpose: Prepare sensory-impaired and multi-disabled students to become productive citizens by providing a learning environment addressing their academic, vocational, and social development.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$89,204 |
| 2. Provide for a general salary increase of 2.5% effective September 1, 2008. | 265,345 |
| 3. Provide funding for textbooks. | 200,000 |
| 4. Adjust funding to properly reflect training and experience. | 184,589 |
| 5. Increase other funds (\$716,484) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$739,138 |

Technology/Career Education

Purpose: Equip students with academic, technical and leadership skills.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$47,627 |
|---|----------|

Department of Education

FY 2009 Program Budgets

| | |
|--|-----------|
| 2. Provide for a general salary increase of 2.5% effective September 1, 2008. | 207,380 |
| 3. Increase federal funds (\$1,667,226) and other funds (\$8,994,901) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$255,007 |

Testing

Purpose: Adopt a student assessment program consisting of instruments, procedures, and policies necessary to implement the program.

Recommended Change:

| | |
|--|-------------|
| 1. Eliminate funding for the Web-based Accountability project. | (\$800,000) |
| 2. Increase federal funds (\$3,210,353) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | (\$800,000) |

Tuition for the Multi-Handicapped

Purpose: Provide funds to assist school systems that have multi-handicapped students. These funds are intended to assist systems in meeting the high cost of private residential placements and to provide a continuum of placements for such students as mandated by Federal regulations.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| 1. Fund the Capital Outlay Program-Regular, for local school construction | 20 | \$112,400,000 | \$9,598,960 |
| 2. Fund the Capital Outlay Program-Exceptional Growth, for local school construction | 20 | 97,840,000 | 8,355,536 |
| 3. Fund the Capital Outlay Program-Regular Advance, for local school construction | 20 | 83,365,000 | 7,119,371 |
| 4. Fund the Capital Outlay Program-Low Wealth, for local school construction | 20 | 2,030,000 | 173,362 |
| 5. Fund vocational equipment, statewide | 5 | 8,855,000 | 2,045,505 |
| Total | | \$304,490,000 | \$27,292,734 |

Department of Education

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Charter Schools | | | | |
| 1. Number of charter schools | 48 | 74 | 90 | 110 |
| 2. Percentage of charter schools making Adequate Yearly Progress (AYP) | 88% | 85% | 85% | 85% |
| Communities in Schools | | | | |
| 1. Number of Performance Learning Centers (PLCs) | 22 | 26 | 29 | 32 |
| 2. Graduation rate for PLC students | 72% | 76% | 80% | 85% |
| Dropout Prevention | | | | |
| 1. Statewide high school dropout rate | 4.7% | 4.1% | 3.5% | 3.2% |
| 2. Statewide high school graduation rate | 71% | 72% | 74% | 80% |
| Georgia Virtual School | | | | |
| 1. Number of Advanced Placement (AP) courses offered | 14 | 19 | 20 | 21 |
| 2. Percentage of students completing courses | 81% | 83% | 85% | 86% |
| 3. Percentage of students passing the appropriate End of Course Test (EOCT) for courses that require such a test | 75% | 78% | 80% | 81% |
| Non-Quality Basic Education Grant | | | | |
| 1. Number of migrant education students | 5,262 | 5,140 | 5,140 | 5,140 |
| 2. Number of classroom cards distributed | N/A | 122,357 | 130,000 | 132,600 |
| Pupil Transportation | | | | |
| 1. Number of buses operating daily | 15,000 | 14,429 | 15,445 | 15,817 |
| 2. Number of students transported (in millions) | 1.35 | 1.73 | 1.78 | 1.80 |
| Quality Basic Education Program (QBE) | | | | |
| 1. Number of students | 1,528,098 | 1,589,839 | 1,620,046 | 1,650,827 |
| 2. Number of schools making Adequate Yearly Progress (AYP) | 1,642 | 1,726 | 1,812 | 1,903 |
| 3. Percentage of schools making AYP | 79% | 82% | 85% | 88% |
| School Improvement | | | | |
| 1. Number of schools on the needs improvement list | 310 | 323 | 305 | 300 |
| 2. Number of schools removed from the needs improvement list | 85 | 47 | 57 | 65 |
| State Schools | | | | |
| 1. Number of students enrolled at Atlanta Area School for the Deaf | 206 | 204 | 220 | 224 |
| 2. Number of students enrolled at Georgia School for the Deaf | 97 | 87 | 90 | 106 |
| 3. Number of students enrolled at Georgia Academy for the Blind | 108 | 127 | 130 | 133 |

Department of Education

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Academic Coach Program | \$3,664,563 | \$3,505,564 | \$5,705,944 | \$8,029,248 | \$7,810,165 |
| Agricultural Education | 10,703,994 | 11,322,977 | 10,145,339 | 9,222,316 | 12,502,201 |
| Central Office | 65,569,415 | 72,643,419 | 86,632,010 | 86,870,010 | 88,043,455 |
| Charter Schools | 4,518,964 | 6,156,782 | 9,949,904 | 9,949,904 | 16,447,490 |
| Communities in Schools | 1,320,623 | 2,303,123 | 2,445,623 | 1,270,623 | 2,070,623 |
| Curriculum Development | 1,508,235 | 1,923,803 | 2,274,833 | 1,824,833 | 1,774,833 |
| Dropout Prevention | | 15,825,248 | 45,452,845 | 45,452,845 | 75,580,890 |
| Equalization | 384,564,129 | 432,240,056 | 458,323,816 | 464,849,500 | 537,820,376 |
| Federal Programs | 1,107,612,912 | 1,025,727,466 | 817,561,039 | 817,561,039 | 1,024,026,289 |
| Foreign Language | 1,531,480 | 1,549,017 | 1,590,857 | | |
| Fund Accounting | 5,000,000 | 1,969,260 | | | |
| Georgia Learning Resources System | 8,284,761 | 8,306,973 | 7,367,573 | 7,367,573 | 8,351,576 |
| Georgia Virtual School | 1,671,563 | 2,831,423 | 2,198,878 | 2,503,864 | 4,535,575 |
| Georgia Youth Science and Technology | 689,203 | 689,203 | 500,000 | | 500,000 |
| Governor's Honors Program | 1,028,989 | 1,411,630 | 1,430,824 | 1,430,824 | 1,452,850 |
| Information Technology Services | 7,485,184 | 7,405,140 | 7,417,319 | 9,332,319 | 7,417,319 |
| Local Five Mill Share | (1,334,870,641) | (1,440,071,253) | (1,543,476,487) | (1,543,260,234) | (1,685,569,990) |
| National Board Certification | 10,777,716 | 12,294,628 | 12,294,628 | 12,294,628 | 12,294,628 |
| National Science Center and Foundation | 1,416,750 | 1,416,750 | 1,416,750 | 1,016,750 | |
| Non-Quality Basic Education Formula Grant | 7,655,309 | 20,575,546 | 25,638,421 | 24,388,421 | 28,625,373 |
| Nutrition | 436,550,228 | 472,279,788 | 227,120,109 | 227,120,109 | 508,712,754 |
| Preschool Handicapped | 24,008,490 | 26,470,019 | 29,135,155 | 31,399,126 | 30,358,072 |
| Principal Supplements | 5,361,125 | 5,361,125 | | | |
| Pupil Transportation | 163,339,259 | 211,302,130 | 168,868,769 | 168,868,769 | 170,943,052 |
| Quality Basic Education Program | 6,823,216,909 | 7,585,485,851 | 8,017,517,757 | 8,205,519,064 | 8,427,849,952 |
| Regional Education Service Agencies | 11,473,252 | 11,962,470 | 12,458,083 | 12,268,895 | 12,697,840 |
| School Improvement | 10,865,743 | 11,176,451 | 11,312,332 | 10,100,000 | 10,503,799 |
| School Nurses | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 |
| Severely Emotionally Disturbed | 76,265,870 | 79,887,569 | 81,194,324 | 88,730,628 | 84,205,733 |
| State Interagency Transfers | 269,799,716 | 266,730,673 | 307,163,848 | 306,696,188 | 307,252,567 |
| State Reading and Math | 26,652,766 | 25,307,770 | | | |
| State Schools | 19,104,889 | 20,813,251 | 23,632,221 | 24,007,221 | 25,087,843 |
| Technology/Career Education | 48,573,487 | 46,408,764 | 40,994,078 | 41,043,602 | 51,911,212 |
| Testing | 30,106,385 | 34,438,060 | 35,097,211 | 35,097,211 | 37,507,564 |
| Tuition for the Multi-Handicapped | 1,658,859 | 1,574,708 | 1,658,859 | 1,658,859 | 1,658,859 |
| TOTAL FUNDS | \$8,267,110,127 | \$9,019,225,384 | \$8,941,022,862 | \$9,142,614,135 | \$9,842,372,899 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$1,593,761,805 | \$1,558,526,439 | \$1,121,650,747 | \$1,121,650,747 | \$1,615,047,773 |
| Other Funds | 71,133,831 | 60,196,534 | 12,391,307 | 12,391,307 | 26,848,083 |
| Subtotal | \$1,664,895,636 | \$1,618,722,973 | \$1,134,042,054 | \$1,134,042,054 | \$1,641,895,856 |
| State General Funds | \$6,602,214,491 | \$7,379,928,430 | \$7,806,980,808 | \$8,008,572,081 | \$8,200,477,043 |
| Tobacco Settlement Funds | | 19,993,118 | | | |
| TOTAL STATE FUNDS | \$6,602,214,491 | \$7,400,502,411 | \$7,806,980,808 | \$8,008,572,081 | \$8,200,477,043 |
| Positions | 830 | 900 | 916 | 926 | 926 |
| Motor Vehicles | 53 | 53 | 53 | 53 | 53 |

Department of Education

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$7,806,980,808 | \$393,496,235 | \$8,200,477,043 |
| TOTAL STATE FUNDS | \$7,806,980,808 | \$393,496,235 | \$8,200,477,043 |
| Federal Funds Not Specifically Identified | 1,121,650,747 | 493,397,026 | 1,615,047,773 |
| Other Funds | 12,391,307 | 14,456,776 | 26,848,083 |
| TOTAL FUNDS | \$8,941,022,862 | \$901,350,037 | \$9,842,372,899 |
| | | | |
| Academic Coach | | | |
| State General Funds | \$5,705,944 | \$2,104,221 | \$7,810,165 |
| Total Funds | <u>\$5,705,944</u> | <u>\$2,104,221</u> | <u>\$7,810,165</u> |
| | | | |
| Agricultural Education | | | |
| State General Funds | \$9,568,762 | (\$733,140) | \$8,835,622 |
| Federal Funds Not Specifically Identified | 126,577 | | 126,577 |
| Other Funds | 450,000 | 3,090,002 | 3,540,002 |
| Total Funds | <u>\$10,145,339</u> | <u>\$2,356,862</u> | <u>\$12,502,201</u> |
| | | | |
| Central Office | | | |
| State General Funds | \$41,552,152 | \$478,269 | \$42,030,421 |
| Federal Funds Not Specifically Identified | 38,180,833 | | 38,180,833 |
| Other Funds | 6,899,025 | 933,176 | 7,832,201 |
| Total Funds | <u>\$86,632,010</u> | <u>\$1,411,445</u> | <u>\$88,043,455</u> |
| | | | |
| Charter Schools | | | |
| State General Funds | \$3,220,193 | \$6,497,586 | \$9,717,779 |
| Federal Funds Not Specifically Identified | 6,729,711 | | 6,729,711 |
| Total Funds | <u>\$9,949,904</u> | <u>\$6,497,586</u> | <u>\$16,447,490</u> |
| | | | |
| Communities In Schools | | | |
| State General Funds | \$2,445,623 | (\$375,000) | \$2,070,623 |
| Total Funds | <u>\$2,445,623</u> | <u>(\$375,000)</u> | <u>\$2,070,623</u> |
| | | | |
| Curriculum Development | | | |
| State General Funds | \$2,274,833 | (\$500,000) | \$1,774,833 |
| Total Funds | <u>\$2,274,833</u> | <u>(\$500,000)</u> | <u>\$1,774,833</u> |
| | | | |
| Dropout Prevention | | | |
| State General Funds | \$45,452,845 | \$30,128,045 | \$75,580,890 |
| Total Funds | <u>\$45,452,845</u> | <u>\$30,128,045</u> | <u>\$75,580,890</u> |
| | | | |
| Equalization | | | |
| State General Funds | \$458,323,816 | \$79,496,560 | \$537,820,376 |
| Total Funds | <u>\$458,323,816</u> | <u>\$79,496,560</u> | <u>\$537,820,376</u> |

Department of Education

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|------------------------|---------------------------|
| Federal Programs | | | |
| Federal Funds Not Specifically Identified | \$817,561,039 | \$206,465,250 | \$1,024,026,289 |
| Total Funds | <u>\$817,561,039</u> | <u>\$206,465,250</u> | <u>\$1,024,026,289</u> |
| Foreign Language | | | |
| State General Funds | \$1,590,857 | (\$1,590,857) | \$0 |
| Total Funds | <u>\$1,590,857</u> | <u>(\$1,590,857)</u> | <u>\$0</u> |
| Georgia Learning Resources System | | | |
| Federal Funds Not Specifically Identified | \$7,367,573 | \$984,003 | \$8,351,576 |
| Total Funds | <u>\$7,367,573</u> | <u>\$984,003</u> | <u>\$8,351,576</u> |
| Georgia Virtual School | | | |
| State General Funds | \$2,198,878 | \$1,614,484 | \$3,813,362 |
| Other Funds | | 722,213 | 722,213 |
| Total Funds | <u>\$2,198,878</u> | <u>\$2,336,697</u> | <u>\$4,535,575</u> |
| Georgia Youth Science and Technology | | | |
| State General Funds | \$500,000 | | \$500,000 |
| Total Funds | <u>\$500,000</u> | <u>\$0</u> | <u>\$500,000</u> |
| Governor's Honors Program | | | |
| State General Funds | \$1,430,824 | \$22,026 | \$1,452,850 |
| Total Funds | <u>\$1,430,824</u> | <u>\$22,026</u> | <u>\$1,452,850</u> |
| Information Technology Services | | | |
| State General Funds | \$7,417,319 | | \$7,417,319 |
| Total Funds | <u>\$7,417,319</u> | <u>\$0</u> | <u>\$7,417,319</u> |
| Local Five Mill Share | | | |
| State General Funds | (\$1,543,476,487) | (\$142,093,503) | (\$1,685,569,990) |
| Total Funds | <u>(\$1,543,476,487)</u> | <u>(\$142,093,503)</u> | <u>(\$1,685,569,990)</u> |
| National Board Certification | | | |
| State General Funds | \$12,294,628 | | \$12,294,628 |
| Total Funds | <u>\$12,294,628</u> | <u>\$0</u> | <u>\$12,294,628</u> |
| National Science Center and Foundation | | | |
| State General Funds | \$1,416,750 | (\$1,416,750) | \$0 |
| Total Funds | <u>\$1,416,750</u> | <u>(\$1,416,750)</u> | <u>\$0</u> |
| Non-Quality Basic Education Grants | | | |
| State General Funds | \$25,638,421 | \$2,986,952 | \$28,625,373 |
| Total Funds | <u>\$25,638,421</u> | <u>\$2,986,952</u> | <u>\$28,625,373</u> |

Department of Education

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|---------------|---------------------------|
| Nutrition | | | |
| State General Funds | \$38,744,387 | \$1,078,830 | \$39,823,217 |
| Federal Funds Not Specifically Identified | 188,375,722 | 280,513,815 | 468,889,537 |
| Total Funds | \$227,120,109 | \$281,592,645 | \$508,712,754 |
| Preschool Handicapped | | | |
| State General Funds | \$29,135,155 | \$1,222,917 | \$30,358,072 |
| Total Funds | \$29,135,155 | \$1,222,917 | \$30,358,072 |
| Pupil Transportation | | | |
| State General Funds | \$168,868,769 | \$2,074,283 | \$170,943,052 |
| Total Funds | \$168,868,769 | \$2,074,283 | \$170,943,052 |
| Quality Basic Education Program | | | |
| State General Funds | \$8,017,517,757 | \$410,332,195 | \$8,427,849,952 |
| Total Funds | \$8,017,517,757 | \$410,332,195 | \$8,427,849,952 |
| Regional Education Service Agencies (RESAs) | | | |
| State General Funds | \$12,458,083 | \$239,757 | \$12,697,840 |
| Total Funds | \$12,458,083 | \$239,757 | \$12,697,840 |
| School Improvement | | | |
| State General Funds | \$11,212,332 | (\$808,533) | \$10,403,799 |
| Other Funds | 100,000 | | 100,000 |
| Total Funds | \$11,312,332 | (\$808,533) | \$10,503,799 |
| School Nurses | | | |
| State General Funds | \$30,000,000 | | \$30,000,000 |
| Total Funds | \$30,000,000 | \$0 | \$30,000,000 |
| Severely Emotionally Disturbed | | | |
| State General Funds | \$67,834,466 | \$3,011,409 | \$70,845,875 |
| Federal Funds Not Specifically Identified | 13,359,858 | | 13,359,858 |
| Total Funds | \$81,194,324 | \$3,011,409 | \$84,205,733 |
| State interagency Transfers | | | |
| State General Funds | \$288,275,151 | (\$467,660) | \$287,807,491 |
| Federal Funds Not Specifically Identified | 18,888,697 | 556,379 | 19,445,076 |
| Total Funds | \$307,163,848 | \$88,719 | \$307,252,567 |
| State Schools | | | |
| State General Funds | \$22,699,506 | \$739,138 | \$23,438,644 |
| Other Funds | 932,715 | 716,484 | 1,649,199 |
| Total Funds | \$23,632,221 | \$1,455,622 | \$25,087,843 |

Department of Education

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|--------------|---------------------------|
| Technology/Career Education | | | |
| State General Funds | \$16,377,965 | \$255,007 | \$16,632,972 |
| Federal Funds Not Specifically Identified | 20,606,546 | 1,667,226 | 22,273,772 |
| Other Funds | 4,009,567 | 8,994,901 | 13,004,468 |
| Total Funds | \$40,994,078 | \$10,917,134 | \$51,911,212 |
| Testing | | | |
| State General Funds | \$24,643,020 | (\$800,000) | \$23,843,020 |
| Federal Funds Not Specifically Identified | 10,454,191 | 3,210,353 | 13,664,544 |
| Total Funds | \$35,097,211 | \$2,410,353 | \$37,507,564 |
| Tuition for the Multi-Handicapped | | | |
| State General Funds | \$1,658,859 | | \$1,658,859 |
| Total Funds | \$1,658,859 | \$0 | \$1,658,859 |

Department of Education

Quality Basic Education Funding Comparison

| Program Area | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Recommendations |
|---|--------------------------|---------------------------|----------------------------|
| DIRECT INSTRUCTION | | | |
| Kindergarten, Primary and Elementary Grades (1-3) | \$2,045,523,100 | \$2,164,435,089 | \$2,274,845,437 |
| Middle Grades (4-8) | 1,727,462,236 | 1,828,468,149 | 1,887,074,677 |
| High School Grades (9-12) | 944,094,491 | 998,960,109 | 1,041,913,040 |
| High School Vocational Labs (9-12) | 242,451,811 | 255,293,545 | 277,528,091 |
| Special Education | 989,784,268 | 1,043,321,521 | 1,108,720,566 |
| Gifted | 264,089,368 | 279,941,979 | 307,767,664 |
| Limited English-Speaking | 102,344,159 | 108,594,143 | 119,325,920 |
| Alternative Education | 82,964,301 | 87,819,229 | 94,461,120 |
| Remedial Education | 35,730,756 | 37,778,103 | 47,130,696 |
| TOTAL DIRECT INSTRUCTIONAL | \$6,434,444,490 | \$6,804,611,866 | \$7,158,767,210 |
| STAFF DEVELOPMENT | \$35,892,274 | \$37,021,639 | \$38,479,265 |
| ADDITIONAL INSTRUCTION | 55,876,014 | 60,077,322 | 64,366,611 |
| MEDIA CENTER | 181,562,325 | 192,790,811 | 203,369,504 |
| ITINERANT/SUPPLEMENTAL SPEECH | | 3,880,670 | 4,063,874 |
| INDIRECT COST | 1,034,563,645 | 1,062,104,136 | 1,100,314,168 |
| MID-TERM ADJUSTMENT RESERVE | 12,892,998 | | |
| TEMPORARY QBE REDUCTION | (169,745,895) | (142,968,687) | (141,510,679) |
| TOTAL QBE FORMULA EARNINGS | \$7,585,485,851 | \$8,017,517,757 | \$8,427,849,952 |
| OTHER CATEGORICAL GRANTS | | | |
| Pupil Transportation | \$211,302,130 | \$168,868,769 | \$170,943,052 |
| Sparsity Grants | 6,319,039 | 6,352,443 | 6,352,443 |
| Equalization | 432,240,056 | 458,323,816 | 537,820,376 |
| Low-Incidence Special Education | 826,722 | 826,722 | 826,722 |
| TOTAL QBE FUNDS | \$8,236,173,798 | \$8,651,889,507 | \$9,143,792,545 |
| LOCAL FIVE MILL SHARE | (\$1,440,071,253) | (\$1,543,476,487) | (\$1,685,569,990) |
| STATE SHARE | \$6,796,102,545 | \$7,108,413,020 | \$7,458,222,555 |

Department of Education
FY 2009 QBE Formula Recommendation
Base Amount (Grades 9-12) = \$2,653.89

| Program | FTE | Weight | Weighted FTE | Total FTE Earnings | Direct Cost Proportion | Direct Instructional Cost Plus Training and Experience |
|-----------------------------------|------------------|--------|------------------|------------------------|------------------------|--|
| Kindergarten - EIP | 12,598 | 2.0500 | 25,827 | \$61,984,102 | 0.9058 | \$86,469,300 |
| Kindergarten | 112,409 | 1.6593 | 186,518 | 435,384,979 | 0.8829 | 598,738,131 |
| Grades 1-3 - EIP | 28,531 | 1.8034 | 51,454 | 121,351,488 | 0.8974 | 178,385,016 |
| Grades 1-3 | 334,964 | 1.2862 | 430,843 | 960,629,528 | 0.8567 | 1,411,252,991 |
| Grades 4-5 - EIP | 16,124 | 1.7977 | 28,986 | 68,330,271 | 0.8972 | 100,543,363 |
| Grades 4-5 | 203,582 | 1.0332 | 210,331 | 445,800,067 | 0.8214 | 655,043,154 |
| Grades 6-8 - Middle Grades | 12,022 | 1.0162 | 12,217 | 26,035,568 | 0.8327 | 42,370,935 |
| Grades 6-8 - Middle School | 303,796 | 1.1213 | 340,648 | 743,452,748 | 0.8413 | 1,089,117,225 |
| Grades 9-12 | 337,314 | 1.0000 | 337,314 | 715,866,522 | 0.8214 | 1,041,913,040 |
| Vocational Lab | 73,461 | 1.1846 | 87,023 | 192,353,662 | 0.8477 | 277,528,091 |
| Special Education I | 15,326 | 2.3931 | 36,676 | 86,896,793 | 0.8940 | 125,240,411 |
| Special Education II | 11,756 | 2.8145 | 33,088 | 79,917,581 | 0.9108 | 119,334,633 |
| Special Education III | 47,995 | 3.5855 | 172,083 | 425,414,106 | 0.9286 | 625,527,045 |
| Special Education IV | 7,606 | 5.8155 | 44,231 | 112,863,775 | 0.9542 | 165,984,726 |
| Special Education V | 8,382 | 2.4574 | 20,597 | 48,978,066 | 0.8973 | 72,633,750 |
| Gifted | 56,825 | 1.6667 | 94,708 | 211,552,311 | 0.8499 | 307,767,664 |
| Limited English-Speaking | 13,235 | 2.5297 | 33,480 | 82,711,612 | 0.9322 | 119,325,920 |
| Alternative Education | 18,651 | 1.6019 | 29,877 | 64,220,194 | 0.8102 | 94,461,120 |
| Remedial Education | 10,731 | 1.3127 | 14,086 | 31,761,256 | 0.8654 | 47,130,696 |
| Total Direct Instruction | 1,625,306 | | 2,189,987 | \$4,915,504,628 | | \$7,158,767,210 |
| Staff Development | | | | | | \$38,479,265 |
| Additional Instruction | | | | | | 64,366,611 |
| Media (Including T&E) | | | | | | 203,369,504 |
| Itinerant/Supplemental Speech | | | | | | 4,063,874 |
| Indirect Cost (Including T&E) | | | | | | 1,100,314,168 |
| Temporary QBE Reduction | | | | | | (141,510,679) |
| TOTAL QBE FORMULA EARNINGS | | | | | | \$8,427,849,952 |
| Plus: | | | | | | |
| Pupil Transportation | | | | | | \$170,943,052 |
| Sparsity Grants | | | | | | 6,352,443 |
| Equalization | | | | | | 537,820,376 |
| Low-Incidence Special Education | | | | | | 826,722 |
| TOTAL QBE EARNINGS | | | | | | \$9,143,792,545 |
| Less: Local Five Mill Share | | | | | | (\$1,685,569,990) |
| STATE FUNDS | | | | | | \$7,458,222,555 |

Employees' Retirement System

Roles, Responsibilities, and Organization

By statute, the staff of the Employees' Retirement System (ERS) administers nine separate retirement systems and programs: ERS, the Legislative Retirement System (LRS), the Georgia Defined Contribution Plan (GDGP), the Georgia Judicial Retirement System (GJRS), the Public School Employees Retirement System (PSERS), the State Employees' Assurance Department (SEAD), the Georgia Military Pension Fund (GMPF), PeachState Reserves and the Social Security contracts between the state and its political subdivisions.

In general, ERS is a vehicle for collecting employee and employer contributions, investing accumulated funds, and disbursing retirement benefits to members and beneficiaries. As required by Georgia law, the system is examined on an annual basis by an independent actuarial firm that specializes in pension and retirement plans. The firm prepares a yearly valuation on the contingent assets and liabilities of the system, thus revealing its ability to meet the future obligations of each retirement plan. An independent accounting firm also audits the system each year.

EMPLOYEES' RETIREMENT SYSTEM

Since 1950, the staff of ERS has administered retirement benefits for state employees in accordance with the Official Code of Georgia. Full-time employees of participating departments are required to become members of ERS as a condition of employment, with the exception of employees who first become eligible after age 60.

The ERS Board of Trustees is ultimately responsible for administration of the system, while the executive director – who is appointed by the board and serves at the pleasure of its members – is responsible for daily management of ERS operations. The board consists of seven members as follows:

- Three *ex officio* members (State Auditor, State Merit System Commissioner, and Office of Treasury and Fiscal Services Director),
- One member appointed by the Governor,

- Two members – appointed by the first four members – with five or more years of creditable service with ERS, and,
- One member – appointed by the first six members – who must not hold public office, not be an ERS member, and have at least 10 years of experience in the investment of money.

The members who are not *ex officio* members serve four-year terms.

LEGISLATIVE RETIREMENT SYSTEM (LRS) AND GEORGIA DEFINED CONTRIBUTION PLAN (GDGP)

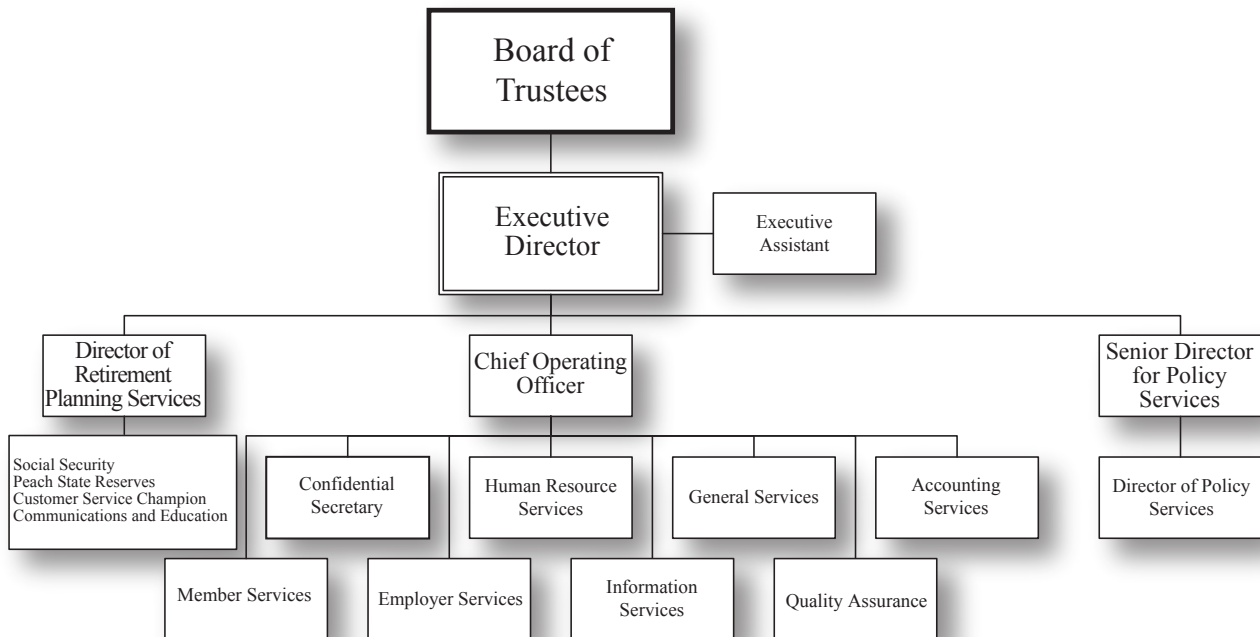
LRS is a retirement plan for members of the General Assembly, while GDGP is a plan for temporary, seasonal, and part-time employees of the state not covered by ERS or the Teachers Retirement System (TRS). Both plans are placed under the administration of the ERS Board of Trustees.

GEORGIA JUDICIAL RETIREMENT SYSTEM (GJRS)

This system is for members and retirees of the Superior Court Judges Retirement System, the District Attorneys' Retirement System, and the Trial Judges and Solicitors Retirement Fund, as well as, certain employees of the Attorney General and Legislative Counsel. The GJRS Board of Trustees consists of the seven ERS trustees plus three additional members appointed by the Governor who serve in one of the following positions: state court judge, superior court judge, state court solicitor-general, juvenile court judge, or district attorney. These appointments are for four-year terms.

PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM (PSERS)

PSERS offers a supplemental retirement plan to certain public school employees not covered by TRS. These employees include bus drivers, cafeteria workers, and custodians. The PSERS Board of Trustees consists of the seven ERS trustees plus two additional members appointed by the Governor for four-year terms.



Employees' Retirement System

Roles, Responsibilities, and Organization

GEORGIA MILITARY PENSION FUND (GMPF)

GMPF provides retirement allowances and other benefits for the Georgia National Guard. A member becomes eligible for benefits upon attainment of age 60 with 20 or more years of credible service (including at least 15 years of service as a member of the National Guard), having served at least 10 consecutive years as a member of the National Guard immediately prior to discharge, and having received an honorable discharge.

PEACHSTATE RESERVES

PeachState Reserves, which was transferred from the Georgia Merit System to ERS by executive order on July 1, 2005, is the deferred

compensation retirement plan for the State of Georgia. Through this program, employee contributions and investments in 401k and 457 plans are administered by CitiStreet, a new third-party administrator which began in 2007.

AUTHORITY

Titles 45 and 47, Official Code of Georgia Annotated.

Employees' Retirement System

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|----------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$4,674,801 | \$101,525 | \$4,776,326 |
| TOTAL STATE FUNDS | \$4,674,801 | \$101,525 | \$4,776,326 |
| Other Funds | 20,559,270 | (2,690,964) | 17,868,306 |
| TOTAL FUNDS | \$25,234,071 | (\$2,589,439) | \$22,644,632 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$66,778). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (Other Funds: \$86,541) and for performance increases (Other Funds: \$34,616). | Yes |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$65,005). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$13,531). | Yes |
| Total Change | \$0 |

Deferred Compensation

Purpose: Provide excellent service to participants in the deferred compensation program for all employees of the State, giving them an effective supplement for their retirement planning.

Recommended Change:

| | |
|---|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$1,226). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (Other Funds: \$1,586) and for performance increases (Other Funds: \$634). | Yes |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$1,190). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$248). | Yes |
| 5. Increase funding in contractual services for accounting services provided by the Teachers' Retirement System (Other Funds: \$700). | Yes |
| Total Change | \$0 |

Georgia Military Pension Fund

Purpose: Provide retirement allowances and other benefits for members of the Georgia National Guard.

Recommended Change:

| | |
|---|-----------|
| 1. Increase funding for the Georgia Military Pension Fund to the level required by the latest actuarial report. | \$219,951 |
| Total Change | \$219,951 |

Public School Employees' Retirement System

Purpose: Account for the receipt of retirement contributions, to ensure sound investing of system funds, and timely and accurate payment of retirement benefits.

Recommended Change:

| | |
|--|-------------|
| 1. Reduce funding for the Public School Employees' Retirement System (PSERS) to the level required by the latest actuarial report. | (\$118,426) |
| Total Change | (\$118,426) |

System Administration

Purpose: Collect employee and employer contributions, invest the accumulated funds, and disburse retirement benefits to members and beneficiaries.

Recommended Change:

| | |
|--|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$65,552). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009, (Other Funds: \$84,955) and for performance increases (Other Funds: \$33,982). | Yes |

Employees' Retirement System

FY 2009 Program Budgets

| | |
|--|-----------|
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$63,815). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$13,283). | Yes |
| 5. Reduce funding in contractual services to reflect the completion of the Pension and Retirement Information System (PARIS) (Other Funds: \$2,958,135). | Yes |
| Total Change | <hr/> \$0 |

Employees' Retirement System Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Deferred Compensation | | | | |
| 1. Number of participants | 34,875 | 34,972 | 35,671 | 36,384 |
| 2. Millions of dollars of assets under management | \$832 | \$942 | \$1,037 | \$1,140 |
| Georgia Military Pension Fund | | | | |
| 1. Retirees and beneficiaries currently receiving benefits | 163 | 237 | 343 | 497 |
| Public School Employees' Retirement System | | | | |
| 1. Retirees and beneficiaries currently receiving benefits | 13,014 | 12,976 | 13,250 | 13,500 |
| System Administration | | | | |
| 1. Retirees and beneficiaries currently receiving benefits (ERS) | 32,685 | 32,830 | 34,000 | 35,000 |
| 2. Customer Service: Average speed to answer incoming calls will be 30 seconds or less | 60 seconds | 28 seconds | 30 seconds | 30 seconds |

Employees' Retirement System

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Deferred Compensation | \$2,527,529 | \$2,394,681 | \$2,599,119 | \$2,601,045 | \$2,604,703 |
| Georgia Military Pension Fund | 890,651 | 1,005,099 | 1,103,073 | 1,323,024 | 1,323,024 |
| Public School Employees' Retirement System | 4,221,996 | 7,071,996 | 3,571,728 | 3,453,302 | 3,453,302 |
| System Administration | 19,171,123 | 19,945,342 | 17,960,151 | 15,067,568 | 15,263,603 |
| TOTAL FUNDS | \$26,811,299 | \$30,417,118 | \$25,234,071 | \$22,444,939 | \$22,644,632 |
| <u>Less:</u> | | | | | |
| Other Funds | \$21,698,652 | \$22,340,023 | \$20,559,270 | \$17,668,613 | \$17,868,306 |
| Subtotal | \$21,698,652 | \$22,340,023 | \$20,559,270 | \$17,668,613 | \$17,868,306 |
| State General Funds | \$5,112,647 | \$8,077,095 | \$4,674,801 | \$4,776,326 | \$4,776,326 |
| TOTAL STATE FUNDS | \$5,112,647 | \$8,077,095 | \$4,674,801 | \$4,776,326 | \$4,776,326 |
| Positions | 110 | 99 | 99 | 99 | 99 |
| Motor Vehicles | 1 | 1 | 1 | 1 | 1 |

Employees' Retirement System

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$4,674,801 | \$101,525 | \$4,776,326 |
| TOTAL STATE FUNDS | \$4,674,801 | \$101,525 | \$4,776,326 |
| Other Funds | 20,559,270 | (2,690,964) | 17,868,306 |
| TOTAL FUNDS | \$25,234,071 | (\$2,589,439) | \$22,644,632 |
| Deferred Compensation | | | |
| Other Funds | \$2,599,119 | \$5,584 | \$2,604,703 |
| Total Funds | \$2,599,119 | \$5,584 | \$2,604,703 |
| Georgia Military Pension Fund | | | |
| State General Funds | \$1,103,073 | \$219,951 | \$1,323,024 |
| Total Funds | \$1,103,073 | \$219,951 | \$1,323,024 |
| Public School Employees' Retirement System | | | |
| State General Funds | \$3,571,728 | (\$118,426) | \$3,453,302 |
| Total Funds | \$3,571,728 | (\$118,426) | \$3,453,302 |
| System Administration | | | |
| Other Funds | \$17,960,151 | (\$2,696,548) | \$15,263,603 |
| Total Funds | \$17,960,151 | (\$2,696,548) | \$15,263,603 |

Georgia Forestry Commission

Roles, Responsibilities, and Organization

The Georgia Forestry Commission is responsible for the preservation of Georgia's public and private forest resources. The commission carries out this mission by protecting the forest from fire, insects, and diseases, working with the forestry industry and landowners to manage and utilize forest resources, providing educational programs about the danger of wildfire and best management practices, and supplying high-quality tree seedlings to Georgia landowners for reforestation.

The Georgia Forestry Commission protects and manages Georgia's 27 million acres of forestland, which represents an approximate \$26 billion asset and comprises 75% of all land in the state. The commission has four main programs: Forest Protection, Forest Management, Tree Improvement, and the Tree Seedling Nursery. Through these programs, the Forestry Commission provides a wide variety of services to rural forest landowners, offers technical assistance to municipalities and urban landowners, provides seedlings to the citizens of Georgia at a reasonable price, and protects the forest resources of the state through fire prevention and suppression.

FOREST PROTECTION

Forest Protection, the primary function of the Georgia Forestry Commission, is carried out through Fire Business Activities. This includes a statewide network of 129 county and 10 district offices supplied with staff and equipment necessary for the prevention and suppression of Georgia's over 8,000 annual forest fires. The basic fire suppression function includes the prompt detection and reporting of fires, followed by a powerful initial response from trained firefighters operating crawler tractor-plow units and water trucks. The effectiveness of the Forest Protection program is a direct result of properly maintained equipment, including fire detection aircraft that can be quickly mobilized in the early phases of a forest fire. In addition forest rangers carry out prescribed burns and firebreak plowing for Georgia landowners to prevent forest fires and limit the damage they may cause.

Under state code, the Georgia Forestry Commission is responsible for all wildfires outside the unincorporated areas of our state through

Rural Fire Defense. This ensures state coordination and cooperation with rural fire departments across the state and is the most valuable forest protection community outreach program offered by the commission. Rural Fire Defense provides low-cost fire equipment as well as assistance with training and operations for local, mostly rural, fire departments statewide.

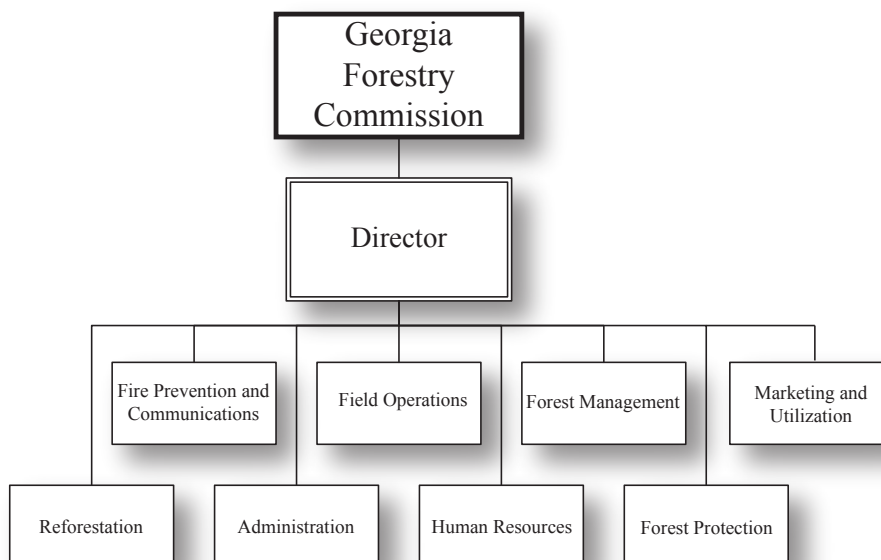
Through Fire Prevention and Education, the commission provides information about the dangers of wildfires and their prevention and has established prevention measures such as burn permitting to encourage responsible debris burning.

FOREST MANAGEMENT

In the area of Forest Management, the commission provides technical assistance and service to private and industrial landowners. The responsibility of Urban and Community Forestry Assistance is to provide leadership and technical assistance in establishing and maintaining sustainable urban and community forests and to provide professional expertise to resolve conflicts between development and forest resources.

Multiple forest resource management techniques for both public and private lands are encouraged and promoted through the Stewardship Management subprogram, which also conducts forest health monitoring (including periodic insect and disease evaluations, surveys and eradication), promotion of forest water quality and cost-share technical assistance to the forest landowner in establishing sound forestry practices. Additionally, the department conducts the management of four state-owned and two non-state owned forests through State Managed Forests.

The commission also works to educate the public about forest resources and their contributions to the economy and the environment of Georgia through utilization and marketing. This promotes Georgia forest products both nationally and internationally and is presently implementing the carbon registry to encourage the offsetting of carbon-rich pollutants through the purchase of credits in forested land.



Georgia Forestry Commission

Roles, Responsibilities, and Organization

Finally, the commission collects forestry data used to inform Georgia residents and policy makers through its Forestry Data Collection and Analysis subprogram.

REFORESTATION

The role of the Reforestation Division is to provide high quality, genetically superior forest tree seedlings to the residents of Georgia at a reasonable price without cost to the taxpayer. The Reforestation Division at the Georgia Forestry Commission is comprised of two

programs, Tree Improvement and the Tree Seedling Nursery. Through these programs, the commission develops genetically superior tree seedlings at the state's Flint River Nursery, and then sells them to the public, ensuring the regeneration and sustainability of Georgia's forested lands.

AUTHORITY

Title 12-6, Official Code of Georgia Annotated.

Georgia Forestry Commission

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | <u>\$37,140,677</u> | <u>\$3,629,192</u> | <u>\$40,769,869</u> |
| TOTAL STATE FUNDS | \$37,140,677 | \$3,629,192 | \$40,769,869 |
| Federal Funds Not Specifically Identified | 7,861,835 | | 7,861,835 |
| Other Funds | <u>5,668,070</u> | | <u>5,668,070</u> |
| TOTAL FUNDS | \$50,670,582 | \$3,629,192 | \$54,299,774 |

Department Statewide Budget Changes (Information Only):

| | |
|---|--------------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$403,553 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$299,676), for performance increases (\$119,871), for employees in specified critical jobs (\$42,845), for special adjustments to selected job classes (\$929,960), and for structure adjustments to the statewide salary plan (\$22,372). | 1,414,724 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 238,082 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 168,992 |
| Total Change | <u>\$2,225,351</u> |

Administration

Recommended Change:

| | |
|--|------------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$34,463 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$31,966), and for performance increases (\$12,787). | 44,753 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 25,396 |
| 4. Reflect an adjustment in the Workers' Compensation premium structure. | 12,771 |
| 5. Provide funding to address ongoing facilities maintenance needs. | 860,000 |
| Total Change | <u>\$977,383</u> |

Forest Management

Purpose: Provide forestry inventory data, manage state-owned forests, provide technical assistance on forest health and water quality issues to forest landowners, administer federal forestry programs, assist communities with management of forested greenspace, market forestry products, and provide technical assistance to the forestry industry.

Recommended Change:

| | |
|--|------------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$54,745 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$30,391), and for performance increases (\$12,156). | 42,547 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 24,145 |
| 4. Reflect an adjustment in the Workers' Compensation premium structure. | 16,653 |
| 5. Eliminate contract funds for Southern Forest World. | (28,500) |
| 6. Add two conservation foresters and two vehicles to coordinate conservation easement donations with the Georgia Land Conservation Program. | 182,620 |
| Total Change | <u>\$292,210</u> |

Georgia Forestry Commission

FY 2009 Program Budgets

Forest Protection

Purpose: Protect the public and forest resources by detecting and suppressing forest fires, assisting landowners with fire prevention techniques, educating the public about the dangers of wildfires, and providing programs to support rural fire departments.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$306,563 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$236,666), for performance increases (\$94,667), for employees in specified critical jobs (\$42,845), for special adjustments to selected job classes (\$929,960), and for structure adjustments to the statewide salary plan (\$22,372). | 1,326,510 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 188,022 |
| 4. Reflect an adjustment in the Workers' Compensation premium structure. | 139,271 |
| 5. Add two new arson investigator positions and two vehicles to reestablish a wildfire arson investigation program to enforce arson and other forestry laws. | 131,000 |
| 6. Fill one helicopter pilot position (\$96,953) and one aviation maintenance/inspection position (\$81,768) to provide air support for wildfire detection and suppression. | 178,721 |
| 7. Retrofit a Bell 407 helicopter with A/C and communications equipment to improve firefighting capabilities. | 80,000 |
| Total Change | \$2,350,087 |

Tree Improvement

Purpose: Provide Georgia's landowners with genetically superior seedlings to ensure increased volume and superior quality of trees grown.

Recommended Change:

| | |
|--|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$606 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$653), and for performance increases (\$261). | 914 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 519 |
| 2. Reflect an adjustment in the Workers' Compensation premium structure. | 297 |
| Total Change | \$2,336 |

Tree Seedling Nursery

Purpose: Produce an adequate quantity of high quality forest tree seedlings for sale at a reasonable cost to Georgia landowners.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$7,176 |
| Total Change | \$7,176 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|-------------------------------------|------------|------------------|---------------------|
| 1. Purchase firefighting equipment. | 5 | \$2,500,000 | \$577,500 |
| Total | | \$2,500,000 | \$577,500 |

Georgia Forestry Commission

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Forest Management | | | | |
| 1. Number of water quality exams conducted on logging and forestry operations | 409 | 495 | 800 | 550 |
| 2. Number of acres covered by a forest management plan | 290,049 | 386,726 | 400,000 | 400,000 |
| Forest Protection | | | | |
| 1. Number of acres burned by wildfires | 32,419 | 504,037 | 40,000 | 40,000 |
| 2. Average fire response time in minutes | 28 | 30 | 30 | 30 |
| 3. Number of online and automated burn permits issued | 485,792 | 158,526 | 510,000 | 160,000 |
| Tree Improvement | | | | |
| 1. Percent increase in volume of timber per acre of land due to selection, testing, and breeding of genetically improved seedlings | 22% | 25% | 25% | 25% |
| Tree Seedling Nursery | | | | |
| 1. Amount of revenue generated through seedling sales | \$973,945 | \$1,100,463 | \$1,040,000 | \$1,200,000 |

Georgia Forestry Commission

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$4,958,791 | \$4,475,876 | \$4,544,938 | \$4,530,544 | \$5,522,321 |
| Forest Management | 9,617,475 | 10,140,767 | 10,346,417 | 10,188,901 | 10,638,627 |
| Forest Protection | 34,310,505 | 65,512,301 | 34,271,502 | 34,839,183 | 36,621,589 |
| Tree Improvement | 82,311 | 128,638 | 121,994 | 122,600 | 124,330 |
| Tree Seedling Nursery | 1,280,578 | 1,251,126 | 1,385,731 | 1,392,907 | 1,392,907 |
| TOTAL FUNDS | \$50,249,660 | \$81,508,708 | \$50,670,582 | \$51,074,135 | \$54,299,774 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$9,210,670 | \$30,242,147 | \$7,861,835 | \$7,861,835 | \$7,861,835 |
| Other Funds | 7,613,579 | \$17,344,374 | 5,668,070 | 5,668,070 | 5,668,070 |
| Subtotal | \$16,824,249 | \$47,586,521 | \$13,529,905 | \$13,529,905 | \$13,529,905 |
| State General Funds | \$33,425,411 | \$33,922,187 | \$37,140,677 | \$37,544,230 | \$40,769,869 |
| TOTAL STATE FUNDS | \$33,425,411 | \$33,922,187 | \$37,140,677 | \$37,544,230 | \$40,769,869 |
| Positions | 676 | 687 | 687 | 691 | 691 |
| Motor Vehicles | 684 | 684 | 684 | 688 | 688 |

Georgia Forestry Commission

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|--------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$37,140,677 | \$3,629,192 | \$40,769,869 |
| TOTAL STATE FUNDS | \$37,140,677 | \$3,629,192 | \$40,769,869 |
| Federal Funds Not Specifically Identified | 7,861,835 | | 7,861,835 |
| Other Funds | 5,668,070 | | 5,668,070 |
| TOTAL FUNDS | \$50,670,582 | \$3,629,192 | \$54,299,774 |
| Administration | | | |
| State General Funds | \$4,540,066 | \$977,383 | \$5,517,449 |
| Other Funds | 4,872 | | \$4,872 |
| Total Funds | \$4,544,938 | \$977,383 | \$5,522,321 |
| Forest Management | | | |
| State General Funds | \$3,691,168 | \$292,210 | \$3,983,378 |
| Federal Funds Not Specifically Identified | 5,977,662 | | 5,977,662 |
| Other Funds | 677,587 | | 677,587 |
| Total Funds | \$10,346,417 | \$292,210 | \$10,638,627 |
| Forest Protection | | | |
| State General Funds | \$28,973,218 | \$2,350,087 | \$31,323,305 |
| Federal Funds Not Specifically Identified | 1,814,173 | | 1,814,173 |
| Other Funds | 3,484,111 | | 3,484,111 |
| Total Funds | \$34,271,502 | \$2,350,087 | \$36,621,589 |
| Tree Improvement | | | |
| State General Funds | \$121,994 | \$2,336 | \$124,330 |
| Total Funds | \$121,994 | \$2,336 | \$124,330 |
| Tree Seedling Nursery | | | |
| State General Funds | (\$185,769) | \$7,176 | (\$178,593) |
| Federal Funds Not Specifically Identified | 70,000 | | 70,000 |
| Other Funds | 1,501,500 | | 1,501,500 |
| Total Funds | \$1,385,731 | \$7,176 | \$1,392,907 |

Office of the Governor

Roles, Responsibilities, and Organization

The Governor is the Chief Executive Officer of state government. Constitutionally, he is charged with executing the laws of the state and conserving the peace as Commander-in-Chief of the Georgia National Guard. The Governor is also charged statutorily with a number of responsibilities including the economic and fiscal management of state government. To accomplish these duties, the Governor must meet and work with citizens of Georgia, officials of local governments, members of the General Assembly, state agency heads and Federal officials. These activities will move us toward a more educated, healthy, safe and growing state.

The Office of Planning and Budget (OPB) assists the Governor in the development and management of a policy driven state budget; develops a State Strategic Plan; assists all state agencies in the development of their own strategic plans; and performs financial and personnel functions for the Office of the Governor and attached agencies. OPB also conducts management studies and other evaluations of state government operations. The Governor's Program Budgeting initiative dictates that budgets will be predicated on programs that support departmental business plans and a more effective and efficient, results-oriented, and customer-focused budget process.

As part of the Governor's Office, the Commission for a New Georgia (CNG) acts as a private-sector partner, working with government to make Georgia the nation's best-managed state. CNG is a non-profit corporation led by top executives from across Georgia, who bring fresh eyes and ideas to the ways government functions can perform more effectively and efficiently. Since 2003, 20 CNG task forces have analyzed key management areas, and recommended best practices and new tools to cut operating costs, streamline services, and increase accountability across the enterprise. The task forces were served *pro bono* by more than 350 knowledgeable citizens, and a score of consulting firms. CNG recommendations are followed up by the Governor's Office of Implementation, in concert with cross-agency teams and state leaders. To date, CNG initiatives have generated cost savings and revenue returns estimated at \$153 million.

In 2006, policy leadership for the State Workforce Investment Board was transferred from the Department of Labor to the Governor's Office. The Board assists the Governor in complying with the provisions of the 1998 Workforce Investment Act and coordinating workforce development activities on a statewide basis.

ATTACHED AGENCIES

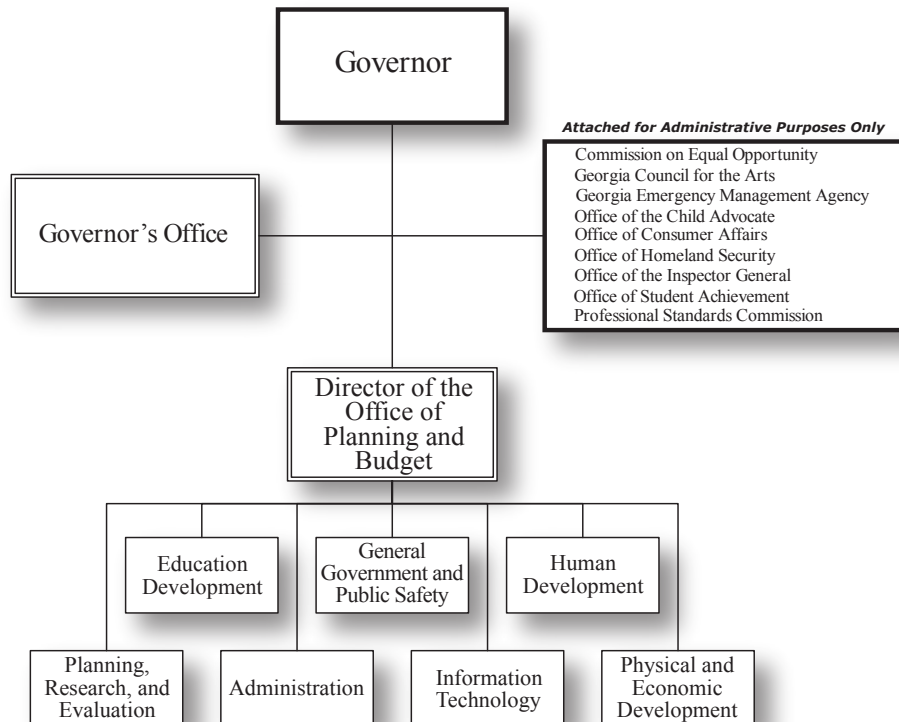
Several agencies are attached to the Office of the Governor for administrative purposes. This reduces administrative costs through consolidation of the administrative support functions. These agencies operate autonomously; however, their funding is received through the larger agency.

The Georgia Council for the Arts advises the Governor regarding the study and development of the arts in Georgia and provides grants and technical assistance to local governments and art groups.

The Professional Standards Commission creates and implements standards and procedures for certification of educational personnel in the public schools; reviews and analyzes requests for certification; and develops and enforces the code of ethics and performance standards for teachers in local school systems. The Office of Student Achievement establishes educational accountability policies and standards for the state to establish the "official" education report card which is reported to stakeholders and used to provide education policy support to the Governor.

The Office of the Child Advocate provides independent oversight of persons, organizations, and agencies responsible for providing services to or caring for children who are victims of child abuse and neglect or whose domestic situation requires intervention by the state.

The Office of Consumer Affairs protects consumers and legitimate business enterprises from unfair and deceptive activities through



Office of the Governor

Roles, Responsibilities, and Organization

enforcement of the Fair Business Practices Act and other related consumer protection statutes. The Office of Homeland Security was created by Executive Order and works in conjunction with the Georgia Emergency Management Agency to protect the state from man-made and natural threats and disasters. Both attached agencies work with state and local agencies to carry out a comprehensive emergency and disaster readiness program.

The Commission on Equal Opportunity's mission is to protect any individual in public employment from discrimination in the workplace. In addition, the commission ensures that the sale, purchase or rental of housing within the state is free from any discrimination based on race, color, religion, sex, national origin, handicap or age.

The Office of the State Inspector General was created by Executive Order to prevent and investigate fraud, waste and abuse in state government. Their goal is to produce a more efficient, cost-effective and trustworthy government.

AUTHORITY

Titles 8, 10, 12, 15, 19, 20, 33, 38, 40, 43, 45 and 46, Official Code of Georgia Annotated.

Office of the Governor

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|---------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$46,716,383 | \$5,729,909 | \$52,446,292 |
| TOTAL STATE FUNDS | \$46,716,383 | \$5,729,909 | \$52,446,292 |
| Federal Funds | 11,050,831 | 25,899,055 | 36,949,886 |
| Other Funds | 1,486,247 | 1,005,214 | 2,491,461 |
| TOTAL FUNDS | \$59,253,461 | \$32,634,178 | \$91,887,639 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2009 salary adjustment. | \$384,771 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$331,637), for performance increases (\$132,658), and for structure adjustments to the statewide salary plan (\$488). | 464,783 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843 to 24.182%. | 254,109 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (65,473) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 97,677 |
| Total Change | \$1,135,867 |

Governor's Emergency Funds

Purpose: Provide emergency funds to draw upon when disasters create extraordinary demands on government.

Recommended Change:

| | |
|--|-------------|
| 1. Provide additional funds for potential emergencies and natural disasters. | \$2,800,000 |
| Total Change | \$2,800,000 |

Governor's Office

Purpose: Provide numerous duties including, but not limited to, granting commissions, appointments and vacancies, maintaining order, and temporary transfer of institutions between departments or agencies.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$61,759 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$52,950) and performance increases (\$21,180). | 74,130 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 40,958 |
| 4. Increase federal funds (\$1,196,851) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$176,847 |

Office of Planning and Budget

Purpose: Improve state government operations and services by leading and assisting in the evaluation, development, and implementation of budget, plans, programs, and policies.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$89,482 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$81,224) and performance increases (\$32,490). | 113,714 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 61,501 |
| 4. Increase the GBA real estate rental rate for office space. | 32,550 |
| 5. Reflect an adjustment in the Workers' Compensation premium rate structure. | (83,520) |
| 6. Transfer one position and funding for administrative support from the Children Youth Coordinating Council to support grant administration for the new Office of Children and Families. | 53,454 |
| Total Change | \$267,181 |

Office of the Governor

FY 2009 Program Budgets

Agencies Attached for Administrative Purposes:

Council for the Arts

Purpose: Promote and support the arts across Georgia.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$7,350 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$4,286) and performance increases (\$1,715). | 6,001 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 3,315 |
| 4. Increase support for Georgia Humanities grant funding from \$154,499 to \$179,499. | 25,000 |
| 5. Increase federal funds (\$8,872) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$41,666 |

Office of the Child Advocate

Purpose: Provide independent oversight of persons, organizations and agencies responsible for the protection and well being of our children.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$9,534 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$7,959) and performance increases (\$3,184). | 11,143 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 6,141 |
| 4. Reduce operating costs. | (10,664) |
| 5. Provide for the replacement of a motor vehicle in excess of 135,000 miles for investigative function. | 15,664 |
| 6. Provide funds for state-wide needs and resources assessment of available child-welfare resources. | 70,000 |
| 7. Provide for a Web-based enhancement for the existing file and data management system - FORTIS. | 13,500 |
| 8. Reduce funds as a result of administrative efficiencies to be realized through the consolidation of Office of the Child Advocate and Child Fatality Review Panel. | (51,258) |
| 9. Increase federal funds (\$92,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$64,060 |

Office of Consumer Affairs

Purpose: Protect consumers and legitimate business enterprises from unfair and deceptive business practices through the enforcement of the Fair Business Practices Act and other related consumer protection statutes.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$72,829 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$70,766), performance increases (\$28,307) and structure adjustments to the statewide salary plan (\$488). | 99,561 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 54,343 |
| 4. Increase the GBA real estate rental rate for office space. | 35,054 |
| 5. Reflect an adjustment in the Workers' Compensation premium rate structure. | 18,047 |
| 6. Increase funding for 14 existing vacant positions to staff the "1-800-Georgia" call center to support a projected growth in call volume of 1.8 million calls in FY 2009 versus 1.2 million in FY 2008. | 800,000 |
| 7. Provide funds for ongoing maintenance of the "Knowledge Base" database, an online encyclopedia and directory of state services. | 280,000 |
| 8. Provide funds for web-based enhancement to allow state employees and citizens online access to the "Knowledge Base" database. | 270,000 |
| 9. Increase other funds (\$1,005,214) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$1,629,834 |

Office of the Governor

FY 2009 Program Budgets

Commission on Equal Opportunity

Purpose: Enforce the Georgia Fair Employment Practices Act of 1978, as amended, and the Fair Housing Act, which make it unlawful for discrimination against individuals.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$8,384 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,599) and performance increases (\$2,640). | 9,239 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,045 |
| 4. Increase the GBA real estate rental rate for office space. | 6,186 |
| 5. Reduce operating expenses. | (14,287) |
| 6. Increase federal funds (\$388,206) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$14,567 |

Georgia Emergency Management Agency

Purpose: Provide a comprehensive and aggressive emergency preparedness, response, and recovery program for the citizens of Georgia in order to save lives, protect property, and reduce the effect of disasters.

Recommended Change:

| | |
|--|------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$20,031 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$17,803) and performance increases (\$7,121). | 24,924 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 13,689 |
| 4. Reduce one-time funding for uninterruptible power supply. | (125,000) |
| 5. Increase federal funds (\$24,213,126) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | (\$66,356) |

Office of Homeland Security

Purpose: Lead and direct the preparation, employment and management of state resources to safeguard Georgia and its citizens against threats or acts of terrorism and natural disasters.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$5,000 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,213) and performance increases (\$2,485). | 8,698 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,806 |
| 4. Reduce operating expenses. | (15,697) |
| Total Change | \$2,807 |

Office of Inspector General

Purpose: Foster and promote accountability and integrity in state government by investigating and preventing, fraud, waste, and abuse.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$7,719 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$7,391) and performance increases (\$2,957). | 10,348 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,717 |
| 4. Increase the GBA real estate rental rate for office space. | 2,035 |
| 5. Reduce operating expenses. | (16,670) |
| Total Change | \$9,149 |

Office of the Governor

FY 2009 Program Budgets

Professional Standards Commission

Purpose: Direct the preparation, certification, professional discipline, and recruitment of educators in Georgia.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$83,855 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$65,065) and performance increases (\$26,026). | 91,091 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 49,791 |
| 4. Increase the GBA real estate rental rate for office space. | 21,852 |
| Total Change | \$246,589 |

Office of Student Achievement

Purpose: Improve student achievement and school completion in Georgia.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$18,828 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$11,381) and performance increases (\$4,553). | 15,934 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 8,803 |
| 4. Provide funding to develop an auditing function for education funding formulas. | 500,000 |
| Total Change | \$543,565 |

Office of the Governor

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Georgia Council for the Arts | | | | |
| 1. Percentage of Georgia's 159 counties served by the Georgia Council for the Arts | 100% | 98% | 100% | 100% |
| 2. Number of Georgia council for the Arts grant awards. | 451 | 474 | 465 | 500 |
| Office of the Child Advocate | | | | |
| 1. Customer Service: The number of referrals the OCA receives annually concerning the well-being of children | 593 | 621 | 685 | 750 |
| 2. Percentage of cases that are closed within six months of opening | 61% | 58% | 75% | 75% |
| Office of Consumer Affairs | | | | |
| 1. Total number of telephone calls placed to the "1-800-Georgia" call center requesting assistance | 476,312 | 424,482 | 1,200,000 | 1,800,000 |
| 2. Total amount of restitution, savings and other financial benefits to consumers based on actions by the Office of Consumer Affairs. | \$19,671,413 | \$13,712,145 | \$15,100,000 | \$19,175,000 |
| Commission on Equal Opportunity | | | | |
| 1. Percentage of employment discrimination complaints against a state agency investigated within 90 days | 92% | 94.0% | 96% | 96% |
| 2. Number of education, training, and outreach activities performed throughout the state in order to inform state agencies, housing-related groups and industry entities, and the general public of the coverage of the Georgia Fair Employment Practices Act and the Georgia Fair Housing Act | 30 | 35 | 45 | 50 |
| 3. Percentage of successful performance evaluations by the U.S. Equal Employment Opportunity Commission and the U.S. Department of Housing and Urban Development | 100% | 100% | 100% | 100% |
| Georgia Emergency Management Agency | | | | |
| 1. Customer Service: Percentage GEMA will receive from a composite satisfaction score from all customers and stakeholders for the provision of customer service that is good to very good for the customer service values of being courteous, helpful, and accessible. | N/A | 85.7% | 80% | 85% |
| 2. Percentage of all requests for state assets and mutual aid assistance handled successfully. | 99% | 99% | 97% | 97% |
| Office of Homeland Security | | | | |
| 1. Percentage of the state's critical infrastructure/key resource sites that have completed vulnerability assessment, protective action plans and surveillance detection plans | 25% | 25% | 75% | 75% |
| 2. Percentage of eight GEMA regions with completed Regional Plans for Terrorism and All Hazards Preparedness | 12% | 25% | 75% | 100% |

Office of the Governor

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Office of the State Inspector General | | | | |
| 1. Percentage of Inspector General recommendations implemented by state agencies | 90% | 100% | 95% | 96% |
| 2. Customer Service: Percentage of investigations and preliminary inquiries completed within a six-month period. | N/A | 99% | 85% | 90% |
| Office of Planning and Budget | | | | |
| 1. Measure of customers' perception of service quality on a 1 to 10 scale. | N/A | 8 | 8.5 | 9 |
| Georgia Professional Standards Commission | | | | |
| 1. Number of teaching certificate transactions annually | 220,284 | 184,149 | 200,000 | 225,000 |
| 2. Number of newly certified teachers in Georgia meeting the highly qualified criteria | 17,037 | 22,852 | 23,500 | 25,000 |
| Office of Student Achievement | | | | |
| 1. Percentage of schools that made Adequate Yearly Progress (AYP) | 79% | 82% | 85% | 88% |

Office of the Governor

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---------------------------------------|-----------------------------|-----------------------------|----------------------------|------------------------------------|---|
| Governor's Emergency Fund | \$574,090 | | \$3,469,576 | \$3,469,576 | \$6,269,576 |
| Governor's Office | 7,782,404 | 9,245,287 | 11,753,328 | 11,815,087 | 13,127,026 |
| Office of Planning and Budget | 12,604,313 | 9,347,090 | 9,577,412 | 9,666,894 | 9,844,593 |
| SUBTOTAL (Excludes Attached Agencies) | <u>\$20,960,807</u> | <u>\$18,592,377</u> | <u>\$24,800,316</u> | <u>\$24,951,557</u> | <u>\$29,241,195</u> |
| ATTACHED AGENCIES: | | | | | |
| Council for the Arts | \$4,531,719 | \$4,571,180 | \$4,849,476 | \$5,481,826 | \$4,900,014 |
| Office of the Child Advocate | 860,730 | 918,831 | 791,860 | 889,894 | 947,920 |
| Office of Consumer Affairs | 4,581,861 | 8,104,820 | 8,714,293 | 11,762,341 | 11,349,341 |
| Commission on Equal Opportunity | 1,168,417 | 1,210,146 | 1,101,566 | 1,147,552 | 1,504,339 |
| Georgia Emergency Management Agency | 75,585,676 | 82,664,016 | 8,798,057 | 8,963,088 | 32,944,827 |
| Office of Homeland Security | 510,487 | 497,971 | 534,850 | 541,724 | 537,657 |
| Office of Inspector General | 734,668 | 537,357 | 833,534 | 824,583 | 842,683 |
| Professional Standards Commission | 8,608,331 | 8,437,987 | 7,555,321 | 7,639,176 | 7,801,910 |
| Office of Student Achievement | 1,051,525 | 1,345,016 | 1,274,188 | 1,293,016 | 1,817,753 |
| TOTAL FUNDS | <u>\$118,594,220</u> | <u>\$126,879,701</u> | <u>\$59,253,461</u> | <u>\$63,494,757</u> | <u>\$91,887,639</u> |
| Less: | | | | | |
| Federal Funds | \$78,970,430 | \$53,815,741 | \$10,950,331 | \$10,987,933 | \$36,949,886 |
| Other Funds | 3,499,802 | 3,198,661 | 1,586,747 | 2,591,961 | 2,491,461 |
| Subtotal | <u>\$82,470,232</u> | <u>\$57,014,402</u> | <u>\$12,537,078</u> | <u>\$13,579,894</u> | <u>\$39,441,347</u> |
| State General Funds | <u>\$36,123,988</u> | <u>\$69,865,299</u> | <u>\$46,716,383</u> | <u>\$49,914,863</u> | <u>\$52,446,292</u> |
| TOTAL STATE FUNDS | <u>\$36,123,988</u> | <u>\$69,865,299</u> | <u>\$46,716,383</u> | <u>\$49,914,863</u> | <u>\$52,446,292</u> |
| Positions | 337 | 349 | 395 | 396 | 396 |
| Motor Vehicles | 28 | 28 | 28 | 28 | 28 |

Office of the Governor

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|---------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$46,716,383 | \$5,729,909 | \$52,446,292 |
| TOTAL STATE FUNDS | \$46,716,383 | \$5,729,909 | \$52,446,292 |
| Federal Funds | 11,050,831 | 25,899,055 | 36,949,886 |
| Other Funds | 1,486,247 | 1,005,214 | 2,491,461 |
| TOTAL FUNDS | \$59,253,461 | \$32,634,178 | \$91,887,639 |
| Governor's Emergency Funds | | | |
| State General Funds | \$3,469,576 | \$2,800,000 | \$6,269,576 |
| Total Funds | \$3,469,576 | \$2,800,000 | \$6,269,576 |
| Governor's Office | | | |
| State General Funds | \$7,653,328 | \$176,847 | \$7,830,175 |
| Federal Funds | 4,100,000 | 1,196,851 | 5,296,851 |
| Total Funds | \$11,753,328 | \$1,373,698 | \$13,127,026 |
| Office of Planning and Budget | | | |
| State General Funds | \$9,474,735 | \$267,181 | \$9,741,916 |
| Federal Funds | 2,000 | | 2,000 |
| Other Funds | 100,677 | | 100,677 |
| Total Funds | \$9,577,412 | \$267,181 | \$9,844,593 |
| Agencies Attached for Administrative Purposes: | | | |
| Council for the Arts | | | |
| State General Funds | \$4,188,948 | \$41,666 | \$4,230,614 |
| Federal Funds | 650,528 | 8,872 | 659,400 |
| Other Funds | 10,000 | | 10,000 |
| Total Funds | \$4,849,476 | \$50,538 | \$4,900,014 |
| Office of the Child Advocate | | | |
| State General Funds | \$783,235 | \$64,060 | \$847,295 |
| Federal Funds | 8,600 | 92,000 | 100,600 |
| Other Funds | 25 | | 25 |
| Total Funds | \$791,860 | \$156,060 | \$947,920 |
| Office of Consumer Affairs | | | |
| State General Funds | \$8,146,604 | \$1,629,834 | \$9,776,438 |
| Other Funds | 567,689 | 1,005,214 | 1,572,903 |
| Total Funds | \$8,714,293 | \$2,635,048 | \$11,349,341 |
| Commission on Equal Opportunity | | | |
| State General Funds | \$714,349 | \$14,567 | \$728,916 |
| Federal Funds | 387,217 | 388,206 | 775,423 |
| Total Funds | \$1,101,566 | \$402,773 | \$1,504,339 |

Office of the Governor

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|-------------------------------------|---------------------------|---------------------|---------------------------|
| Georgia Emergency Management Agency | | | |
| State General Funds | \$2,500,145 | (\$66,356) | \$2,433,789 |
| Federal Funds | 5,490,056 | 24,213,126 | 29,703,182 |
| Other Funds | 807,856 | | 807,856 |
| Total Funds | <u>\$8,798,057</u> | <u>\$24,146,770</u> | <u>\$32,944,827</u> |
| Office of Homeland Security | | | |
| State General Funds | \$534,850 | \$2,807 | \$537,657 |
| Total Funds | <u>\$534,850</u> | <u>\$2,807</u> | <u>\$537,657</u> |
| Office of Inspector General | | | |
| State General Funds | \$833,534 | \$9,149 | \$842,683 |
| Total Funds | <u>\$833,534</u> | <u>\$9,149</u> | <u>\$842,683</u> |
| Professional Standards Commission | | | |
| State General Funds | \$7,142,891 | \$246,589 | \$7,389,480 |
| Federal Funds | 412,430 | | 412,430 |
| Total Funds | <u>\$7,555,321</u> | <u>\$246,589</u> | <u>\$7,801,910</u> |
| Office of Student Achievement | | | |
| State General Funds | \$1,274,188 | \$543,565 | \$1,817,753 |
| Total Funds | <u>\$1,274,188</u> | <u>\$543,565</u> | <u>\$1,817,753</u> |

Department of Human Resources

Roles, Responsibilities, and Organization

The Georgia Department of Human Resources (DHR) is responsible for the delivery of health and social services. DHR serves all Georgia citizens through regulatory inspection, direct service and financial assistance programs.

DHR was created by the Georgia General Assembly in the Governmental Reorganization Act of 1972. The Act consolidated the Department of Public Health and the Department of Family and Children Services and other state human service programs. In that same year, the Board of Human Resources established an integrated service delivery system. The integrated system, which utilizes local boards of (public) health and regional boards for mental health, developmental disabilities and addictive diseases, allows Georgians to receive services in the communities where they live.

DHR has four divisions: Aging Services; Public Health; Mental Health, Developmental Disabilities and Addictive Diseases; and Family and Children Services.

AGING SERVICES

The Division of Aging Services administers programs for older Georgians and adults with disabilities. These programs provide in-home services to maintain independence, provide public education and outreach services, health promotion, senior employment, investigative and protective services for vulnerable adults, and an ombudsman program for Georgians in long-term care.

PUBLIC HEALTH

The Division of Public Health is responsible for ensuring conditions that protect the health and well being of Georgia citizens, providing disease control and prevention, reducing the number of avoidable injury-related deaths and disabilities, and promoting healthy lifestyles. The three basic functions of public health include: assessing the health

of the community by diagnosing and investigating diseases, injuries, and health conditions and monitoring the health status and needs of individuals and the community; ensuring the health of individuals and the safety of the community through provision of health services; and establishing and implementing sound public health policy.

MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND ADDICTIVE DISEASES

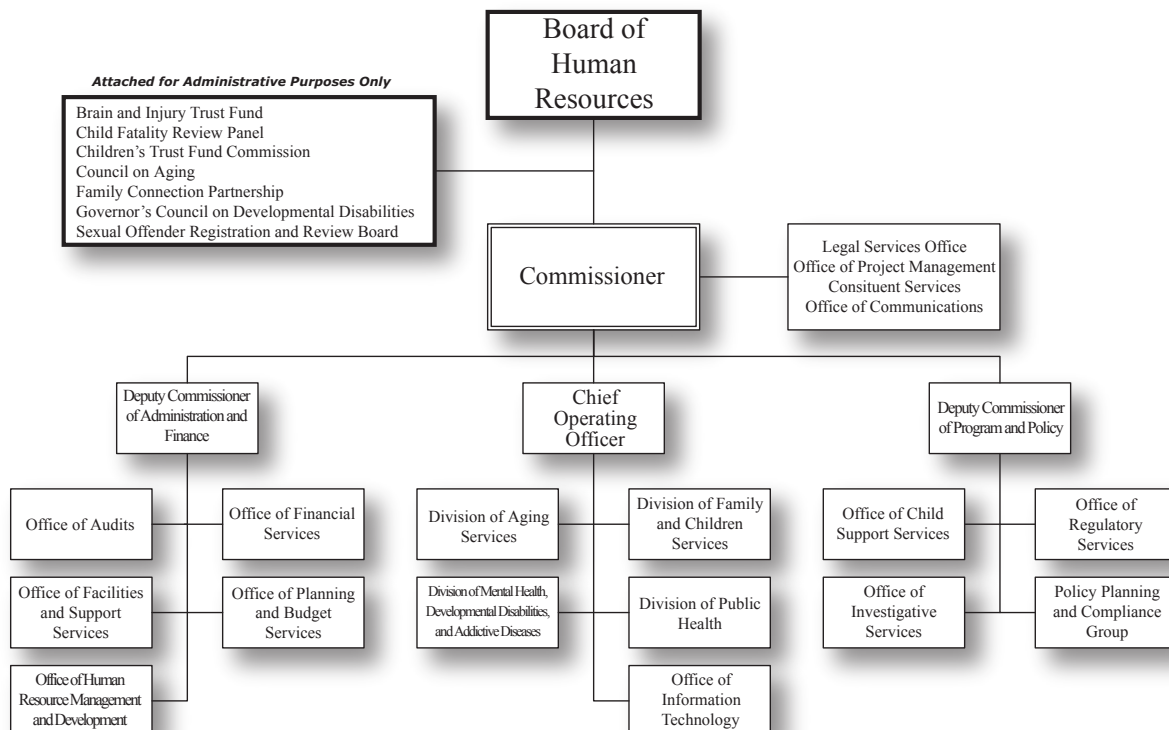
The Division of Mental Health, Developmental Disabilities, and Addictive Diseases (MHDDAD) was created to establish, administer and supervise state programs for mental health, developmental disabilities and addictive diseases. The division is charged by law to: provide adequate mental health, developmental disabilities and addictive diseases services to all Georgians; provide a unified system which encourages cooperation and sharing among government and private providers; and provide service through a coordinated and unified system that emphasizes community-based services.

FAMILY AND CHILDREN SERVICES

The Division of Family and Children Services (DFCS) provides child welfare, economic assistance, and family violence services. Services are provided through a network of offices in all 159 counties and through networks of community partners and contract agencies. Organizationally, DFCS is made up of three units - Field Operations, Programs and Policy, and Finance and Administration.

CHILD SUPPORT SERVICES

The Office of Child Support Services (OCSS) helps children by enforcing parental obligation to pay financial support. Services include locating non-custodial parents, confirming paternity, establishing and enforcing child support and medical support orders, and collecting and distributing payments.



Department of Human Resources

Roles, Responsibilities, and Organization

REGULATORY SERVICES

The Office of Regulatory Services (ORS) inspects, monitors, licenses, registers, and certifies a variety of health, long-term and childcare programs to ensure that facilities operate at acceptable levels, as mandated by state statutes and by rules and regulations adopted by the Board of Human Resources.

ADMINISTRATION

DHR has ten (10) administrative offices that provide executive and policy direction to all divisions of DHR, as well as technical and administrative support to all of DHR.

ATTACHED AGENCIES

The Brain and Spinal Injury Trust Fund was established to improve the quality of life of Georgians with traumatic brain and spinal cord injuries by distributing funds and resources.

The Children's Trust Fund supports the establishment of community-based educational and service programs designed to reduce the occurrence of child abuse and neglect in Georgia.

The Child Fatality Review Panel provides direction, oversight, and training for each of the 159 Child Fatality Review Committees. The purpose of the local Child Fatality Review Committees is to provide a confidential forum to determine the cause and circumstances of child deaths.

The Council on Aging provides leadership to the Coalition of Advocates for Georgia's Elderly (CO-AGE), researches aging issues, publishes fact sheets and other educational materials to increase public awareness and understanding of issues of concern to Georgia's older adult population.

The Governor's Council on Developmental Disabilities is the state planning council created by a federal mandate through the Developmental Disabilities Act, and is charged with creating systems change for people with developmental disabilities and their families to increase independence, inclusion, integration, and productivity for people with disabilities.

The Family Connection Partnership is a public/private partnership that serves as a resource to state agencies across Georgia to help improve the conditions of children and their families.

AUTHORITY

Titles 3, 5, 8, 9, 12-14, 15-11, 16, 17-7-130, 17-7-131, 18, 19, 25, 26, 29-5-2, 30-5, 31, 34, 36, 37, 38-3-29, 3-40, 43-45, 47-50, Official Code of Georgia Annotated.

Department of Human Resources

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---|------------------------|----------------------|------------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$1,533,218,551 | \$125,862,040 | \$1,659,080,591 |
| Brain and Spinal Injury Trust Fund | 3,063,194 | (1,094,201) | 1,968,993 |
| Tobacco Settlement Funds | 26,909,553 | 1,475,000 | 28,384,553 |
| TOTAL STATE FUNDS | \$1,563,191,298 | \$126,242,839 | \$1,689,434,137 |
| CCDF Mandatory and Matching Funds | 91,991,442 | | 91,991,442 |
| Child Care and Development Block Grant | 54,927,918 | | 54,927,918 |
| Community Mental Health Services Block Grant | 13,123,714 | | 13,123,714 |
| Community Services Block Grant | 17,193,252 | | 17,193,252 |
| Foster Care Title IV-E | 52,573,085 | 34,667,385 | 87,240,470 |
| Low-Income Home Energy Assistance | 24,627,737 | | 24,627,737 |
| Maternal and Child Health Services Block Grant | 20,172,177 | | 20,172,177 |
| Medical Assistance Program | 123,378,290 | (3,416,952) | 119,961,338 |
| Prevention and Treatment of Substance Abuse Block Grant | 61,390,588 | | 61,390,588 |
| Preventive Health and Health Services Block Grant | 5,078,325 | | 5,078,325 |
| Social Services Block Grant | 55,015,615 | | 55,015,615 |
| TANF Block Grant Unobligated Balance | 73,288,154 | (39,024,293) | 34,263,861 |
| Temporary Assistance for Needy Families Block Grant | 395,046,969 | (2,675,707) | 392,371,262 |
| Federal Funds Not Itemized | 660,246,943 | 1,236,834 | 661,483,777 |
| TOTAL FEDERAL FUNDS | \$1,648,054,209 | (\$9,212,733) | \$1,638,841,476 |
| Other Funds | 277,228,673 | (38,270,414) | 238,958,259 |
| TOTAL FUNDS | \$3,488,474,180 | \$78,759,692 | \$3,567,233,872 |

Department Statewide Budget Changes (Information Only):

| | |
|---|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$22,504,775 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$12,676,964), for performance increases (\$5,070,786), for employees in specified critical jobs (\$4,059,988), and for structure adjustments to the statewide salary plan (\$330,856). | 22,138,594 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 9,925,222 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (155,014) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 364,708 |
| Total Change | \$54,778,285 |

Administration

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,046,266 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$1,151,972), for performance increases (\$460,789), and for structure adjustments to the statewide salary plan (\$128,623). | 1,741,384 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 901,938 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (80,598) |
| 5. Increase the GBA real estate rental rate for office space. | 364,708 |

Department of Human Resources

FY 2009 Program Budgets

| | | |
|-------|---|--------------|
| 6. a. | Transfer state funds for the Information Technology function to properly reflect where activities occur from the Administration program to the following programs: Adolescent and Adult Health Promotion program (\$72,365), Adult Addictive Disease Services program (\$181,662), Adult Developmental Disabilities Services program (\$224,981), Adult Forensic Services (\$144,713), Adult Mental Health Services program (\$342,849), Child and Adolescent Addictive Disease Services program (\$40,920) Child and Adolescent Developmental Disabilities Services program (\$66,251), Child and Adolescent Forensic Services program (\$11,444), Child and Adolescent Mental Health Services program (\$300,712), Child Support Services program (\$3,184,106), Direct Care Support Services program (\$256,927), Elder Abuse Investigations and Prevention program (\$79,873), Elder Community Living Services program, (\$7,097), Elder Support Services program (\$2,158), Eligibility Determination program (\$13,574,742), Epidemiology program (\$6,745), Facility and Provider Regulation program (\$61,054), Infant and Child Health Promotion program (\$25,687), Infectious Disease Control program (\$111,054), Inspections and Environmental Hazard Control program (\$35,043), and Vital Records program (748,241). | (19,478,624) |
| b. | Transfer TANF funds for the Information Technology function from the Administration program to the Adolescent and Adult Health Promotion program (\$8,320) and the Eligibility Determination program (\$3,752,949) to properly reflect where activities occur. | Yes |
| c. | Transfer Low-Income Home Energy Assistance funds (\$346,557) for Information Technology function activities from the Administration program to the Eligibility Determination program to properly reflect where activities occur. | Yes |
| d. | Transfer Foster Care Title IV-E funds (\$1,982,030) for Information Technology function from the Administration program to the Eligibility Determination program to properly reflect where activities occur. | Yes |
| e. | Transfer Medical Assistance Program funds for Information Technology function from the Administration program to the Elder Community Living Services program (\$83,540), Eligibility Determination program (\$18,034,361), Epidemiology program (\$6,745), Facility and Provider Regulation program (\$47,552), Infant and Child Health Promotion program (\$875), and Inspections and Environmental Hazard Control program (\$3,500) to properly reflect where activities occur. | Yes |
| f. | Transfer federal funds not itemized for Information Technology function from the Administration program to the Adolescent and Adult Health Promotion program (\$5,074), Child Support Services program (\$11,687,474), Eligibility Determination program (\$4,993,663), Facility and Provider Regulation program (\$60,323) and Infant and Child Health Promotion program (\$5,343) to properly reflect where activities occur. | Yes |
| 7. | Reduce training programs not required by regulation or law by utilizing teleconference or Web cast. | (10,000) |
| 8. | Transfer state funds from the Adult Addictive Disease Services program to the Administration program to align budget and expenditures. | 1,938,303 |
| 9. a. | Transfer state funds for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | (747,442) |
| b. | Transfer Foster Care Title IV-E funds (\$25,000) for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |
| c. | Transfer Medical Assistance Program funds (\$52,945) for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |
| d. | Transfer federal funds not itemized (\$245,288) for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |
| e. | Transfer other funds (\$70,000) for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |
| 10. | Remove external Maintenance of Effort (MOE) calculations (\$18,000,000) to properly reflect the cash flow to operate the program. | Yes |
| 11. | Transfer state funds from the Administration program (\$6,805,032) to the Child Welfare Services program (\$5,000,000) and Eligibility Determination program (\$1,805,032) to align the budget and expenditures. | (6,805,032) |
| 12. | Transfer state funds for mental health support staff related to the unbundling of Level of Care from the Administration program to the Child and Adolescent Mental Health Services program to properly reflect where activities occur. | (109,145) |
| 13. | Transfer Temporary Assistance for Needy Families (TANF) funds (\$2,000,000) from the Administration program to the Support for Needy Families - Family Assistance program to align the budget and expenditures. | Yes |

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| 14. | Transfer state funds from the Administration program to the Inspections and Environmental Hazard Control program to fund environmental health director positions in the program where activities occur. | (1,240,352) |
| 15. | Transfer state funds from the Administration program to the Infectious Disease Control program to fund laboratory administrative positions in the program where activities occur. | (787,183) |
| | Total Change | (\$22,265,777) |
| | <u>Tobacco Settlement Funds:</u> | |
| 1. | Transfer Tobacco funds for computer services activities from the Administration program to the Adolescent and Adult Health Promotion program to align budget and expenditures. | (\$190,189) |
| | Total Change | (\$190,189) |

Adolescent and Adult Health Promotion

Purpose: Provide education and services to promote the health and well being of Georgians. Activities include preventing teenage pregnancies, tobacco use prevention, cancer screening and prevention, and family planning services.

Recommended Change:

State General Funds:

| | | |
|--------|---|-------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$599,107 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$337,275), for performance increases (\$134,910), and for structure adjustments to the statewide salary plan (\$51,963). | 524,148 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 264,070 |
| 4. | Reflect an adjustment in the Workers' Compensation premium rate structure. | (9,641) |
| 5. a. | Transfer state funds for the Information Technology function from the Administration program to the Adolescent and Adult Health Promotion program to properly reflect where activities occur. | 72,365 |
| b. | Reflect transfer of TANF funds (\$8,320) from the Administration program for the Information Technology function to the Adolescent and Adult Health Promotion program to properly reflect where activities occur. | Yes |
| c. | Reflect transfer of federal funds not itemized (\$5,074) from the Administration program for the Information Technology function to the Adolescent and Adult Health Promotion program to properly reflect where activities occur. | Yes |
| 6. | Provide an increase to general grant in aid funding to be distributed based on population, poverty and uninsured rate to stabilize the existing public health infrastructure. | 1,151,266 |
| 7. | Transfer state funds from the Infant and Child Health Promotion program to the Adolescent and Adult Health Promotion program to accurately reflect salary and health benefit increases from FY 2008. | 165,188 |
| 8. | Realign local grant in aid funding to reflect expenses by transferring state funds from the Adolescent and Adult Health Promotion program to the Inspections and Environmental Hazard Control program. | (1,000,000) |
| 9. | Reduce funds to reflect improved contracts management. | (75,000) |
| 10. a. | Transfer state funds from the Adolescent and Adult Health Promotion program to the Infectious Disease Control program to more accurately reflect laboratory activities. | (523,126) |
| b. | Reflect transfer of Medical Assistance Program funds (\$145,397) from the Adolescent and Adult Health Promotion program to the Infectious Disease Control program to more accurately reflect laboratory activities. | Yes |
| | Total Change | \$1,168,377 |
| | <u>Tobacco Settlement Funds:</u> | |
| 1. | Transfer Tobacco funds for computer services activities from the Administration program to the Adolescent and Adult Health Promotion program to align budget and expenditures. | \$190,189 |
| | Total Change | \$190,189 |

Adoption Services

Purpose: Provide support and facilitate the safe permanent placement of children by prescreening families and providing support and financial services after adoption.

Recommended Change:

| | | |
|----|---|----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$41,444 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$23,332) and for performance increases (\$9,333). | 32,665 |

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| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 18,268 |
| 4. Provide funding for the increase in adoption assistance caseload and provide a one-time post adoption payment to children who have been adopted but do not receive on-going adoption assistance. | 3,123,790 |
| Total Change | \$3,216,167 |

Adult Addictive Diseases Services

Purpose: Provide services to adults for the safe withdrawal from abused substances and promote a transition to productive living.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$933,643 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$525,607) and for performance increases (\$210,243). | 735,850 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 411,525 |
| 4. Transfer state funds for the Information Technology function from the Administration program to the Adult Addictive Diseases Services program to properly reflect where activities occur. | 181,662 |
| 5. Transfer state funds from the Adult Addictive Disease Services program to the Administration program (\$1,938,303) and the Direct Care Support Services program (\$146,613) to align budget and expenditures. | (2,084,916) |
| Total Change | \$177,764 |

Adult Developmental Disabilities Services

Purpose: Provide evaluation, residential, support, and education services to promote independence for adults with developmental disabilities.

Recommended Change:

| | |
|---|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,677,909 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$1,507,563) and for performance increases (\$603,025). | 2,110,588 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,180,349 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (44,826) |
| 5. Decrease state funds to reflect changes in the Federal Financial Participation (FFP) rate for Medicaid. | (1,395,994) |
| 6. Transfer state funds for the Information Technology function from the Administration program to the Adult Developmental Disabilities Services program to properly reflect where activities occur. | 224,981 |
| 7. Transfer state funds from the Adult Developmental Disabilities Services program to Adult Forensic Services program (\$3,405,931) and the Adult Mental Health Services program (\$23,613,653) to align budget and expenditures. | (27,019,584) |
| 8. a. Fund 500 waiver slots for consumers on the Mental Retardation Waiver Program waiting list. | 5,186,220 |
| b. Reflect anticipated other funds (\$7,779,330) to fund 500 waiver slots for consumers on the Mental Retardation Waiver Program waiting list. | Yes |
| 9. Reduce one-time adjustments for Georgia Options, Inc. | (75,000) |
| 10. a. Annualize the cost of 1,500 waiver slots on the Mental Retardation/Developmental Disabilities Waiver Program waiting list. | 7,733,469 |
| b. Reflect anticipated other funds (\$11,600,204) to fund 1,500 waiver slots for consumers on the Mental Retardation Waiver/Developmental Disabilities Waiver Program waiting list. | Yes |
| Total Change | (\$9,421,888) |

Adult Essential Health Treatment Services

Purpose: Provide treatment and services to low income Georgians with cancer, Georgians at risk of stroke or heart attacks, and refugees.

Recommended Change:

State General Funds:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$68,342 |
|---|----------|

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| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$38,474) and for performance increases (\$15,390). | 53,864 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 30,124 |
| 4. | Provide an increase to general grant in aid funding to be distributed based on population, poverty and uninsured rate to stabilize the existing public health infrastructure. | 303,171 |
| 5. | Reduce state funds to reflect improved contracts management. | (115,000) |
| | Total Change | \$340,501 |
| | <u>Tobacco Settlement Funds:</u> | |
| 1. | Provide an increase in Tobacco Funds to address the waiting list in the Cancer State Aid program. | \$1,475,000 |
| | Total Change | \$1,475,000 |

Adult Forensic Services

Purpose: Provide evaluation, treatment and residential services to adult clients referred by Georgia's criminal justice or corrections system.

Recommended Change:

| | | |
|----|---|-------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$1,159,078 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$652,518) and for performance increases (\$261,007). | 913,525 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 510,890 |
| 4. | Transfer state funds for the Information Technology function from the Administration program to the Adult Forensic Services program to properly reflect where activities occur. | 144,713 |
| 5. | Transfer state funds from the Adult Developmental Disabilities program to the Adult Forensic Services program to align budget and expenditures. | 3,405,931 |
| 6. | Provide funds to improve state hospital operations and quality of care. | 2,901,316 |
| 7. | Provide funds for five Forensic Diversion Coordinators to assist in diverting non-violent mentally ill consumers from state hospital custody. | 450,000 |
| | Total Change | \$9,485,453 |

Adult Mental Health Services

Purpose: Provide evaluation, treatment, crisis stabilization, and residential services to adults with mental illness.

Recommended Change:

| | | |
|----|---|--------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$3,521,867 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$1,982,680), for performance increases (\$793,072), and for structure adjustments to the statewide salary plan (\$107,233). | 2,882,985 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,552,343 |
| 4. | Transfer state funds from the Administration program for the Information Technology function to the Adult Mental Health Services program to properly reflect where activities occur. | 342,849 |
| 5. | Transfer state funds from the Adult Developmental Disabilities program (\$23,613,653) and the Child and Adolescent Mental Health program (\$12,130,955) to align budget and expenditures. | 35,744,608 |
| 6. | Reduce mental health training contract. | (337,835) |
| 7. | Provide state funds to improve state hospital operations and quality of care. | 8,151,316 |
| 8. | Provide funding for crisis services in the community for the mental health and addictive disease consumers: | 11,100,000 |
| | a. Mobile Crisis services (\$2,800,000) | |
| | b. Three Assertive Community Treatment teams (\$2,600,000) | |
| | c. Three Crisis Stabilization Programs (\$5,700,000) | |
| | Total Change | \$62,958,133 |

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Adult Nursing Home Services

Purpose: Provide skilled nursing home services to Georgian's with mental retardation or developmental disabilities.

Recommended Change:

| | | |
|----|--------------|-----|
| 1. | No change. | \$0 |
| | Total Change | \$0 |

After School Care

Purpose: Expand the provision of after school care services and draw down TANF maintenance of effort funds.

Recommended Change:

| | | |
|----|--|-----|
| 1. | Remove external Maintenance of Effort (MOE) calculations (\$28,000,000) from the appropriated budget to properly reflect the cash flow to operate the program. | Yes |
| | Total Change | \$0 |

Child and Adolescent Addictive Diseases Services

Purpose: Provide services to children and adolescents for the safe withdrawal from abused substances and promote a transition to productive living.

Recommended Change:

| | | |
|----|--|---------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$286,534 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$161,308) and for performance increases (\$64,524). | 225,832 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 126,297 |
| 4. | Transfer state funds for the Information Technology function from the Administration program to the Child and Adolescent Addictive Diseases Services program to properly reflect where activities occur. | 40,920 |
| 5. | Transfer state funds from the Child and Adolescent Addictive Diseases Services program to the Direct Care Support Services program to align budget and expenditures. | (1,868,277) |
| | Total Change | (\$1,188,694) |

Child and Adolescent Developmental Disabilities Services

Purpose: Provide evaluation, residential, support, and education services to promote independence for children and adolescents with developmental disabilities.

Recommended Change:

| | | |
|-------|--|-------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$247,565 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$139,370) and for performance increases (\$55,748). | 195,118 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 109,120 |
| 4. | Reflect an adjustment in the Workers' Compensation premium rate structure. | (11,206) |
| 5. | Decrease state funds to reflect changes in the Federal Financial Participation (FFP) rate for Medicaid. | (285,925) |
| 6. | Transfer state funds for the Information Technology function from the Administration program to the Child and Adolescent Developmental Disabilities Services program to properly reflect where activities occur. | 66,251 |
| 7. a. | Fund 500 waiver slots for consumers on the Mental Retardation Waiver Program waiting list. | 1,062,238 |
| b. | Reflect anticipated other funds (\$1,593,357) to fund 500 waiver slots for consumers on the Mental Retardation Waiver Program waiting list. | Yes |
| 8. | Eliminate one-time adjustment for the Matthew Reardon Center. | (200,000) |
| 9. a. | Annualize the cost of 1,500 waiver slots on the Mental Retardation/Developmental Disabilities Waiver Program waiting list. | 1,419,549 |
| b. | Reflect anticipated other funds (\$2,129,324) to fund 1,500 waiver slots for consumers on the Mental Retardation Waiver/Developmental Disabilities Waiver Program waiting list. | Yes |
| | Total Change | \$2,602,710 |

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Child and Adolescent Forensic Services

Purpose: Provide evaluation, treatment and residential services to children and adolescents clients referred by Georgia's criminal justice or corrections system.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$40,298 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$22,687) and for performance increases (\$9,075). | 31,762 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 17,763 |
| 4. Transfer state funds for the Information Technology function from the Administration program to the Child and Adolescent Forensic Services program to properly reflect where activities occur. | 11,444 |
| Total Change | \$101,267 |

Child and Adolescent Mental Health Services

Purpose: Provide evaluation, treatment, crisis stabilization, and residential services to children and adolescents with mental illness.

Recommended Change:

| | |
|--|----------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$805,761 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$453,614) and for performance increases (\$181,446). | 635,060 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 355,158 |
| 4. Transfer state funds for the Information Technology function from the Administration program to the Child and Adolescent Mental Health Services program to properly reflect where activities occur. | 300,712 |
| 5. Decrease state funds to reflect changes in the Federal Financial Participation (FFP) rate for Medicaid. | (344,275) |
| 6. Transfer state funds from the Child and Adolescent Mental Health Services program to the Adult Mental Health Services program (\$12,130,955) and the Direct Care Support Services program (\$766,723) to align budget and expenditures. | (12,897,678) |
| 7. Reduce state funds in the Child and Adolescent Mental Health Services program to reflect projected decrease in service utilization. | (3,000,000) |
| 8. Transfer state funds for mental health support staff related to the unbundling of Level of Care from the Administration program (\$109,145) and Child Welfare Services (\$412,329) programs to the Child and Adolescent Mental Health Services program. | 521,474 |
| Total Change | (\$13,623,788) |

Child Care Services

Purpose: Provide for low income families to be self-reliant while protecting the safety and well-being of their children by ensuring access to child care.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$133,802 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$75,325) and for performance increases (\$30,130). | 105,455 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 58,976 |
| 4. Eliminate the TANF transfer (\$29,700,000) to Child Care Services in HB 95. | Yes |
| Total Change | \$298,233 |

Child Support Services

Purpose: Encourage and enforce the parental responsibility of paying financial support.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$406,416 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$228,796) and for performance increases (\$91,518). | 320,314 |

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| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 179,136 |
| 4. a. Transfer state funds for the Information Technology function from the Administration program to the Child Support Services program to properly reflect where activities occur. | 3,184,106 |
| b. Reflect transfer of federal funds not itemized (\$11,687,474) from the Administration program for the Information Technology function to the Child Support Services program to properly reflect where activities occur. | Yes |
| Total Change | \$4,089,972 |

Child Welfare Services

Purpose: Provide for the investigating of allegations of child abuse and neglect, assessing family functioning, providing in-home support, counseling and treatment services and providing intervention services.

Recommended Change:

| | |
|---|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,056,753 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$594,912), for performance increases (\$237,964), for employees in specified critical jobs (\$2,169,459), and for structure adjustments to the statewide salary plan (\$43,037). | 3,045,372 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 465,787 |
| 4. Delete one-time funds for Clayton County Rainbow House. | (25,000) |
| 5. Provide state funds to ensure appropriate protection and care is provided for child victims of neglect and abuse. | 21,883,875 |
| 6. Reflect anticipated earning of Title IV-E Foster Care funding (\$14,000,000). | Yes |
| 7. Reflect anticipated earning of Title IV-E Adoption funding (\$1,203,019), classified as federal funds not itemized. | Yes |
| 8. Transfer state funds from the Administration program to the Child Welfare Services program to align the budget and expenditures. | 5,000,000 |
| 9. Transfer state funds from the Support for Needy Families - Work Assistance (\$6,380,234) and Support for Needy Families - Family Assistance (\$8,935,293) programs to Child Welfare Services program to align the budget and expenditures. | 15,315,527 |
| 10. Transfer state funds for mental health support staff related to the unbundling of Level of Care from the Child Welfare Services programs to the Child and Adolescent Mental Health Services program. | (412,329) |
| 11. Transfer state funds from the Child Welfare Services program to the Out of Home Care program to properly reflect the initial and annual clothing allowance budget in the correct program. | (1,486,400) |
| Total Change | \$44,843,585 |

Direct Care Support Services

Purpose: Provide facility support services and direct patient support therapies.

Recommended Change:

| | |
|--|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,069,599 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$1,165,106), for performance increases (\$466,042), and for employees in specified critical jobs (\$308,959). | 1,940,107 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 912,222 |
| 4. Transfer state funds for the Information Technology function from the Administration program to the Direct Care Support Services program to properly reflect where activities occur. | 256,927 |
| 5. Transfer state funds from the Child and Adolescent Mental Health Services program (\$766,723), the Adult Addictive Disease Services program (\$146,613) and the Child and Adolescent Addictive Disease Services program (\$1,868,277) to the Direct Care Support Services program to align budget and expenditures. | 2,781,613 |
| 6. Decrease state funds to reflect changes in the Federal Financial Participation (FFP) rate for Medicaid. | (234,040) |
| 7. Reflect reduction of one-time adjustments for Hospital Repairs (\$1,970,000). | (1,970,000) |
| 8. Provide one-time funds for capital projects at Central State Hospital (\$385,000) and Northwest Regional Hospital (\$560,000). | 945,000 |
| 9. Provide state funds to improve state hospital operations and quality of care. | 9,947,368 |
| Total Change | \$16,648,796 |

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Elder Abuse Investigations and Prevention

Purpose: Prevent disabled adults and elder persons from abuse, exploitation and neglect, and investigate situations where it might have occurred.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$162,216 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$91,322) and for performance increases (\$36,529). | 127,851 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 71,501 |
| 4. Transfer state funds for the Information Technology function from the Administration program to the Elder Abuse Investigations and Prevention program to properly reflect where activities occur. | 79,873 |
| 5. Reduce training programs not required by regulation or law by utilizing teleconference or Web cast . | (10,000) |
| 6. Reduce duplicate Senior Adult Victims' Advocate services. | (10,000) |
| 7. Provide state funds to ensure continued protection and care is provided for elderly victims of neglect and abuse. | 1,800,000 |
| 8. Reflect loss of Medical Assistance Program funds (\$3,500,000) due to revisions of the federal administrative rules. | Yes |
| Total Change | \$2,221,441 |

Elder Community Living Services

Purpose: Provide Georgians who need nursing home level of care the option of remaining in their own communities.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$12,488 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$7,031) and for performance increases (\$2,813). | 9,844 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,505 |
| 4. a. Transfer state funds for the Information Technology function from the Administration program to the Elder Community Living Services program to properly reflect where activities occur. | 7,097 |
| b. Reflect transfer of Medical Assistance Program funds (\$83,540) for the Information Technology function from the Administration program to the Elder Community Living Services program to properly reflect where activities occur. | Yes |
| 5. Decrease state funds to reflect changes in the Federal Financial Participation (FFP) rate for Medicaid. | (1,186,380) |
| 6. Reduce training programs not required by regulation or law by utilizing teleconference or Web cast . | (10,000) |
| 7. a. Provide required state match dollars to support the Money Follows the Person grant to transition a greater number of clients from an institution to the community. | 488,517 |
| b. Reflect anticipated earning of Medical Assistance Program funds (\$83,048). | Yes |
| 8. Reduce elder retirement communities contract. | (40,000) |
| 9. Decrease state funding for caregiver training and educational materials. | (36,000) |
| Total Change | (\$748,929) |

Elder Support Services

Purpose: Assist older Georgians, so that they may live in their homes and communities, by providing health, employment, nutrition, and other support and education services

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,017 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$573) and for performance increases (\$230). | 803 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 449 |
| 4. Transfer state funds for the Information Technology function from the Administration program to the Elder Support Services program to properly reflect where activities occur. | 2,158 |

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|----|--|-----------|
| 5. | Reduce training programs not required by regulation or law by utilizing teleconference or Web cast . | (20,000) |
| 6. | Provide funds to update the Aging Information Management System. | 500,000 |
| | Total Change | \$484,427 |

Eligibility Determination

Purpose: Provide access to health care for low income families, children, pregnant women and persons who are aged, blind or disabled.

Recommended Change:

| | | |
|-------|--|--------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$227,013 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$127,799) and for performance increases (\$51,119). | 178,918 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 100,061 |
| 4. | Transfer state funds from the Support for Needy Families - Work Assistance program to the Eligibility Determination program to align the budget and expenditures. | 11,924,766 |
| 5. | Transfer state funds from the Administration program to the Eligibility Determination program to align the budget and expenditures. | 1,805,032 |
| 6. a. | Transfer state funds for the Information Technology function from the Administration program to the Eligibility Determination program to properly reflect where activities occur. | 13,574,742 |
| b. | Reflect transfer of TANF funds (\$3,752,949) for Information Technology function from the Administration program to the Eligibility Determination program to properly reflect where activities occur. | Yes |
| c. | Reflect transfer of Low-Income Home Energy Assistance Program funds (\$346,557) for the Information Technology function from the Administration program to the Eligibility Determination program to properly reflect where activities occur. | Yes |
| d. | Reflect transfer of Foster Care Title IV-E funds (\$1,982,030) for the Information Technology function from the Administration program to the Eligibility Determination program to properly reflect where activities occur. | Yes |
| e. | Reflect transfer of Medical Assistance Program funds (\$18,034,361) for the Information Technology function from the Administration program to the Eligibility Determination program to properly reflect where activities occur. | Yes |
| f. | Reflect transfer of federal funds not itemized funds (\$4,993,663) for the Information Technology function from the Administration program to the Eligibility Determination program to properly reflect where activities occur. | Yes |
| 7. | Transfer state funds from the Support for Needy Families - Family Assistance program to the Eligibility Determination program to align the budget and expenditures. | 2,319,832 |
| | Total Change | \$30,130,364 |

Emergency Preparedness

Purpose: Prepare for natural disasters, bioterrorism, and other emergencies, and improve the capacity of the state's trauma system.

Recommended Change:

| | | |
|----|---|---------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$40,561 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$22,835) and for performance increases (\$9,134). | 31,969 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 17,878 |
| 4. | Reflect an adjustment in the Workers' Compensation premium rate structure. | (437) |
| 5. | Provide an increase to general grant in aid funding to be distributed based on population, poverty, and the uninsured rate. | 186,813 |
| 6. | Reduce one-time funds for the purchase of antivirals for pandemic flu. | (7,000,000) |
| | Total Change | (\$6,723,216) |

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Energy Assistance

Purpose: Provide assistance to low-income households in meeting their immediate home energy needs.

Recommended Change:

| | | |
|----|--------------|-----|
| 1. | No change. | \$0 |
| | Total Change | \$0 |

Epidemiology

Purpose: Monitor, investigate, and respond to disease, injury, and other events of public health concern.

Recommended Change:

| | | |
|-------|---|-----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$102,491 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$57,698) and for performance increases (\$23,080). | 80,778 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 45,176 |
| 4. | Reflect an adjustment in the Workers' Compensation premium rate structure. | (242) |
| 5. a. | Transfer state funds for the Information Technology function from the Administration program to properly reflect where activities occur. | 6,745 |
| | b. Reflect transfer of Medical Assistance Program funds (\$6,745) for the Information Technology function from the Administration program to the Epidemiology program to properly reflect where activities occur. | Yes |
| 6. | Provide an increase to general grant in aid funding to be distributed based on population, poverty, and the uninsured rate. | 119,152 |
| 7. | Reduce state funds to reflect improved contracts management. | (263,500) |
| 8. | Provide funds to upgrade the State Electronic Notifiable Disease Surveillance System (SENDSS). | Yes |
| | Total Change | \$90,600 |

Facility and Provider Regulation

Purpose: Inspect and license adult day services, foster care residential facilities, child placing agencies, long term care and health care facilities.

Recommended Change:

| | | |
|-------|---|-----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$97,355 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$54,807) and for performance increases (\$21,923). | 76,730 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 42,911 |
| 4. a. | Transfer state funds for the Information Technology function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | 61,054 |
| | b. Reflect transfer of Medical Assistance Program funds (\$47,552) for the Information Technology function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |
| | c. Reflect transfer of federal funds not itemized (\$60,323) for the Information Technology function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |
| 5. | Eliminate routine x-ray surveys, and implement a survey schedule for only initial inspections and complaint investigations. | (174,853) |
| 6. a. | Transfer state funds for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | 747,442 |
| | b. Reflect transfer of Foster Care Title IV-E funds (\$25,000) for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |
| | c. Reflect transfer of Medical Assistance Program funds (\$52,945) for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |

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| | |
|--|-----------|
| d. Reflect transfer of federal funds not itemized (\$245,288) for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |
| e. Reflect transfer of other funds (\$70,000) for the Office of Regulatory Services function from the Administration program to the Facility and Provider Regulation program to properly reflect where activities occur. | Yes |
| Total Change | \$850,639 |

Family Violence Services

Purpose: Provide safe shelter and related services for victims of family violence.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Federal and Unobligated Balances

Purpose: Reflect balances of federal funds from prior years. No services are provided.

Recommended Change:

| | |
|--|-----|
| 1. Transfer TANF funds (\$39,024,293) from the Federal and Unobligated Balances program to the Out of Home Care program align budget and expenditures. | Yes |
| Total Change | \$0 |

Food Stamp Eligibility and Benefits

Purpose: Provide the nutritional well being of Georgia's low-income families and children by providing assistance in purchasing groceries.

Recommended Change:

| | |
|---|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$362,992 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$204,350) and for performance increases (\$81,740). | 286,090 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 159,996 |
| 4. Transfer state funds from the Support for Needy Families - Family Assistance (\$4,840,719) and Support for Needy Families - Basic Assistance (\$8,715,527) programs to the Food Stamp Eligibility and Benefits program to align the budget and expenditures. | 13,556,246 |
| Total Change | \$14,365,324 |

Immunization

Purpose: Provide immunization, consultation, training, assessment, vaccines, and technical assistance.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$178,652 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$100,574) and for performance increases (\$40,229). | 140,803 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 78,744 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (2,698) |
| 5. Provide an increase to general grant in aid funding to be distributed based on population, poverty, and the uninsured rate. | 834,335 |
| Total Change | \$1,229,836 |

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Infant and Child Essential Health Treatment Services

Purpose: Avoid unnecessary health problems in later life by providing comprehensive health services to infant and children.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$606,443 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$341,404) and for performance increases (\$136,561). | 477,965 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 267,303 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (2,565) |
| 5. Provide an increase to general grant in aid funding to be distributed based on population, poverty and uninsured rate. | 751,809 |
| 6. Realign local grant in aid to reflect expenses by transferring state funds from Infant and Child Essential Health Treatment Services program to the Inspections and Environmental Hazard Control program. | (1,000,000) |
| 7. Reduce state funds to eliminate the duplication of services for auditory screening. | (137,500) |
| Total Change | \$963,455 |

Infant and Child Health Promotion

Purpose: Provide education and services to promote health and nutrition for infants and children.

Recommended Change:

| | |
|--|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,556,473 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$1,439,198) and for performance increases (\$575,679). | 2,014,877 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,126,822 |
| 4. a. Transfer state funds for the Information Technology function from the Administration program to the Infant and Child Health Promotion program to properly reflect where activities occur. | 25,687 |
| b. Reflect transfer of Medical Assistance Program funds (\$875) for the Information Technology function from the Administration program to the Infant and Child Health Promotion program to properly reflect where activities occur. | Yes |
| c. Reflect transfer of federal funds not itemized funds (\$5,343) for the Information Technology function from the Administration program to the Infant and Child Health Promotion program to properly reflect where activities occur. | Yes |
| 5. Provide an increase to general grant in aid funding to be distributed based on population, poverty, and the uninsured rate. | 1,353,662 |
| 6. Reflect fees collected by the newborn screening program. | 5,600,000 |
| 7. Transfer state funds from the Infant and Child Health Promotion program to the Adolescent and Adult Health Promotion program to accurately reflect salary and health benefit increases from FY 2008. | (165,188) |
| 8. Reduce one-time funds for YMCA Youth Fit for Life program. | (100,000) |
| Total Change | \$12,412,333 |

Infectious Disease Control

Purpose: Ensure quality prevention and treatment of HIV/AIDS, sexually transmitted diseases, tuberculosis, and other infectious diseases.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$781,039 |
| 2. Provide a general salary increase of 2.5% effective January 1, 2009 (\$439,695) and for performance increases (\$175,878). | 615,573 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 344,260 |
| 4. Transfer state funds for the Information Technology function from the Administration program to the Infectious Disease Control program to properly reflect where activities occur. | 111,054 |
| 5. Provide an increase to general grant in aid funding to be distributed based on population, poverty, and the uninsured rate. | 879,121 |

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|-------|---|-------------|
| 6. | Transfer state funds from the Administration program to the Infectious Disease Control program to fund laboratory administrative positions in the program where activities occur. | 787,183 |
| 7. a. | Transfer state funds from the Adolescent and Adult Health Promotion program to the Infectious Disease Control program to more accurately reflect laboratory activities. | 523,126 |
| b. | Reflect transfer of Medical Assistance Program funds (\$145,397) from the Adolescent and Adult Health Promotion program to the Infectious Disease Control program to more accurately reflect laboratory activities. | Yes |
| 8. | Realign local grant in aid to reflect expenses by transferring state funds from the Infectious Disease Control program to the Inspections and Environmental Hazard Control program. | (500,000) |
| | Total Change | \$3,541,356 |

Injury Prevention

Purpose: Provide education and services to prevent injuries due to suicide, fires, automobile accidents, violence against women, shaken babies, and child accidents.

Recommended Change:

| | | |
|----|---|-----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$29,790 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$16,770) and for performance increases (\$6,708). | 23,478 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 13,130 |
| 4. | Provide an increase to general grant in aid funding to be distributed based on population, poverty, and the uninsured rate. | 48,359 |
| | Total Change | \$114,757 |

Inspections and Environmental Hazard Control

Purpose: Detect and prevent environmental hazards, as well as providing inspection and enforcement of health regulations for food service establishments, sewage management facilities, and swimming pools.

Recommended Change:

| | | |
|-------|---|-------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$95,621 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$53,831) and for performance increases (\$21,532). | 75,363 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 42,147 |
| 4. | Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,535) |
| 5. a. | Transfer state funds for the Information Technology function from the Administration program to the Inspections and Environmental Hazard Control program to properly reflect where activities occur. | 35,043 |
| b. | Reflect transfer of Medical Assistance Program funds (\$3,500) for the Information Technology function from the Administration program to the Inspections and Environmental Hazard Control program to properly reflect where activities occur. | Yes |
| 6. | Provide an increase to general grant in aid funding to be distributed based on population, poverty, and the uninsured rate. | 1,533,110 |
| 7. | Transfer state funds from the Administration program to the Inspections and Environmental Hazard Control program to fund environmental health director positions in the program where activities occur. | 1,240,352 |
| 8. | Realign local grant in aid to reflect expenses by transferring state funds from the Adolescent and Adult Health Promotion (\$1,000,000), Infant and Child Essential Health Treatment Services (\$1,000,000), and Infectious Disease Control (\$500,000) programs to the Inspections and Environmental Hazard Control program. | 2,500,000 |
| | Total Change | \$5,520,101 |

Out of Home Care

Purpose: Provide safe and appropriate temporary homes for children removed from their families due to neglect, abuse or abandonment.

Recommended Change:

| | | |
|----|---|-------------|
| 1. | Transfer state funds from the Support for Needy Families - Basic Assistance program to the Out of Home Care program to align the budget and expenditures. | \$1,500,000 |
|----|---|-------------|

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|----|---|-------------|
| 2. | Transfer state funds from the Child Welfare Services program to the Out of Home Care program to properly reflect the initial and annual clothing allowance budget in the correct program. | 1,486,400 |
| 3. | Decrease funds to reflect changes in the Federal Financial Participation (FFP) rate for Medicaid. | (794,794) |
| 4. | Transfer TANF funds (\$39,024,293) from the Federal and Unobligated Balances program to the Out of Home Care program. | Yes |
| 5. | Reflect anticipated earning of Title IV-E Foster Care funding (\$20,667,385). | Yes |
| 6. | Delete Medicaid Patient Pay funds (\$15,372,629) due to discontinuation of the Level of Care program on June 30, 2007. | Yes |
| | Total Change | \$2,191,606 |

Refugee Assistance

Purpose: Provide employment, health screening, medical, cash, and social services assistance to refugees.

Recommended Change:

| | | |
|----|--------------|-----|
| 1. | No change. | \$0 |
| | Total Change | \$0 |

Substance Abuse Prevention

Purpose: Promote the health and well-being of children, youth, families and communities through preventing the use and/or abuse of alcohol, tobacco and drugs.

Recommended Change:

| | | |
|----|--|-----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$82,673 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$46,541) and for performance increases (\$18,616). | 65,157 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 36,439 |
| | Total Change | \$184,269 |

Support for Needy Families - Basic Assistance

Purpose: Provide cash assistance to needy families in compliance with Georgia's state plan for the federal Temporary Assistance for Needy Families program.

Recommended Change:

| | | |
|----|--|----------------|
| 1. | Transfer state funds from the Support for Needy Families - Basic Assistance program to the Out of Home Care (\$1,500,000) and the Food Stamp Eligibility and Benefits (\$8,715,527) programs to align the budget and expenditures. | (\$10,215,527) |
| 2. | Reduce TANF funds (\$12,000,000) in Support for Needy Families - Basic Assistance Program to reflect a reduction in TANF caseloads. | Yes |
| | Total Change | (\$10,215,527) |

Support for Needy Families - Family Assistance

Purpose: Administer and aid needy families in the accomplishment of Georgia's state plan for the federal Temporary Assistance for Needy Families program.

Recommended Change:

| | | |
|----|--|--------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$905,480 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$509,751), for performance increases (\$203,900), and for employees in specified critical jobs (\$1,581,570). | 2,295,221 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 399,110 |
| 4. | Delete one-time funds for Department of Family and Children Services County Office relocations, renovations and expansions. | (721,000) |
| 5. | Transfer state funds from the Support for Needy Families - Family Assistance program to the Child Welfare Services (\$8,935,293), Food Stamp Eligibility and Benefits (\$4,840,719) and Eligibility Determination (\$2,319,832) programs to align the budget and expenditures. | (16,095,844) |

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|----|---|----------------|
| 6. | Transfer TANF funds (\$2,000,000) from the Administration program to the Support for Needy Families - Family Assistance program to align the budget and expenditures. | Yes |
| | Total Change | (\$13,217,033) |

Support for Needy Families - Work Assistance

Purpose: Assist needy Georgia families achieve self sufficiency by obtaining and keeping employment as well as complying with Georgia's state plan for the federal Temporary Assistance for Needy Families program.

Recommended Change:

| | | |
|----|--|----------------|
| 1. | Transfer state funds from the Support for Needy Families - Work Assistance program to the Child Welfare Services (\$6,380,234) and the Eligibility Determination (\$11,924,766) programs to align the budget and services. | (\$18,305,000) |
| | Total Change | (\$18,305,000) |

Vital Records

Purpose: Register, enter, archive and provide to the public in a timely manner, vital records and associated documents.

Recommended Change:

| | | |
|----|---|-------------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$138,633 |
| 2. | Provide a general salary increase of 2.5% effective January 1, 2009 (\$78,045) and for performance increases (\$31,218). | 109,263 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 61,105 |
| 4. | Transfer state funds for the Information Technology function from the Administration program to the Vital Records program to properly reflect where activities occur. | 748,241 |
| | Total Change | \$1,057,242 |

Agencies Attached for Administrative Purposes:

Brain and Spinal Injury Trust Fund

Purpose: Provide disbursements from the Trust Fund to offset the costs of care and rehabilitative services to Georgians who have survived brain or spinal injuries.

Recommended Change:

| | | |
|---|--|---------------|
| <u>Brain and Spinal Injury Trust Fund</u> | | |
| 1. | Reflect anticipated revenue collections. | (\$1,094,201) |
| 2. | Recognize receipt of federal HRSA grant dollars (\$100,000). | Yes |
| | Total Change | (\$1,094,201) |

Child Fatality Review Panel

Purpose: Provide a confidential forum for local child fatality review committees to determine manner and cause of death, and if the death was preventable.

Recommended Change:

| | | |
|----|---|----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$6,829 |
| 2. | Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,281), and for performance increases (\$1,313). | 4,594 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,538 |
| 4. | Reflect an adjustment in the Workers' Compensation premium rate structure. | (307) |
| | Total Change | \$13,654 |

Children's Trust Fund Commission

Purpose: Support the establishment of community-based educational and service programs designed to reduce the occurrence of child abuse and neglect.

Recommended Change:

| | | |
|----|--|---------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$7,909 |
|----|--|---------|

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| | | |
|----|---|-------------|
| 2. | Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,583), and for performance increases (\$1,433). | 5,016 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,771 |
| 4. | Reflect an adjustment in the Workers' Compensation premium rate structure. | (959) |
| 5. | Reduce one-time funding to Children's Advocacy Centers for a Web-based tracking system. | (250,000) |
| | Total Change | (\$235,263) |

Council on Aging

Purpose: Assist older individuals, at-risk adults, persons with disabilities, their families, and caregivers in achieving safe, healthy, independent, and self-reliant lives.

Recommended Change:

| | | |
|----|---|----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$4,097 |
| 2. | Provide for a general salary increase of 2.5% effective January 1, 2009 (\$2,185), and for performance increases (\$874). | 3,059 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,690 |
| 4. | Increase funds to cover increases in per diem and travel expenses for board members. | 3,862 |
| | Total Change | \$12,708 |

Governor's Council on Developmental Disabilities

Purpose: Promote quality services and support for people with developmental disabilities and their families.

Recommended Change:

| | | |
|----|--|----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$6,352 |
| 2. | Provide for a general salary increase of 2.5% effective January 1, 2009 (\$10,655), and for performance increases (\$4,262). | 14,917 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 8,242 |
| 4. | Reduce federal funds (\$66,185) to reflect actual grant award amount. | Yes |
| | Total Change | \$29,511 |

Family Connection

Purpose: Provide a statewide network of county collaboratives that work to improve conditions for children and families.

Recommended Change:

| | | |
|----|--|-----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$4,267 |
| 2. | Provide for a general salary increase of 2.5% effective January 1, 2009 (\$2,959), and for performance increases (\$1,184). | 4,143 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% | 2,289 |
| 4. | Provide funds to expand the outcome analysis initiative to evaluate county collaborative effectiveness and provide guidance to improve strategic outcomes. | 100,000 |
| 5. | Provide funds to identify possible funding mechanisms for county collaboratives with the goal of independent sustainability. | 88,133 |
| | Total Change | \$198,832 |

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Sexual Offender Review Board

Purpose: Protecting Georgia's children by identifying convicted sexual offenders that present the greatest risk of sexually reoffending.

Recommended Change:

| | |
|--|-----------|
| 1. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$1,538), and for performance increases (\$615). | \$2,153 |
| 2. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,189 |
| 3. Provide one-time funds to address current case backlog. | 260,400 |
| Total Change | \$263,742 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| 1. Fund statewide facility repairs and renovations for kitchens [\$1,100,000] and roofing [\$2,355,000] | 20 | \$3,455,000 | \$295,057 |
| 2. Fund facility and infrastructure repairs and equipment replacement: replace culvert at steam plant [\$930,000], replace laundry equipment and utilities [\$5,180,000], and water system upgrades [\$830,000] at Central State Hospital, Milledgeville, Baldwin County | 20 | 6,940,000 | 592,676 |
| 3. Replace air handler units [\$925,000] and replace water lines [\$585,000] at West Central Georgia Regional Hospital, Columbus, Muscogee County | 20 | 1,510,000 | 128,954 |
| 4. Replace boilers at Southwestern State Hospital, Thomasville, Thomas County | 20 | 600,000 | 51,240 |
| 5. Fund facility and infrastructure repairs: replace underground steam and condensate lines [\$615,000], install backflow preventers on water lines [\$505,000], and new electrode steam boiler [\$740,000] at Northwest Regional Hospital, Rome, Floyd County | 20 | 1,860,000 | 158,844 |
| Total | | \$14,365,000 | \$1,226,771 |

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Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|----------------------|----------------------|----------------------|
| Adolescent and Adult Health Promotion | | | | |
| 1. Pregnancy rate (per 1,000) among females ages 15-17 | 38 | 38 | 39 | 39 |
| Adoption Services | | | | |
| 1. Percentage of adoptions finalized within six months of placement | 85% | 87% | 87% | 87% |
| 2. Percentage of children exiting foster care for adoption within 24 months of their last removal from home | 22% | 22% | 23% | 17% |
| Adult Developmental Disabilities Services | | | | |
| 1. Percentage of families of adult consumers with developmental disabilities whose lives have improved as a result of state supported community services | 70% | 70% | 74% | 76% |
| Adult Essential Health Treatment Services | | | | |
| 1. Percentage of eligible low income and uninsured Georgians provided access to cancer treatment services through the Cancer State Aid Program | 9% | 11% | 10% | 12% |
| Adult Forensic Services | | | | |
| 1. Percentage of pretrial evaluations completed for adult consumers within 45 days of receipt of court order. | 46% | 34% | 50% | 50% |
| Child Welfare Services | | | | |
| 1. Number of substantiated maltreatment incidents | 46,431 | 39,117 | 33,510 | 27,850 |
| 2. Percentage of maltreatment incidents that were victims of a separate maltreatment incident within the past 6 months | 6% | 4% | ≤ 6% | ≤ 6% |
| Elder Abuse Investigations and Prevention | | | | |
| 1. Percentage of Long Term Care Ombudsman complaints resolved | N/A | 95% | 95% | 95% |
| Immunization | | | | |
| 1. Percentage of two-year old children adequately immunized | 81% | 83% | 84% | 85% |
| Out of Home care | | | | |
| 1. Percentage of foster care population who were discharged from a previous foster care placement in the past 12 months | 7% | 8% | 8% | 7.8% |
| 2. Median number of placements for a foster child within a 12-month period | 2 | 2 | 2 | 2 |
| Support for Needy Families - Basic Assistance | | | | |
| 1. Number of adults receiving cash assistance | 10,432 | 4,080 | 3,500 | 3,000 |
| 2. Percentage of families leaving Temporary Assistance for Needy Families (TANF) for employment who remain employed for at least 12 months | 55% | 55% as of 9/2007* | 60% | 65% |

Department of Human Resources

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$214,629,490 | 219,519,579 | \$267,448,030 | \$198,082,323 | \$183,580,525 |
| Adolescent and Adult Health Promotion | | 52,485,219 | 57,909,709 | 64,405,876 | 59,136,272 |
| Adolescent Health and Youth Development | 11,477,874 | | | | |
| Adoption Services | 70,159,086 | 86,108,973 | 81,116,602 | 85,614,937 | 84,332,769 |
| Adult Addictive Disease Services | | 94,293,480 | 95,573,754 | 96,554,143 | 95,751,518 |
| Adult Developmental Disabilities Services | | 236,093,559 | 343,174,360 | 356,102,830 | 353,132,006 |
| Adult Essential Health Treatment Services | | 13,717,755 | 16,743,462 | 16,940,245 | 18,558,963 |
| Adult Forensic Services | | 29,095,247 | 39,536,786 | 46,239,929 | 49,022,239 |
| Adult Mental Health Services | | 221,395,912 | 199,681,474 | 247,010,219 | 262,639,607 |
| Adult Nursing Home Services | | 10,625,031 | 3,930,425 | 3,930,425 | 3,930,425 |
| Adult Protective Services | 13,719,179 | | | | |
| After School Care | | 13,151,513 | 42,000,000 | 42,000,000 | 14,000,000 |
| Cancer Screening and Prevention | 11,370,825 | | | | |
| Child and Adolescent Addictive Disease Services | | 15,925,574 | 28,081,399 | 26,540,576 | 26,892,705 |
| Child and Adolescent Developmental Disabilities Services | | 15,681,684 | 23,921,132 | 29,153,913 | 30,246,523 |
| Child and Adolescent Forensic Services | | 833,715 | 3,038,424 | 3,090,166 | 3,139,691 |
| Child and Adolescent Mental Health Services | | 63,571,668 | 161,684,493 | 150,442,387 | 148,060,705 |
| Child Care Services | 284,878,769 | 227,423,901 | 235,917,105 | 206,350,907 | 206,515,338 |
| Child Protective Services | 282,083,918 | | | | |
| Child Support Services | 82,213,780 | 93,112,511 | 77,071,715 | 98,854,494 | 92,849,161 |
| Child Welfare Services | | 299,179,738 | 231,290,374 | 312,438,703 | 291,336,978 |
| Children with Special Needs | 41,065,006 | | | | |
| Chronic Disease Reduction - Health Promotion | 4,985,634 | | | | |
| Chronic Disease Treatment and Control | 11,829,082 | | | | |
| Community Care Services Program | 66,374,621 | | | | |
| Community Services - Adult | 444,289,830 | | | | |
| Community Services - Child and Adolescent | 71,180,229 | | | | |
| Contracted Client Transportation Services | 31,413,403 | | | | |
| Direct Care Support Services | | 148,276,563 | 162,591,675 | 168,960,112 | 179,240,471 |
| Elder Abuse Investigations and Prevention | 115,352 | 16,318,824 | 17,294,802 | 17,376,891 | 16,016,243 |
| Elder Community Living Services | | 109,720,147 | 119,315,119 | 132,848,882 | 118,732,778 |
| Elder Support Services | | 8,849,734 | 9,459,115 | 10,537,290 | 9,943,542 |
| Eligibility Determination | | 95,718,506 | 59,694,750 | 114,237,383 | 118,934,674 |
| Emergency Preparedness | 29,725,173 | 38,261,647 | 55,467,906 | 48,658,475 | 48,744,690 |
| Energy Assistance | 51,702,012 | 27,992,805 | 28,665,632 | 28,665,632 | 28,665,632 |
| Epidemiology | 8,389,518 | 9,810,903 | 11,288,592 | 11,356,250 | 11,385,937 |
| Facility and Provider Regulation | | 14,761,497 | 15,149,085 | 17,064,044 | 16,500,832 |

Department of Human Resources

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Family Violence Services | 15,225,620 | 11,597,204 | 12,550,708 | 12,700,708 | 12,550,708 |
| Federal and Unobligated Balances | | | 39,024,293 | | |
| Food Stamp Eligibility and Benefits | 80,139,473 | 82,343,518 | 57,083,071 | 68,410,425 | 71,448,395 |
| Health Promotion and Disease Prevention (Wellness) | 489,360 | | | | |
| High Risk Pregnant Women and Infants | 4,812,787 | | | | |
| HIV/AIDS | 63,612,814 | | | | |
| Home and Community Based Services | 54,155,460 | | | | |
| Immunization | 26,667,795 | 23,220,742 | 26,292,560 | 27,116,169 | 27,522,396 |
| Independent and Transitional Living Services | 6,080,396 | | | | |
| Infant and Child Essential Health Treatment Services | 23,661,687 | 59,342,983 | 66,900,229 | 68,172,862 | 67,863,684 |
| Infant and Child Health Promotion | | 282,439,481 | 293,688,733 | 302,920,391 | 306,107,284 |
| Infectious Disease Control | | 85,332,938 | 96,123,921 | 97,907,639 | 99,810,674 |
| Injury Prevention | 1,512,978 | 1,746,041 | 2,354,492 | 2,423,114 | 2,469,249 |
| Inspections and Environmental Hazard Control | | 18,995,462 | 16,599,210 | 21,704,787 | 22,122,811 |
| Laboratory Services | 9,917,876 | | | | |
| Medicaid Eligibility Determination | 82,627,784 | | | | |
| Out-of-Home Care | 359,950,733 | 333,229,177 | 209,614,532 | 235,246,528 | 256,125,187 |
| Outdoor Therapeutic Program | 4,244,198 | | | | |
| Post Adoption Services | 1,378,823 | | | | |
| Pre-Adoption Services | 8,254,180 | | | | |
| Refugee Assistance | | 4,845,054 | 4,734,006 | 4,734,006 | 4,734,006 |
| Refugee Health Program | 817,984 | | | | |
| Refugee Resettlement | 5,552,579 | | | | |
| Regulatory Compliance | 34,822,472 | | | | |
| Sexually Transmitted Diseases Treatment and Control | 6,105,085 | | | | |
| State Hospital Facilities | 91,499,152 | | | | |
| State Hospital Facilities - Direct Care and Support Services | 145,767,875 | | | | |
| State Hospital Facilities - Other Care | 74,141,440 | | | | |
| State Hospital Facilities - Specialty Care | 7,171,529 | | | | |
| Substance Abuse Prevention | 13,060,679 | 11,977,954 | 21,850,850 | 21,933,523 | 22,035,119 |
| Support for Needy Families - Basic Assistance | 87,456,024 | 64,062,525 | 87,968,339 | 65,752,812 | 65,752,812 |
| Support for Needy Families - Family Assistance | 55,356,085 | 51,118,979 | 67,398,675 | 45,806,190 | 56,181,642 |
| Support for Needy Families - Work Assistance | 39,243,316 | 19,972,842 | 69,010,374 | 50,705,374 | 50,705,374 |
| Tobacco Use Prevention | 17,379,398 | | | | |
| Tuberculosis Treatment and Control | 9,377,381 | | | | |
| Vital Records | 2,762,014 | 2,995,372 | 3,735,145 | 4,622,019 | 4,792,387 |
| Women, Infants and Children | 235,795,280 | | | | |

Department of Human Resources

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Women's Health Services | 29,979,781 | | | | |
| Assistance to Disabled Children | 7,600,000 | | | | |
| SUBTOTAL FUNDS (Excludes Attached Agencies) | \$3,338,222,819 | \$3,215,145,957 | \$3,461,975,058 | \$3,563,613,579 | \$3,541,511,952 |
| ATTACHED AGENCIES: | | | | | |
| Brain and Spinal Injury Trust Fund | \$2,646,233 | \$3,953,780 | \$3,063,194 | \$2,218,993 | \$2,068,993 |
| Child Fatality Review Panel | 387,140 | 390,095 | 436,297 | 443,126 | 449,951 |
| Children's Trust Fund Commission | 9,366,153 | 9,594,975 | 8,275,073 | 7,540,681 | 8,039,810 |
| Council on Aging | 165,942 | 172,582 | 193,064 | 212,161 | 205,772 |
| Governor's Council on Developmental Disabilities | 2,281,484 | 2,145,306 | 2,320,085 | 2,260,252 | 2,283,411 |
| Family Connection Partnership | 11,139,771 | 11,866,189 | 11,875,408 | 11,879,675 | 12,074,240 |
| Sexual Offender Review Board | | | 336,001 | 647,681 | 599,743 |
| TOTAL FUNDS | \$3,364,209,542 | \$3,243,268,884 | \$3,488,474,180 | \$3,588,816,148 | \$3,567,233,872 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$1,539,348,602 | \$1,572,239,313 | \$1,648,054,209 | \$1,647,438,331 | \$1,638,841,476 |
| Other Funds | 408,273,883 | 238,503,082 | 277,228,673 | 223,721,978 | 238,958,259 |
| Subtotal | \$1,947,622,485 | \$1,810,742,395 | \$1,925,282,882 | \$1,871,160,309 | \$1,877,799,735 |
| State General Funds | \$1,378,553,578 | \$1,400,950,659 | \$1,533,218,551 | \$1,683,377,293 | \$1,659,080,591 |
| Brain and Spinal Injury Trust Fund | 3,000,000 | 3,007,691 | 3,063,194 | 2,084,630 | 1,968,993 |
| Tobacco Settlement Funds | 35,033,479 | 28,568,139 | 26,909,553 | 32,193,916 | 28,384,553 |
| TOTAL STATE FUNDS | \$1,416,587,057 | \$1,432,526,489 | \$1,563,191,298 | \$1,717,655,839 | \$1,689,434,137 |
| Positions | 19,309 | 19,404 | 19,404 | 19,404 | 19,404 |
| Motor Vehicles | 623 | 587 | 587 | 587 | 587 |

Department of Human Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | Fiscal Year 2009 Recommendation |
|---|---------------------------|----------------------|------------------------------------|
| Department Budget Summary | | | |
| State General Funds | \$1,533,218,551 | \$125,862,040 | \$1,659,080,591 |
| Brain and Spinal Injury Trust Fund | 3,063,194 | (1,094,201) | 1,968,993 |
| Tobacco Settlement Funds | 26,909,553 | 1,475,000 | 28,384,553 |
| TOTAL STATE FUNDS | \$1,563,191,298 | \$126,242,839 | \$1,689,434,137 |
| CCDF Mandatory and Matching Funds | 91,991,442 | | 91,991,442 |
| Child Care and Development Block Grant | 54,927,918 | | 54,927,918 |
| Community Mental Health Services Block Grant | 13,123,714 | | 13,123,714 |
| Community Services Block Grant | 17,193,252 | | 17,193,252 |
| Foster Care Title IV-E | 52,573,085 | 34,667,385 | 87,240,470 |
| Low-Income Home Energy Assistance | 24,627,737 | | 24,627,737 |
| Maternal and Child Health Services Block Grant | 20,172,177 | | 20,172,177 |
| Medical Assistance Program | 123,378,290 | (3,416,952) | 119,961,338 |
| Prevention and Treatment of Substance Abuse Block Grant | 61,390,588 | | 61,390,588 |
| Preventive Health and Health Services Block Grant | 5,078,325 | | 5,078,325 |
| Social Services Block Grant | 55,015,615 | | 55,015,615 |
| TANF Block Grant Unobligated Balance | 73,288,154 | (39,024,293) | 34,263,861 |
| Temporary Assistance for Needy Families Block Grant | 395,046,969 | (2,675,707) | 392,371,262 |
| Federal Funds Not Itemized | 660,246,943 | 1,236,834 | 661,483,777 |
| TOTAL FEDERAL FUNDS | \$1,648,054,209 | (\$9,212,733) | 1,638,841,476 |
| Other Funds | 277,228,673 | (38,270,414) | 238,958,259 |
| TOTAL FUNDS | \$3,488,474,180 | \$78,759,692 | \$3,567,233,872 |

Administration

| | | | |
|---|----------------------|-----------------------|----------------------|
| State General Funds | \$119,770,524 | (\$22,265,777) | \$97,504,747 |
| Tobacco Settlement Funds | 321,984 | (190,189) | 131,795 |
| CCDF Mandatory and Matching Funds | 1,293,026 | | 1,293,026 |
| Child Care and Development Block Grant | 308,015 | | 308,015 |
| Community Services Block Grant | 4,069 | | 4,069 |
| Foster Care Title IV-E | 9,837,170 | (2,007,030) | 7,830,140 |
| Low-Income Home Energy Assistance | 346,557 | (346,557) | 0 |
| Medical Assistance Program | 31,567,459 | (18,229,518) | 13,337,941 |
| Preventive Health and Health Services Block Grant | 31,070 | | 31,070 |
| Social Services Block Grant | 9,953,930 | | 9,953,930 |
| Temporary Assistance for Needy Families Block Grant | 25,153,135 | (5,761,269) | 19,391,866 |
| Federal Funds Not Itemized | 44,989,030 | (16,997,165) | 27,991,865 |
| Other Funds | 23,872,061 | (18,070,000) | 5,802,061 |
| Total Funds | \$267,448,030 | (\$83,867,505) | \$183,580,525 |

Adolescent and Adult Health Promotion

| | | | |
|---|--------------|-------------|--------------|
| State General Funds | \$15,859,175 | \$1,168,377 | \$17,027,552 |
| Tobacco Settlement Funds | 4,874,988 | 190,189 | 5,065,177 |
| Maternal and Child Health Services Block Grant | 1,230,972 | | 1,230,972 |
| Medical Assistance Program | 1,589,260 | (145,397) | 1,443,863 |
| Preventive Health and Health Services Block Grant | 41,694 | | 41,694 |
| Temporary Assistance for Needy Families Block Grant | 19,096,897 | 8,320 | 19,105,217 |

Department of Human Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | Fiscal Year 2009 Recommendation |
|---|---------------------------|--------------------|------------------------------------|
| Federal Funds Not Itemized | 15,008,940 | 5,074 | 15,014,014 |
| Other Funds | 207,783 | | 207,783 |
| Total Funds | \$57,909,709 | \$1,226,563 | \$59,136,272 |
| Adoption Services | | | |
| State General Funds | \$33,139,326 | \$3,216,167 | \$36,355,493 |
| Temporary Assistance for Needy Families Block Grant | 12,000,000 | | 12,000,000 |
| Federal Funds Not Itemized | 35,977,276 | | 35,977,276 |
| Total Funds | \$81,116,602 | \$3,216,167 | \$84,332,769 |
| Adult Addictive Disease Services | | | |
| State General Funds | \$48,231,627 | \$177,764 | \$48,409,391 |
| Prevention and Treatment of Substance Abuse Block Grant | 26,100,797 | | 26,100,797 |
| Temporary Assistance for Needy Families Block Grant | 20,416,426 | | 20,416,426 |
| Federal Funds Not Itemized | 1 | | 1 |
| Other Funds | 824,903 | | 824,903 |
| Total Funds | \$95,573,754 | \$177,764 | \$95,751,518 |
| Adult Developmental Disabilities Services | | | |
| State General Funds | \$205,758,421 | (\$9,421,888) | \$196,336,533 |
| Tobacco Settlement Funds | 10,255,138 | | 10,255,138 |
| Medical Assistance Program | 13,561,524 | | 13,561,524 |
| Social Services Block Grant | 30,636,459 | | 30,636,459 |
| TANF Block Grant Unobligated Balance | 2 | | 2 |
| Temporary Assistance for Needy Families Block Grant | 23,016,394 | | 23,016,394 |
| Federal Funds Not Itemized | 161,870 | | 161,870 |
| Other Funds | 59,784,552 | 19,379,534 | 79,164,086 |
| Total Funds | \$343,174,360 | \$9,957,646 | \$353,132,006 |
| Adult Essential Health Treatment Services | | | |
| State General Funds | \$5,709,061 | \$340,501 | \$6,049,562 |
| Tobacco Settlement Funds | 5,000,000 | 1,475,000 | 6,475,000 |
| Medical Assistance Program | 75,338 | | 75,338 |
| Prevention and Treatment of Substance Abuse Block Grant | 1,210,877 | | 1,210,877 |
| Federal Funds Not Itemized | 2,651,414 | | 2,651,414 |
| Other Funds | 2,096,772 | | 2,096,772 |
| Total Funds | \$16,743,462 | \$1,815,501 | \$18,558,963 |
| Adult Forensic Services | | | |
| State General Funds | \$38,421,374 | \$9,485,453 | \$47,906,827 |
| Federal Funds Not Itemized | 1,115,408 | | 1,115,408 |
| Other Funds | 4 | | 4 |
| Total Funds | \$39,536,786 | \$9,485,453 | \$49,022,239 |
| Adult Mental Health Services | | | |
| State General Funds | \$177,314,849 | \$62,958,133 | \$240,272,982 |
| Community Mental Health Services Block Grant | 7,757,890 | | 7,757,890 |

Department of Human Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | Fiscal Year 2009 Recommendation |
|---|---------------------------|-----------------------|------------------------------------|
| Temporary Assistance for Needy Families Block Grant | 3,600,000 | | 3,600,000 |
| Federal Funds Not Itemized | 6,905,978 | | 6,905,978 |
| Other Funds | 4,102,757 | | 4,102,757 |
| Total Funds | \$199,681,474 | \$62,958,133 | \$262,639,607 |
| Adult Nursing Home Services | | | |
| State General Funds | \$2,383,183 | | \$2,383,183 |
| Other Funds | 1,547,242 | | 1,547,242 |
| Total Funds | \$3,930,425 | \$0 | \$3,930,425 |
| After School Care | | | |
| Temporary Assistance for Needy Families Block Grant | \$14,000,000 | | \$14,000,000 |
| Other Funds | 28,000,000 | (\$28,000,000) | 0 |
| Total Funds | \$42,000,000 | (\$28,000,000) | \$14,000,000 |
| Child and Adolescent Addictive Disease Services | | | |
| State General Funds | \$10,864,229 | (\$1,188,694) | \$9,675,535 |
| Prevention and Treatment of Substance Abuse Block Grant | 14,100,473 | | 14,100,473 |
| Federal Funds Not Itemized | 3,116,697 | | 3,116,697 |
| Total Funds | \$28,081,399 | (\$1,188,694) | \$26,892,705 |
| Child and Adolescent Developmental Disabilities Services | | | |
| State General Funds | \$17,589,662 | \$2,602,710 | \$20,192,372 |
| Medical Assistance Program | 5,843,482 | | 5,843,482 |
| Temporary Assistance for Needy Families Block Grant | 487,988 | | 487,988 |
| Other Funds | | 3,722,681 | 3,722,681 |
| Total Funds | \$23,921,132 | \$6,325,391 | \$30,246,523 |
| Child and Adolescent Forensic Services | | | |
| State General Funds | \$3,038,424 | \$101,267 | \$3,139,691 |
| Total Funds | \$3,038,424 | \$101,267 | \$3,139,691 |
| Child and Adolescent Mental Health Services | | | |
| State General Funds | \$105,062,036 | (\$13,623,788) | \$91,438,248 |
| Community Mental Health Services Block Grant | 5,365,824 | | 5,365,824 |
| Medical Assistance Program | 3,117 | | 3,117 |
| Federal Funds Not Itemized | 77,749 | | 77,749 |
| Other Funds | 51,175,767 | | 51,175,767 |
| Total Funds | \$161,684,493 | (\$13,623,788) | \$148,060,705 |
| Child Care Services | | | |
| State General Funds | \$58,398,695 | \$298,233 | \$58,696,928 |
| CCDF Mandatory and Matching Funds | 90,698,416 | | 90,698,416 |
| Child Care and Development Block Grant | 54,619,903 | | 54,619,903 |
| Social Services Block Grant | 90 | | 90 |
| Temporary Assistance for Needy Families Block Grant | 29,700,001 | (29,700,000) | 1 |
| Federal Funds Not Itemized | 0 | | 0 |

Department of Human Resources Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | Fiscal Year 2009 Recommendation |
|---|---------------------------|-----------------------|------------------------------------|
| Other Funds | 2,500,000 | | 2,500,000 |
| Total Funds | <u>\$235,917,105</u> | <u>(\$29,401,767)</u> | <u>\$206,515,338</u> |
| Child Support Services | | | |
| State General Funds | \$21,668,683 | \$4,089,972 | \$25,758,655 |
| Social Services Block Grant | 120,000 | | 120,000 |
| Federal Funds Not Itemized | 52,441,532 | 11,687,474 | 64,129,006 |
| Other Funds | 2,841,500 | | 2,841,500 |
| Total Funds | <u>\$77,071,715</u> | <u>\$15,777,446</u> | <u>\$92,849,161</u> |
| Child Welfare Services | | | |
| State General Funds | \$73,149,559 | \$44,843,585 | \$117,993,144 |
| Community Services Block Grant | 4,000 | | 4,000 |
| Foster Care Title IV-E | 18,278,994 | 14,000,000 | 32,278,994 |
| Medical Assistance Program | 11,331,449 | | 11,331,449 |
| Social Services Block Grant | 8,264,167 | | 8,264,167 |
| Temporary Assistance for Needy Families Block Grant | 77,263,725 | | 77,263,725 |
| Federal Funds Not Itemized | 18,152,154 | 1,203,019 | 19,355,173 |
| Other Funds | 24,846,326 | | 24,846,326 |
| Total Funds | <u>\$231,290,374</u> | <u>\$60,046,604</u> | <u>\$291,336,978</u> |
| Direct Care Support Services | | | |
| State General Funds | \$108,039,606 | \$16,648,796 | \$124,688,402 |
| Medical Assistance Program | 6 | | 6 |
| Federal Funds Not Itemized | 6,205,526 | | 6,205,526 |
| Other Funds | 48,346,537 | | 48,346,537 |
| Total Funds | <u>\$162,591,675</u> | <u>\$16,648,796</u> | <u>\$179,240,471</u> |
| Elder Abuse Investigations and Prevention | | | |
| State General Funds | \$10,200,245 | \$2,221,441 | \$12,421,686 |
| Medical Assistance Program | 4,178,063 | (3,500,000) | 678,063 |
| Social Services Block Grant | 2,279,539 | | 2,279,539 |
| Federal Funds Not Itemized | 636,955 | | 636,955 |
| Total Funds | <u>\$17,294,802</u> | <u>(\$1,278,559)</u> | <u>\$16,016,243</u> |
| Elder Community Living Services | | | |
| State General Funds | \$74,501,248 | (\$748,929) | \$73,752,319 |
| Tobacco Settlement Funds | 3,664,733 | | 3,664,733 |
| Medical Assistance Program | 13,598,671 | 166,588 | 13,765,259 |
| Social Services Block Grant | 3,761,430 | | 3,761,430 |
| Federal Funds Not Itemized | 23,789,037 | | 23,789,037 |
| Total Funds | <u>\$119,315,119</u> | <u>(\$582,341)</u> | <u>\$118,732,778</u> |
| Elder Support Services | | | |
| State General Funds | \$1,030,635 | \$484,427 | \$1,515,062 |
| Tobacco Settlement Funds | 2,527,073 | | 2,527,073 |

Department of Human Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | Fiscal Year 2009 Recommendation |
|---|---------------------------|----------------------|------------------------------------|
| Federal Funds Not Itemized | 5,901,407 | | 5,901,407 |
| Total Funds | \$9,459,115 | \$484,427 | \$9,943,542 |
| Eligibility Determination | | | |
| State General Funds | \$26,942,155 | \$30,130,364 | \$57,072,519 |
| Foster Care Title IV-E | | 1,982,030 | 1,982,030 |
| Low-Income Home Energy Assistance | | 346,557 | 346,557 |
| Medical Assistance Program | 28,565,198 | 18,034,361 | 46,599,559 |
| Temporary Assistance for Needy Families Block Grant | | 3,752,949 | 3,752,949 |
| Federal Funds Not Itemized | | 4,993,663 | 4,993,663 |
| Other Funds | 4,187,397 | | 4,187,397 |
| Total Funds | \$59,694,750 | \$59,239,924 | \$118,934,674 |
| Emergency Preparedness/Trauma System Improvement | | | |
| State General Funds | \$13,347,797 | (\$6,723,216) | \$6,624,581 |
| Preventive Health and Health Services Block Grant | 1,147,504 | | 1,147,504 |
| Federal Funds Not Itemized | 40,972,605 | | 40,972,605 |
| Total Funds | \$55,467,906 | (\$6,723,216) | \$48,744,690 |
| Energy Assistance | | | |
| Low-Income Home Energy Assistance | \$24,281,180 | | 24,281,180 |
| Other Funds | 4,384,452 | | 4,384,452 |
| Total Funds | \$28,665,632 | \$0 | \$28,665,632 |
| Epidemiology | | | |
| State General Funds | \$6,000,648 | \$90,600 | \$6,091,248 |
| Tobacco Settlement Funds | 115,637 | | 115,637 |
| Medical Assistance Program | 205,520 | 6,745 | 212,265 |
| Preventive Health and Health Services Block Grant | 196,750 | | 196,750 |
| Federal Funds Not Specifically Identified | 4,606,155 | | 4,606,155 |
| Other Funds | 163,882 | | 163,882 |
| Total Funds | \$11,288,592 | \$97,345 | \$11,385,937 |
| Facility and Provider Regulation | | | |
| State General Funds | \$7,995,191 | \$850,639 | \$8,845,830 |
| Foster Care Title IV-E | 287,568 | 25,000 | \$312,568 |
| Medical Assistance Program | 2,096,076 | 100,497 | 2,196,573 |
| Federal Funds Not Itemized | 4,770,250 | 305,611 | 5,075,861 |
| Other Funds | | 70,000 | 70,000 |
| Total Funds | \$15,149,085 | \$1,351,747 | \$16,500,832 |
| Family Violence Services | | | |
| State General Funds | \$4,701,950 | | \$4,701,950 |
| Preventive Health and Health Services Block Grant | 200,470 | | 200,470 |
| Temporary Assistance for Needy Families Block Grant | 5,565,244 | | 5,565,244 |
| Federal Funds Not Itemized | 2,083,044 | | 2,083,044 |
| Total Funds | \$12,550,708 | \$0 | \$12,550,708 |

Department of Human Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | Fiscal Year 2009 Recommendation |
|--|---------------------------|-----------------------|------------------------------------|
| Federal and Unobligated Balances | | | |
| TANF Block Grant Unobligated Balance | \$39,024,293 | (\$39,024,293) | \$0 |
| Total Funds | <u>\$39,024,293</u> | <u>(\$39,024,293)</u> | <u>\$0</u> |
| Food Stamp Eligibility and Benefits | | | |
| State General Funds | \$25,547,915 | \$14,365,324 | \$39,913,239 |
| Federal Funds Not Itemized | 31,522,747 | | 31,522,747 |
| Other Funds | 12,409 | | 12,409 |
| Total Funds | <u>\$57,083,071</u> | <u>\$14,365,324</u> | <u>\$71,448,395</u> |
| Immunization | | | |
| State General Funds | \$11,725,931 | \$1,229,836 | \$12,955,767 |
| Maternal and Child Health Services Block Grant | 6,762,746 | | 6,762,746 |
| Medical Assistance Program | 1 | | 1 |
| Preventive Health and Health Services Block Grant | 703,712 | | 703,712 |
| Federal Funds Not Itemized | 7,100,170 | | 7,100,170 |
| Total Funds | <u>\$26,292,560</u> | <u>\$1,229,836</u> | <u>\$27,522,396</u> |
| Infant and Child Essential Health Treatment Services | | | |
| State General Funds | \$38,961,028 | \$963,455 | \$39,924,483 |
| Maternal and Child Health Services Block Grant | 8,086,561 | | 8,086,561 |
| Medical Assistance Program | 1,538,372 | | 1,538,372 |
| Preventive Health and Health Services Block Grant | 267,356 | | 267,356 |
| Federal Funds Not Itemized | 18,046,912 | | 18,046,912 |
| Total Funds | <u>\$66,900,229</u> | <u>\$963,455</u> | <u>\$67,863,684</u> |
| Infant and Child Health Promotion | | | |
| State General Funds | \$20,972,559 | \$12,412,333 | \$33,384,892 |
| Maternal and Child Health Services Block Grant | 3,813,329 | | 3,813,329 |
| Medical Assistance Program | 6,364,702 | 875 | 6,365,577 |
| Preventive Health and Health Services Block Grant | 2,040,992 | | 2,040,992 |
| Federal Funds Not Itemized | 258,207,935 | 5,343 | 258,213,278 |
| Other Funds | 2,289,216 | | 2,289,216 |
| Total Funds | <u>\$293,688,733</u> | <u>\$12,418,551</u> | <u>\$306,107,284</u> |
| Infectious Disease Control | | | |
| State General Funds | \$39,203,771 | \$3,541,356 | \$42,745,127 |
| Maternal and Child Health Services Block Grant | 83,866 | | 83,866 |
| Medical Assistance Program | 168,734 | 145,397 | 314,131 |
| Federal Funds Not Itemized | 56,517,550 | | 56,517,550 |
| Other Funds | 150,000 | | 150,000 |
| Total Funds | <u>\$96,123,921</u> | <u>\$3,686,753</u> | <u>\$99,810,674</u> |
| Injury Prevention | | | |
| State General Funds | \$1,067,701 | \$114,757 | \$1,182,458 |
| Tobacco Settlement Funds | 150,000 | | 150,000 |

Department of Human Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | Fiscal Year 2009 Recommendation |
|---|---------------------------|-----------------------|------------------------------------|
| Medical Assistance Program | 29,425 | | 29,425 |
| Preventive Health and Health Services Block Grant | 112,005 | | 112,005 |
| Federal Funds Not Itemized | 995,361 | | 995,361 |
| Total Funds | <u>\$2,354,492</u> | <u>\$114,757</u> | <u>\$2,469,249</u> |
| Inspections and Environmental Hazard Control | | | |
| State General Funds | \$15,025,089 | \$5,520,101 | \$20,545,190 |
| Maternal and Child Health Services Block Grant | 194,703 | | 194,703 |
| Medical Assistance Program | 73,122 | 3,500 | 76,622 |
| Preventive Health and Health Services Block Grant | 336,772 | | 336,772 |
| Federal Funds Not Itemized | 531,262 | | 531,262 |
| Other Funds | 438,262 | | 438,262 |
| Total Funds | <u>\$16,599,210</u> | <u>\$5,523,601</u> | <u>\$22,122,811</u> |
| Out-of-Home Care | | | |
| State General Funds | \$113,680,260 | \$2,191,606 | \$115,871,866 |
| Foster Care Title IV-E | 24,169,353 | 20,667,385 | 44,836,738 |
| Temporary Assistance for Needy Families Block Grant | 51,789,799 | 39,024,293 | 90,814,092 |
| Federal Funds Not Itemized | 4,602,491 | | 4,602,491 |
| Other Funds | 15,372,629 | (15,372,629) | 0 |
| Total Funds | <u>\$209,614,532</u> | <u>\$46,510,655</u> | <u>\$256,125,187</u> |
| Refugee Assistance | | | |
| Temporary Assistance for Needy Families Block Grant | \$5,000 | | \$5,000 |
| Federal Funds Not Itemized | 4,729,006 | | 4,729,006 |
| Total Funds | <u>\$4,734,006</u> | <u>\$0</u> | <u>\$4,734,006</u> |
| Substance Abuse Prevention | | | |
| State General Funds | \$1,128,009 | \$184,269 | \$1,312,278 |
| Prevention and Treatment of Substance Abuse Block Grant | 19,978,441 | | 19,978,441 |
| Federal Funds Not Itemized | 744,400 | | 744,400 |
| Total Funds | <u>\$21,850,850</u> | <u>\$184,269</u> | <u>\$22,035,119</u> |
| Support for Needy Families - Basic Assistance | | | |
| State General Funds | \$10,315,527 | (\$10,215,527) | \$100,000 |
| TANF Block Grant Unobligated Balance | 34,263,859 | | 34,263,859 |
| Temporary Assistance for Needy Families Block Grant | 43,388,953 | (12,000,000) | 31,388,953 |
| Total Funds | <u>\$87,968,339</u> | <u>(\$22,215,527)</u> | <u>\$65,752,812</u> |
| Support for Needy Families - Family Assistance | | | |
| State General Funds | \$19,744,139 | (\$13,217,033) | \$6,527,106 |
| Community Services Block Grant | 17,185,183 | | 17,185,183 |
| Medical Assistance Program | 1,300,000 | | 1,300,000 |
| Temporary Assistance for Needy Families Block Grant | 27,526,128 | 2,000,000 | 29,526,128 |
| Federal Funds Not Itemized | 1,643,225 | | 1,643,225 |
| Total Funds | <u>\$67,398,675</u> | <u>(\$11,217,033)</u> | <u>\$56,181,642</u> |

Department of Human Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | Fiscal Year 2009 Recommendation |
|--|---------------------------|-----------------------|------------------------------------|
| Support for Needy Families - Work Assistance | | | |
| State General Funds | \$26,000,000 | (\$18,305,000) | \$7,695,000 |
| Medical Assistance Program | 20,000 | | 20,000 |
| Temporary Assistance for Needy Families Block Grant | 40,587,279 | | 40,587,279 |
| Federal Funds Not Itemized | 2,403,095 | | 2,403,095 |
| Total Funds | <u>\$69,010,374</u> | <u>(\$18,305,000)</u> | <u>\$50,705,374</u> |
| Vital Records | | | |
| State General Funds | \$2,830,465 | \$1,057,242 | \$3,887,707 |
| Federal Funds Not Specifically Identified | 904,680 | | \$904,680 |
| Total Funds | <u>\$3,735,145</u> | <u>\$1,057,242</u> | <u>\$4,792,387</u> |
| Agencies Attached for Administrative Purpose: | | | |
| Brain and Spinal Injury Trust Fund | | | |
| Brain and Spinal Injury Trust Fund | \$3,063,194 | (\$1,094,201) | \$1,968,993 |
| Federal Funds Not Itemized | | 100,000 | 100,000 |
| Total Funds | <u>\$3,063,194</u> | <u>(\$1,094,201)</u> | <u>\$2,068,993</u> |
| Child Fatality Review Panel | | | |
| State General Funds | \$371,297 | \$13,654 | \$384,951 |
| Federal Funds Not Itemized | 65,000 | | 65,000 |
| Total Funds | <u>\$436,297</u> | <u>\$13,654</u> | <u>\$449,951</u> |
| Children's Trust Fund Commission | | | |
| State General Funds | \$7,532,772 | (\$235,263) | \$7,297,509 |
| Temporary Assistance for Needy Families Block Grant | 250,000 | | 250,000 |
| Federal Funds Not Itemized | 408,079 | | 408,079 |
| Other Funds | 84,222 | | 84,222 |
| Total Funds | <u>\$8,275,073</u> | <u>(\$235,263)</u> | <u>\$8,039,810</u> |
| Council on Aging | | | |
| State General Funds | \$193,064 | \$12,708 | \$205,772 |
| Total Funds | <u>\$193,064</u> | <u>\$12,708</u> | <u>\$205,772</u> |
| Council on Developmental Disabilities | | | |
| State General Funds | \$58,083 | \$29,511 | \$87,594 |
| Federal Funds Not Itemized | 2,262,002 | (66,185) | 2,195,817 |
| Total Funds | <u>\$2,320,085</u> | <u>(\$36,674)</u> | <u>\$2,283,411</u> |
| Family Connection | | | |
| State General Funds | \$9,406,637 | \$198,832 | \$9,605,469 |
| Medical Assistance Program | 1,268,771 | | 1,268,771 |
| Temporary Assistance for Needy Families Block Grant | 1,200,000 | | 1,200,000 |
| Total Funds | <u>\$11,875,408</u> | <u>\$198,832</u> | <u>\$12,074,240</u> |

Department of Human Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | Fiscal Year 2009 Recommendation |
|------------------------------|---------------------------|-----------|------------------------------------|
| Sexual Offender Review Board | | | |
| State General Funds | \$336,001 | \$263,742 | \$599,743 |
| Total Funds | \$336,001 | \$263,742 | \$599,743 |

Office of the Commissioner of Insurance

Roles, Responsibilities, and Organization

The Department of Insurance is accountable for upholding state laws regulating insurance, small loans, fire safety, and manufactured housing. The department organizes its efforts in fulfilling these responsibilities around five divisions.

INTERNAL ADMINISTRATION

The Internal Administration Division provides management, policy direction, and enforcement and administrative support for the department's programs which regulate companies and protect consumers in the areas of insurance, industrial loans, fire safety, manufactured housing, arson investigations, building inspections, and hazardous materials handling and storage. The division's activities include performing accounting, budgetary, personnel, and purchasing duties for all agency divisions. Additionally, the division oversees the establishment and implementation of department policies and procedures.

INSURANCE REGULATION

The Insurance Regulation Division is responsible for administering Georgia insurance laws and regulations. Staff members process applications for insurance companies to conduct business in the state and insurance agent license applications. The division is also responsible for reviewing and approving insurance company (rates and life, health, property and casualty policy forms) as well as regulating group self-insurance funds.

INDUSTRIAL LOAN REGULATION

The Industrial Loan Regulation Division administers the Georgia Industrial Loan Act by performing examinations of all accounts held

by industrial loan companies (small loan companies making loans of \$3,000 or less) licensed to do business in Georgia and accounting for all fees and taxes payable by such companies. Additionally, division staff members process applications for new industrial loan company licenses and investigate consumer complaints.

FIRE SAFETY AND MANUFACTURED HOUSING REGULATION

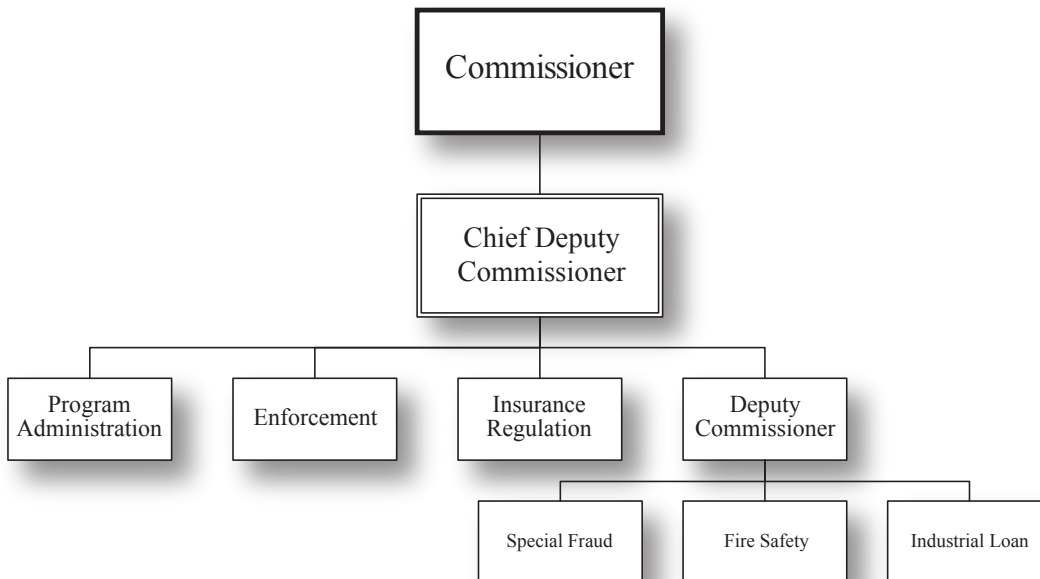
The Fire Safety and Manufactured Housing Regulation Division administers and enforces compliance with state and federal laws regarding fire safety and manufactured housing. The division is charged with reviewing construction plans for public buildings and manufactured houses, and ensuring that the plans meet fire prevention and protection standards. In addition, division staff members process applications for licenses and permits to use/store hazardous or physically unstable substances and materials. The division is also responsible for investigating suspicious fires in the state.

SPECIAL INSURANCE FRAUD UNIT

The Special Insurance Fraud Unit investigates claims of insurance fraud, upon request. This unit was established through enactment of HB 616 by the 1995 General Assembly with the goal of reducing the occurrence of insurance fraud and the resulting financial burden it places on businesses and consumers.

AUTHORITY

State Constitution; Title 45-14, Official Code of Georgia Annotated.



Office of the Commissioner of Insurance

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$18,864,818 | \$736,704 | \$19,601,522 |
| TOTAL STATE FUNDS | \$18,864,818 | \$736,704 | \$19,601,522 |
| Federal Funds | 954,555 | | 954,555 |
| Other Funds | 97,232 | | 97,232 |
| TOTAL FUNDS | \$19,916,605 | \$736,704 | \$20,653,309 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$267,436 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$213,888), for performance increases (\$85,555), and for structure adjustments to the statewide salary plan (\$143). | 299,586 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 154,633 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (37,861) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 52,910 |
| Total Change | \$736,704 |

Administration

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$34,245 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$24,831), for performance increases (\$9,932), and for structure adjustments to the statewide salary plan (\$15). | 34,778 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 17,952 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (4,902) |
| 5. Increase the GBA real estate rental rate for office space. | 1,181 |
| Total Change | \$83,254 |

Enforcement

Purpose: Provide legal advice and initiate legal proceedings with regard to enforcement of specific provisions of state law relating to insurance, industrial loan, fire safety, and fraud.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$11,559 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$11,518), for performance increases (\$4,607), and for structure adjustments to the statewide salary plan (\$8). | 16,133 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 8,327 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,653) |
| 5. Increase the GBA real estate rental rate for office space. | 4,500 |
| Total Change | \$38,866 |

Fire Safety

Purpose: Create a fire safe environment in the state that protects the public from fire and limits the loss of life and property.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$89,077 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$74,298), for performance increases (\$29,719), and for structure adjustments to the statewide salary plan (\$50). | 104,067 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 53,715 |

Office of the Commissioner of Insurance

FY 2009 Program Budgets

| | |
|---|-----------|
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (12,362) |
| 5. Increase the GBA real estate rental rate for office space. | 9,028 |
| Total Change | \$243,525 |

Industrial Loan

Purpose: Protect customers by licensing, regulating, and examining finance companies that provide consumer loans of \$3,000 or less.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$10,356 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,754), for performance increases (\$2,702), and for structure adjustments to the statewide salary plan (\$5). | 9,461 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,883 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,480) |
| 5. Increase the GBA real estate rental rate for office space. | 968 |
| Total Change | \$24,188 |

Insurance Regulation

Purpose: Ensure that licensed insurance entities maintain solvency and comply with state law, adopted rules, and regulations and standards.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$81,627 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$61,152), for performance increases (\$24,461), and for structure adjustments to the statewide salary plan (\$41). | 85,654 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 44,210 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (11,705) |
| 5. Increase the GBA real estate rental rate for office space. | 22,034 |
| Total Change | \$221,820 |

Special Fraud

Purpose: Identify and take appropriate action to deter insurance fraud.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$40,572 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$35,335), for performance increases (\$14,134), and for structure adjustments to the statewide salary plan (\$24). | 49,493 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 25,546 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (5,759) |
| 5. Increase the GBA real estate rental rate for office space. | 15,199 |
| Total Change | \$125,051 |

Office of the Commissioner of Insurance

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Enforcement | | | | |
| 1. Number of cases against insurance companies, agents, and other licensees | 983 | 764 | 800 | 750 |
| Fire Safety | | | | |
| 1. Number of suspected criminal fire investigations | 754 | 800 | 1,000 | 1,100 |
| Industrial Loan | | | | |
| 1. Penalties collected from violators | \$2,440,250 | \$2,457,842 | \$2,484,250 | \$2,500,000 |
| Insurance Regulation | | | | |
| 1. Number of licensed insurance companies | 1,603 | 1,686 | 1,690 | 1,700 |
| 2. Funds recovered on behalf of Georgia consumers and health care practitioners | \$20,220,524 | \$20,220,524 | \$24,000,000 | \$24,000,000 |

Office of the Commissioner of Insurance

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$1,799,407 | \$2,287,344 | \$2,445,169 | \$2,500,581 | \$2,528,423 |
| Enforcement | 759,480 | 796,751 | 866,292 | 709,536 | 905,158 |
| Fire Safety | 6,061,496 | 5,632,248 | 6,577,112 | 6,934,496 | 6,820,637 |
| Industrial Loan | 624,624 | 649,954 | 769,025 | 618,216 | 793,213 |
| Insurance Regulation | 5,299,037 | 5,510,736 | 5,981,530 | 6,220,094 | 6,203,350 |
| Special Fraud | 2,602,349 | 2,890,709 | 3,277,477 | 3,318,366 | 3,402,528 |
| TOTAL FUNDS | \$17,146,393 | \$17,767,742 | \$19,916,605 | \$20,301,289 | \$20,653,309 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$946,317 | \$505,071 | \$954,555 | \$954,555 | \$954,555 |
| Other Funds | 68,701 | 25,727 | 97,232 | 97,232 | 97,232 |
| Subtotal | \$1,015,018 | \$530,798 | \$1,051,787 | \$1,051,787 | \$1,051,787 |
| State General Funds | \$16,131,375 | \$17,236,944 | \$18,864,818 | \$19,249,502 | \$19,601,522 |
| TOTAL STATE FUNDS | \$16,131,375 | \$17,236,944 | \$18,864,818 | \$19,249,502 | \$19,601,522 |
| Positions | 310 | 310 | 310 | 307 | 310 |
| Motor Vehicles | 51 | 51 | 52 | 52 | 52 |

Office of the Commissioner of Insurance

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$18,864,818 | \$736,704 | \$19,601,522 |
| TOTAL STATE FUNDS | \$18,864,818 | \$736,704 | \$19,601,522 |
| Federal Funds | 954,555 | | 954,555 |
| Other Funds | 97,232 | | 97,232 |
| TOTAL FUNDS | \$19,916,605 | \$736,704 | \$20,653,309 |
| Administration | | | |
| State General Funds | \$2,445,169 | \$83,254 | \$2,528,423 |
| Total Funds | \$2,445,169 | \$83,254 | \$2,528,423 |
| Enforcement | | | |
| State General Funds | \$866,292 | \$38,866 | \$905,158 |
| Total Funds | \$866,292 | \$38,866 | \$905,158 |
| Fire Safety | | | |
| State General Funds | \$5,525,325 | \$243,525 | \$5,768,850 |
| Federal Funds | 954,555 | | 954,555 |
| Other Funds | 97,232 | | 97,232 |
| Total Funds | \$6,577,112 | \$243,525 | \$6,820,637 |
| Industrial Loan | | | |
| State General Funds | \$769,025 | \$24,188 | \$793,213 |
| Total Funds | \$769,025 | \$24,188 | \$793,213 |
| Insurance Regulation | | | |
| State General Funds | \$5,981,530 | \$221,820 | \$6,203,350 |
| Total Funds | \$5,981,530 | \$221,820 | \$6,203,350 |
| Special Fraud | | | |
| State General Funds | \$3,277,477 | \$125,051 | \$3,402,528 |
| Total Funds | \$3,277,477 | \$125,051 | \$3,402,528 |

Georgia Bureau of Investigation

Roles, Responsibilities, and Organization

The Georgia Bureau of Investigation (GBI) serves as the primary state-level investigative and enforcement agency in Georgia's fight against crime and corruption. Upon request, the GBI provides investigative and enforcement support services to local, state, and federal law enforcement agencies throughout Georgia. In addition to conducting general and specialized investigations, the GBI provides forensic laboratory examinations and collects data on crime and criminals. The GBI uses its numerous programs and the latest technological advancements in crime fighting to combat drug trafficking and other crimes.

The operations of the GBI include a staff of 858 employees. These employees are assigned to GBI Headquarters, 15 regional field offices, 3 regional drug enforcement offices and 7 regional crime laboratories through which the various support services are carried out.

GENERAL INVESTIGATION

The Investigative Division, under the direction of the Deputy Director for Investigations, is the largest division of the GBI. Operations are based out of regional offices, regional drug enforcement offices, and other work units that provide specialized services in criminal investigations.

Special agents from the Investigative Division respond to requests for assistance from criminal justice officials to investigate major crimes such as: homicide, rape, child abuse, armed robbery, fraud, corruption, and other felonies. Investigations of crimes occurring on state property and drug investigations can be initiated without request.

The majority of the manpower resources of the investigative division are distributed among the 15 regional field offices and the 3 regional drug enforcement offices. The regional field offices conduct general investigations of all crimes. The regional drug enforcement offices investigate all levels of drug trafficking with an emphasis on major violators.

There are numerous specialized areas of operations:

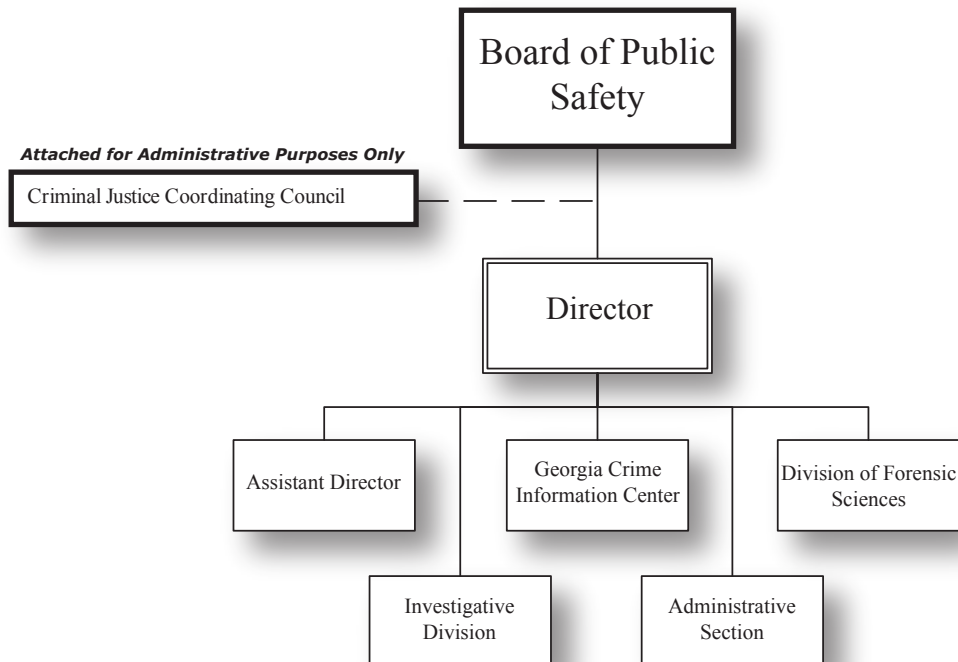
- State Health Care Fraud Control Unit
- High Technology Unit
- Intelligence Unit
- Multi-Jurisdictional Drug Task Forces
- Polygraph Unit
- Georgia Information Sharing and Analysis Center
- Special Operations Unit/Bomb Disposal Unit
- State Drug Task Force

FORENSIC SERVICES

The Division of Forensic Sciences operates the headquarters laboratory in Atlanta and seven regional laboratories in Savannah, Columbus, Augusta, Moultrie, Macon, Summerville and Cleveland.

The laboratories examine submitted evidence, report scientific conclusions about that submitted evidence, and testify in court about results. These services must be timely and as up-to-date as possible to satisfy the needs of the courts and the police. The Headquarters Laboratory consists of the following programs:

- Implied Consent
- Criminalistics
- Photography
- DNA Database
- Toxicology
- Drug Identification
- Latent Prints
- Serology/DNA
- Firearms ID
- Questioned Documents
- Medical Examiner Services



Georgia Bureau of Investigation

Roles, Responsibilities, and Organization

GEORGIA CRIME INFORMATION CENTER

The role of the Georgia Crime Information Center (GCIC) includes the operation of a statewide Criminal Justice Information System (CJIS) Network, linking criminal justice agencies to automated state and national information databases. GCIC is responsible for auditing all Georgia criminal justice agencies that are part of the CJIS network. GCIC also operates and maintains the central repository of criminal records for the state of Georgia, utilizing an Automated Fingerprint Identification System and linking with local law enforcement agencies and courts for real time updates of information. GCIC collects and maintains statistical data describing the extent and nature of reported crime and participates in the national uniform crime reporting system operated by the Federal Bureau of Investigation. GCIC's services also include the Georgia Sex Offender and Protective Order Registries.

ATTACHED AGENCY

The Criminal Justice Coordinating Council enhances the effectiveness of Georgia's criminal justice system by building knowledge and

partnerships among state and local government agencies and non-governmental organizations to develop and sustain results-driven programs, services and activities. It serves as the state administrative agency for numerous federal grant programs and manages state grant programs funded by the Georgia General Assembly. The council conducts planning, research, and evaluation activities to improve criminal justice system operations and coordination. It operates Georgia's Crime Victims Compensation Program which utilizes federal funds and fee and fine proceeds to provide financial assistance to victims of violent crime.

AUTHORITY

Title 35, Official Code of Georgia Annotated.

Georgia Bureau of Investigation

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|---------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$74,268,077 | \$2,532,804 | \$76,800,881 |
| TOTAL STATE FUNDS | \$74,268,077 | \$2,532,804 | \$76,800,881 |
| Federal Funds | 29,883,487 | 15,171,813 | 45,055,300 |
| Other Funds | 4,887,711 | 188,012 | 5,075,723 |
| TOTAL FUNDS | \$109,039,275 | \$17,892,629 | \$126,931,904 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$975,678 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$677,784), for performance increases for the department (\$271,114), for special adjustments to selected job classes (\$246,580), and for structure adjustments to the statewide salary plan for the department (\$31,391). | 1,226,869 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 512,078 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (9,861) |
| Total Change | \$2,704,764 |

Administration

Recommended Change:

| | |
|--|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$54,447 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$50,302), and for performance increases (\$20,120). | 70,422 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 37,986 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,060) |
| 5. Eliminate one-time funds for major repairs and renovations to statewide offices. | (118,000) |
| 6. Eliminate one-time funds for an electrical upgrade at the headquarters facility. | (1,050,000) |
| 7. Reduce funds for operations. | (52,841) |
| 8. Increase federal funds (\$93,856) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | (\$1,059,046) |

Centralized Scientific Services

Purpose: Provide analysis of illicit and licit drugs, unknown substances, and fire debris evidence.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$287,501 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$150,285), for performance increases (\$60,115), for special adjustments to selected job classes (\$246,580), and for structure adjustments to the statewide salary plan (\$31,277). | 488,257 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 113,495 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (2,634) |
| 5. Fill three vacant toxicology scientist positions and two evidence technician positions at the headquarters lab to ensure the timely release of information concerning cause and manner of death. | 218,314 |
| 6. Increase federal funds (\$1,859,298) and other funds (\$152,009) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$1,104,933 |

Georgia Bureau of Investigation

FY 2009 Program Budgets

Criminal Justice Information Services

Purpose: Provide fingerprint identification and processing of criminal history source documents to create and update criminal history records.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$76,333 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$100,256), and for performance increases (\$40,102). | 140,358 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 75,712 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,889) |
| 5. Provide funding for computer maintenance services (\$291,067) and infrastructure costs (\$379,896) for the Computerized Criminal History (CCH) system and the Law Enforcement Message Switch (LEMS). | 670,963 |
| 6. Eliminate one-time funds to relocate servers and communication equipment located at headquarters. | (225,131) |
| 7. Increase federal funds (\$4,003,184) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$736,346 |

Georgia Information Sharing and Analysis Center

Purpose: Serve as the focal point for collection, analysis and dissemination of information relative to threats or attacks, of a terrorist nature, within and against the State of Georgia, its citizens, or infrastructure.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$8,208 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$9,026), and for performance increases (\$3,610). | 12,636 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 6,816 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (187) |
| 5. Increase federal funds (\$360,025) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$27,473 |

Regional Forensic Services

Purpose: Provide pathology services to determine cause and manner of death.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$97,724 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$88,045), and for performance increases (\$35,218). | 123,263 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 66,490 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,694) |
| 5. Fill one vacant toxicology scientist position at the Summerville regional lab to reduce the backlog in toxicology cases. | 50,118 |
| 6. Provide funding for expansion of DNA testing to include felony probationers to assist in solving open unsolved and cold case crimes as prescribed in HB 314. | 238,366 |
| 7. Eliminate one-time funds for major repairs and renovations to statewide regional offices. | (129,000) |
| Total Change | \$445,267 |

Regional Investigative Services

Purpose: Identify, collect, preserve, and process evidence located during crime scene examinations.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$399,268 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$249,864), and for performance increases (\$99,946). | 349,810 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 188,693 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (4,448) |

Georgia Bureau of Investigation

FY 2009 Program Budgets

| | |
|---|-------------|
| 5. Increase funding to provide laptop computers to field agents to reduce agent field travel and increase efficiency and completion of cases. | 125,000 |
| 6. Provide funds to add five agent positions, one forensic computer specialist position, one intelligence analyst position and one investigative assistant position to establish the Identity Theft Unit to investigate identity fraud and other criminal activities associated with incidents of identity fraud. | 1,067,298 |
| 7. Eliminate one-time funds for major repairs and renovations to statewide regional offices. | (236,000) |
| 8. Eliminate one-time funds for the Georgia SecureID initiative. | (89,262) |
| 9. Eliminate one-time funds associated with increasing the size of the Meth Force. | (339,153) |
| 10. Eliminate one-time funds associated with the Child Safety Initiative. | (302,632) |
| 11. Transfer funds to the Special Operations Unit program to properly align the budget with anticipated expenditures. | (50,000) |
| 12. Increase federal funds (\$1,435,444) and other funds (\$34,279) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$1,108,574 |

State Healthcare Fraud Unit

Purpose: Identify, arrest, and prosecute providers of health care services who defraud the Medicaid Program.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$5,491 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,455), and for performance increases (\$2,582). | 9,037 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,875 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (151) |
| 5. Increase federal funds (\$4,396,250) and other funds (\$1,724) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$19,252 |

Special Operations Unit

Purpose: Respond to requests from law enforcement agencies statewide in order to render safe explosive devices of all types, and to assist in the identification, arrest, and prosecution of individuals.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$19,922 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$7,421), and for performance increases (\$2,968). | 10,389 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,604 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (34) |
| 5. Transfer funds from Regional Investigative Services to properly align the budget with anticipated expenditures. | 50,000 |
| 6. Increase federal funds (\$3,023,756) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$85,881 |

Task Forces

Purpose: Provide the GBI supervisory support to 12 federally funded multi-jurisdictional drug task forces.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$19,639 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$12,461), and for performance increases (\$4,984). | 17,445 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 9,410 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (262) |
| Total Change | \$46,232 |

Georgia Bureau of Investigation

FY 2009 Program Budgets

Agencies Attached for Administrative Purposes:

Criminal Justice Coordinating Council

Purpose: Improve and coordinate criminal justice efforts throughout Georgia, help create safe and secure communities, and award grants from the Local Law Enforcement and Firefighter Fund.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$7,145 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,670), for performance increases (\$1,468), and for structure adjustments to the statewide salary plan (\$114). | 5,252 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,997 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 2,498 |
| Total Change | \$17,892 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|---------------------|
| 1. Design and construct a bomb truck garage, Perry, Houston County. | 5 | \$100,000 | \$23,100 |
| 2. Design and construct a bomb truck garage, Savannah, Chatham County. | 5 | 100,000 | 23,100 |
| 3. Facility roofing, electrical, and HVAC repairs and renovations, statewide. | 5 | 395,000 | 91,245 |
| 4. Roof replacement at headquarters building, Decatur, DeKalb County. | 20 | 570,000 | 48,678 |
| Total | | \$1,165,000 | \$186,123 |

Georgia Bureau of Investigation

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Centralized Scientific Services | | | | |
| 1. Maintain an accuracy rate of at least 97% for all criminal history information processed by the Georgia Crime Information Center repository | 99% | 98% | 97% | 97% |
| 2. Percentage of medical examinations completed same day as received in the regional lab locations | 84% | 89% | 90% | 90% |
| 3. Number of service requests older than 30 days in the regional lab locations | 626 | 1,116 | 1,000 | 1,000 |
| Regional Investigative Services | | | | |
| 1. Number of criminal investigations worked by the Investigative Division | 2,474 | 2,269 | 2,269 | 2,337 |
| 2. Number of arrests by the Investigative Division | 1,123 | 1,547 | 1,547 | 1,593 |
| Task Forces | | | | |
| 1. Value of contraband seized by the Investigative Division | \$32,168,096 | \$39,967,264 | \$39,967,264 | \$39,967,264 |
| Criminal Justice Coordinating Council | | | | |
| 1. Number of victims served by grant funded programs | 2,730 | 1,960 | 4,104 | 4,104 |

Georgia Bureau of Investigation

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$9,521,414 | \$9,905,012 | \$11,046,485 | \$9,882,735 | \$10,081,295 |
| Centralized Scientific Services | 14,945,373 | 14,746,734 | 13,825,143 | 14,657,652 | 16,941,383 |
| Criminal Justice Information Services | 15,508,340 | 14,617,863 | 10,460,913 | 10,446,135 | 15,200,443 |
| Georgia Information Sharing and Analysis Center | 1,449,101 | 1,360,288 | 891,008 | 900,235 | 1,278,506 |
| Regional Forensic Services | 7,997,956 | 8,215,609 | 8,486,897 | 8,974,033 | 8,932,164 |
| Regional Investigative Services | 21,948,492 | 23,043,772 | 25,750,276 | 25,216,322 | 28,328,573 |
| Special Operations Unit | 3,579,344 | 1,947,550 | 784,354 | 883,692 | 3,893,991 |
| State Healthcare Fraud Unit | 3,751,936 | 4,422,610 | 1,169,624 | 1,175,725 | 5,586,850 |
| Task Forces | 1,565,437 | 1,001,474 | 1,177,946 | | 1,224,178 |
| SUBTOTAL FUNDS | \$80,267,393 | \$79,260,912 | \$73,592,646 | \$72,136,529 | \$91,467,383 |
| ATTACHED AGENCIES: | | | | | |
| Criminal Justice Coordinating Council | \$43,270,401 | \$36,212,188 | \$35,446,629 | \$35,853,557 | \$35,464,521 |
| TOTAL FUNDS | \$123,537,794 | \$115,473,100 | \$109,039,275 | \$107,990,086 | \$126,931,904 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$38,045,509 | \$40,480,974 | \$29,883,487 | \$29,883,487 | \$45,055,300 |
| Other Funds | 15,681,366 | 19,757,877 | 4,887,711 | 4,887,335 | 5,075,723 |
| Subtotal | \$53,726,875 | \$60,238,851 | \$34,771,198 | \$34,770,822 | \$50,131,023 |
| State General Funds | \$69,810,919 | \$55,234,249 | \$74,268,077 | \$73,219,264 | \$76,800,881 |
| TOTAL STATE FUNDS | \$69,810,919 | \$55,234,249 | \$74,268,077 | \$73,219,264 | \$76,800,881 |
| Positions | 853 | 861 | 882 | 871 | 890 |
| Motor Vehicles | 537 | 537 | 537 | 530 | 543 |

Georgia Bureau of Investigation

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|---------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$74,268,077 | \$2,532,804 | \$76,800,881 |
| TOTAL STATE FUNDS | \$74,268,077 | \$2,532,804 | \$76,800,881 |
| Federal Funds | 29,883,487 | 15,171,813 | 45,055,300 |
| Other Funds | 4,887,711 | 188,012 | 5,075,723 |
| TOTAL FUNDS | \$109,039,275 | \$17,892,629 | \$126,931,904 |
| Administration | | | |
| State General Funds | \$11,038,239 | (\$1,059,046) | \$9,979,193 |
| Federal Funds | 6,812 | 93,856 | 100,668 |
| Other Funds | 1,434 | | 1,434 |
| Total Funds | \$11,046,485 | (\$965,190) | \$10,081,295 |
| Centralized Scientific Services | | | |
| State General Funds | \$13,821,542 | \$1,104,933 | \$14,926,475 |
| Federal Funds | | 1,859,298 | 1,859,298 |
| Other Funds | 3,601 | 152,009 | 155,610 |
| Total Funds | \$13,825,143 | \$3,116,240 | \$16,941,383 |
| Criminal Justice Information Services | | | |
| State General Funds | \$10,458,309 | \$736,346 | \$11,194,655 |
| Federal Funds | | 4,003,184 | 4,003,184 |
| Other Funds | 2,604 | | 2,604 |
| Total Funds | \$10,460,913 | \$4,739,530 | \$15,200,443 |
| Georgia Information Sharing and Analysis Center (GISAC) | | | |
| State General Funds | \$890,529 | \$27,473 | \$918,002 |
| Federal Funds | | 360,025 | 360,025 |
| Other Funds | 479 | | 479 |
| Total Funds | \$891,008 | \$387,498 | \$1,278,506 |
| Regional Forensic Services | | | |
| State General Funds | \$8,484,642 | \$445,267 | \$8,929,909 |
| Other Funds | 2,255 | | 2,255 |
| Total Funds | \$8,486,897 | \$445,267 | \$8,932,164 |
| Regional Investigative Services | | | |
| State General Funds | \$25,545,794 | \$1,108,574 | \$26,654,368 |
| Federal Funds | | 1,435,444 | 1,435,444 |
| Other Funds | 204,482 | 34,279 | 238,761 |
| Total Funds | \$25,750,276 | \$2,578,297 | \$28,328,573 |

Georgia Bureau of Investigation

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|-------------|---------------------------|
| State Healthcare Fraud Unit | | | |
| State General Funds | \$1,169,237 | \$19,252 | \$1,188,489 |
| Federal Funds | | 4,396,250 | 4,396,250 |
| Other Funds | 387 | 1,724 | 2,111 |
| Total Funds | \$1,169,624 | \$4,417,226 | \$5,586,850 |
| Special Operations Unit | | | |
| State General Funds | \$784,154 | \$85,881 | \$870,035 |
| Federal Funds | | 3,023,756 | 3,023,756 |
| Other Funds | 200 | | 200 |
| Total Funds | \$784,354 | \$3,109,637 | \$3,893,991 |
| Task Forces | | | |
| State General Funds | \$1,177,570 | \$46,232 | \$1,223,802 |
| Other Funds | 376 | | 376 |
| Total Funds | \$376 | \$46,232 | \$1,224,178 |
| Agencies Attached for Administrative Purposes: | | | |
| Criminal Justice Coordinating Council | | | |
| State General Funds | \$898,061 | \$17,892 | \$915,953 |
| Federal Funds | 29,876,675 | | 29,876,675 |
| Other Funds | 4,671,893 | | 4,671,893 |
| Total Funds | \$35,446,629 | \$17,892 | \$35,464,521 |

Department of Juvenile Justice

Roles, Responsibilities, and Organization

The Department of Juvenile Justice (DJJ) was created by the General Assembly in its 1992 session. The department's role is twofold:

- Provide for the supervision, detention and rehabilitation of juvenile delinquents committed to the state's custody or supervision; and,
- Provide necessary public safety services by appropriately separating youth offenders from the community.

The department accomplishes its mission through the operation of its five programs: Community Non-Secure Services, Community Supervision, Secure Detention, Secure Commitment and Administration. DJJ provides its services to nearly 60,000 youth every year, and maintains a daily population of about 22,000. Youth who enter into the department's care include those sentenced to probation, short-term incarceration or committed to the state's custody as part of a long-term secure confinement plan.

Based on a needs assessment, youth placed in the department's care receive a variety of rehabilitative services, as well as required educational programming. The department operates as a separate state school district, and has received full Southern Association of Colleges and Schools (SACS) accreditation for both its regular and vocational education components. Juvenile offenders participate in many therapeutic and counseling programs that support their transition back into their communities and reduce the risk of future delinquent activity. One of the department's foremost principles is that of Balanced and Restorative Justice, a set of values that asks that the primary stakeholders in a crime be involved in repairing the harm caused and work to ensure that the community is a stronger

place following the incident. DJJ operates under the guidance of a 15-member board appointed by the Governor.

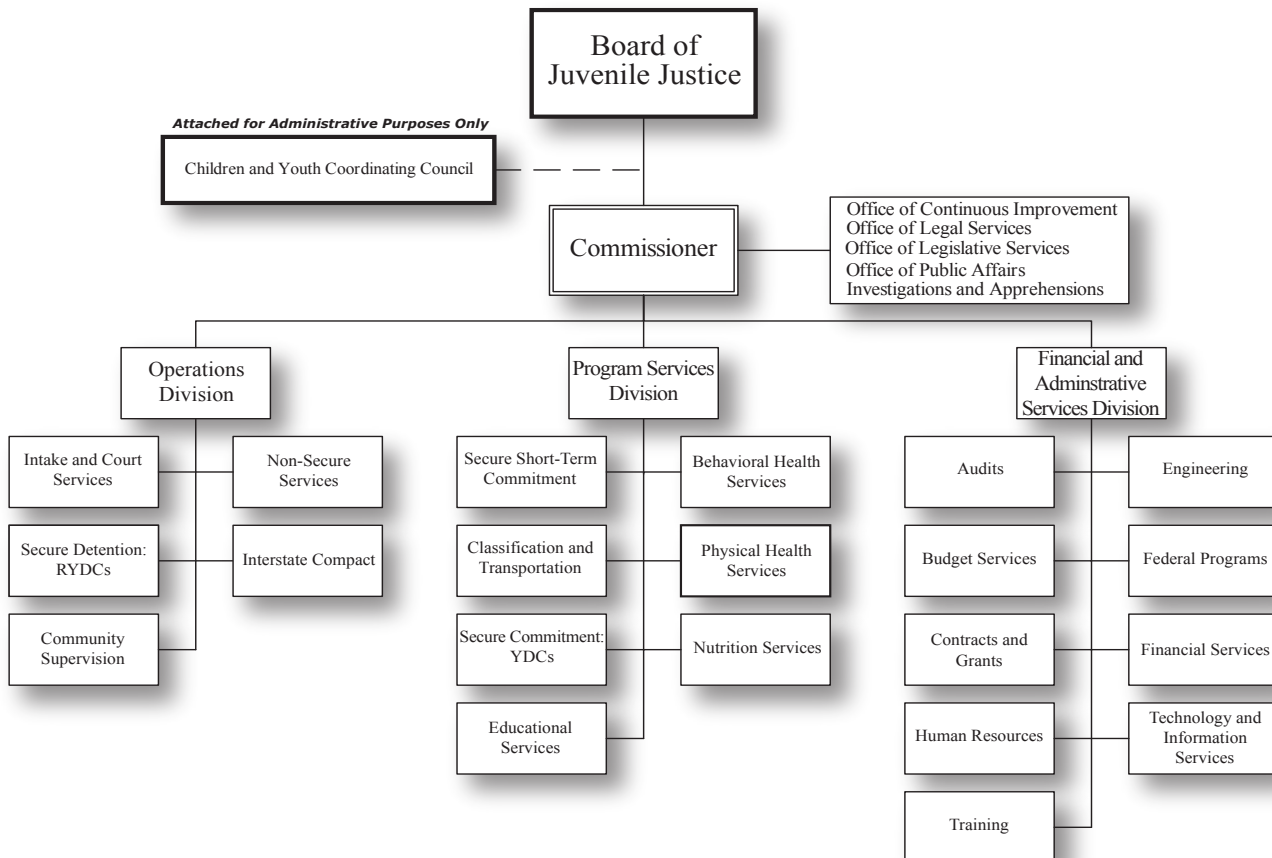
COMMUNITY NON-SECURE SERVICES AND COMMUNITY SUPERVISION

These programs house the services provided to youth offenders placed in community settings as a result of directives issued by the Juvenile Court system. A broad continuum of specific programs delivering supervisory and rehabilitative services are provided to these youthful offenders, including residential therapeutic treatment, wilderness programs, group homes, multi-systemic therapy services, intensive supervision programs and electronic monitoring. Some 20,000 youth reside in community-based settings on any given day while in the department's care.

The Community Supervision program contains all employees responsible for administering those programs housed within the Community Non-Secure Services program. Over 850 of the department's 4,200 staff members are part of the Community Supervision program. Most of these are Juvenile Probation and Parole Specialists, whose primary task is to supervise and maintain continuous interaction with youths placed in their charge.

SECURE DETENTION

All of the state's 22 Regional Youth Detention Centers (RYDCs) are included in the Secure Detention program. RYDC facilities are designed to provide a secure placement for youth awaiting formal adjudication for an offense. Nearly 1,700 staff work in these facilities,



Department of Juvenile Justice

Roles, Responsibilities, and Organization

located across the state and housing an average daily population of approximately 1,200 youth.

SECURE COMMITMENT

The state currently operates eight Youth Detention Campus (YDC) facilities, which house juvenile offenders committed to the state for a maximum of two years, and those youth sentenced to a short-term incarceration program for a maximum of 60 days. These facilities employ approximately 1,400 staff who provide services to an average daily population of nearly 1,000 youth.

Both RYDC and YDC facilities provide the youths housed therein with a variety of services, including academic, recreational, vocational, medical, counseling and other therapeutic programs.

ATTACHED AGENCY

The Children and Youth Coordinating Council (CYCC) is attached for administrative purposes to DJJ, and operates under the guidance of a

23 member board. The Council's goal is to assist local communities in preventing juvenile delinquency through the provision of state and federal grants, technical assistance and training of service providers.

CYCC currently funds 120 community-based programs in Georgia totaling approximately \$6.7 million in five program areas: delinquency prevention and early intervention, enforcement of underage drinking laws, the Juvenile Accountability Block Grant (JABG), Title V prevention and abstinence education.

AUTHORITY

Titles 15-11, 39-3, and 49-4A, Official Code of Georgia Annotated.

Department of Juvenile Justice

Program Budget Financial Summary

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|---------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$321,988,293 | \$24,434,604 | \$346,422,897 |
| TOTAL STATE FUNDS | \$321,988,293 | \$24,434,604 | \$346,422,897 |
| Federal Funds | 2,644,894 | 97,000 | 2,741,894 |
| Other Funds | 18,635,165 | (4,981,075) | 13,654,090 |
| TOTAL FUNDS | \$343,268,352 | \$19,550,529 | \$362,818,881 |

Department Statewide Budget Changes (Information Only):

| | |
|---|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$3,505,324 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 for the department (\$2,498,736), for performance increases for the department (\$999,495), for employees in specified critical jobs (\$1,212,107), and for structure adjustments to the statewide salary plan (\$65,776). | 4,776,114 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,878,485 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | 832,262 |
| Total Change | \$10,992,185 |

Administration

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$210,191 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$200,229), for performance increases (\$80,092), and for structure adjustments to the statewide salary plan (\$5,721). | 286,042 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 112,416 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | 49,936 |
| Total Change | \$658,585 |

Community Non-Secure Commitment

Purpose: Protect the public, hold youth accountable for their actions, and assist youth in becoming law-abiding citizens by providing non-hardware secure community-based residential placement or services for committed youth.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$27,131 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$29,370), and for performance increases (\$13,536). | 42,906 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 16,863 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | 7,489 |
| 5. Provide a 3% Consumer Price Index-related increase for contractors who provide residential services to adjudicated youth, and manage contractual costs to develop community and secure facility-based placement services. | 566,055 |
| 6. Transfer funds from the Community Non-Secure Commitment program to the Secure Commitment program (\$1,068,413) and the Secure Detention program (\$1,400,000) to provide adequate secure facility capacity. | (2,468,413) |
| 7. Provide state funds to fully operate the Institutional Foster Care system as required by revised federal administrative rules (\$5,000,000) and meet projected expenses (\$266,580). | 5,266,580 |

Department of Juvenile Justice

Program Budget Financial Summary

| | |
|--|-------------|
| 8. Eliminate the Short Term Placement program by closing McIntosh YDC (\$3,435,074), discontinuing two residential wilderness programs (\$2,976,535), and repurposing the Savannah River Challenge YDC facility from short term to long term placement beds for committed youth to provide for better outcomes related to youth recidivism and redirect associated funding to community-based supervisory staff with 67 additional juvenile probation and parole positions and infrastructure investments. | Yes |
| 9. Reflect projected loss of federal and other funds due to revisions of the administrative rules related to Institutional Foster Care (Total funds: \$5,000,000). | Yes |
| Total Change | \$3,458,611 |

Community Supervision

Purpose: Protect the public, hold youth accountable for their actions, and assist youth in becoming law-abiding citizens.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$667,320 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$460,970), for performance increases (\$184,388), for employees in specified critical jobs (\$247,270), for special adjustments to selected job classes, and for structure adjustments to the statewide salary plan (\$13,171). | 905,799 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 355,984 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | 158,130 |
| 5. Add 67 juvenile probation and parole staff in the Community Supervision program to supervise and provide rehabilitative services to youth placed in community settings rather than secure facilities. | 3,199,738 |
| Total Change | \$5,286,971 |

Secure Commitment

Purpose: Protect the public and hold youth accountable for their actions by providing temporary, secure, and safe care, and supervise of high-risk youth.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,182,965 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$819,962), for performance increases (\$327,985), for employees in specified critical jobs (\$439,995), for special adjustments to selected job classes, and for structure adjustments to the statewide salary plan (\$23,427). | 1,611,369 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Total Funds: \$639,674). | 633,277 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | 281,305 |
| 5. Transfer funds from the Community Non-Secure Commitment program to the Secure Commitment program and the Secure Detention program to provide adequate secure facility capacity. | 1,068,413 |
| 6. Eliminate the Short Term Placement program by closing McIntosh YDC (\$3,435,074), discontinuing two residential wilderness programs (\$2,976,535), and repurposing the Savannah River Challenge YDC facility from short term to long term placement beds for committed youth to provide for better outcomes related to youth recidivism and redirect associated funding to community-based supervisory staff with 67 additional juvenile probation and parole positions and infrastructure investments. | Yes |
| Total Change | \$4,777,329 |

Secure Detention

Purpose: Protect the public and hold youth accountable for their actions by providing temporary, secure, and safe care, and supervise of high-risk youth.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,410,055 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$981,955), for performance increases (\$390,994), for employees in specified critical jobs (\$524,842), for special adjustments to selected job classes, and for structure adjustments to the statewide salary plan (\$23,457). | 1,921,248 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 755,061 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | 335,402 |

Department of Juvenile Justice Program Budget Financial Summary

| | |
|---|-------------|
| 5. Transfer funds from the Community Non-Secure commitment program to the Secure Commitment program and the Secure Detention program to provide adequate secure facility capacity. | 1,400,000 |
| 6. Provide a 3% Consumer Price Index-related increase for contractors who provide residential services to adjudicated youth, and manage contractual costs to develop community- and secure facility-based placement services. | 2,645,554 |
| 7. Transfer funds from Secure Detention program to the Children and Youth Coordinating Council to cover statewide budget changes reflected in HB 95. | (13,100) |
| Total Change | \$8,454,220 |

Agencies Attached for Administrative Purposes:

Children and Youth Coordinating Council

Purpose: Assist local communities in preventing and reducing juvenile delinquency.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$7,662 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$6,250), and for performance increases (\$2,500) . | 8,750 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 4,884 |
| 4. Provide one-time funding for a system of care pilot to coordinate delivery of community-based services for children with severe emotional disorders. | 2,000,000 |
| 5. Reduce 6 positions as a result of the administrative efficiencies gained through the consolidation of CYCC and Children's Trust Fund to create the Office of Children and Families. | (182,054) |
| 6. Transfer 1 position to the Office of Planning and Budget for administrative support of the Office of Children and Families. | (53,454) |
| 7. Transfer funds from Secure Detention program to CYCC to cover statewide budget changes reflected in HB 95. | 13,100 |
| 8. Reflect increase of Federal Formula grant award in FFY 2007 (Total Funds: \$97,000). | Yes |
| Total Change | \$1,798,888 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| 1. Major repairs at various facilities statewide. | 5 | \$4,345,000 | \$1,003,695 |
| 2. Minor construction and renovations at various facilities statewide. | 5 | 6,810,000 | 1,573,110 |
| Total | | \$11,155,000 | \$2,576,805 |

Department of Juvenile Justice

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Community Supervision | | | | |
| 1. Percent of youth served in the community | 34% | 39% | 39% | 39% |
| 2. Percent of youth discharged from commitment to department that are recommitted or resentenced within one year of release | 22% | 27% | 27% | 27% |
| 3. Percent of youth discharged from commitment to department that are recommitted or resentenced within three years of release | 43% | 43% | 43% | 43% |
| Secure Commitment | | | | |
| 1. Average utilization rate of available bed space | 91% | 96% | 100% | 100% |
| Secure Detention | | | | |
| 1. Average utilization rate of available bed space | 97% | 99% | 102% | 102% |

Department of Juvenile Justice

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|--------------------------|--------------------------|---------------------------|------------------------------------|---|
| Administration | \$28,502,020 | \$28,940,196 | \$28,253,414 | \$28,463,605 | \$28,913,135 |
| Community Non-Secure Services | 51,126,348 | 53,121,231 | 56,672,010 | 53,370,189 | 55,130,790 |
| Community Supervision | 40,708,929 | 44,093,868 | 54,827,574 | 58,694,632 | 60,118,141 |
| Secure Commitment | 91,755,981 | 89,614,311 | 96,962,777 | 95,515,470 | 101,746,503 |
| Secure Detention | 89,955,872 | 97,312,747 | 103,392,729 | 108,835,238 | 111,854,576 |
| SUBTOTAL FUNDS (Excludes Attached Agencies) | \$302,049,150 | \$313,082,353 | \$340,108,504 | \$344,879,134 | \$357,763,145 |
| <u>ATTACHED AGENCIES:</u> | | | | | |
| Children and Youth Coordinating Council | \$6,226,812 | \$7,339,533 | \$3,159,848 | \$3,270,446 | \$5,055,736 |
| TOTAL FUNDS | \$308,275,962 | \$320,421,886 | \$343,268,352 | \$348,149,580 | \$362,818,881 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$14,619,329 | \$9,791,913 | \$2,644,894 | \$2,741,894 | \$2,741,894 |
| Other Funds | 8,761,220 | 16,728,544 | 18,635,165 | 13,371,554 | 13,654,090 |
| Subtotal | \$23,380,549 | \$26,520,457 | \$21,280,059 | \$16,113,448 | \$16,395,984 |
| State General Funds | \$284,895,413 | \$293,901,429 | \$321,988,293 | \$332,036,132 | \$346,422,897 |
| TOTAL STATE FUNDS | \$284,895,413 | \$293,901,429 | \$321,988,293 | \$332,036,132 | \$346,422,897 |
| Positions | 4,257 | 4,386 | 4,693 | 4,760 | 4,760 |
| Motor Vehicles | 275 | 277 | 278 | 278 | 278 |

Department of Juvenile Justice

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$321,988,293 | \$24,434,604 | \$346,422,897 |
| TOTAL STATE FUNDS | \$321,988,293 | \$24,434,604 | \$346,422,897 |
| Federal Funds | 2,644,894 | 97,000 | 2,741,894 |
| Other Funds | 18,635,165 | (4,981,075) | 13,654,090 |
| TOTAL FUNDS | \$343,268,352 | \$19,550,529 | \$362,818,881 |
| Administration | | | |
| State General Funds | \$28,050,733 | \$658,585 | \$28,709,318 |
| Other Funds | 202,681 | 1,136 | 203,817 |
| Total Funds | <u>\$28,253,414</u> | <u>\$659,721</u> | <u>\$28,913,135</u> |
| Community Non-Secure Services | | | |
| State General Funds | \$46,669,391 | \$3,458,611 | \$50,128,002 |
| Other Funds | 10,002,619 | (4,999,831) | 5,002,788 |
| Total Funds | <u>\$56,672,010</u> | <u>(\$1,541,220)</u> | <u>\$55,130,790</u> |
| Community Supervision | | | |
| State General Funds | \$50,528,647 | \$5,286,971 | \$55,815,618 |
| Other Funds | 4,298,927 | 3,596 | 4,302,523 |
| Total Funds | <u>\$54,827,574</u> | <u>\$5,290,567</u> | <u>\$60,118,141</u> |
| Secure Commitment | | | |
| State General Funds | \$93,969,041 | \$4,777,329 | \$98,746,370 |
| Federal Funds | 892,894 | | 892,894 |
| Other Funds | 2,100,842 | 6,397 | 2,107,239 |
| Total Funds | <u>\$96,962,777</u> | <u>\$4,783,726</u> | <u>\$101,746,503</u> |
| Secure Detention | | | |
| State General Funds | \$101,362,633 | \$8,454,220 | \$109,816,853 |
| Other Funds | 2,030,096 | 7,627 | 2,037,723 |
| Total Funds | <u>\$103,392,729</u> | <u>\$8,461,847</u> | <u>\$111,854,576</u> |
| Agencies Attached for Administrative Purposes: | | | |
| Children and Youth Coordinating Council | | | |
| State General Funds | \$1,407,848 | \$1,798,888 | \$3,206,736 |
| Federal Funds | 1,752,000 | 97,000 | 1,849,000 |
| Total Funds | <u>\$3,159,848</u> | <u>\$1,895,888</u> | <u>\$5,055,736</u> |

Department of Labor

Roles, Responsibilities, and Organization

The Department of Labor is empowered to administer federal labor programs and to enforce various state laws pertaining to labor, with an overall mission to promote the economic well-being of the state. The department's core businesses are workforce services and rehabilitation services.

WORKFORCE SERVICES

One of the department's primary responsibilities is the administration of the public employment service in the state through a statewide network of 53 offices. It provides an array of services, including: the referral of qualified applicants to employers; counseling and other services to help evaluate workers' job skills and better prepare them for available jobs; and the referral to services provided by other agencies in the community.

In a partnership with businesses and other community leaders, the department provides job training to economically disadvantaged individuals, non-traditional employees, and dislocated workers to increase employment opportunities and improve the quality of the labor force in Georgia. The one-stop system delivers these comprehensive workforce development services to customers. For employers, the division provides "no-cost" labor exchange services that include the maintenance of interstate and intrastate job banks, employment screening, on-the-job training programs, and tax credits through the Worker Opportunities Tax Credit Act.

Additionally, the department serves at-risk youth through its Jobs for Georgia Graduates program, which offers career exploration, leadership skill development, and mentoring services to assist high school students in completing their secondary education and to prepare them for higher education, military service, or employment.

The department reduces the adverse impact of unemployment by providing monetary payments to eligible individuals for a limited period and by assisting employers in minimizing their unemployment insurance tax liability. Disability Adjudication Services determines eligibility for Supplemental Security Income and Social Security Disability Income benefits for those individuals who are no longer able to work. The department also administers Georgia laws regulating the employment of children.

Compiling and disseminating labor market information is another responsibility of the department. Available information includes data on employment, worker availability, wages, and trends. Several of the statistical series published by the department, such as Georgia Labor Market Trends and Area Labor Profiles, serve as key indicators of the state's economic health.

The department is also responsible for workplace safety. It has regulatory responsibility for equipment such as elevators, escalators, safety glass, amusement and carnival rides, high voltage apparatus, boilers, and pressure vessels. It also provides training and information on workplace exposure to hazardous chemicals and incident reports.

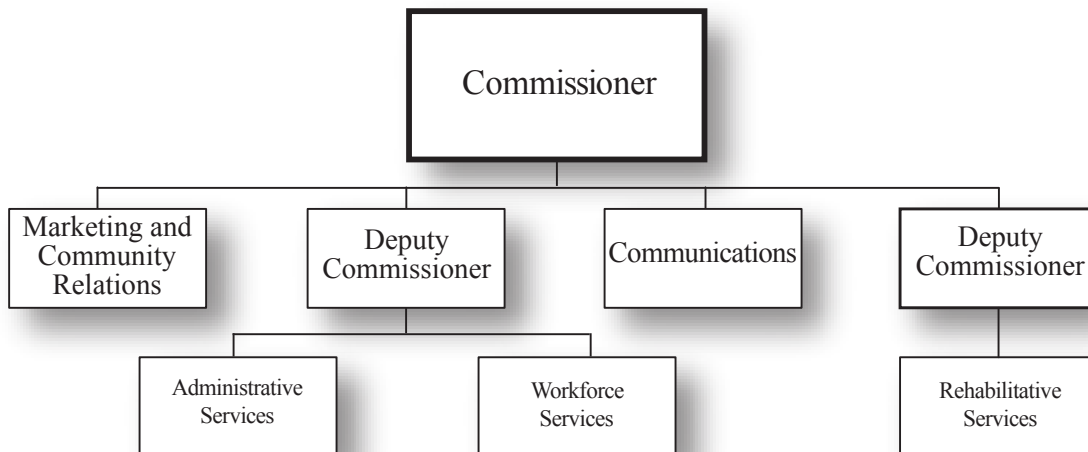
REHABILITATION SERVICES

The department provides opportunities for work and personal independence for Georgians with disabilities. In pursuit of this goal, the department administers several programs: the Business Enterprise Program, which assists severely visually impaired individuals in becoming private vendors; Georgia Industries for the Blind, which provides employment for severely visually impaired and disabled individuals; Vocational Rehabilitation, which prepares people with disabilities for successful employment outcomes; and Roosevelt Warm Springs Institute for Rehabilitation.

The Roosevelt Warm Springs Institute is a statewide comprehensive rehabilitation facility serving people with severe disabilities. The goal of the institute is to increase the self-sufficiency of people with disabilities so they can better manage their disabilities, live independently, and maintain employment.

AUTHORITY

Titles 8, 30-2, 34, 39 and 46, Official Code of Georgia Annotated. The U.S. Vocational Rehabilitation Act of 1973, as amended; Georgia Rehabilitation Act. Public Laws 93-112, 93-516, 94-230, 95-602, 98-221, 99-506, 100-230 and the Social Security Act, as amended.



Department of Labor

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|---------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$55,209,022 | \$1,249,893 | \$56,458,915 |
| TOTAL STATE FUNDS | \$55,209,022 | \$1,249,893 | \$56,458,915 |
| Federal Funds | 260,232,588 | 67,430,979 | 327,663,567 |
| Other Funds | 38,198,678 | | 38,198,678 |
| TOTAL FUNDS | \$353,640,288 | \$68,680,872 | \$422,321,160 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$639,528 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$456,833), for performance increases (\$182,733), and for structure adjustments to the statewide salary plan (\$52,540). | 692,106 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 337,459 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (447,112) |
| Total Change | \$1,221,981 |

Administration - Department of Labor

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$42,337 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$31,827), for performance increases (\$12,731), and for structure adjustments to the statewide salary plan (\$3,661). | 48,219 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 23,512 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | (34,883) |
| 5. Increase federal funds (\$24,816,917) to reflect projected expenses for FY 2009. | Yes |
| Total Change | \$79,185 |

Administration - Division of Rehabilitation

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$17,267 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$12,443), for performance increases (\$4,977), and for structure adjustments to the statewide salary plan (\$1,431). | 18,851 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 9,191 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | (12,840) |
| 5. Increase federal funds (\$530,000) to reflect projected expenses for FY 2009. | Yes |
| Total Change | \$32,469 |

Business Enterprise Program

Purpose: Assist people who are blind in becoming successful contributors to the state's economy.

Recommended Change:

| | |
|--|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$3,517 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$2,509), for performance increases (\$1,004), and for structure adjustments to the statewide salary plan (\$289). | 3,802 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,853 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | (2,788) |
| 5. Increase federal funds (\$650,000) to reflect projected expenses for FY 2009. | Yes |
| Total Change | \$6,384 |

Department of Labor

FY 2009 Program Budgets

Commission on Women

Purpose: Advance the health, education, economic, social, and legal status of women in Georgia.

Recommended Change:

- | | | |
|----|--------------|-----|
| 1. | No change. | \$0 |
| | Total Change | \$0 |

Disability Adjudication Section

Purpose: Efficiently process applications for federal disability programs so that eligible Georgia citizens can obtain support.

Recommended Change:

- | | | |
|----|--------------|-----|
| 1. | No change. | \$0 |
| | Total Change | \$0 |

Georgia Industries for the Blind

Purpose: Employ people who are blind in manufacturing and packaging facilities in Bainbridge and Griffin.

Recommended Change:

- | | | |
|----|---|-----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$86,848 |
| 2. | Provide for a general salary increase of 2.5% effective January 1, 2009 (\$64,583), for performance increases (\$25,833), and for structure adjustments to the statewide salary plan (\$7,428). | 97,844 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 47,707 |
| 4. | Reflect an adjustment in the Worker's Compensation premium rate structure. | (12,123) |
| | Total Change | \$220,276 |

Labor Market Information

Purpose: Collect, analyze, and publish a wide array of information about the state's labor market.

Recommended Change:

- | | | |
|----|---|----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$10,616 |
| 2. | Provide for a general salary increase of 2.5% effective January 1, 2009 (\$8,038), for performance increases (\$3,215), and for structure adjustments to the statewide salary plan (\$924). | 12,177 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,938 |
| 4. | Reflect an adjustment in the Worker's Compensation premium rate structure. | (7,366) |
| | Total Change | \$21,365 |

Roosevelt Warm Springs Institute

Purpose: Empower individuals with disabilities to achieve personal independence.

Recommended Change:

- | | | |
|----|---|-----------|
| 1. | Annualize the cost of the FY 2008 salary adjustment. | \$72,204 |
| 2. | Provide for a general salary increase of 2.5% effective January 1, 2009 (\$51,285), for performance increases (\$20,514), and for structure adjustments to the statewide salary plan (\$5,898). | 77,697 |
| 3. | Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 37,884 |
| 4. | Reflect an adjustment in the Worker's Compensation premium rate structure. | (57,618) |
| 5. | Increase federal funds (\$542,247) to reflect projected expenses for FY 2009. | Yes |
| | Total Change | \$130,167 |

Department of Labor

FY 2009 Program Budgets

Safety Inspections

Purpose: Promote and protect public safety, provide training and information on workplace exposure to hazardous chemicals, and promote industrial safety.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$36,069 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$27,096), for performance increases (\$10,838), and for structure adjustments to the statewide salary plan (\$3,116). | 41,050 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 20,015 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | (33,243) |
| 5. Fill two safety inspector positions, add four new safety inspectors, and one new clerical position to meet increased workload needs. | 504,912 |
| Total Change | \$568,803 |

Unemployment Insurance

Purpose: Enhance Georgia's economic strength by collecting unemployment insurance taxes from Georgia's employers and distributing unemployment benefits to eligible claimants.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$148,881 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$100,736), for performance increases (\$40,295), and for structure adjustments to the statewide salary plan (\$11,586). | 152,617 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 74,413 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | (106,434) |
| 5. Increase federal funds (\$12,592,837) to reflect projected expenses for FY 2009. | Yes |
| Total Change | \$269,477 |

Vocational Rehabilitation

Purpose: Assist people with disabilities so that they may go to work.

Recommended Change:

| | |
|--|------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$116,843 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$82,563), for performance increases (\$33,025), and for structure adjustments to the statewide salary plan (\$9,496). | 125,084 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 60,989 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | (90,615) |
| 5. Delete one-time funding for the Hinesville Center for the Georgia Center for the Hearing Impaired. | (167,000) |
| 6. Delete one-time funding for the Albany Advocacy Resource Center. | (50,000) |
| 7. Delete funds received in HB1027 for SHARE. | (50,000) |
| 8. Delete funds received in HB1027 for Assistive Technology Centers and Reboot. | (30,000) |
| Total Change | (\$84,699) |

Workforce Development

Purpose: Assist employers and job seekers with job matching services and promote economic growth and development.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$104,946 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$75,752), for performance increases (\$30,301), and for structure adjustments to the statewide salary plan (\$8,712). | 114,765 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 55,957 |
| 4. Reflect an adjustment in the Worker's Compensation premium rate structure. | (89,202) |

Department of Labor FY 2009 Program Budgets

| | |
|---|---------------|
| 5. Reduce contractual services. | (180,000) |
| 6. Increase federal funds (\$28,298,978) to reflect projected expenses for FY 2009. | Yes |
| Total Change | <hr/> \$6,466 |

Department of Labor Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Business Enterprise Program | | | | |
| 1. Percentage of new blind vendors | 7% | 5% | 3% | 3% |
| 2. Amount collected in total sales | \$11,442,499 | \$11,240,292 | \$11,300,000 | \$11,350,000 |
| Disability Adjudication Section | | | | |
| 1. Percentage of disability benefit determinations shown to be correct in federal quality reviews | 222,257 | 204,218 | 212,529 | 218,905 |
| 2. Average time in days for processing a federal disability claim | \$453 | \$470 | \$480 | \$495 |
| Georgia Industries for the Blind | | | | |
| 1. Percentage of labor performed by individuals who are legally blind | 31,785 | 31,250 | 31,235 | 31,235 |
| 2. Number of blind persons employed | \$1,275 | \$1,272 | \$1,272 | \$1,272 |
| Labor Market Information | | | | |
| 1. Percentage response rate to the federal occupational employment statistics survey | 191,473 | 196,924 | 194,030 | 200,798 |
| Roosevelt Warm Springs institute | | | | |
| 1. Percentage of patients with a physical disability who demonstrate an increase in functional gain between admission and discharge | 87% | 90% | 90% | 90% |
| Safety Inspections | | | | |
| 1. Number of elevator and escalator inspections conducted by state inspectors | 28,751 | 27,997 | 35,352 | 35,352 |
| 2. Number of boiler and pressure vessel inspections conducted by state inspectors | 4,826 | 3,996 | 4,101 | 4,101 |
| Unemployment Insurance | | | | |
| 1. Average duration of unemployment insurance benefits in weeks | 11 | 11 | 12 | 12 |
| 2. Percentage of unemployment insurance benefits recipients who are paid accurately | 93% | 93% | 92% | 92% |
| Vocational Rehabilitation Program | | | | |
| 1. Percentage of clients who obtain and retain employment for at least 90 days during the year | 57% | 57% | 56% | 56% |
| Workforce Development | | | | |
| 1. Percentage of adults employed 90 days following Workforce Investment Act services | 81% | 78% | 82% | 82% |
| 2. Percentage of youth who obtain a job, earn a credential, or further their education following Workforce Investment Act services | 91% | 77% | 73% | 74% |

Department of Labor

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration - Department of Labor | \$38,572,584 | \$38,835,282 | \$14,087,612 | \$14,975,397 | \$38,983,714 |
| Administration - Division of Rehabilitation | 5,789,838 | 4,627,004 | 3,679,770 | 3,700,808 | 4,242,239 |
| Business Enterprise Program | 1,855,367 | 1,757,139 | 1,757,604 | 1,762,144 | 2,413,988 |
| Commission on Women | 98,177 | 92,290 | 93,172 | 93,172 | 93,172 |
| Disability Adjudication Section | 49,147,911 | 45,204,181 | 55,598,820 | 55,598,820 | 55,598,820 |
| Georgia Industries for the Blind | 10,673,151 | 10,194,972 | 12,159,221 | 12,249,606 | 12,379,497 |
| Labor Market Information | 3,041,904 | 3,140,059 | 2,993,819 | 3,124,904 | 3,015,184 |
| Roosevelt Warm Springs Institute | 31,642,572 | 29,567,084 | 32,523,277 | 32,611,219 | 33,195,691 |
| Safety Inspections | 2,826,647 | 2,858,254 | 3,102,084 | 3,723,324 | 3,670,887 |
| Unemployment Insurance | 53,149,459 | 60,077,374 | 47,691,819 | 50,462,224 | 60,554,133 |
| Vocational Rehabilitation Program | 83,195,974 | 82,765,949 | 86,141,780 | 87,310,068 | 86,057,081 |
| Workforce Development | 119,472,219 | 123,461,715 | 93,811,310 | 96,117,912 | 122,116,754 |
| TOTAL FUNDS | \$399,465,803 | \$402,581,303 | \$353,640,288 | \$361,729,598 | \$422,321,160 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$298,508,582 | \$315,518,044 | \$260,232,588 | \$261,341,038 | \$327,663,567 |
| Other Funds | 47,160,007 | 36,703,375 | 38,198,678 | 37,698,678 | 38,198,678 |
| Subtotal | \$345,668,589 | \$352,221,419 | \$298,431,266 | \$299,039,716 | \$365,862,245 |
| State General Funds | \$53,797,214 | \$50,359,884 | \$55,209,022 | \$62,689,882 | \$56,458,915 |
| TOTAL STATE FUNDS | \$53,797,214 | \$50,359,884 | \$55,209,022 | \$62,689,882 | \$56,458,915 |
| Positions | 3,887 | 3,890 | 3,894 | 3,922 | 3,899 |
| Motor Vehicles | 84 | 84 | 84 | 84 | 84 |

Department of Labor

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|---------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$55,209,022 | \$1,249,893 | \$56,458,915 |
| TOTAL STATE FUNDS | \$55,209,022 | \$1,249,893 | \$56,458,915 |
| Federal Funds Not Specifically Identified | 260,232,588 | 67,430,979 | 327,663,567 |
| Other Funds | 38,198,678 | | 38,198,678 |
| TOTAL FUNDS | \$353,640,288 | \$68,680,872 | \$422,321,160 |
| Administration - Department of Labor | | | |
| State General Funds | \$3,480,593 | \$79,185 | \$3,559,778 |
| Federal Funds Not Specifically Identified | 10,607,019 | 24,816,917 | 35,423,936 |
| Total Funds | <u>\$14,087,612</u> | <u>\$24,896,102</u> | <u>\$38,983,714</u> |
| Administration - Division of Rehabilitation | | | |
| State General Funds | \$2,296,252 | \$32,469 | \$2,328,721 |
| Federal Funds Not Specifically Identified | 1,383,518 | 530,000 | 1,913,518 |
| Total Funds | <u>\$3,679,770</u> | <u>\$562,469</u> | <u>\$4,242,239</u> |
| Business Enterprise Program | | | |
| State General Funds | \$441,519 | \$6,384 | \$447,903 |
| Federal Funds Not Specifically Identified | 1,316,085 | 650,000 | 1,966,085 |
| Total Funds | <u>\$1,757,604</u> | <u>\$656,384</u> | <u>\$2,413,988</u> |
| Commission on Women | | | |
| State General Funds | \$93,172 | | \$93,172 |
| Total Funds | <u>\$93,172</u> | <u>\$0</u> | <u>\$93,172</u> |
| Disability Adjudication Section | | | |
| Federal Funds Not Specifically Identified | \$55,598,820 | | \$55,598,820 |
| Total Funds | <u>\$55,598,820</u> | <u>\$0</u> | <u>\$55,598,820</u> |
| Georgia Industries for the Blind | | | |
| State General Funds | \$559,846 | \$220,276 | \$780,122 |
| Other Funds | 11,599,375 | | 11,599,375 |
| Total Funds | <u>\$12,159,221</u> | <u>\$220,276</u> | <u>\$12,379,497</u> |
| Labor Market Information | | | |
| State General Funds | \$743,946 | \$21,365 | \$765,311 |
| Federal Funds Not Specifically Identified | 2,249,873 | | 2,249,873 |
| Total Funds | <u>\$2,993,819</u> | <u>\$21,365</u> | <u>\$3,015,184</u> |
| Roosevelt Warm Springs Institute | | | |
| State General Funds | \$7,183,148 | \$130,167 | \$7,313,315 |
| Federal Funds Not Specifically Identified | 6,447,042 | 542,247 | 6,989,289 |
| Other Funds | 18,893,087 | | 18,893,087 |
| Total Funds | <u>\$32,523,277</u> | <u>\$672,414</u> | <u>\$33,195,691</u> |

Department of Labor Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|--------------|---------------------------|
| Safety Inspections | | | |
| State General Funds | \$2,933,532 | \$568,803 | \$3,502,335 |
| Federal Funds Not Specifically Identified | 168,552 | | 168,552 |
| Total Funds | \$3,102,084 | \$568,803 | \$3,670,887 |
| Unemployment Insurance | | | |
| State General Funds | \$11,111,470 | \$269,477 | \$11,380,947 |
| Federal Funds Not Specifically Identified | 36,580,349 | 12,592,837 | 49,173,186 |
| Total Funds | \$47,691,819 | \$12,862,314 | \$60,554,133 |
| Vocational Rehabilitation Program | | | |
| State General Funds | \$17,968,411 | (\$84,699) | \$17,883,712 |
| Federal Funds Not Specifically Identified | 65,667,153 | | 65,667,153 |
| Other Funds | 2,506,216 | | 2,506,216 |
| Total Funds | \$86,141,780 | (\$84,699) | \$86,057,081 |
| Workforce Development | | | |
| State General Funds | \$8,397,133 | \$6,466 | \$8,403,599 |
| Federal Funds Not Specifically Identified | 80,214,177 | 28,298,978 | 108,513,155 |
| Other Funds | 5,200,000 | | 5,200,000 |
| Total Funds | \$93,811,310 | \$28,305,444 | \$122,116,754 |

Department of Law

Roles, Responsibilities, and Organization

The Department of Law, headed by the Attorney General, provides legal representation and advice to the departments, officials, and employees of the executive branch of state government. The Attorney General is a constitutional officer elected to a four-year term in the same general election as the Governor.

The Department of Law represents the state in any civil and criminal case to which the state is a party, in all capital felony actions before the Georgia Supreme Court, and in all actions before the Supreme Court of the United States.

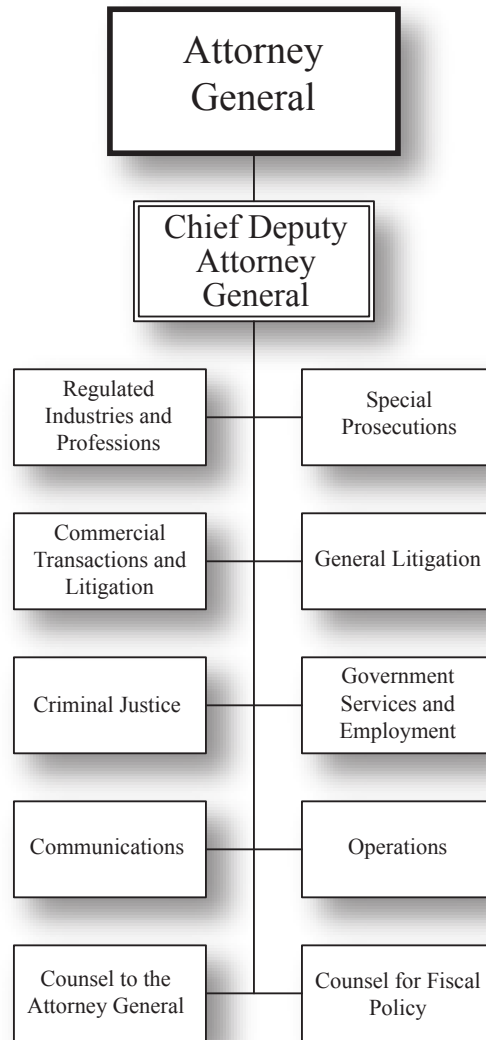
As the chief legal officer of the state and the legal advisor to the executive branch of state government, it is the duty of the Attorney General to provide opinions on any question of law involving the interests of the state or duties of any department. It is also the responsibility of the Attorney General to prepare and review contracts and other legal documents in which the state is interested and to draft proposed legislation or rules and regulations for state departments.

The Attorney General, as head of the Department of Law and chief legal officer of the state, is authorized to institute and conduct investigations at any time into the affairs of the state and its departments and agencies or the official conduct of any state official or employee, as well as the affairs of any person, firm, or corporation for violations in their dealings with the state. The Attorney General is also vested with complete and exclusive authority and jurisdiction in all matters of law relating to state authorities.

The Department of Law is organized into five legal divisions and an operations division, all of which are headed by the Attorney General. The specialized legal divisions – Regulated Industries and Professions, Commercial Transactions and Litigation, Criminal Justice, General Litigation, and Government Services and Employment – provide a full range of legal services to state departments, agencies, authorities, boards, bureaus, commissions, and institutions. These Executive Branch entities reimburse the department for the litigation expenses incurred, such as court costs, witness fees, filing costs, and reporting costs. In addition, the Special Prosecutions Unit carries out the prosecutorial functions vested in the Department of Law.

AUTHORITY

Title 35, Official Code of Georgia Annotated.



Department of Law

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 <u>Current Budget</u> | <u>Changes</u> | FY 2009 <u>Recommendation</u> |
|---------------------------|----------------------------------|--------------------|----------------------------------|
| State General Funds | <u>\$18,446,804</u> | <u>\$1,837,646</u> | <u>\$20,284,450</u> |
| TOTAL STATE FUNDS | \$18,446,804 | \$1,837,646 | \$20,284,450 |
| Other Funds | <u>36,826,240</u> | | <u>36,826,240</u> |
| TOTAL FUNDS | \$55,273,044 | \$1,837,646 | \$57,110,690 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$265,122 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$247,231) and for performance increases (\$98,893), and for special adjustments to selected job classes (\$960,258). | 1,306,382 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 222,914 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (28,748) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 71,976 |
| Total Change | \$1,837,646 |

Law

Purpose: To serve the citizens of the state of Georgia by providing legal representation of the highest quality to the agencies, officers, and employees of state government.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$265,122 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$247,231) and for performance increases (\$98,893), and for special adjustments to selected job classes (\$960,258). | 1,306,382 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 222,914 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (28,748) |
| 5. Increase the GBA real estate rental rate for office space. | 71,976 |
| 6. Redirect base level hospital acquisition funding (\$50,000) for projected hospital sales in FY 2009. | Yes |
| Total Change | \$1,837,646 |

Department of Law Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Law | \$54,357,905 | \$56,544,368 | \$55,273,044 | \$55,538,166 | \$57,110,690 |
| TOTAL FUNDS | \$54,357,905 | \$56,544,368 | \$55,273,044 | \$55,538,166 | \$57,110,690 |
| <u>Less:</u> | | | | | |
| Other Funds | \$37,143,504 | \$41,954,724 | \$36,826,240 | \$36,826,240 | \$36,826,240 |
| Subtotal | \$37,143,504 | \$41,954,724 | \$36,826,240 | \$36,826,240 | \$36,826,240 |
| State General Funds | \$17,214,401 | \$14,589,644 | \$18,446,804 | \$18,711,926 | \$20,284,450 |
| TOTAL STATE FUNDS | \$17,214,401 | \$14,589,644 | \$18,446,804 | \$18,711,926 | \$20,284,450 |
| Positions | 192 | 192 | 221 | 221 | 221 |
| Motor Vehicles | 2 | 1 | 1 | 1 | 1 |

Department of Law

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|--------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$18,446,804 | \$1,837,646 | \$20,284,450 |
| TOTAL STATE FUNDS | \$18,446,804 | \$1,837,646 | \$20,284,450 |
| Other Funds | 36,826,240 | | 36,826,240 |
| TOTAL FUNDS | \$55,273,044 | \$1,837,646 | \$57,110,690 |
| | | | |
| Law | | | |
| State General Funds | \$18,446,804 | \$1,837,646 | \$20,284,450 |
| Other Funds | 36,826,240 | | 36,826,240 |
| Total Funds | \$18,446,804 | \$1,837,646 | \$57,110,690 |

Department of Natural Resources

Roles, Responsibilities, and Organization

The Department of Natural Resources provides natural resource development, management, and protection services to Georgia's citizens and local governments. These services include the operation of state parks and historic sites; management and protection of wildlife and coastal resources; enforcement of wildlife, boating safety, and environmental laws; promotion of and assistance with pollution prevention; and protection and management of the state's water, air, and land resources in accordance with various state and federal laws.

PARKS, RECREATION, AND HISTORIC SITES

The program provides recreational opportunities to the citizens of Georgia through the development and operation of 48 parks and 15 historic sites. These parks and historic sites attracted over 11 million visitors during FY 2007. The program manages over 72,000 acres with such amenities as campgrounds, cottages, lodges, swimming pools, group camps, and golf courses.

WILDLIFE RESOURCES

Lands and freshwater habitats are managed by Wildlife Resources for public hunting, fishing, and educational purposes. This program also promotes the conservation and wise use of game and nongame wildlife resources. All state laws and departmental regulations regarding wildlife, fishery resources, wild animals, boating safety, and hunter safety are enforced by the law enforcement section. The program manages public fishing areas, wildlife management areas, and produces fish in state hatcheries.

COASTAL RESOURCES

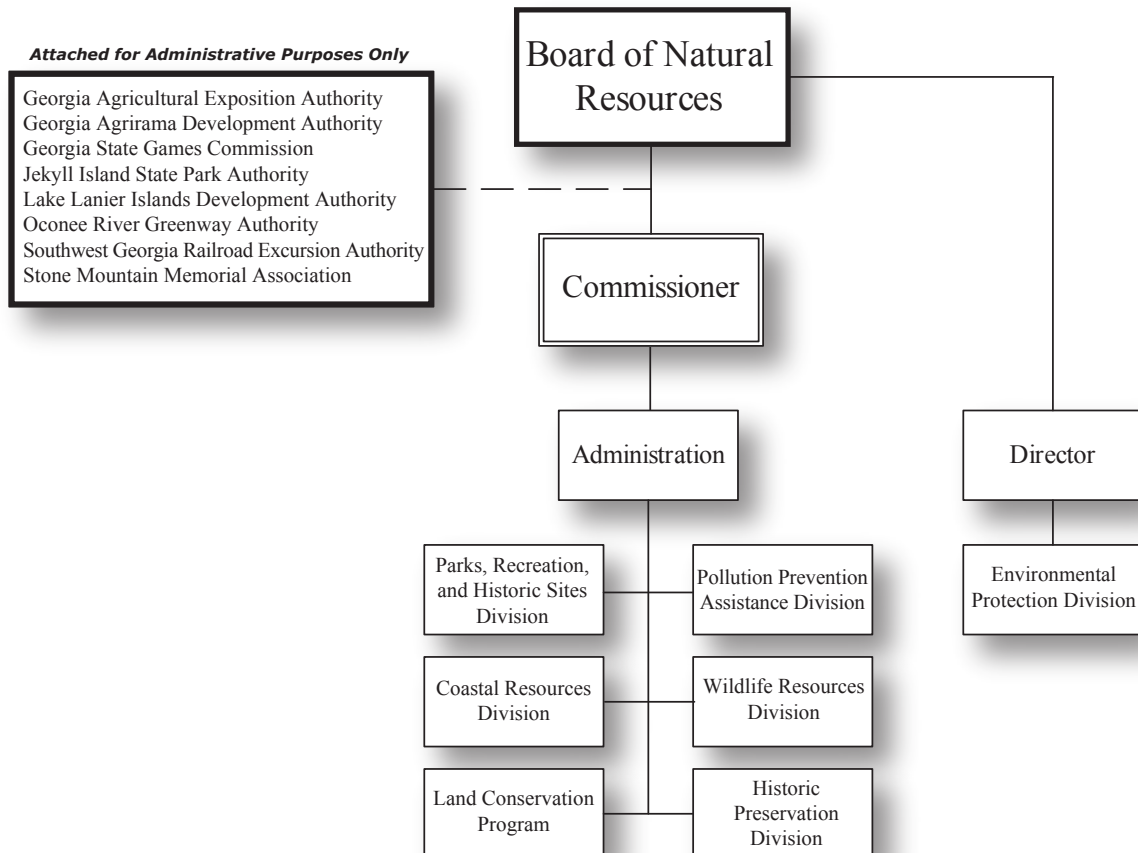
The primary objectives of this program are to ensure the optimum commercial and recreational utilization of Georgia's marine fisheries resources over the long term for the benefit of all Georgians and to protect, conserve, and restore populations of marine turtles and mammals. These objectives are accomplished through research, artificial reef development, and activities geared toward the protection of threatened and endangered marine species.

ENVIRONMENTAL PROTECTION

The program is largely a regulatory body whose main objective is to enforce state and federal laws, rules, and regulations regarding water quality, water supply, air quality, solid waste, and hazardous waste. These objectives are accomplished through a permitting process coupled with monitoring, inspection, investigation, and enforcement activities. The program also manages the Hazardous Waste Trust Fund and the Solid Waste Trust Fund.

HISTORIC PRESERVATION

The program provides historic preservation services and assistance to governmental agencies, private organizations, and individuals. Duties include proposing properties for nomination to both the National and the Georgia Register of Historic Places; providing grants to support state and local preservation projects; and offering technical assistance and information on tax incentives, archaeological matters, and other preservation programs.



Department of Natural Resources

Roles, Responsibilities, and Organization

POLLUTION PREVENTION

The program is a non-regulatory organization designed to serve as a one-stop source for Georgia businesses interested in finding ways to reduce their hazardous waste, solid waste, water, and air pollution problems through preventive measures.

ATTACHED AGENCIES

The Georgia State Games Commission promotes amateur athletic competition through the Georgia State Games.

The Lake Lanier Islands Development Authority is responsible for managing through contract the development and operation of tourist, convention, and recreational areas and facilities on the islands.

The Jekyll Island State Park Authority is responsible for the development and operation of tourist, convention, and recreational areas and facilities on the island.

The Stone Mountain Memorial Association is responsible for managing through contract the operation of tourist, convention, and recreational areas and facilities at the mountain.

The Georgia Agricultural Exposition Authority promotes, develops, and serves agriculture and agricultural business interests of the state; produces and operates the Georgia National Fair; and encourages the agricultural accomplishments of Georgia's youth.

The Georgia Agrirama Development Authority serves as the state's official living history museum, depicting life in Georgia in the late 19th century.

The Southwest Georgia Railroad Excursion Authority is an economic development initiative that seeks to bring tourists through historic middle Georgia.

The Oconee River Greenway Authority is responsible for preserving greenspace along the Oconee River.

AUTHORITY

Titles 8, 12, 16, 27, 31, 43, 44, 46 and 52, Official Code of Georgia Annotated and Public Laws 92-500, 93-523, 88-206, 94-580.

Department of Natural Resources

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---|-----------------------|----------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$130,555,764 | \$243,890 | \$130,799,654 |
| TOTAL STATE FUNDS | \$130,555,764 | \$243,890 | \$130,799,654 |
| Federal Funds Not Specifically Identified | 9,996,755 | 39,670,786 | 49,667,541 |
| Other Funds | 25,058,798 | 85,955,247 | 111,014,045 |
| TOTAL FUNDS | \$165,611,317 | \$125,869,923 | \$291,481,240 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,963,818 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$1,066,751), for performance increases for the department (\$426,700), employees in specified critical jobs for the department (\$141,609), and for structure adjustments to the statewide salary plan for the department (\$38,173). | 1,673,233 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 812,165 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 245,591 |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 111,492 |
| Total Change | \$4,806,299 |

Administration

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$115,433 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$85,628), for performance increases (\$34,251), and for structure adjustments to the statewide salary plan (\$30,287). | 150,166 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 54,245 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 15,017 |
| 5. Increase the GBA real estate rental rate for office space. | 50,795 |
| 6. Add six new positions, two vehicles, and operating funds for the Okefenokee Ecolodge scheduled to open in July 2008 (Total Funds: \$205,000). | 5,000 |
| 7. Transfer funds from the Wildlife Resources program (\$38,877) and Environmental Protection program (\$516,505) to the Administration program to properly reflect projected legal expenses. | 555,382 |
| 8. Increase federal funds (\$107,978) and other funds (\$260,328) to reflect projected expenses for FY 2009. | Yes |
| Total Change | \$946,038 |

Coastal Resources

Purpose: Balance economic development in Georgia's coastal zone with the preservation of natural, environmental, historic, archaeological, and recreational resources for the benefit of Georgia's present and future generations.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$30,140 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$22,098) and for performance increases (\$8,839). | 30,937 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 13,170 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 3,646 |
| 5. Remove one-time funding for coastal dock renovation (\$1,350,000) funded in FY 2007 and for raising sunken vessels (\$180,000) funded in FY 2008. | (1,530,000) |
| 6. Replace one law enforcement vehicle with mileage in excess of 135,000. | 15,000 |

Department of Natural Resources

FY 2009 Program Budgets

| | | |
|--|-----|---------------|
| 7. Fund genetic analysis in conjunction with South Carolina to determine the suitability of hatchery-reared drum for Georgia's saltwater fishery management program. | Yes | |
| 8. Increase federal funds (\$5,769,945) and other funds (\$90,221) to reflect projected expenses for FY 2009. | Yes | |
| Total Change | | (\$1,437,107) |

Environmental Protection Division

Purpose: Provide Georgia's citizens with clean air, clean water, healthy lives and productive land by assuring compliance with environmental laws and by assisting others to do their part for a better environment.

Recommended Change:

| | | |
|--|-----|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | | \$722,243 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$343,070), for performance increases (\$137,228), for employees in specified critical jobs (\$120,167), and for structure adjustments to the statewide salary plan (\$7,885). | | 608,350 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | | 215,996 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | | 59,803 |
| 5. Increase the GBA real estate rental rate for office space. | | 41,040 |
| 6. Transfer funds from the Environmental Protection program to the Administration program to properly reflect projected legal expenses in the appropriate program. | | (516,505) |
| 7. Provide funds to lease office space in Brunswick for the EPD coastal district office. | | 300,000 |
| 8. Provide state matching funds to continue the coastal groundwater and surface water monitoring program to allow EPD to make data-driven decisions regarding permitting of groundwater withdrawals to prevent salt water intrusion on Georgia's coast. | | 425,000 |
| 9. Replace state funds used for real estate rent with other funds. | | (50,000) |
| 10. Provide funding for Metropolitan North Georgia Water Planning District to assist with mandated updates for water plans. | | 300,000 |
| 11. Increase federal funds (\$20,154,613) and other funds (\$54,993,970) to reflect projected expenses for FY 2009. | Yes | |
| Total Change | | \$2,105,927 |

Hazardous Waste Trust Fund

Purpose: Investigate and clean up abandoned hazardous sites.

Recommended Change:

| | | |
|---------------|--|-----|
| 1. No change. | | \$0 |
| Total Change | | \$0 |

Historic Preservation

Purpose: Identify, protect and preserve Georgia's historical sites for the enjoyment of present and future generations.

Recommended Change:

| | | |
|--|-----|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | | \$24,227 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$17,990) and for performance increases (\$7,196). | | 25,186 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | | 11,853 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | | 3,282 |
| 5. Increase federal funds (\$517,287) to reflect projected expenses for FY 2009. | Yes | |
| Total Change | | \$64,548 |

Land Conservation

Purpose: Provide a framework within which developed and rapidly developing counties and their municipalities can preserve community green space.

Recommended Change:

| | | |
|---|--|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | | \$5,914 |
|---|--|---------|

Department of Natural Resources

FY 2009 Program Budgets

| | |
|---|----------|
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$4,513) and for performance increases (\$1,805). | 6,319 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,195 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 608 |
| 5. Increase the GBA real estate rental rate for office space. | 5,898 |
| Total Change | \$20,934 |

Parks, Recreation and Historic Sites

Purpose: Increase public awareness of the opportunities at state parks and historic sites throughout Georgia.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$308,994 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$227,227), for performance increases (\$90,890), and for employees in specified critical jobs (\$21,442). | 339,559 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 255,507 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 70,743 |
| 5. Increase the GBA real estate rental rate for office space. | 13,759 |
| 6. Remove one-time funding for the master plan at Flat Creek State Park (\$30,000) and fence construction at Troup's Tomb site (\$6,449). | (36,449) |
| 7. Add six new positions, two vehicles, and operating funds for the Okefenokee Ecolodge scheduled to open in July 2008 (Total Funds: \$205,000). | 200,000 |
| 8. Replace four law enforcement vehicles with mileage in excess of 135,000. | 60,000 |
| 9. Reduce state funds due to an increase in rates for camping, cottages, and lodge rooms system wide. | (485,000) |
| 10. Add four positions, temporary labor funds and operating costs for Gordonia Altamaha State Park scheduled July 2008 opening of three new cabins and an 18-hole golf course. | 500,000 |
| 11. Replace payments from Lake Lanier Islands Development Authority with state general funds to reflect fulfilled debt service obligation. | 665,966 |
| 12. Increase federal funds (\$858,088) and other funds (\$21,620,357) to reflect projected expenses for FY 2009. | Yes |
| Total Change | \$1,893,079 |

Pollution Prevention Assistance

Purpose: Reduce pollution by providing non-regulatory assistance.

Recommended Change:

| | |
|--|------------|
| 1. Eliminate state funds from the Pollution Prevention Assistance program. | (16,075) |
| 2. Increase federal funds (\$96,580) and other funds (\$11,400) to reflect projected expenses for FY 2009. | Yes |
| Total Change | (\$16,075) |

Solid Waste Trust Fund

Purpose: Administer the Scrap Tire Management Program, enable emergency, preventative, and corrective actions at solid waste disposal facilities, and promote statewide recycling and waste reduction programs.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Wildlife Resources

Purpose: Regulate hunting, fishing, and the operation of watercraft in Georgia, protect non-game and endangered wildlife, and maintain public education and law enforcement programs.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$734,494 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$332,523) and for performance increases (\$133,009). | 465,532 |

Department of Natural Resources

FY 2009 Program Budgets

| | |
|--|---------------|
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 233,996 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 64,788 |
| 5. Remove one-time funding for the "Go Fish Georgia" bass trail (\$5,000,000), spraying to prevent unwanted vegetation and aquatic plants on Lake Blackshear (\$45,000), repairs of the dam at Arrowhead Environmental Education Center (\$500,000), the Waynesboro Field Trials Stable at the Di-Lane Plantation wildlife management area (\$100,000), and the Wildlife Endowment Fund (\$369,856). | (6,014,856) |
| 6. Transfer funds from the Wildlife Resources program to the Administration program to properly reflect projected legal expenses in the Game Management subprogram (\$22,933) and the Fisheries Management subprogram (\$15,944). | (38,877) |
| 7. Recognize funds collected for the Wildlife Endowment Fund through lifetime hunting and fishing licenses and associated interest in compliance with federal guidelines. | 95,896 |
| 8. Replace 23 law enforcement vehicles with mileage in excess of 135,000. | 400,000 |
| 9. Redirect savings (\$585,864) from implementing a Web-based licensing and boat registration system to wildlife management areas' operations and maintenance and to fill seven vacant fisheries and wildlife technician positions. | Yes |
| 10. Provide funds to fill 15 vacant positions in the Wildlife Resources program to address law enforcement protection of wildlife areas. | 675,000 |
| 11. Retrofit a Bell 206 helicopter with safety floats and night vision for over-water missions. | 320,000 |
| 12. Provide funds to cover shortfall for leased wildlife management areas. | 200,000 |
| 13. Increase federal funds (\$12,166,295) and other funds (\$8,978,971) to reflect projected expenses for FY 2009. | Yes |
| Total Change | (\$2,864,027) |

Agencies Attached for Administrative Purposes:

Payments to Georgia Agricultural Exposition Authority

Purpose: Showcase the state's agriculture and agribusiness, promote the agricultural achievement of Georgia's young people, provide a center for diverse activities, and stage and promote a statewide fair.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$11,352 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$25,535) and for performance increases (\$10,214). | 35,749 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 19,752 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 30,717 |
| 5. Delete one-time funding for equipment. | (525,000) |
| Total Change | (\$427,430) |

Payments to Georgia Agrirama Development Authority

Purpose: Collect, display, and preserve material culture of Georgia's agriculture and rural history and present to the general public and school groups.

Recommended Change:

| | |
|---|------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$11,021 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$8,168) and for performance increases (\$3,267). | 11,435 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,451 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (3,013) |
| 5. Delete one-time funding for a business, marketing, and facilities master plan. | (100,000) |
| 6. Provide funds to cover projected personal services expenditures. | 33,109 |
| Total Change | (\$41,997) |

Department of Natural Resources

FY 2009 Program Budgets

Payments to Lake Allatoona Preservation Authority

Purpose: Provide operating funds for and to the Lake Allatoona Preservation Authority.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Payments to Southwest Georgia Railroad Excursion

Purpose: Provide operating funds for and to construct, finance, operate, and develop a rail passenger excursion project utilizing any state owned railway in Crisp and Sumter counties and any nearby county which may be included within the service area.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Capital Outlay Summary

| Department of Natural Resources | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|-------------------|-------------------------|----------------------------|
| 1. Design Don Carter State Park (Chattahoochee River) for Gainesville, Hall County. | 5 | \$1,965,000 | \$453,915 |
| 2. Construct Resaca Battlefield Historic Site for Calhoun, Gordon County. | 20 | 3,000,000 | 256,200 |
| 3. Provide funds to renovate aging boat ramps, floating docks, and perform bulkhead repairs for multiple counties. | 20 | 1,000,000 | 85,400 |
| Total | | \$5,965,000 | \$795,515 |
| | | | |
| Georgia Agricultural Exposition Authority | | | |
| 1. Design, construct, and equip a new horse barn and practice ring for Perry, Houston County. | 20 | \$7,290,000 | \$622,566 |
| Total | | \$7,290,000 | \$622,566 |
| | | | |
| Jekyll Island State Park Authority | | | |
| 1. Design and construct public infrastructure improvements on Jekyll Island, Glynn County. | 20 | \$25,000,000 | \$2,135,000 |
| Total | | \$25,000,000 | \$2,135,000 |

Department of Natural Resources

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Coastal Resources | | | | |
| 1. Percent of state-owned coastal boat ramps in safe operational condition | 93% | 93% | 96% | 100% |
| 2. Acres certified for public shellfish harvest | 16,000 | 15,032 | 16,500 | 15,032 |
| Environmental Protection | | | | |
| 1. Gallons per day per capita use of ground water | 56 | 51 | 53 | 49 |
| 2. Customer Service: Percent of customers seeking stream bank variances who rate the service they receive as timely, more easily understood, and courteous | N/A | 80% | 80% | 80% |
| 3. Annual reduction in daily municipal and industrial water use (measured in gallons per capita per day). | 184 | 176 | 175 | 174 |
| Hazardous Waste Trust Fund | | | | |
| 1. Hazardous waste cleanup projects completed during fiscal year | 236 | 249 | 261 | 274 |
| Historic Preservation | | | | |
| 1. Number of properties listed in the National Historic Register that could qualify for tax benefits | 65,677 | 66,485 | 69,000 | 70,500 |
| Land Conservation | | | | |
| 1. Acres of real property successfully negotiated and acquired | 17,694 | 4,561 | 15,526 | 15,000 |
| Parks, Recreation and Historic Sites | | | | |
| 1. Average annual occupancy at state park cottages | 52% | 54% | 52% | 54% |
| 2. Customer Service: Percent of customer comments indicating their overall park experience was good, very good, or excellent | 97% | 96% | 99% | 99% |
| 3. Park, recreation and historic site visitation | 10,284,674 | 11,015,793 | 11,500,000 | 11,500,000 |
| Pollution Prevention Assistance | | | | |
| 1. Percent of on-site assessment clients that implement at least one waste reduction or natural resource conservation recommendation | 77% | 33% | 77% | 50% |
| Solid Waste Trust Fund | | | | |
| 1. Percent of regulated solid waste facilities operating in compliance with environmental standards | 89% | 92% | 90% | 90% |
| Wildlife Resources | | | | |
| 1. Number of dollars generated for Georgia's economy per dollar of state funds spent on fisheries management and fishing | \$214 | \$218 | \$223 | \$218 |
| 2. Customer Service: Percent of hunters who rate their hunting experience as satisfactory or better | 85% | 85% | 85% | 85% |
| Georgia Agricultural Exposition Authority | | | | |
| 1. Fair attendance | 400,615 | 431,499 | 444,445 | 457,778 |
| 2. Non-fair attendance | 501,283 | 427,465 | 450,000 | 475,000 |

Department of Natural Resources Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Georgia Agrirama Development Authority | | | | |
| 1. Attendance | 38,123 | 40,039 | 35,000 | 40,000 |
| Southwest Georgia Railroad Excursion Authority | | | | |
| 1. Number of passengers | 23,746 | 25,905 | 24,000 | N/A |

Department of Natural Resources

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$10,219,324 | \$10,725,801 | \$10,180,372 | \$10,856,187 | \$11,494,716 |
| Coastal Resources | 6,131,168 | 7,068,160 | 4,358,393 | 2,928,532 | 8,781,452 |
| Environmental Protection Division | 120,649,755 | 139,767,039 | 41,130,502 | 41,286,995 | 118,385,012 |
| Georgia State Games Commission | 50,149 | 50,149 | | | |
| Hazardous Waste Trust Fund | 5,701,110 | 7,600,000 | 7,600,000 | 15,000,000 | 7,600,000 |
| Historic Preservation | 2,875,070 | 2,723,637 | 2,626,950 | 2,651,177 | 3,208,785 |
| Land Conservation | 420,093 | 386,222 | 509,496 | 515,410 | 530,430 |
| Parks, Recreation and Historic Sites | 58,510,012 | 62,082,840 | 43,012,069 | 44,771,214 | 67,383,593 |
| Pollution Prevention Assistance | 339,085 | 1,269,132 | 119,988 | 103,913 | 211,893 |
| Solid Waste Trust Fund | 4,183,091 | 2,988,838 | 6,000,000 | 6,000,000 | 6,000,000 |
| Wildlife Resources | 67,032,027 | 56,728,434 | 46,179,028 | 41,129,406 | 64,460,267 |
| SUBTOTAL FUNDS (Excludes Attached Agencies) | \$276,110,884 | \$291,390,252 | \$161,716,798 | \$165,242,834 | \$288,056,148 |
| <u>ATTACHED AGENCIES:</u> | | | | | |
| Payments to Georgia Agricultural Exposition Authority | \$2,229,803 | \$1,641,634 | \$2,244,904 | \$1,731,256 | \$1,817,474 |
| Payments to Georgia Agrirama Development Authority | 1,121,435 | 872,211 | 1,177,651 | 1,100,228 | 1,135,654 |
| Payments to Lake Allatoona Preservation Authority | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Payments to Southwest Georgia Railroad Excursion Authority | 371,964 | 371,964 | 371,964 | 371,964 | 371,964 |
| TOTAL FUNDS | \$279,934,086 | \$294,376,061 | \$165,611,317 | \$168,546,282 | \$291,481,240 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$57,422,529 | \$59,274,580 | \$9,996,755 | \$9,996,755 | \$49,667,541 |
| Other Funds | 108,419,606 | 128,947,175 | 25,058,798 | 25,543,798 | 111,014,045 |
| Subtotal | \$165,842,135 | \$188,221,755 | \$35,055,553 | \$35,540,553 | \$160,681,586 |
| State General Funds | \$114,091,951 | \$106,154,306 | \$130,555,764 | \$133,005,729 | \$130,799,654 |
| TOTAL STATE FUNDS | \$114,091,951 | \$106,154,306 | \$130,555,764 | \$133,005,729 | \$130,799,654 |
| Positions | 2,712 | 1,854 | 1,859 | 1,866 | 1,869 |
| Motor Vehicles | 1,606 | 1,608 | 1,615 | 1,620 | 1,617 |

Department of Natural Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$130,555,764 | \$243,890 | \$130,799,654 |
| TOTAL STATE FUNDS | \$130,555,764 | \$243,890 | \$130,799,654 |
| Federal Funds Not Specifically Identified | 9,996,755 | 39,670,786 | 49,667,541 |
| Other Funds | 25,058,798 | 85,955,247 | 111,014,045 |
| TOTAL FUNDS | \$165,611,317 | \$125,869,923 | \$291,481,240 |
| Administration | | | |
| State General Funds | \$10,180,372 | \$946,038 | \$11,126,410 |
| Federal Funds Not Specifically Identified | | 107,978 | 107,978 |
| Other Funds | | 260,328 | 260,328 |
| Total Funds | \$10,180,372 | \$1,314,344 | \$11,494,716 |
| Coastal Resources | | | |
| State General Funds | \$4,187,531 | (\$1,437,107) | \$2,750,424 |
| Federal Funds Not Specifically Identified | 170,862 | 5,769,945 | 5,940,807 |
| Other Funds | | 90,221 | 90,221 |
| Total Funds | \$4,358,393 | \$4,423,059 | \$8,781,452 |
| Environmental Protection Division | | | |
| State General Funds | \$30,969,784 | \$2,105,927 | \$33,075,711 |
| Federal Funds Not Specifically Identified | 3,363,161 | 20,154,613 | 23,517,774 |
| Other Funds | 6,797,557 | 54,993,970 | 61,791,527 |
| Total Funds | \$41,130,502 | \$77,254,510 | \$118,385,012 |
| Hazardous Waste Trust Fund | | | |
| State General Funds | \$7,600,000 | | \$7,600,000 |
| Total Funds | \$7,600,000 | \$0 | \$7,600,000 |
| Historic Preservation | | | |
| State General Funds | \$2,136,950 | \$64,548 | \$2,201,498 |
| Federal Funds Not Specifically Identified | 490,000 | 517,287 | 1,007,287 |
| Total Funds | \$2,626,950 | \$581,835 | \$3,208,785 |
| Land Conservation | | | |
| State General Funds | \$509,496 | \$20,934 | \$530,430 |
| Total Funds | \$509,496 | \$20,934 | \$530,430 |
| Parks, Recreation and Historic Sites | | | |
| State General Funds | \$24,286,246 | \$1,893,079 | \$26,179,325 |
| Federal Funds Not Specifically Identified | 845,941 | 858,088 | 1,704,029 |
| Other Funds | 17,879,882 | 21,620,357 | 39,500,239 |
| Total Funds | \$43,012,069 | \$24,371,524 | \$67,383,593 |

Department of Natural Resources

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|---------------------|---------------------------|
| Pollution Prevention Assistance | | | |
| State General Funds | \$16,075 | (\$16,075) | \$0 |
| Federal Funds Not Specifically Identified | | 96,580 | 96,580 |
| Other Funds | 103,913 | 11,400 | 115,313 |
| Total Funds | <u>\$119,988</u> | <u>\$91,905</u> | <u>\$211,893</u> |
| Solid Waste Trust Fund | | | |
| State General Funds | \$6,000,000 | | \$6,000,000 |
| Total Funds | <u>\$6,000,000</u> | <u>\$0</u> | <u>\$6,000,000</u> |
| Wildlife Resources | | | |
| State General Funds | \$40,774,791 | (\$2,864,027) | \$37,910,764 |
| Federal Funds Not Specifically Identified | 5,126,791 | 12,166,295 | 17,293,086 |
| Other Funds | 277,446 | 8,978,971 | 9,256,417 |
| Total Funds | <u>\$46,179,028</u> | <u>\$18,281,239</u> | <u>\$64,460,267</u> |
| Agencies Attached for Administrative Purposes: | | | |
| Payments to Georgia Agricultural Exposition Authority | | | |
| State General Funds | \$2,244,904 | (\$427,430) | \$1,817,474 |
| Total Funds | <u>\$2,244,904</u> | <u>(\$427,430)</u> | <u>\$1,817,474</u> |
| Payments to Georgia Agrirama Development Authority | | | |
| State General Funds | \$1,177,651 | (\$41,997) | \$1,135,654 |
| Total Funds | <u>\$1,177,651</u> | <u>(\$41,997)</u> | <u>\$1,135,654</u> |
| Payments to Lake Allatoona Preservation Authority | | | |
| State General Funds | \$100,000 | | \$100,000 |
| Total Funds | <u>\$100,000</u> | <u>\$0</u> | <u>\$100,000</u> |
| Payments to Southwest Georgia Railroad Excursion Authority | | | |
| State General Funds | \$371,964 | | \$371,964 |
| Total Funds | <u>\$371,964</u> | <u>\$0</u> | <u>\$371,964</u> |

State Board of Pardons and Paroles

Roles, Responsibilities, and Organization

The State Board of Pardons and Paroles is comprised of five members appointed by the Governor and empowered to grant, deny, condition and revoke executive clemency. The board reviews the sentences of all inmates to determine what degree of executive clemency may be warranted, directs the clemency action, and supervises the offenders who have been paroled or conditionally released from prison until the completion of their sentences.

DEPARTMENT OPERATIONS

In order to accomplish its mission, the agency has identified two core businesses:

- Making Informed Parole Decisions (Clemency)
- Transitioning Offenders Back into the Community (Field Supervision)

The agency has re-engineered its entire organization to ensure that business processes, strategic objectives, performance measures, programs and budget are all aligned with the core mission. The organizational structure of the agency also reflects the core businesses and mission of the agency, with only two divisions, Clemency and Field Operations. Administration and Support Services support the mission.

The Clemency Division works most closely with the Board on a day-to-day basis, gathering information and preparing cases for the Board to make informed parole decisions. The Clemency Division manages requests for restoration of rights and pardons. This division is also responsible for communication with victims and victims groups to make sure board members know and understand their needs and concerns.

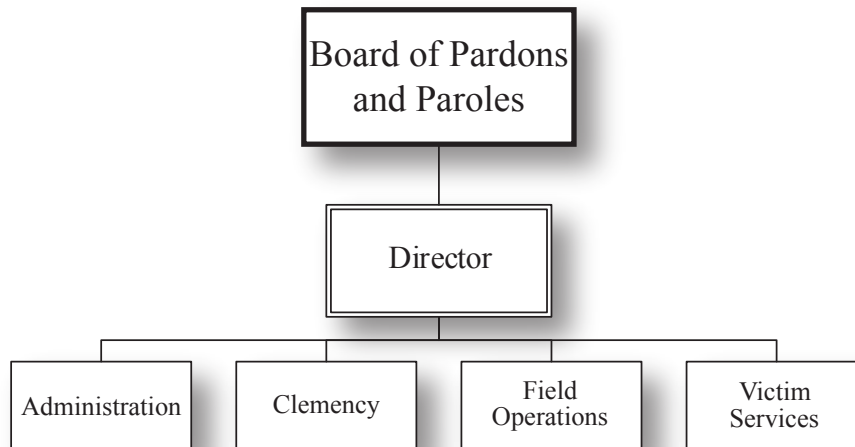
The Field Operations Division assists the Clemency Division by completing important investigations that are used in the clemency decision process. Inmates who are granted the privilege of parole to community supervision are supervised by this division's parole officers, who work in 56 offices throughout the state. Field parole officers provide offender oversight through a balanced approach to supervision which blends both surveillance and enforcement along with referrals to treatment and self help programs.

Parole officers spend a majority of their time in the community intervening with parolees and their families, talking to employers, networking with police officials and staying in touch with treatment providers to ensure parolee compliance with the conditions of parole. As certified peace officers, parole officers also execute board warrants and provide backup to local law enforcement as needed.

Administrative Units support the internal operations of the agency including budget/fiscal, staff training, personnel services, quality assurance audits, research, evaluation and technology, legislative liaison, internal affairs and public information. Administration is dedicated to using innovative technology to reduce costs and improve service delivery to all agency staff. The agency leads the state in automated business processes and leads the nation in automated field case management.

AUTHORITY

State Constitution, Article Four, Section Two.



State Board of Pardons and Paroles

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$55,612,881 | \$2,636,156 | \$58,249,037 |
| TOTAL STATE FUNDS | \$55,612,881 | \$2,636,156 | \$58,249,037 |
| Federal Funds | | 806,050 | 806,050 |
| TOTAL FUNDS | \$55,612,881 | \$3,442,206 | \$59,055,087 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$722,427 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$551,824), for performance increases (\$220,730), and for structure adjustments to the statewide salary plan (\$2,666). | 775,220 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 413,602 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (30,682) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 43,904 |
| Total Change | \$1,924,471 |

Administration

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$26,817 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$41,291), for performance increases (\$16,516), and for structure adjustments to the statewide salary plan (\$199). | 58,006 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 31,189 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,416) |
| 5. Increase the GBA real estate rental rate for office space. | 43,904 |
| 6. Fund efficient and better informed clemency decisions through continuation of the ongoing development of the Clemency Online Navigation System (CONS). | 410,912 |
| 7. Transfer funding for the CONS scanner operator positions from the Administration program to the Clemency program. | (10,429) |
| 8. Reduce funds for one-time expenses associated with the implementation of CONS. | (88,315) |
| Total Change | \$470,668 |

Clemency

Purpose: Investigate offenders when they enter the corrections system and make determinations about offender eligibility for parole.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$149,993 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$120,359), for performance increases (\$48,144), and for structure adjustments to the statewide salary plan (\$581). | 169,084 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 91,274 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (6,356) |
| 5. Transfer funding for the CONS scanner operator positions from the Administration program to the Clemency program. | 10,429 |
| 6. Transfer funding from the Parole Supervision program to the Clemency program to meet anticipated expenditures. | 49,350 |
| 7. Fund efficient and better informed clemency decisions through continuation of the ongoing development of the CONS. | 34,107 |
| Total Change | \$497,881 |

State Board of Pardons and Paroles

FY 2009 Program Budgets

Parole Supervision

Purpose: Transition offenders from prison back into the community as productive, law abiding citizens.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$541,117 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$385,064), for performance increases (\$154,026), and for structure adjustments to the statewide salary plan (\$1,861). | 540,951 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 287,568 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (22,696) |
| 5. Transfer funding from the Parole Supervision program to the Clemency program to meet anticipated expenditures. | (49,350) |
| 6. Transfer Atlanta Day Reporting Center operating funds from the Department of Corrections to support inmate re-entry through the Parole Reporting Center. | 354,981 |
| 7. Increase federal funds (\$806,050) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$1,652,571 |

Victim Services

Purpose: Provide notification to victims of changes in offender status or placement, conduct outreach and information gathering from victims during clemency proceedings and generally act as a liaison to victims for the state corrections system.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$4,500 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$5,110), for performance increases (\$2,044), and for structure adjustments to the statewide salary plan (\$25). | 7,179 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 3,571 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (214) |
| Total Change | \$15,036 |

State Board of Pardons and Paroles

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Clemency | | | | |
| 1. Percentage of parolees successfully completing parole supervision as compared to the national average of 46%, based on methodology used in the Bureau of Justice Statistics (BJS) annual report | 60% | 61% | 62% | 63% |
| 2. Number of Board pre-conditions of parole imposed on inmates before release from prison | 28,806 | 20,877 | 22,000 | 23,000 |
| 3. Customer Service: The percent of Board Visitors' Day (new program) participants who rate their overall experience as good or excellent | N/A | N/A | 88% | 90% |
| Parole Supervision | | | | |
| 1. Percentage of parolees successfully completing parole supervision as compared to the national average of 46%, based on methodology used in the Bureau of Justice Statistics (BJS) annual report | 60% | 61% | 62% | 63% |
| 2. Average monthly rate of parolees employed | 83% | 84% | 84% | 85% |
| Victim Services | | | | |
| 1. Customer Service: percent of Victims' Visitor Day (new program) participants who rate their overall experience as good or excellent | N/A | N/A | 100% | 100% |
| 2. Number of people registered in the Victim Information and Notification Everyday (VINE) system | 1,332 | 1,566 | 1,700 | 1,800 |
| 3. Correspondence sent to victims | 6,944 | 6,279 | 8,000 | 9,000 |

State Board of Pardons and Paroles

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$4,808,489 | \$4,940,571 | \$5,974,389 | \$6,445,057 | \$6,445,057 |
| Clemency | 9,893,553 | 10,211,482 | 10,935,172 | 11,433,053 | 11,433,053 |
| Parole Supervision | 34,384,336 | 35,737,816 | 38,149,974 | 39,802,545 | 40,608,595 |
| Victim Services | 489,945 | 513,142 | 553,346 | 568,382 | 568,382 |
| TOTAL FUNDS | \$49,576,323 | \$51,403,012 | \$55,612,881 | \$58,249,037 | \$59,055,087 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$1,259,904 | \$1,131,592 | | | \$806,050 |
| Other Funds | 73,824 | 280,846 | | | |
| Subtotal | \$1,333,729 | \$1,412,437 | \$0 | \$0 | \$806,050 |
| State General Funds | \$48,242,595 | \$49,990,575 | \$55,612,881 | \$58,249,037 | \$58,249,037 |
| TOTAL STATE FUNDS | \$48,242,595 | \$49,990,575 | \$55,612,881 | \$58,249,037 | \$58,249,037 |
| Positions | 821 | 821 | 827 | 834 | 827 |
| Motor Vehicles | 163 | 163 | 163 | 164 | 164 |

State Board of Pardons and Paroles

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|--------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$55,612,881 | \$2,636,156 | \$58,249,037 |
| TOTAL STATE FUNDS | \$55,612,881 | \$2,636,156 | \$58,249,037 |
| Federal Funds | | 806,050 | 806,050 |
| TOTAL FUNDS | \$55,612,881 | \$3,442,206 | \$59,055,087 |
| | | | |
| Administration | | | |
| State General Funds | \$5,974,389 | \$470,668 | \$6,445,057 |
| Total Funds | \$5,974,389 | \$470,668 | \$6,445,057 |
| | | | |
| Clemency | | | |
| State General Funds | \$10,935,172 | \$497,881 | \$11,433,053 |
| Total Funds | \$10,935,172 | \$497,881 | \$11,433,053 |
| | | | |
| Parole Supervision | | | |
| State General Funds | \$38,149,974 | \$1,652,571 | \$39,802,545 |
| Federal Funds | | 806,050 | 806,050 |
| Total Funds | \$38,149,974 | \$2,458,621 | \$40,608,595 |
| | | | |
| Victim Services | | | |
| State General Funds | \$553,346 | \$15,036 | \$568,382 |
| Total Funds | \$553,346 | \$15,036 | \$568,382 |

State Personnel Administration

Roles, Responsibilities, and Organization

The State Personnel Administration (SPA) is the state's central agency for assisting state agencies in recruiting qualified individuals for positions within the executive branch of state government. The agency is also the state's central recordkeeping agency for state employee data and the central means of monitoring state personnel practices. SB 635, which the General Assembly approved during the 1996 session, decentralized the state's personnel administration system. The legislation transferred responsibility for a variety of personnel recruitment and administration duties from the State Personnel Administration to state agencies.

COMMISSIONER'S OFFICE

The Commissioner's Office provides overall direction, leadership, and management of the agency. Functions covered by the office include legal services, customer service, workforce planning, HR strategic planning, marketing and public relations, policy analysis and development, personnel administration, budget and systems administration, workforce development, recruitment and testing services, benefits administration, and compensation.

TOTAL REWARDS

The Employee Benefits Administration Division and the Compensation Division make up the area of Total Rewards. The Compensation Division provides professional human resource management services that are based on best practices. The Compensation Division also performs job market research and analysis, develops and implements equitable pay and rewards processes, and conducts evaluations of state agencies' personnel practices. The Employee Benefits Administration Division provides an array of cost-effective flexible benefits to state employees and their dependents. This includes benefit design and education, maintenance of employee eligibility records, interaction with agency benefit coordinators, monitoring of contractors that provide insured benefit products, and review of benefit plans and products.

LEGAL SERVICES

The Legal Services Division provides research, counseling, mediation, and education in equal employment opportunity and management and employee relations. Legal Services also provides personnel rule and policy interpretation to state agencies, coordinates requests for proposal processes for statewide benefit plans, and manages contract negotiations.

PROGRAM, POLICY AND LEGISLATIVE AFFAIRS

The Policy and Legislative Affairs Division develops enterprise HR policy and manages statewide drug testing, employee assistance,

immigration compliance and legislative affairs services. The Program Division manages the state's Work Away, charitable contributions, employee recognition, wellness education, and employees' suggestion programs.

OPERATIONS AND WORKFORCE SERVICES

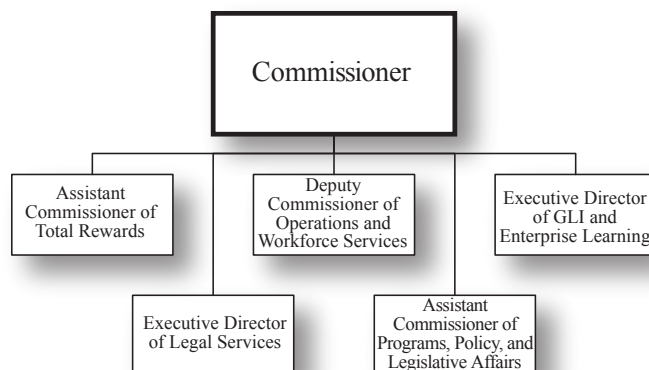
The Administrative Services Office and the Financial Services, Technology Solutions and Strategy, Marketing, and Communications Divisions make up the area of Operations and Workforce Services. The Administrative Services Office includes procurement, facilities management, records management, and mailroom services. The Financial Services Division provides administrative support to the agency in the areas of budget development and management and accounting services. The Technology Solutions Division provides technical and technological support for SPA products and services, long-range information planning, application management, IT procurement, network and telecommunications services, and design and maintenance of the benefits administration system that supports the flexible benefits program. The Strategy, Marketing and Communications Division informs and educates state agencies, the public, and the media about SPA programs, products and services, provides administration of agency internet and intranet sites and the statewide PeopleSoft portal, leads strategic planning efforts for the agency, and manages agency constituent services.

GEORGIA LEADERSHIP INSTITUTE AND ENTERPRISE LEARNING

The Georgia Leadership Institute and Enterprise Learning Division plays a vital role in assisting agencies in the development of their employees into a skilled and competent workforce. It provides training opportunities and assessments of job-related skills needed to develop principle-centered, customer-focused, and results-driven competencies in all levels and career phases of state government. It also provides management training of the state's pay for performance and customized performance improvement strategies, and administers the Georgia Leadership Institute leadership development programs.

AUTHORITY

Titles 20, 45, and 47, Official Code of Georgia Annotated.



State Personnel Administration

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | Changes | FY 2009 |
|---------------------------|-----------------------|------------------|-----------------------|
| | <u>Current Budget</u> | | <u>Recommendation</u> |
| Other Funds | <u>\$13,728,359</u> | <u>\$496,721</u> | <u>\$14,225,080</u> |
| TOTAL FUNDS | \$13,728,359 | \$496,721 | \$14,225,080 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$119,812). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (Other Funds: \$116,184) and for performance increases (Other Funds: \$46,474). | Yes |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$87,526). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$37,037). | Yes |
| 5. Increase the GBA real estate rental rate for office space (Other Funds: \$57,991). | Yes |
| Total Change | \$0 |

Administration

Recommended Change:

| | |
|---|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$58,398). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (Other Funds: \$38,166) and for performance increases (Other Funds: \$15,266). | Yes |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$28,752). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$10,860). | Yes |
| 5. Increase the GBA real estate rental rate for office space (Other Funds: \$17,396). | Yes |
| 6. Decrease real estate rentals to match projected expenditures (Other Funds: \$7,303). | Yes |
| Total Change | \$0 |

Recruitment and Staffing Services

Purpose: Provide a central point of contact for the general public seeking employment with the State.

Recommended Change:

| | |
|--|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$19,300). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (Other Funds: \$12,939) and for performance increases (Other Funds: \$5,176). | Yes |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$9,747). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$4,734). | Yes |
| 5. Increase the GBA real estate rental rate for office space (Other Funds: \$6,379). | Yes |
| 6. Decrease real estate rentals to match projected expenditures (Other Funds: \$2,815). | Yes |
| Total Change | \$0 |

Total Compensation and Rewards

Purpose: Ensure fair and consistent employee compensation practices across state agencies.

Recommended Change:

| | |
|---|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$42,114). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (Other Funds: \$27,278) and for performance increases (Other Funds: \$10,911). | Yes |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$20,550). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$10,025). | Yes |
| 5. Increase the GBA real estate rental rate for office space (Other Funds: \$9,860). | Yes |

State Personnel Administration

FY 2009 Program Budgets

| | |
|---|-----|
| 6. Decrease real estate rentals to match projected expenditures (Other Funds: \$4,208). | Yes |
| Total Change | \$0 |

Workforce Development and Alignment

Purpose: Provide continuous opportunities for state employees to grow and develop professionally, resulting in increased productivity for state agencies and entities.

Recommended Change:

| | |
|---|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$48,469). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (Other Funds: \$37,801) and for performance increases (Other Funds: \$15,121). | Yes |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$28,477). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$11,418). | Yes |
| 5. Increase the GBA real estate rental rate for office space (Other Funds: \$24,356). | Yes |
| 6. Decrease real estate rentals to match projected expenditures (Other Funds: \$2,446). | Yes |
| Total Change | \$0 |

State Personnel Administration

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Recruitment and Staffing Services | | | | |
| 1. Number of state agencies and entities using TheJobSite for job vacancy posting and applicant tracking | 75 | 80 | 75 | 75 |
| 2. Percentage change in number of jobs applied for on TheJobSite | 2% | 7% | 5% | 5% |
| Total Compensation and Rewards | | | | |
| 1. Percentage of participants who rate the Flexible Benefits Plan as a good value in terms of product, cost, and services offered | 82% | 85% | 85% | 85% |
| Workforce Development and Alignment | | | | |
| 1. Percentage of employees who responded that their leadership skills improved because of skills acquired from leadership development training | 96% | 97% | 85% | 85% |
| 2. Number of employees receiving leadership development training | 3,637 | 4,819 | 2,686 | 2,686 |

State Personnel Administration

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|-------------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$3,185,968 | \$3,753,404 | \$4,308,348 | \$4,359,443 | \$4,469,883 |
| Recruitment and Staffing Services | 1,157,559 | 1,135,205 | 1,264,485 | 1,280,970 | 1,319,945 |
| Total Compensation and Rewards | 8,468,455 | 5,750,027 | 4,322,865 | 4,635,771 | 4,439,395 |
| Workforce Development and Alignment | 4,959,168 | 4,111,111 | 3,832,661 | 3,603,684 | 3,995,857 |
| TOTAL FUNDS | \$17,771,150 | \$14,749,747 | \$13,728,359 | \$13,879,868 | \$14,225,080 |
| <u>Less:</u> | | | | | |
| Other Funds | \$17,771,150 | \$14,749,747 | \$13,728,359 | \$13,879,868 | \$14,225,080 |
| Subtotal | \$17,771,150 | \$14,749,747 | \$13,728,359 | \$13,879,868 | \$14,225,080 |
| TOTAL STATE FUNDS | \$0 | \$0 | \$0 | \$0 | \$0 |
| Positions | 138 | 133 | 133 | 133 | 133 |

State Personnel Administration

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|-------------------------------------|---------------------------|------------------|---------------------------|
| Department Budget Summary | | | |
| Other Funds | \$13,728,359 | \$496,721 | \$14,225,080 |
| TOTAL FUNDS | \$13,728,359 | \$496,721 | \$14,225,080 |
| Administration | | | |
| Other Funds | \$4,308,348 | \$161,535 | \$4,469,883 |
| Total Funds | \$4,308,348 | \$161,535 | \$4,469,883 |
| Recruitment and Staffing Services | | | |
| Other Funds | \$1,264,485 | \$55,460 | \$1,319,945 |
| Total Funds | \$1,264,485 | \$55,460 | \$1,319,945 |
| Total Compensation and Rewards | | | |
| Other Funds | \$4,322,865 | \$116,530 | \$4,439,395 |
| Total Funds | \$4,322,865 | \$116,530 | \$4,439,395 |
| Workforce Development and Alignment | | | |
| Other Funds | \$3,832,661 | \$163,196 | \$3,995,857 |
| Total Funds | \$3,832,661 | \$163,196 | \$3,995,857 |

State Properties Commission

Roles, Responsibilities, and Organization

The State Properties Commission (SPC) is the real estate portfolio manager for the state of Georgia. In this capacity, SPC is responsible for the acquisition and disposition of all state-owned real property, leasing and lease administration, commercially-owned space, and real property interests, with the exception of the Board of Regents and Department of Transportation. Its core business is the regulation of state property acquisitions and dispositions, and the maintenance of accurate and up-to-date records. SPC performs services such as asset management by providing asset and financial analyses, and space management services through space planning, design, and inventory analyses. The department also maintains a Web-based inventory of all state-owned and leased properties and buildings via the BLLIP database.

SB 158 (Act No. 21) of the 2005 General Assembly established the State Properties Commission as an independent agency, removing

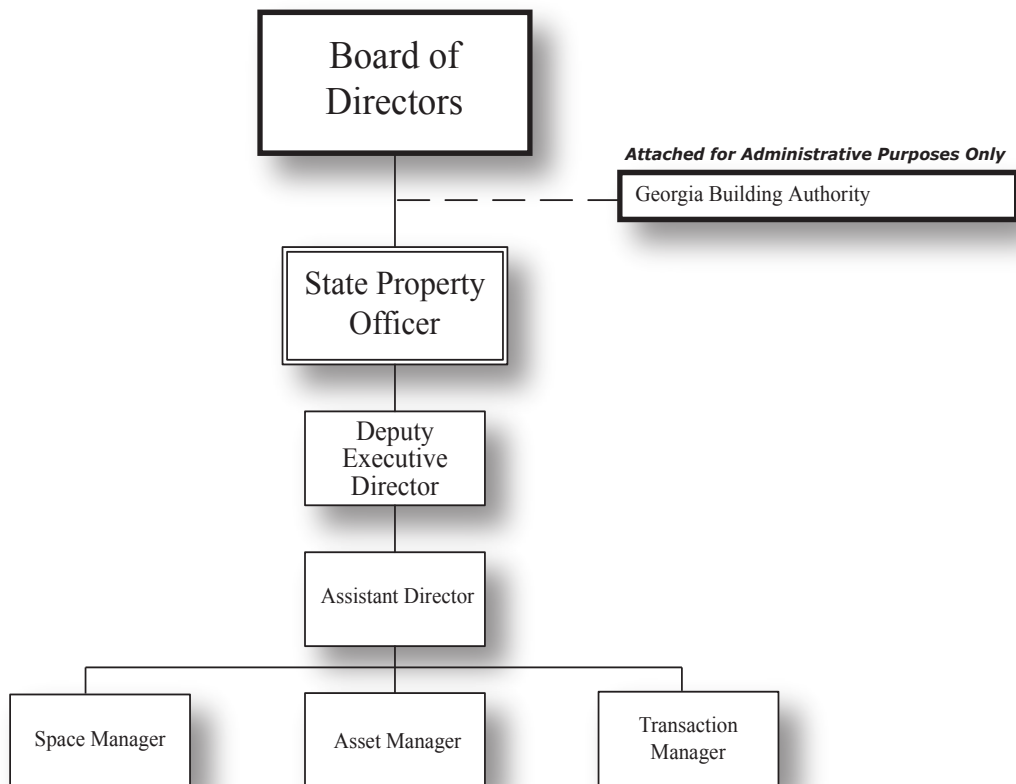
administrative ties to the Department of Administrative Services. Additionally, the Georgia Building Authority was detached from the Department of Administrative Services and administratively attached to the State Properties Commission.

ATTACHED AGENCIES

The Georgia Building Authority provides maintenance, grounds-keeping, food service, parking and security services for the employees and facilities within the Capitol Hill office complex and other specified areas.

AUTHORITY

Title 50-5B, Official Code of Georgia Annotated.



State Properties Commission

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|----------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$1,250,000 | (\$1,250,000) | \$0 |
| TOTAL STATE FUNDS | \$1,250,000 | (\$1,250,000) | \$0 |
| Other Funds | 999,895 | 2,891,521 | 3,891,416 |
| TOTAL FUNDS | \$2,249,895 | \$1,641,521 | \$3,891,416 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-----|
| 1. Provide funds for the cost of the FY 2008 salary adjustment (Other Funds: \$520,131). | Yes |
| Total Change | \$0 |

Leasing

Purpose: Help state government meet its current need for office space and plan for future needs as business goals and operations change.

Recommended Change:

| | |
|--|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$10,658) | Yes |
| 2. Add five positions and operating cost for Portfolio Management Agents serving the state (Other Funds: \$189,430). | Yes |
| Total Change | \$0 |

Payments to Georgia Building Authority

Purpose: Purchase, erect, and maintain buildings and other facilities to house agents and officials of the state government.

Recommended Change:

| | |
|---|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$482,287) | Yes |
| 2. Eliminate one time state appropriation in HB95. | (\$1,250,000) |
| 3. Provide for a real estate rental increase of \$0.52 per square foot for the FY 2008 pay raise and salary adjustments (\$520,131), workers' compensation premiums (\$206,199) and state health benefit plan increases (\$654,308) (Other Funds: \$1,380,638). | Yes |
| 4. Provide for a real estate rental increase of \$0.38 per square foot for standard office space and \$0.44 per square foot for premier office space to restore the maintenance and repair fund (Other Funds: \$1,042,961). | Yes |
| Total Change | (\$1,250,000) |

State Properties Commission

Purpose: Assure the taxpayers of Georgia that acquisitions and dispositions of state property are carried out in an equitable, legal, ethical, and efficient manner.

Recommended Change:

| | |
|--|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$27,186). | Yes |
| 2. Add five positions and operating cost for Portfolio Management Agents serving the state (Other Funds: \$259,570). | Yes |
| Total Change | \$0 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|---------------------|
| 1. Design of covered parking deck for legislators and state employees (to be located at the site of the current DOT Building), Atlanta, Fulton County | 5 | \$2,460,000 | \$568,260 |
| 2. Water conservation improvements for Capitol Hill facilities, Atlanta, Fulton County | 5 | 5,405,000 | 1,248,555 |

State Properties Commission

FY 2009 Program Budgets

| | | | |
|--|----|--------------|-------------|
| 3. Design of Capitol Green Space Project including Pedestrian Bridge, Atlanta, Fulton County | 5 | 8,400,000 | 1,940,400 |
| 4. Design, renovation, equipment, and exhibits for the State History Museum at the former site of the Coca-Cola Museum, Atlanta, Fulton County | 20 | 15,640,000 | 1,335,656 |
| Total | | \$31,905,000 | \$5,092,871 |

State Properties Commission

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Leasing | | | | |
| 1. Percent of leases executed at or below prevailing market rate | N/A | N/A | 100% | 100% |
| State Properties Commission | | | | |
| 1. Percent of surplus property disposed at or above market rate | N/A | N/A | 100% | 100% |

State Properties Commission

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Leasing | | \$435,926 | \$406,637 | \$601,396 | \$601,396 |
| Payments to Georgia Building Authority | \$3,261,962 | 4,885,581 | 1,250,000 | | 2,423,599 |
| State Properties Commission | | 738,302 | 593,258 | 866,421 | 866,421 |
| TOTAL FUNDS | \$3,261,962 | \$6,059,809 | \$2,249,895 | \$1,467,817 | \$3,891,416 |
| <u>Less:</u> | | | | | |
| Other Funds | \$3,261,962 | \$6,059,809 | \$999,895 | \$1,018,817 | \$3,891,416 |
| Subtotal | \$3,261,962 | \$6,059,809 | \$999,895 | \$1,018,817 | \$3,891,416 |
| State General Funds | \$0 | \$0 | \$1,250,000 | \$449,000 | \$0 |
| TOTAL STATE FUNDS | \$0 | \$0 | \$1,250,000 | \$449,000 | \$0 |
| Positions | 295 | 295 | 295 | 300 | 300 |
| Motor Vehicles | 56 | 56 | 56 | 56 | 56 |

State Properties Commission

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$1,250,000 | (\$1,250,000) | \$0 |
| TOTAL STATE FUNDS | \$1,250,000 | (\$1,250,000) | \$0 |
| Other Funds | 999,895 | 2,891,521 | 3,891,416 |
| TOTAL FUNDS | \$3,499,895 | \$391,521 | \$3,891,416 |
| | | | |
| Leasing | | | |
| Other Funds | \$406,637 | \$194,759 | \$601,396 |
| Total Funds | \$406,637 | \$194,759 | \$601,396 |
| | | | |
| Payments to Georgia Building Authority | | | |
| State Funds | \$1,250,000 | (\$1,250,000) | \$0 |
| Other Funds | | 2,423,599 | 2,423,599 |
| Total Funds | \$1,250,000 | \$1,173,599 | \$2,423,599 |
| | | | |
| State Properties Commission | | | |
| Other Funds | \$593,258 | \$273,163 | \$866,421 |
| Total Funds | \$593,258 | \$273,163 | \$866,421 |

Georgia Public Defender Standards Council

Roles, Responsibilities, and Organization

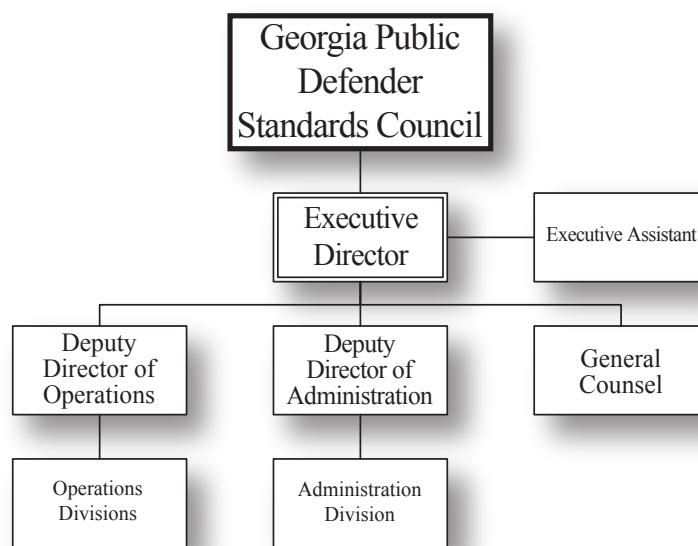
The Georgia Public Defender Standards Council (PDSC) is responsible for assuring that adequate and effective legal representation is provided, independently of political consideration or private interests, to indigent persons who are entitled to representation. The legal representation is consistent with the guarantees of the Constitution of the State of Georgia, the constitution of the United States and the mandates of the Georgia Indigent Defense Act of 2003. PDSC provides such legal services in a cost efficient manner and conducts that representation in such as way that the criminal justice system operates effectively to achieve justice.

The PDSC serves as administrative support for the 49 circuit defender officers throughout the State through two programs – Public Defender

Standards Council and Public Defenders. The Council assists the circuit defender offices by providing training and professional development for the attorneys and other staff involved in defending indigent citizens; by representing the interests of defense attorneys throughout the State; and, by providing administrative assistance to the circuit defenders as needed.

AUTHORITY

Title 17, Official Code of Georgia Annotated.



Georgia Public Defenders Standards Council

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$35,430,140 | \$6,743,991 | \$42,174,131 |
| TOTAL STATE FUNDS | \$35,430,140 | \$6,743,991 | \$42,174,131 |
| Other Funds | 4,835,038 | (3,135,038) | 1,700,000 |
| TOTAL FUNDS | \$40,265,178 | \$3,608,953 | \$43,874,131 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$702,000 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$417,536) and for performance increases (\$167,015). | 584,551 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 322,970 |
| Total Change | \$1,609,521 |

Public Defender Standards Council

Purpose: Fund the Office of the Georgia Capital Defender, Office of the Mental Health Advocate and Central Office.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$126,832 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$75,437) and for performance increases (\$30,175). | 105,612 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 58,352 |
| 4. Add one IT specialist position to provide support for the central office as well as circuit public defender offices. | 67,633 |
| 5. Provide funds to contract for a special senior attorney (\$126,813) and for outside experts to assist the appellate division (\$18,000). | 144,813 |
| 6. Provide funds to allow circuit public defender offices to access the Georgia Crime Information Center (GCIC) which will enable evaluation of cases to occur earlier in the process. | 2,500 |
| 7. Provide additional funds for experts, mitigation, investigative, and attorney expenses in capital death cases statewide. | 295,488 |
| 8. Fund a third capital defender satellite office including three senior attorneys, two mitigation specialists, two investigators, two paralegals and operating costs for an additional capital defender satellite office to assist in controlling the costs of capital conflict cases. | 736,270 |
| 9. Provide additional funds for one attorney position in the Mental Health division to handle incompetent to stand trial and not guilty by reason of insanity cases statewide. | 92,747 |
| 10. Decrease other funds (\$1,075,048) to reflect anticipated collections from Clerks and Sheriffs. | Yes |
| Total Change | \$1,630,247 |

Public Defenders

Purpose: Assure that adequate and effective legal representation is provided, independently of political considerations or private interests, to indigent persons who are entitled to representation under this chapter; provided that staffing for circuits are based on O.C.G.A. 17-12.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$575,168 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$342,099) and for performance increases (\$136,840). | 478,939 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 264,618 |

Georgia Public Defenders Standards Council

FY 2009 Program Budgets

| | |
|--|-------------------|
| 4. Provide funds to address the backlog of indigent defense cases assigned to private attorneys due to a conflict of interest. | 3,795,019 |
| 5. Decrease in IOLTA funds (\$2,059,990) to reflect anticipated collections. | Yes |
| Total Change | <hr/> \$5,113,744 |

Public Defenders Standards Council

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Recommendation |
|-----------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---------------------------|
| Public Defender Standards Council | \$9,269,823 | \$12,414,501 | \$8,705,076 | \$9,342,876 | \$9,260,275 |
| Public Defenders | 48,079,179 | 54,694,374 | 31,560,102 | 35,483,612 | 34,613,856 |
| TOTAL FUNDS | <u>\$57,349,002</u> | <u>\$67,108,875</u> | <u>\$40,265,178</u> | <u>\$44,826,488</u> | <u>\$43,874,131</u> |
| <u>Less:</u> | | | | | |
| Other Funds | \$20,227,708 | \$30,748,117 | \$4,835,038 | \$1,700,000 | \$1,700,000 |
| Subtotal | <u>\$20,227,708</u> | <u>\$30,748,117</u> | <u>\$4,835,038</u> | <u>\$1,700,000</u> | <u>\$1,700,000</u> |
| State General Funds | \$37,121,294 | \$36,360,758 | \$35,430,140 | \$43,126,488 | \$42,174,131 |
| TOTAL STATE FUNDS | \$37,121,294 | \$36,360,758 | \$35,430,140 | \$43,126,488 | \$42,174,131 |
| Positions | | | 404 | 416 | 416 |

Note:

Public Defenders Standards Council was transferred from the Judicial Branch of Government to the Executive Branch of Government by executive order beginning FY 2008. Prior to the transfer, position counts were not required to be reported.

Public Defenders Standards Council

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|-----------------------------------|---------------------------|--------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$35,430,140 | \$6,743,991 | \$42,174,131 |
| TOTAL STATE FUNDS | \$35,430,140 | \$6,743,991 | \$42,174,131 |
| Other Funds | 4,835,038 | (3,135,038) | 1,700,000 |
| TOTAL FUNDS | \$40,265,178 | \$3,608,953 | \$43,874,131 |
| Public Defender Standards Council | | | |
| State General Funds | \$5,930,028 | \$1,630,247 | \$7,560,275 |
| Other Funds | 2,775,048 | (1,075,048) | 1,700,000 |
| Total Funds | <u>\$8,705,076</u> | <u>\$555,199</u> | <u>\$9,260,275</u> |
| Public Defenders | | | |
| State General Funds | \$29,500,112 | \$5,113,744 | \$34,613,856 |
| Other Funds | 2,059,990 | (2,059,990) | 0 |
| Total Funds | <u>\$31,560,102</u> | <u>\$3,053,754</u> | <u>\$34,613,856</u> |

Department of Public Safety

Roles, Responsibilities, and Organization

The Georgia Department of Public Safety is responsible for patrolling the public roads and highways of the state of Georgia, safeguarding the lives and property of the public, and investigating traffic accidents. The department's troopers work to reduce accidents and injuries by enforcing traffic laws, encouraging seat belt use, and by stopping drivers under the influence of drugs and alcohol. They also investigate traffic accidents and are involved in highway drug interdiction. The agency is responsible for Executive Security for the Governor and First Lady and the safety and security of employees, visitors and facilities of the Capitol Hill Area. In addition, the department provides law enforcement assistance to the public and other agencies of the criminal justice community in areas such as special units, fugitive apprehension, and Homeland Security.

The Motor Carrier Compliance Division currently has a sworn staff of 243 of its authorized count of 332 sworn positions. This unit is responsible for enforcing Georgia's commercial vehicle safety and size and weight regulations, High Occupancy Vehicle (HOV) Lane restrictions, and conducting school bus safety inspections. To carry out these duties, the MCCD is divided into 11 regions with 19 permanent inspection stations located throughout the state.

The Georgia State Patrol (GSP) has a current sworn staff in the uniform division of 768 of its authorized 953 sworn Trooper positions. To carry out its duties, GSP operates a headquarters facility, 48 patrol posts, and six aviation hangars.

In an effort to provide the services to the state and public as directed by the department, the State Patrol has several unique units that contribute to the overall mission. These units are as follows:

- Field Operations
- Implied Consent
- Executive Security
- Specialized Collision Reconstruction Team
- Investigative Services
- Safety Education

- Aviation
- Criminal Interdiction Unit
- SWAT
- Capitol Police
- Motor Carrier Compliance
- Administration

The department, for administrative purposes only, maintains four additional program units. The additional programs are as follows:

The Georgia Public Safety Training Center provides instruction and support services for the training of state and local law enforcement officers, firefighters, correctional officers, and emergency personnel.

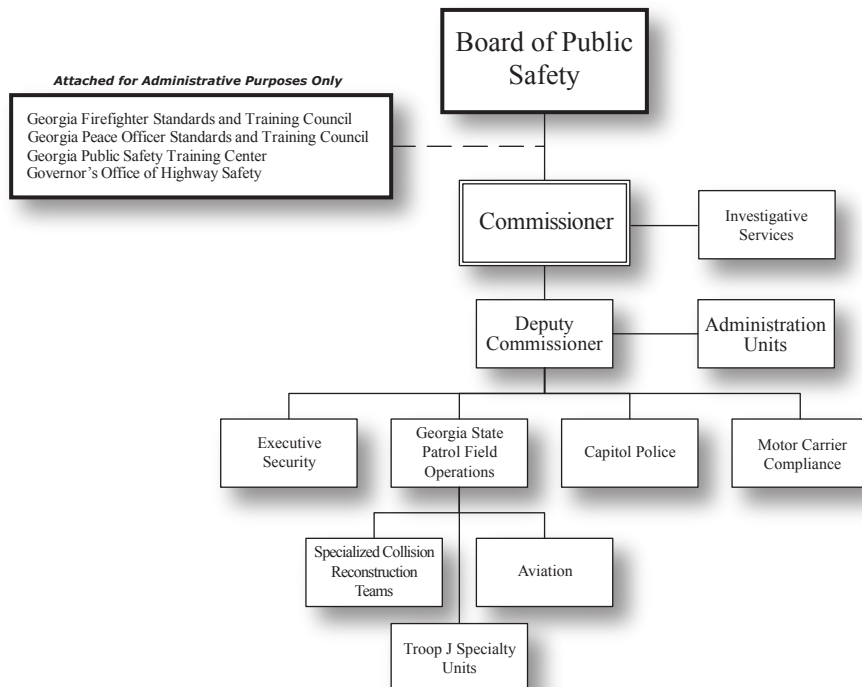
The Georgia Firefighter Standards and Training Council is responsible for establishing uniform standards for the employment and training of firefighters. Additionally, the Council establishes curriculum requirements and approves schools and facilities for the purpose of fire training.

The Georgia Peace Officer Standards and Training Council is responsible for improving law enforcement in the state by enforcing legislatively established standards for the employment and training of peace officers. The citizens of Georgia can be assured the adequate protection of persons and property through the establishment of minimum standards and professionalism developed and supported by law enforcement training.

The Governor's Office of Highway Safety is responsible for the development and administration of statewide highway safety programs. The agency coordinates programs funded through federal highway grants designed to reduce the number of highway deaths and to promote safety.

AUTHORITY

Title 25, 35, and 40, Official Code of Georgia Annotated; Georgia Laws



Department of Public Safety

FY 2009 Program Budgets

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|---------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$121,232,673 | \$22,756,897 | \$143,989,570 |
| TOTAL STATE FUNDS | \$121,232,673 | \$22,756,897 | \$143,989,570 |
| Federal Funds | 8,328,935 | 18,081,391 | 26,410,326 |
| Other Funds | 9,382,406 | 7,518,165 | 16,900,571 |
| TOTAL FUNDS | \$138,944,014 | \$48,356,453 | \$187,300,467 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$7,069,773 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$1,186,660), for performance increases (\$474,665), for employees in specified critical jobs (\$59,702), and for structure adjustments to the statewide salary plan (\$9,041). | 1,730,068 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 854,733 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 283,401 |
| Total Change | \$9,937,975 |

Administration

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$81,485 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$84,536), for performance increases (\$33,813), and for structure adjustments to the statewide salary plan (\$535). | 118,884 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 67,897 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 18,774 |
| 5. Reduce one-time funding for POST database. | (284,064) |
| 6. Provide for a reduction in personal services costs due to retirements. | (276,000) |
| 7. Increase federal funds (\$15,571) to reflect projected expenditures in FY 2009. | Yes |
| Total Change | (\$273,024) |

Aviation

Purpose: Provide air support to the Georgia State Patrol and other state, federal, and local agencies, thereby improving public safety for the citizens of Georgia.

Recommended Change:

| | |
|---|------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$25,318 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$19,149), for performance increases (\$7,660), and for structure adjustments to the statewide salary plan (\$121). | 26,930 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 15,380 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 6,279 |
| 5. Provide for a reduction in personal services costs due to retirement. | (103,000) |
| 6. Increase federal funds (\$190,000) to reflect projected expenditures in FY 2009. | Yes |
| Total Change | (\$29,093) |

Department of Public Safety

FY 2009 Program Budgets

Capitol Police Services

Purpose: Protect life and property, prevent and detect criminal acts, and enforce traffic regulations throughout the Capitol Hill area.

Recommended Change:

| | |
|---|-----|
| 1. Increase other funds (\$4,352,436) to reflect projected expenditures in FY 2009. | Yes |
| Total Change | \$0 |

Executive Security Services

Purpose: Provide facility security for the Governor's Mansion and personal security for its residents, and provide continual security for the Governor, Lieutenant Governor, the Speaker of the House and their families.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$16,455 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$17,435), for performance increases (\$6,974), and for structure adjustments to the statewide salary plan (\$111). | 24,520 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 14,004 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 3,835 |
| Total Change | \$58,814 |

Field Offices and Services

Purpose: Reduce criminal activity in the state of Georgia through enforcement of traffic and criminal laws.

Recommended Change:

| | |
|--|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment, and annualize FY 2008 pay raise for identified ranks of the Georgia State Patrol troopers through the supervisory rank of captain including all job classes of communication equipment officers, effective January 1, 2008. | \$6,413,168 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$732,604), for performance increases (\$293,042) and for structure adjustments to the statewide salary plan (\$4,639). | 1,030,285 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 588,411 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 245,416 |
| 5. Transfer funds from the Field offices and Services program to the Specialized Collision Reconstruction Team (SCRT) program to properly align the budget with anticipated expenditures. | (496,000) |
| 6. Provide funding for computer-aided dispatch and computer terminals in patrol vehicles to increase the efficiency and safety of state troopers. | 1,976,302 |
| 7. Increase personal services to implement the Regional Officer Trooper Cadet (ROTC) program with an initial class of 50 cadets. | 2,368,994 |
| 8. Provide additional funds needed for salaries, equipment, fuel and maintenance costs associated with troopers graduating from the 85th trooper school. | 3,777,277 |
| 9. Provide funds for the 86th trooper school in order to increase patrol coverage statewide to foster a safer driving experience for all those who travel Georgia highways and meet the State Highway Strategic plan goal of one death per 100 million miles driven. | 2,847,456 |
| 10. Provide partial-year funding for the 87th trooper school in order to increase patrol coverage statewide to foster a safer driving experience for all those who travel Georgia highways and meet the State Highway Strategic plan goal of one death per 100 million miles driven. | 2,296,753 |
| 11. Reduce funds budgeted for post repairs and maintenance. | (100,000) |
| 12. Increase federal (\$3,118,316) and other funds (\$1,252,400) to reflect projected expenditures in FY 2009. | Yes |
| 13. Redirect one-time funding of 50 standard trooper cars to replace cars projected to surpass 135,000 miles in FY 2009. | Yes |
| Total Change | \$20,948,062 |

Department of Public Safety

FY 2009 Program Budgets

Motor Carrier Compliance

Purpose: Provide safety and compliance enforcement for commercial motor carriers, school buses, large passenger vehicles and ensure enforcement of High Occupancy Vehicle lane use restrictions.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$286,492 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$143,942), for performance increases (\$57,577), and for structure adjustments to the statewide salary plan (\$911). | 202,430 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 22,290 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 15,397 |
| 5. Increase federal (\$651,053) and other funds (\$1,913,329) to reflect projected expenditures in FY 2009. | Yes |
| Total Change | \$526,609 |

Specialized Collision Reconstruction Team (SCRT)

Purpose: Provide a means by which fatal crashes can be investigated thoroughly by specially trained investigators and properly document evidence in collisions to be used for successful court prosecution.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$36,479 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$29,122), for performance increases (\$11,649), and for structure adjustments to the statewide salary plan (\$184). | 40,955 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 23,390 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 9,067 |
| 5. Transfer funds to the Specialized Collision Reconstruction Team (SCRT) program from the Field Offices and Services program to properly align the budget with anticipated expenditures. | 496,000 |
| Total Change | \$605,891 |

Troop J Specialty Units

Purpose: Support the Forensics Science Division of the Georgia Bureau of Investigation by overseeing and maintaining the entire breath-alcohol program.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$37,221 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$29,482), for performance increases (\$11,793), and for structure adjustments to the statewide salary plan (\$187). | 41,462 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 23,680 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 13,357 |
| 5. Provide for a reduction in personal services costs due to attrition. | (331,000) |
| Total Change | (\$215,280) |

Agencies Attached for Administrative Purposes:

Firefighter Standards and Training Council

Purpose: Provide professionally trained, competent and ethical firefighters with the proper equipment and facilities to ensure a fire safe environment for Georgia citizens and establish professional standards for fire service training including consulting, testing, and certification of Georgia's firefighters.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$8,546 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$7,728), and for performance increases (\$3,091). | 10,819 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 5,861 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (11,553) |
| Total Change | \$13,673 |

Department of Public Safety

FY 2009 Program Budgets

Office of Highway Safety

Purpose: Educate the public on highway safety issues and facilitate the implementation of programs to reduce crashes, injuries, and fatalities on Georgia roadways.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$6,438 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$2,009), and for performance increases (\$804). | 2,813 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,454 |
| 4. Reflect an adjustment in Workers' Compensation premium rate structure. | 13,286 |
| 5. Provide state funds to match federal National Highway Traffic Safety Administration funding for an increase in GBA negotiated rental agreements (Total Funds: \$79,319). | 39,660 |
| 6. Provide state funds to match for federal National Highway Traffic Safety Administration funding for two positions previously funded. (Total Funds: \$162,422). | 81,211 |
| 7. Increase federal (\$13,978,380) funds to reflect projected expenditures in FY 2009. | Yes |
| Total Change | \$144,862 |

Peace Officer Standards and Training Council

Purpose: Set standards for the law enforcement community; ensure training at the highest level for all of Georgia's law enforcement officers and public safety professionals; and certify individuals when all requirements are met. Investigate officers and public safety professionals when an allegation of unethical/illegal conduct is made; sanction those individuals' certification's when necessary.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$26,508 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$19,369), and for performance increases (\$7,748). | 27,117 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 14,974 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (5,206) |
| 5. Add one audit position. | 38,475 |
| 6. Provide for a reduction in regular operating expenses. | (16,832) |
| 7. Provide funding to increase the contract with the Georgia Sheriff's Association to deliver training associated with the Sex Offender Registration Act. | 118,700 |
| 8. Increase the contract with the Georgia Sheriff's Association to deliver training for an anticipated class of 50 newly elected Sheriffs. | 392,190 |
| 9. Provide for a reduction in monthly telecommunications expenses. | (7,200) |
| Total Change | \$588,726 |

Georgia Public Safety Training Center

Purpose: Develop, deliver and facilitate training that results in professional and competent public safety services for the people of Georgia.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$131,663 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$101,284), for performance increases (\$40,514), for employees in specified critical jobs (\$59,702) and for structure adjustments to the statewide salary plan (\$2,353). | 203,853 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 77,392 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (25,251) |
| Total Change | \$387,657 |

Department of Public Safety

FY 2009 Program Budgets

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|---------------------|
| 1. Replace the burn building, Georgia Fire Academy, Forsyth, Monroe County | 20 | \$500,000 | \$42,700 |
| Total | | \$500,000 | \$42,700 |

Department of Public Safety

Performance Measures - FY 2009

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Aviation | | | | |
| 1. Percentage of fugitives captured | 48% | 48% | 48% | 48% |
| 2. Percentage of individuals found through general searches | 48% | 48% | 48% | 48% |
| Capitol Police Services | | | | |
| 1. Number of felony arrests | 96 | 20 | 96 | 20 |
| 2. Number of thefts reported | 25 | 22 | 0 | 22 |
| Executive Security Services | | | | |
| 1. Number of detail hours | 42,556 | 40,214 | 41,300 | 42,000 |
| 2. Number of training hours | 1,000 | 1,028 | 1,400 | 1,020 |
| Field Offices and Services | | | | |
| 1. Number of vehicle stops performed | 510,484 | 511,501 | 502,712 | 516,616 |
| 2. Fatalities per 100 million miles driven | 1.49 | 1.34 | 1.22 | 1.10 |
| 3. Customer Service: Total number of callouts for S.W.A.T. assistance | 29 | 42 | 36 | 45 |
| Motor Carrier Compliance | | | | |
| 1. Percentage of vehicles weighed found to be in compliance | 99% | 99% | 99% | 99% |
| 2. Percentage of school buses found to have serious defects as a result of inspections | 13% | 15% | 13% | 13% |
| 3. Number of commercial vehicle inspections | 90,000 | 88,109 | 75,000 | 75,000 |
| Specialized Collision Reconstruction Team (SCRT) | | | | |
| 1. Customer Service: Number of traffic accident investigations opened | 314 | 298 | 348 | 330 |
| 2. Percentage of cases investigated resulting in conviction | 100% | 100% | 98% | 99% |
| Troop J Specialty Units | | | | |
| 1. Customer Service: Number of students attending Basic 5000 course | 1,052 | 1,024 | 950 | 1,050 |
| 2. Customer Service: Number of intoxilyzer devices serviced/maintained | 566 | 542 | 578 | 550 |
| 3. Customer Service: Number of public school classes receiving instruction | 1,150 | | 1,219 | 1,282 |
| Firefighters Standards and Training Council | | | | |
| 1. Percentage of fire stations found to be operating in violation of state requirements and placed in non-compliant status | 6% | 9% | 13% | 17% |
| 2. Percentage of career firefighters in violation of annual training and certification requirements placed in non-compliant status | 1% | 3% | 4% | 5% |

Department of Public Safety

Performance Measures - FY 2009

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Office of Highway Safety | | | | |
| 1. Fatality rate per 100 million miles driven | 1.49 | 1.34 | 1.22 | 1.10 |
| 2. Percentage of safety belt usage reported by University of Georgia Research Center Observational Survey | 90% | 89% | 90% | 90% |
| 3. Percentage of child safety seat usage reported by University of Georgia Research Center Observational Study | 85% | 93% | 95% | 95% |
| Peace Officer Standards and Training | | | | |
| 1. Percentage of cases sent to POST Council's Probable Cause Committee in under four months | 48% | 41% | 45% | 50% |
| 2. Percentage of active peace officers seeking specialty certifications | 10% | 10% | 10% | 10% |
| 3. Total number of certifications issued | 12,344 | 11,949 | 11,000 | 11,500 |
| Public Safety Training Center | | | | |
| 1. Customer Service: Percent of customers stating that customer service rates good to very good | 98% | 98% | 90% | 95% |
| 2. Percentage of student registrations fulfilled to provide timely training | 95% | 98% | 95% | 95% |
| 3. Percentage of agency heads who state that their employees' job performance improved as a result of training provided | 98% | 98% | 93% | 95% |

Department of Public Safety

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$652,745 | \$8,761,509 | \$9,434,931 | \$9,240,416 | \$9,177,478 |
| Aviation | 2,852,697 | 2,711,318 | 2,630,550 | 2,552,868 | 2,791,457 |
| Capitol Police Services | 7,054,526 | 7,253,756 | 3,151,435 | 3,151,435 | 7,503,871 |
| Executive Security Services | 1,388,248 | 1,419,372 | 1,467,064 | 1,483,519 | 1,525,878 |
| Field Offices and Services | 68,060,538 | 70,411,728 | 78,566,545 | 100,129,607 | 103,885,323 |
| Motor Carrier Compliance | 19,289,440 | 19,392,555 | 17,602,364 | 17,888,856 | 20,693,355 |
| Specialized Collision Reconstruction Team (SCRT) | 2,388,398 | 2,909,829 | 2,517,279 | 3,077,358 | 3,123,170 |
| Troop J Specialty Units | 2,221,552 | 2,291,725 | 2,460,304 | 2,166,525 | 2,245,024 |
| SUBTOTAL (Excludes Attached Agencies) | \$103,908,144 | \$115,151,792 | \$117,830,472 | \$139,690,584 | \$150,945,556 |
| ATTACHED AGENCIES | | | | | |
| Firefighter Standards and Training Council | \$620,413 | \$670,208 | \$905,403 | \$913,949 | \$919,076 |
| Office of Highway Safety | 12,239,899 | 16,891,145 | 3,688,232 | 3,936,411 | 17,939,545 |
| Peace Officer Standards and Training Council (POST) | 2,147,207 | 2,150,929 | 2,126,893 | 2,149,338 | 2,715,619 |
| Public Safety Training Center | 16,567,749 | 17,561,704 | 14,393,014 | 14,524,677 | 14,780,671 |
| TOTAL FUNDS | \$135,483,412 | \$152,425,779 | \$138,944,014 | \$161,214,959 | \$187,300,467 |
| Less: | | | | | |
| Federal Funds | \$24,937,525 | \$29,458,335 | \$8,328,935 | \$8,449,805 | \$26,410,326 |
| Other Funds | 18,332,869 | 19,436,603 | 9,382,406 | 9,382,406 | 16,900,571 |
| Subtotal | \$43,270,394 | \$48,894,938 | \$17,711,341 | \$17,832,211 | \$43,310,897 |
| State General Funds | \$92,213,018 | \$103,530,841 | \$121,232,673 | \$143,382,748 | \$143,989,570 |
| TOTAL STATE FUNDS | \$92,213,018 | \$103,530,841 | \$121,232,673 | \$143,382,748 | \$143,989,570 |
| Positions | 1,995 | 1,996 | 1,996 | 1,997 | 1,997 |
| Motor Vehicles | 1,442 | 1,442 | 1,442 | 1,442 | 1,442 |

Department of Public Safety

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|--------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$121,232,673 | \$22,756,897 | \$143,989,570 |
| TOTAL STATE FUNDS | \$121,232,673 | \$22,756,897 | \$143,989,570 |
| Federal Funds | 8,328,935 | 18,081,391 | 26,410,326 |
| Other Funds | 9,382,406 | 7,518,165 | 16,900,571 |
| TOTAL FUNDS | \$138,944,014 | \$48,356,453 | \$187,300,467 |
| Administration | | | |
| State General Funds | \$9,434,931 | (\$273,024) | \$9,161,907 |
| Federal Funds | | 15,571 | 15,571 |
| Total Funds | \$9,434,931 | (\$257,453) | \$9,177,478 |
| Aviation | | | |
| State General Funds | \$2,630,550 | (\$29,093) | \$2,601,457 |
| Federal Funds | | 190,000 | 190,000 |
| Total Funds | \$2,630,550 | \$160,907 | \$2,791,457 |
| Capitol Police Services | | | |
| Other Funds | \$3,151,435 | \$4,352,436 | \$7,503,871 |
| Total Funds | \$3,151,435 | \$4,352,436 | \$7,503,871 |
| Executive Security Services | | | |
| State General Funds | \$1,467,064 | \$58,814 | \$1,525,878 |
| Total Funds | \$1,467,064 | \$58,814 | \$1,525,878 |
| Field Offices and Services | | | |
| State General Funds | \$78,566,545 | \$20,948,062 | \$99,514,607 |
| Federal Funds | | 3,118,316 | 3,118,316 |
| Other Funds | | 1,252,400 | 1,252,400 |
| Total Funds | \$78,566,545 | \$25,318,778 | \$103,885,323 |
| Motor Carrier Compliance | | | |
| State General Funds | \$7,843,468 | \$526,609 | \$8,370,077 |
| Federal Funds | 5,161,998 | 651,053 | 5,813,051 |
| Other Funds | 4,596,898 | 1,913,329 | 6,510,227 |
| Total Funds | \$17,602,364 | \$3,090,991 | \$20,693,355 |
| Specialized Collision Reconstruction Team (SCRT) | | | |
| State General Funds | \$2,517,279 | \$605,891 | \$3,123,170 |
| Total Funds | \$2,517,279 | \$605,891 | \$3,123,170 |

Department of Public Safety Program Budget Financial Summary

| | | | |
|---|--------------|--------------|--------------|
| Troop J Specialty Units | | | |
| State General Funds | \$2,460,304 | (\$215,280) | \$2,245,024 |
| Total Funds | \$2,460,304 | (\$215,280) | \$2,245,024 |
| | | | |
| Agencies Attached for Administrative Purposes: | | | |
| Firefighter Standards and Training Council | | | |
| State General Funds | \$905,403 | \$13,673 | \$919,076 |
| Total Funds | \$905,403 | \$13,673 | \$919,076 |
| | | | |
| Office of Highway Safety | | | |
| State General Funds | \$521,295 | \$144,862 | \$666,157 |
| Federal Funds | 3,166,937 | 14,106,451 | 17,273,388 |
| Total Funds | \$3,688,232 | \$14,251,313 | \$17,939,545 |
| | | | |
| Peace Officers Standards and Training Council | | | |
| State General Funds | \$2,126,893 | \$588,726 | \$2,715,619 |
| Total Funds | \$2,126,893 | \$588,726 | \$2,715,619 |
| | | | |
| Public Safety Training Center | | | |
| State General Funds | \$12,758,941 | \$387,657 | \$13,146,598 |
| Other Funds | 1,634,073 | | 1,634,073 |
| Total Funds | \$14,393,014 | \$387,657 | \$14,780,671 |

Public Service Commission

Roles, Responsibilities, and Organization

The Public Service Commission (PSC) is responsible for regulating public utility companies under its jurisdiction. In carrying out its responsibilities, the commission promulgates and enforces rules governing regulated companies, sets and monitors utility rates, assists consumers of regulated companies with questions and problematic situations, and educates the public on consumer rights and responsibilities in the evolving regulatory environment. Above all, the commission aims to ensure that consumers receive the best value in electric, natural gas, transportation, and telecommunications service, and that utilities under its jurisdiction receive equitable rates and remain financially viable. The commission also ensures the safety of the state's underground utility facilities through education and enforcement.

The PSC is a quasi-legislative, quasi-judicial agency directed by a five-member board of commissioners. Commissioners are elected through statewide general elections and serve six-year terms. The agency's staff includes accountants, analysts, engineers, information systems specialists, inspectors, and various administrative personnel who assist the commissioners in fulfilling their duties. The commission has two programs: Facilities Protection and Utilities Regulation.

FACILITIES PROTECTION

Through its safety program, the PSC protects people, property, and the environment from physical harm from an accidental release of natural gas or other chemicals, and averts interruptions of utility service resulting from damage to utility facilities caused by blasting or excavating operations. The commission fulfills its responsibilities by enforcing industry compliance with safety rules and regulations and by educating the system operators. By training operators, the commission ensures that industry personnel understand proper procedures for locating and marking utility facilities before blasting or excavating. The combination of enforcement and education is highly effective and contributes to the health and security of Georgia.

TRANSPORTATION

Under legislation adopted by the 2005 General Assembly, the commission assumed the regulation of household goods movers,

luxury limousines, buses, and non-consensual towers. The commission sets maximum rates to be charged and ensures that these carriers are properly licensed, insured, and able to comply with all safety regulations. The transportation unit is part of the Utilities Regulation program.

UTILITIES REGULATION

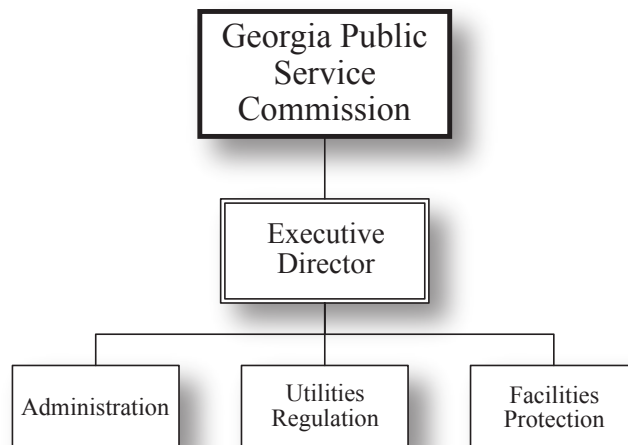
The goal of utilities regulation is to ensure that telecommunications, electric, and natural gas providers serve the state with affordable rates and quality service.

Even though the natural gas and telecommunications industries have been partially opened to competition, the PSC remains responsible for setting and monitoring the rates and service standards of electric, transportation, natural gas, and telecommunications companies. Additionally, it is the role of the commission to approve supply plans for electric and natural gas companies, monitor utility system and telecommunications network planning, arbitrate complaints among competitors, provide consumer protection and education, and certify competitive transportation, natural gas, and telecommunications providers.

The PSC recognizes that its responsibility to ensure that utility services are reliable and reasonably priced has not changed even as utility markets become more competitive. The PSC believes that Georgians should continue to have access to high quality utility services, whether those services are priced in a competitive market or through economic regulation.

AUTHORITY

Article 4, Section 1 of the Constitution of the State of Georgia; Titles 40 and 46, Official Code of Georgia Annotated.



Public Service Commission

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | <u>Changes</u> | FY 2009 |
|---|-----------------------|------------------|-----------------------|
| | <u>Current Budget</u> | | <u>Recommendation</u> |
| State General Funds | \$9,965,190 | \$479,271 | \$479,271 |
| TOTAL STATE FUNDS | \$9,965,190 | \$479,271 | \$10,444,461 |
| Federal Funds Not Specifically Identified | 449,000 | 151,000 | 600,000 |
| Other Funds | | 70,000 | 70,000 |
| TOTAL FUNDS | \$10,414,190 | \$700,271 | \$11,114,461 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$128,138 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$98,903), for performance increases (\$39,561), and for structured adjustments to the statewide salary plan (\$615). | 139,079 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 75,333 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (6,693) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 43,762 |
| Total Change | \$379,619 |

Administration

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$16,813 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$13,167), for performance increases (\$5,267), and for structured adjustments to the statewide salary plan (\$615). | 19,049 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 10,029 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,141) |
| 5. Increase the GBA real estate rental rate for office space. | 6,358 |
| 6. Increase other funds (\$70,000) to reflect projected expenses for FY 2009. | Yes |
| Total Change | \$51,108 |

Facilities Protection

Purpose: Provide for the protection of the buried utility facility infrastructure within the State of Georgia.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$8,927 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$8,541) and for performance increases (\$3,416). | 11,957 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 6,506 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (228) |
| 5. Increase the GBA real estate rental rate for office space. | 3,827 |
| 6. Increase federal funds (\$151,000) to reflect projected expenses for FY 2009. | Yes |
| Total Change | \$30,989 |

Utilities Regulation

Purpose: Regulate intrastate telecommunications, natural gas, and electric utilities.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$102,398 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$77,195) and for performance increases (\$30,878). | 108,073 |

Public Service Commission

FY 2009 Program Budgets

| | |
|---|-----------------|
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 58,798 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (5,324) |
| 5. Increase the GBA real estate rental rate for office space. | 33,577 |
| 6. Provide additional funds for subject matter experts for nuclear construction monitoring. | 99,652 |
| Total Change | <hr/> \$397,174 |

Public Service Commission

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Facilities Protection | | | | |
| 1. Number of pipeline safety inspections | 543 | 593 | 570 | 569 |
| 2. Number of people trained on Georgia Utility Facility Protection Act (GUFPA) requirements | 4,125 | 3,425 | 1,758 | 2,445 |
| Utilities Regulation | | | | |
| 1. Number of valid telecommunication, natural gas, and electric complaints resolved satisfactorily by the Public Service Commission | 9,097 | 9,118 | 10,000 | 9,500 |

Public Service Commission

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$1,407,979 | \$1,184,848 | \$1,258,488 | \$1,275,301 | \$1,379,596 |
| Facilities Protection | 1,083,787 | 1,225,739 | 1,302,658 | 1,311,585 | 1,484,647 |
| Utilities Regulation | 6,618,721 | 7,306,726 | 7,853,044 | 7,955,442 | 8,250,218 |
| TOTAL FUNDS | \$9,110,487 | \$9,717,313 | \$10,414,190 | \$10,542,328 | \$11,114,461 |
| <u>Less:</u> | | | | | |
| Federal Funds Not Specifically Identified | \$584,146 | \$596,301 | \$449,000 | \$449,000 | \$600,000 |
| Other Funds | 65,862 | 77,191 | | | 70,000 |
| Subtotal | \$650,008 | \$673,492 | \$449,000 | \$449,000 | \$670,000 |
| State General Funds | \$8,460,479 | \$9,043,821 | \$9,965,190 | \$10,093,328 | \$10,444,461 |
| TOTAL STATE FUNDS | \$8,460,479 | \$9,043,821 | \$9,965,190 | \$10,093,328 | \$10,444,461 |
| Positions | 98 | 101 | 100 | 100 | 100 |
| Motor Vehicles | 19 | 19 | 18 | 18 | 18 |

Public Service Commission

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$9,965,190 | \$479,271 | \$10,444,461 |
| TOTAL STATE FUNDS | \$9,965,190 | \$479,271 | \$10,444,461 |
| Federal Funds Not Specifically Identified | 449,000 | 151,000 | 600,000 |
| Other Funds | | 70,000 | 70,000 |
| TOTAL FUNDS | \$10,414,190 | \$700,271 | \$11,114,461 |
| Administration | | | |
| State General Funds | \$1,258,488 | \$51,108 | \$1,309,596 |
| Other Funds | | 70,000 | 70,000 |
| Total Funds | \$1,258,488 | \$121,108 | \$1,379,596 |
| Facilities Protection | | | |
| State General Funds | \$853,658 | \$30,989 | \$884,647 |
| Federal Funds Not Specifically Identified | 449,000 | 151,000 | 600,000 |
| Total Funds | \$1,302,658 | \$181,989 | \$1,484,647 |
| Utilities Regulation | | | |
| State General Funds | \$7,853,044 | \$397,174 | \$8,250,218 |
| Total Funds | \$7,853,044 | \$397,174 | \$8,250,218 |

Regents, University System of Georgia

Roles, Responsibilities, and Organization

The University System of Georgia (USG), through its 35 public colleges and universities, is charged with providing higher education to Georgia residents. USG works to create a more educated Georgia through its core missions of instruction, research, and public service.

INSTRUCTION

Access to higher education is critical to the economic development of the state. Currently, 90% of Georgia citizens are within commuting distance of 1 of the 35 USG institutions. USG is comprised of four research universities, thirteen state universities, four state colleges, two regional universities, and twelve two-year colleges.

USG institutions offer baccalaureate, limited baccalaureate, and associate degree programs. In addition, four institutions offer technical programs through an arrangement with the Department of Technical and Adult Education (DTAE). In 2007, USG enrolled 270,022 students and granted 45,300 degrees.

RESEARCH

Research is concentrated in four research universities: the University of Georgia, Georgia Institute of Technology, Georgia State University, and the Medical College of Georgia. Funding for research is derived from the funding formula, federal or private sponsored research, and special state programs, such as the Georgia Research Alliance and Traditional Industries Program.

Georgia Research Alliance (GRA) is a partnership between Georgia's public and private research universities and local industry to promote economic development in the state. GRA focuses Georgia's research capabilities on targeted technologies that offer significant potential for economic and industrial growth.

Traditional Industries Program (TIP) provides applied research grants in three areas—food processing, pulp and paper production, and carpet and textiles. Researchers partner with industry to solve problems critical to the growth and sustainability of Georgia's traditional industries.

PUBLIC SERVICE

The University System of Georgia offers direct service to farmers, businesses, industry, and communities through continuing education, public service institutes, and special services and organizations, such as the Advanced Technology Development Center/Economic Development Institute and Cooperative Extension Service.

Advanced Technology Development Center/Economic Development Institute (ATDC/EDI) encourages industrial and economic development by providing an extension service that meets the technical and informational needs of industry and local development groups. ATDC also provides support for new technology companies.

Cooperative Extension Service assists Georgia farmers through a network of county extension agents who share information and research developed through the Agricultural Experiment Stations. Cooperative Extension also offers useful and practical information to the people of Georgia on subjects related to natural resources, home economics, youth development, rural development, and family support.

OTHER ACTIVITIES

The Board of Regents also oversees the Public Libraries Service (PLS) which provides assistance, information, and materials to meet

the needs of local communities throughout the state. There are 59 public library systems that operate 385 public libraries statewide. In addition, PLS operates the state's library for the blind and physically handicapped.

ATTACHED AGENCIES

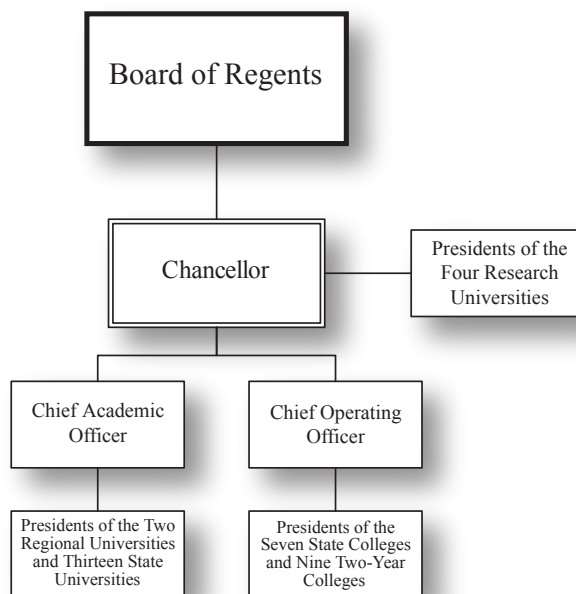
Georgia Cancer Coalition (GCC) is an independent, not-for-profit organization that unites government agencies, academic institutions, civic groups, corporations, and health care organizations in an effort to strengthen cancer prevention, research, and treatment in Georgia.

Georgia Military College (GMC) is an independent, public education institution comprised of a junior college and preparatory school. GMC provides junior college students with a liberal arts based two-year degree, select college students with ROTC training, and junior and high school students with an inclusive preparatory college curriculum that includes a military training component.

Georgia Public Telecommunications Commission (GPTC) provides a 9-station television and 15-station radio network designed to meet the educational, cultural and informational needs of Georgia residents. Additionally, GPTC provides electronically delivered classroom support for all Georgia learners.

AUTHORITY

Titles 12, 20, 49 and 50, Official Code of Georgia Annotated.



Regents, University System of Georgia

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|------------------------|----------------------|------------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommended</u> |
| State General Funds | \$2,115,477,060 | \$217,033,526 | \$2,332,510,586 |
| Tobacco Settlement Funds | 20,337,799 | 1,500,000 | 21,837,799 |
| TOTAL STATE FUNDS | \$2,135,814,859 | \$218,533,526 | \$2,354,348,385 |
| Other Funds | 2,942,009,923 | 106,483,037 | 3,048,492,960 |
| TOTAL FUNDS | \$5,077,824,782 | \$325,016,563 | \$5,402,841,345 |

Department Statewide Budget Changes (Information Only):

| | |
|--|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$26,938,057 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$24,562,713) and for performance increases (\$780,056). | 25,342,769 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 97,206 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,703,110) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 93,469 |
| Total Change | \$50,768,391 |

Advanced Technology Development Center/Economic Development Institute

Purpose: Provide strategic business advice and connect its member companies to the people and resources they need to succeed.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$129,831 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$111,320) and for performance increases (\$44,528). | 155,848 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 50,873 |
| Total Change | \$336,552 |

Agricultural Experiment Station

Purpose: Improve production, processing, new product development, food safety, storage and marketing to increase profitability and global competitiveness.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$469,965 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$409,648) and for performance increases (\$163,859). | 573,507 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 605,124 |
| 4. Add funding for maintenance and operations. | 700,000 |
| 5. Provide funding for a Food Security Microbiologist position. | 125,000 |
| 6. Increase other funds (\$5,111,657) to reflect projected expenditures. | Yes |
| Total Change | \$2,473,596 |

Athens/Tifton Veterinary Laboratories

Purpose: Ensure the safety of our food supply and the health of animals (production, equine, and companion) within the State of Georgia.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other funds: \$62,192). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$32,323) and for performance increases (\$12,929). | \$45,252 |

Regents, University System of Georgia

FY 2009 Program Budgets

| | |
|--|------------|
| 3. Transfer funding for the FY 2008 pay raise from the Athens/Tifton Veterinary laboratories to the contract within the Department of Agriculture. | (62,192) |
| Total Change | (\$16,940) |

Cooperative Extension Service

Purpose: Enhance the quality of life for Georgia's citizens through service, learning and the adaptation of research-based information.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$454,250 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$395,028) and for performance increases (\$158,011). | 553,039 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 719,194 |
| 4. Remove one-time funding for facilities upgrade at the Vidalia Onion and Vegetable Research Center. | (75,000) |
| 5. Add funding for maintenance and operations. | 300,000 |
| 6. Provide funding for six extension agent-in-training positions. | 450,000 |
| 7. Provide funding for an Entomologist position and Peanut Entomologist position. | 250,000 |
| 8. Increase other funds (\$1,989,792) to reflect projected expenditures. | Yes |
| Total Change | \$2,651,483 |

Forestry Cooperative Extension

Purpose: Provide conservation and sustainable management of forests and other natural resources and to put into practice forestry and natural resources knowledge.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$9,108 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$8,224) and for performance increases (\$3,290). | 11,514 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 11,170 |
| 4. Increase other funds (\$24,012) to reflect projected expenditures. | Yes |
| Total Change | \$31,792 |

Forestry Research

Purpose: Sustain competitiveness of Georgia's forest products' industry and private land owners through research and meet the environmental goals of the Sustainable Forestry Initiative.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$42,002 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$39,525) and for performance increases (\$15,810). | 55,335 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 53,122 |
| Total Change | \$150,459 |

Georgia Eminent Scholars Endowment Trust Fund

Purpose: Provide challenge grants to raise funds to be used by units of the University System of Georgia and foundations established to further the work of such units in endowing chairs to attract eminent scholars to join the faculties of units of the University System of Georgia.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Regents, University System of Georgia

FY 2009 Program Budgets

Georgia Radiation Therapy Center

Purpose: Provide patient care and education.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Georgia Tech Research Institute

Purpose: Aid in the promotion of scientific, engineering, and industrial research for the advancement of science, technology, and education in Georgia.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$105,629 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$91,425) and for performance increases (\$36,570). | 127,995 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 32,421 |
| 4. Remove one-time funding for the Agricultural Technology Research Program to replace Ion/High Pressure Liquid Chromatograph. | (45,000) |
| Total Change | \$221,045 |

Marine Institute

Purpose: Understand the processes that affect the condition of the salt marsh and coastline.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$9,810 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$8,708) and for performance increases (\$3,483). | 12,191 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 11,722 |
| Total Change | \$33,723 |

Marine Resources Extension Center

Purpose: Transfer technology, provide training, and conduct applied research.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$17,242 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$16,316) and for performance increases (\$6,527). | 22,843 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 18,070 |
| Total Change | \$58,155 |

Medical College of Georgia Hospitals and Clinics

Purpose: Care, teach, and refer clients.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$397,018 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$343,591) and for performance increases (\$137,437). | 481,028 |
| Total Change | \$878,046 |

Office of Minority Business Enterprises

Purpose: Provide assistance in the mitigation of factors that place minority businesses in a disadvantaged position.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$6,910 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$5,681) and for performance increases (\$2,273). | 7,954 |

Regents, University System of Georgia

FY 2009 Program Budgets

| | |
|---|----------|
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 9,526 |
| Total Change | \$24,390 |

Public Libraries

Purpose: Provide library services for Georgians and to award grants from the Public Library Fund.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$314,188 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$259,116) and for performance increases (\$103,647). | 362,763 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 9,122 |
| 4. Remove one-time funding for equipment. | (109,000) |
| 5. Provide funding to expand the PINES library network to broaden service and access to system library resources. | 579,714 |
| 6. Provide funding to upgrade telecommunication lines. | 240,588 |
| 7. Add funds to the New Directions funding formula based on an increase in state population. | 125,431 |
| 8. Provide an enhancement to the New Directions funding formula for materials and books. | 1,000,000 |
| Total Change | \$2,522,806 |

Public Service/Special Funding Initiatives

Purpose: Provide leadership, service, and education.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$161,903 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009. | 357,680 |
| 3. Eliminate the Georgia Water Policy Research Center. | (360,000) |
| 4. Remove one-time funding for the Washington Center for Internship and Academic Seminars. | (45,000) |
| 5. Provide additional funding to support the start-up of Georgia Gwinnett College. | 6,500,000 |
| 6. Remove one-time funding for the Chattahoochee Hills-South Fulton study. | (150,000) |
| Total Change | \$6,464,583 |

Regents Central Office

Purpose: Provide administrative support to all colleges and universities in the university system.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$96,340 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$74,640) and for performance increases (\$29,856). | 104,496 |
| 3. Reflect an adjustment in the Workers' Compensation premium rate structure. | (34,667) |
| 4. Increase the GBA real estate rental rate for office space. | 89,642 |
| 5. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 55,501 |
| 6. Increase funding for Southern Regional Education Board (SREB) dues and the Regional Contract program to meet actual contract costs. | 105,650 |
| Total Change | \$416,962 |

Research Consortium

Purpose: Conduct research to further industry in the State of Georgia.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$236,072 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009. | 202,908 |
| 3. Remove partial funding for the life sciences vaccine initiative. | (5,000,000) |

Regents, University System of Georgia

FY 2009 Program Budgets

| | |
|---|-----------|
| 4. Provide funding for Georgia Research Alliance venture capital. | 5,000,000 |
| Total Change | \$438,980 |

Skidaway Institute of Oceanography

Purpose: Provide a center of excellence in marine and ocean science research, which expands the body of knowledge on marine environments.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$19,115 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$14,423) and for performance increases (\$5,769). | 20,192 |
| 3. Reflect an adjustment in the Workers' Compensation premium rate structure. | (2,765) |
| 4. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 13,489 |
| Total Change | \$50,031 |

Student Education Enrichment Program

Purpose: Provide underrepresented Georgia residents the opportunity to acquire educational experiences.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,660 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$1,499) and for performance increases (\$600). | 2,099 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 4,481 |
| Total Change | \$8,240 |

Teaching

Purpose: Establish all such schools of learning or art as may be useful to the state and to organize them in the way most likely to attain the ends desired.

Recommended Change:

| | |
|---|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$24,341,672 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009. | 22,051,994 |
| 3. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,615,553) |
| 4. Provide funding for the Board of Regents' Retiree Health Benefit Fund to cover a portion of the Other Post Employment Benefits (OPEB) liability. | 14,464,286 |
| 5. Remove one-time funding for township studies for the Carl Vinson Institute of Government (\$400,000), Fort Valley Cooperative Energy Program (\$100,000), and charter school funding for Valdosta State University (\$125,000). | (625,000) |
| 6. Provide funding for enrollment growth based on a 3.36% increase in semester credit hours and operating expenses related to additional square footage. | 114,715,169 |
| 7. Remove one-time funding for the MCG dental school design (\$5,000,000), UGA Griffin infrastructure (\$1,300,000), Middle Georgia College outdoor education center (\$375,000), Darton College roof repair (\$75,000), and KSU physical education addition (\$100,000). | (6,850,000) |
| 8. Adjust debt service payback amount for the Olympic dormitories at Georgia Tech (\$4,456,033) and Georgia State University (\$3,375,845). | 7,831,878 |
| 9. Add funding for Major Repairs and Renovations (MRR) to reflect a four-year phase-in to fund MRR in cash rather than bonds. | 17,500,000 |
| 10. Provide funding to the Medical College of Georgia for faculty and operating expenses to expand the medical school capacity. | 7,161,000 |
| 11. Provide funding for infrastructure needs at the UGA-Griffin campus. | 800,000 |
| 12. Increase other funds to reflect projected expenditures (\$99,233,192). | Yes |
| Total Change | \$199,775,446 |

Regents, University System of Georgia

FY 2009 Program Budgets

Veterinary Medicine Experiment Station

Purpose: Coordinate and conduct research on animal disease problems of present and potential concern to Georgia's livestock and poultry industries.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$38,569 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$32,149) and for performance increases (\$12,860). | 45,009 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 49,292 |
| Total Change | \$132,870 |

Veterinary Medicine Teaching Hospital

Purpose: Provide state of the art capabilities in diagnostic imaging, including MRI, CT scanning, nuclear scientography, and various methods of ultrasonography.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$4,176 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,656) and for performance increases (\$1,463). | 5,119 |
| 3. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 57,922 |
| Total Change | \$67,217 |

Payments to Georgia Cancer Coalition

Purpose: Provide funds to the Cancer Coalition for ongoing research and preventative measures.

Recommended Change:

Tobacco Settlement Funds:

| | |
|--|-------------|
| 1. Eliminate funds for the cancer cohort study. | (\$200,000) |
| 2. Reduce funds for the Faith-Based and Workplace Initiative. | (50,000) |
| 3. Provide funds for the National Community Cancer Center Program. | 150,000 |
| 4. Increase funds for tumor tissue banking. | 100,000 |
| 5. Redirect core funding for Regional Cancer Coalitions from the Department of Community Health to the Board of Regents. | 1,500,000 |
| 6. Continue funding for development of the Quality Information Exchange. | Yes |
| Total Change | \$1,500,000 |

Payments to Georgia Military College

Purpose: Provide quality basic education funding for grades six through 12.

Recommended Change:

| | |
|---|------------|
| 1. Reflect an adjustment in the Workers' Compensation premium rate structure. | (\$35,818) |
| 2. Increase QBE funds for the preparatory school. | 36,582 |
| Total Change | \$764 |

Payments to Georgia Public Telecommunications Commission

Purpose: Create, produce, and distribute high quality programs and services that educate, inform, and entertain our audiences and enrich the quality of their lives.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$82,597 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$102,859) and for performance increases (\$41,144). | 144,003 |
| 3. Reflect an adjustment in the employer share of the State Health Plan premiums from 22.843% to 24.182%. | 97,206 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (14,307) |
| 5. Increase the GBA real estate rental rate for office space. | 3,827 |
| Total Change | \$313,326 |

Regents, University System of Georgia

FY 2009 Program Budgets

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| 1. Major Repairs and Rehabilitation, statewide | 20 | \$30,000,000 | \$2,562,000 |
| 2. Equipment for Academic Classroom, Savannah State University, Savannah, Chatham County | 5 | 1,900,000 | 438,900 |
| 3. Equipment for Professional Sciences Center, Macon State College, Macon, Bibb County | 5 | 2,600,000 | 600,600 |
| 4. Equipment for Academic Classroom and Laboratory Building, Fort Valley State University, Fort Valley, Peach County | 5 | 2,100,000 | 485,100 |
| 5. Equipment for College of Pharmacy, University of Georgia, Athens, Clarke County | 5 | 4,500,000 | 1,039,500 |
| 6. Equipment for Health Sciences Building, Kennesaw State University, Kennesaw, Cobb County | 5 | 4,500,000 | 1,039,500 |
| 7. Design and construct School of Dentistry, Medical College of Georgia, Augusta, Richmond County | 20 | 70,000,000 | 5,978,000 |
| 8. Design and construct Engineering Technology Center, Southern Polytechnic State University, Marietta, Cobb County | 20 | 33,305,000 | 2,844,247 |
| 9. Design and construct Math & Computer Science Renovation, Valdosta State University, Valdosta, Lowndes County | 20 | 4,075,000 | 348,005 |
| 10. Construct Northwest Campus Infrastructure, University of West Georgia, Carrollton, Carroll County | 20 | 1,900,000 | 162,260 |
| 11. Design and construct Science Building and BHS Mold Remediation, Clayton State University, Morrow, Clayton County | 20 | 6,900,000 | 589,260 |
| 12. Design and construct Hendrick's Hall Renovation, Georgia Southern University, Statesboro, Bulloch County | 20 | 4,000,000 | 341,600 |
| 13. Renovate Hinman Technology Building, Georgia Institute of Technology, Atlanta, Fulton County | 20 | 6,400,000 | 546,560 |
| 14. Design, construct, and equip Marine Operations Infrastructure, Skidaway Institute of Oceanography, Savannah, Chatham County | 20 | 1,200,000 | 102,480 |
| 15. Design and construct Alpharetta Academic Facility, Georgia State University and Georgia Perimeter College, Alpharetta, Fulton County | 20 | 12,800,000 | 1,093,120 |
| 16. Design Ray Charles Fine Arts Center, Albany State University, Albany, Dougherty County | 5 | 1,500,000 | 346,500 |
| 17. Design Health Sciences Building, Coastal Georgia Community College, Brunswick, Glynn County | 5 | 1,000,000 | 231,000 |
| 18. Renovate Tift, Lewis and Herring Halls, Abraham Baldwin Agricultural College, Tifton, Tift County. | 5 | 600,000 | 138,600 |
| 19. Design and construct Nursing/Health Building, Gordon College, Barnesville, Lamar County | 20 | 14,400,000 | 1,229,760 |
| 20. Renovate biology labs, East Georgia College, Swainsboro, Emanuel County. | 20 | 700,000 | 59,780 |
| 21. Design Teacher Education Building, Macon State College, Macon, Bibb County. | 20 | 1,600,000 | 136,640 |
| 22. Design Academic Facility, Gainesville State College, Gainesville, Hall County | 5 | 2,400,000 | 554,400 |
| 23. Design Special Collections Library, University of Georgia, Athens, Clarke County | 5 | 1,500,000 | 346,500 |
| 24. Design and construct Nancy Guinn Memorial Library Addition, Conyers, Rockdale County | 20 | 2,000,000 | 170,800 |
| 25. Design and construct Senoia Public Library, Senoia, Coweta County | 20 | 1,225,000 | 104,615 |

Regents, University System of Georgia FY 2009 Program Budgets

| | | | | |
|-----|--|----|---------------|--------------|
| 26. | Design and construct Blackshear Memorial Library, Blackshear, Pierce County | 20 | 1,900,000 | 162,260 |
| 27. | Design and construct Houston County Library, Houston County | 20 | 2,000,000 | 170,800 |
| 28. | Major research and development equipment for Georgia Research Alliance, Atlanta, Augusta, and Athens | 5 | 19,000,000 | 4,389,000 |
| 29. | Equipment for Traditional Industries Program (TIP) Research, statewide | 5 | 900,000 | 207,900 |
| 30. | Construct and equip New Preparatory School Facility, Georgia Military College, Milledgeville, Baldwin County | 20 | 10,000,000 | 854,000 |
| | | | \$246,905,000 | \$27,273,687 |

Regents, University System of Georgia

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Advanced Technology Development Center/Economic Development Institute | | | | |
| 1. Number of companies served | 2,092 | 2,427 | 2,320 | 2,300 |
| 2. Technology jobs provided by ATDC companies (members and graduate) | 4,300 | 4,400 | 4,500 | 4,600 |
| Agricultural Experiment Station | | | | |
| 1. Number of journal articles published to support economic development | 587 | 714 | 750 | 775 |
| 2. Grants and contracts received (numbers in millions) | \$28.59 | \$33.37 | \$36.89 | \$36.89 |
| 3. Increase in income of Georgia's food and fiber economy through the application of new knowledge, technology, and improved management (numbers in billions) | \$10.58 | \$10.37 | \$10.40 | \$10.40 |
| Cooperative Extension Service | | | | |
| 1. Number of lab samples processed (soil, plant, water, etc.) that support management of Georgia's land and water systems | 88,350 | 92,664 | 90,000 | 90,000 |
| 2. Number of youth in 4-H classroom or after-school educational programs | 187,785 | 184,922 | 190,000 | 190,000 |
| Public Libraries | | | | |
| 1. Number of circulations in Georgia public libraries | 41,235,071 | 40,923,557 | 41,026,473 | 41,947,382 |
| 2. Number of print materials available | 15,184,798 | 15,841,206 | 16,100,000 | 16,300,000 |
| Teaching | | | | |
| 1. Retention Rate | 79% | 78% | 78% | 78% |
| 2. Graduation Rate | 55% | 56% | 57% | 58% |
| Payments to Georgia Cancer Coalition | | | | |
| 1. Total external dollars leveraged by Distinguished Cancer Clinicians and Scientists (in millions) | \$55.60 | \$47.30 | \$41.94 | \$32.82 |
| Payments to Georgia Military College | | | | |
| 1. Preparatory school enrollment | 500 | 500 | 500 | 500 |
| 2. Junior college enrollment | 8,116 | 8,174 | 8,705 | 9,271 |
| Payments to Georgia Public Telecommunications Commission | | | | |
| 1. Number of educators trained by Georgia Public Broadcasting | 9,565 | 10,773 | 10,000 | 10,000 |

Regents, University System of Georgia

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Advanced Technology Development Center/Economic Development Institute | \$20,549,209 | \$27,980,921 | \$27,974,712 | \$28,158,342 | \$28,311,264 |
| Agricultural Experiment Station | 73,553,545 | 76,085,752 | 75,377,483 | 76,508,136 | 82,962,736 |
| Athens/Tifton Veterinary Laboratories | 5,601,148 | 5,418,667 | 4,882,330 | 4,944,522 | 4,989,774 |
| Center for Assistive Technology and Environmental Access | 3,961,959 | | | | |
| Cooperative Extension Service | 57,307,306 | 62,559,056 | 58,486,061 | 59,686,240 | 63,127,336 |
| Forestry Cooperative Extension Service | 914,860 | 945,229 | 987,793 | 1,008,071 | 1,043,597 |
| Forestry Research | 5,599,896 | 6,446,832 | 5,826,331 | 5,922,240 | 5,976,790 |
| Georgia Eminent Scholars Endowment Trust Fund | 500,000 | | 500,000 | 500,000 | 500,000 |
| Georgia Radiation Therapy Center | | | 3,625,810 | 3,625,810 | 3,625,810 |
| Georgia Tech Research Institute | 141,105,421 | 134,899,476 | 141,786,385 | 141,935,890 | 142,007,430 |
| Marine Institute | 1,364,837 | 1,372,807 | 1,731,994 | 1,757,060 | 1,765,717 |
| Marine Resources Extension Center | 3,266,209 | 3,759,806 | 2,761,521 | 2,798,461 | 2,819,676 |
| Medical College of Georgia Hospital and Clinics | 31,510,080 | 32,272,644 | 33,181,112 | 33,578,130 | 34,059,158 |
| Office of Minority Business Enterprise | 859,814 | 858,710 | 884,273 | 900,709 | 908,663 |
| Public Libraries | 39,739,714 | 45,493,455 | 45,537,501 | 45,986,242 | 48,060,307 |
| Public Service/Special Funding Initiatives | 30,175,631 | 32,288,470 | 46,081,344 | 46,093,247 | 52,545,927 |
| Regents Central Office | 7,557,087 | 7,946,486 | 7,683,800 | 7,835,641 | 8,100,762 |
| Research Consortium | 22,168,021 | 26,909,344 | 36,745,015 | 36,981,087 | 37,183,995 |
| Skidaway Institute of Oceanography | 7,678,229 | 6,952,565 | 6,470,710 | 6,503,314 | 6,520,741 |
| Student Education Enrichment Program | 304,035 | 308,315 | 314,737 | 320,878 | 322,977 |
| Teaching | 3,908,948,255 | 4,153,748,725 | 4,530,679,466 | 4,707,143,413 | 4,829,688,104 |
| Veterinary Medicine Experiment Station | 3,148,784 | 3,249,577 | 3,384,254 | 3,472,115 | 3,517,124 |
| Veterinary Medicine Teaching Hospital | 10,049,720 | 10,162,082 | 7,202,585 | 7,264,683 | 7,269,802 |
| SUBTOTAL (Excludes Attached Agencies) | \$4,375,863,760 | \$4,639,658,919 | \$5,042,105,217 | \$5,222,924,231 | \$5,365,307,690 |
| ATTACHED AGENCIES | | | | | |
| Payments to Georgia Cancer Coalition | \$10,479,093 | \$9,982,262 | \$14,587,799 | \$14,587,799 | \$16,087,799 |
| Payments to Georgia Military College | 2,896,734 | 2,660,060 | 3,062,152 | 3,062,152 | 3,062,916 |
| Payments to Georgia Public Telecommunications Commission | 16,958,649 | 17,023,143 | 18,069,614 | 18,152,211 | 18,382,940 |
| TOTAL FUNDS | \$4,406,198,236 | \$4,669,324,384 | \$5,077,824,782 | \$5,258,726,393 | \$5,402,841,345 |
| Less: | | | | | |
| Other Funds | \$2,584,262,245 | \$2,736,288,189 | \$2,942,009,923 | \$2,939,370,083 | \$3,048,492,960 |
| Subtotal | \$2,584,262,245 | \$2,736,288,189 | \$2,942,009,923 | \$2,939,370,083 | \$3,048,492,960 |
| State General Funds | \$1,805,706,898 | \$1,917,303,933 | \$2,115,477,060 | \$2,299,018,511 | \$2,332,510,586 |
| Tobacco Settlement Funds | 16,229,093 | 15,732,262 | 20,337,799 | 20,337,799 | 21,837,799 |
| TOTAL STATE FUNDS | \$1,821,935,991 | \$1,933,036,195 | \$2,135,814,859 | \$2,319,356,310 | \$2,354,348,385 |
| Positions | 34,098 | 37,972 | 38,463 | 38,463 | 38,472 |

Regents, University System of Georgia

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$2,115,477,060 | \$217,033,526 | \$2,332,510,586 |
| Tobacco Settlement Funds | 20,337,799 | 1,500,000 | 21,837,799 |
| TOTAL STATE FUNDS | \$2,135,814,859 | \$218,533,526 | \$2,354,348,385 |
| Other Funds | 2,942,009,923 | 106,483,037 | 3,048,492,960 |
| TOTAL FUNDS | \$5,077,824,782 | \$325,016,563 | \$5,402,841,345 |
| | | | |
| Advanced Technology Development Center/Economic Development Institute | | | |
| State General Funds | \$15,099,712 | \$336,552 | \$15,436,264 |
| Other Funds | 12,875,000 | | 12,875,000 |
| Total Funds | <u>\$27,974,712</u> | <u>\$336,552</u> | <u>\$28,311,264</u> |
| | | | |
| Agricultural Experiment Station | | | |
| State General Funds | \$42,936,221 | \$2,473,596 | \$45,409,817 |
| Other Funds | 32,441,262 | 5,111,657 | 37,552,919 |
| Total Funds | <u>\$75,377,483</u> | <u>\$7,585,253</u> | <u>\$82,962,736</u> |
| | | | |
| Athens/Tifton Veterinary Laboratories | | | |
| State General Funds | \$62,192 | (\$16,940) | \$45,252 |
| Other Funds | 4,820,138 | 124,384 | 4,944,522 |
| Total Funds | <u>\$4,882,330</u> | <u>\$107,444</u> | <u>\$4,989,774</u> |
| | | | |
| Cooperative Extension Service | | | |
| State General Funds | \$35,391,924 | \$2,651,483 | \$38,043,407 |
| Other Funds | 23,094,137 | 1,989,792 | 25,083,929 |
| Total Funds | <u>\$58,486,061</u> | <u>\$4,641,275</u> | <u>\$63,127,336</u> |
| | | | |
| Forestry Cooperative Extension | | | |
| State General Funds | \$687,388 | \$31,792 | \$719,180 |
| Other Funds | 300,405 | 24,012 | 324,417 |
| Total Funds | <u>\$987,793</u> | <u>\$55,804</u> | <u>\$1,043,597</u> |
| | | | |
| Forestry Research | | | |
| State General Funds | \$3,276,331 | \$150,459 | \$3,426,790 |
| Other Funds | 2,550,000 | | 2,550,000 |
| Total Funds | <u>\$5,826,331</u> | <u>\$150,459</u> | <u>\$5,976,790</u> |
| | | | |
| Georgia Eminent Scholar Endowment Trust Fund | | | |
| State General Funds | \$500,000 | | \$500,000 |
| Total Funds | <u>\$500,000</u> | <u>\$0</u> | <u>\$500,000</u> |
| | | | |
| Georgia Radiation Therapy Center | | | |
| Other Funds | \$3,625,810 | | \$3,625,810 |
| Total Funds | <u>\$3,625,810</u> | <u>\$0</u> | <u>\$3,625,810</u> |

Regents, University System of Georgia

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|-------------|---------------------------|
| Georgia Tech Research Institute | | | |
| State General Funds | \$7,868,427 | \$221,045 | \$8,089,472 |
| Other Funds | 133,917,958 | | 133,917,958 |
| Total Funds | \$141,786,385 | \$221,045 | \$142,007,430 |
| Marine Institute | | | |
| State General Funds | \$964,361 | \$33,723 | \$998,084 |
| Other Funds | 767,633 | | 767,633 |
| Total Funds | \$1,731,994 | \$33,723 | \$1,765,717 |
| Marine Resources Extension Center | | | |
| State General Funds | \$1,576,721 | \$58,155 | \$1,634,876 |
| Other Funds | 1,184,800 | | 1,184,800 |
| Total Funds | \$2,761,521 | \$58,155 | \$2,819,676 |
| Medical College of Georgia Hospitals and Clinics | | | |
| State General Funds | \$33,181,112 | \$878,046 | \$34,059,158 |
| Total Funds | \$33,181,112 | \$878,046 | \$34,059,158 |
| Office of Minority Business Enterprise | | | |
| State General Funds | \$884,273 | \$24,390 | \$908,663 |
| Total Funds | \$884,273 | \$24,390 | \$908,663 |
| Public Libraries | | | |
| State General Funds | \$41,015,101 | \$2,522,806 | \$43,537,907 |
| Other Funds | 4,522,400 | | 4,522,400 |
| Total Funds | \$45,537,501 | \$2,522,806 | \$48,060,307 |
| Public Service/Special Funding Initiatives | | | |
| State General Funds | \$41,081,344 | \$6,464,583 | \$47,545,927 |
| Tobacco Settlement Funds | 5,000,000 | | 5,000,000 |
| Total Funds | \$46,081,344 | \$6,464,583 | \$52,545,927 |
| Regents Central Office | | | |
| State General Funds | \$7,683,800 | \$416,962 | \$8,100,762 |
| Total Funds | \$7,683,800 | \$416,962 | \$8,100,762 |
| Research Consortium | | | |
| State General Funds | \$35,995,015 | \$438,980 | \$36,433,995 |
| Tobacco Settlement Funds | 750,000 | | 750,000 |
| Total Funds | \$36,745,015 | \$438,980 | \$37,183,995 |
| Skidaway Institute of Oceanography | | | |
| State General Funds | \$1,712,710 | \$50,031 | \$1,762,741 |
| Other Funds | 4,758,000 | | 4,758,000 |
| Total Funds | \$6,470,710 | \$50,031 | \$6,520,741 |

Regents, University System of Georgia

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|---------------|---------------------------|
| Student Education Enrichment Program | | | |
| State General Funds | \$314,737 | \$8,240 | \$322,977 |
| Total Funds | \$314,737 | \$8,240 | \$322,977 |
| Teaching | | | |
| State General Funds | \$1,820,227,086 | \$199,775,446 | \$2,020,002,532 |
| Other Funds | 2,710,452,380 | 99,233,192 | 2,809,685,572 |
| Total Funds | \$4,530,679,466 | \$299,008,638 | \$4,829,688,104 |
| Veterinary Medicine Experiment Station | | | |
| State General Funds | \$3,384,254 | \$132,870 | \$3,517,124 |
| Total Funds | \$3,384,254 | \$132,870 | \$3,517,124 |
| Veterinary Medicine Teaching Hospital | | | |
| State General Funds | \$502,585 | \$67,217 | \$569,802 |
| Other Funds | 6,700,000 | | 6,700,000 |
| Total Funds | \$7,202,585 | \$67,217 | \$7,269,802 |
| Attached Agencies: | | | |
| Payments to Georgia Cancer Coalition | | | |
| Tobacco Settlement Funds | \$14,587,799 | \$1,500,000 | \$16,087,799 |
| Total Funds | \$14,587,799 | \$1,500,000 | \$16,087,799 |
| Payments to Georgia Military College | | | |
| State General Funds | \$3,062,152 | \$764 | \$3,062,916 |
| Total Funds | \$3,062,152 | \$764 | \$3,062,916 |
| Payments to Georgia Public Telecommunications Commission | | | |
| State General Funds | \$18,069,614 | \$313,326 | \$18,382,940 |
| Total Funds | \$18,069,614 | \$313,326 | \$18,382,940 |

Regents, University System of Georgia

Formula Presentation - Fiscal Year 2009

PART I: INSTRUCTION AND RESEARCH

| | |
|---|-----------------|
| A. Instruction | \$1,064,951,348 |
| B. Research (equal to graduate instruction academic salaries) | 270,889,961 |
| TOTAL FUNDING BASE | \$1,335,841,309 |

PART II: ACADEMIC SUPPORT (18.9% of the Funding Base)

252,474,007

PART III: STUDENT SERVICES AND INSTITUTIONAL SUPPORT (26.9% of the Funding Base)

359,341,312

PART IV: OPERATION AND MAINTENANCE OF PLANT

| | |
|--|-------------|
| A. Regular Operations (46,791,315 square feet at \$5.0710 per square foot) | 239,785,422 |
| B. Major Repair/Rehabilitation Fund (See General Obligation Debt Sinking Fund for bond funded items) | 35,000,000 |
| C. Utilities (46,791,315 square feet at \$2.1348 per square foot) | 99,890,099 |

PART V: FRINGE BENEFITS

| | |
|---|-------------|
| A. Fringe Benefits (FICA, health and life insurance, workers' compensation, etc.) | 461,060,207 |
| B. Teachers' Retirement | 132,640,048 |

PART VI: PUBLIC SERVICE AND COMMUNITY EDUCATION

| | |
|--|-----------------|
| A. Public Service Institutes | 13,831,372 |
| B. Community Education (Cap at 427,375 CEU's at \$42.59 per unit for all CEU's) | 18,407,041 |
| C. Campus Coordinators (one professional and one support position per institution) | 4,263,973 |
| D. Minority Education Program | 2,000,000 |
| | \$2,954,534,789 |

PART VII: TECHNOLOGY ENHANCEMENT PROGRAM (1.70% Factor)

50,227,091

| | |
|---------------------------|-----------------|
| Total Formula Requirement | \$3,004,761,880 |
|---------------------------|-----------------|

| | |
|-------------------------------------|---------------|
| Sustained Budget Reductions | (272,572,228) |
| Public Service Institute Reductions | (1,723,015) |

| | |
|----------------------------------|-----------------|
| Internal Revenue: | |
| Student Tuition | (\$726,445,222) |
| Graduate Assistant Fee Reduction | 5,400,000 |
| Debt Service Payments | (13,774,910) |
| Other Funds and Programs | 24,356,027 |
| Total Internal Revenue | (\$710,464,105) |

Formula Requirement - Fiscal Year 2009

\$2,020,002,532

Department of Revenue

Roles, Responsibilities, and Organization

Since 1938, the Department of Revenue has been responsible for administering the state's tax laws and collecting and processing state revenue. Additionally, the department is charged with enforcing laws and regulations pertaining to the control of alcoholic beverages and tobacco products, overseeing county property tax systems, and managing unclaimed property. Auditors, accountants, collectors, field representatives, and various specialists and administrative personnel work as authorized agents of the department's commissioner to carry out the Department of Revenue's responsibilities. In a typical year, these agents maintain and update millions of taxpayer accounts and enforce compliance with numerous laws and regulations.

The Department of Revenue processes more than 9 million documents per year, including more than 1.6 million electronic tax returns, and issues more than \$2 billion in tax refunds annually.

ORGANIZATION

To accomplish its duties, the department is comprised of the following seven divisions that report to the Commissioner:

- Administrative Division
- Taxpayer Services Division
- Compliance and Policy Division
- Alcohol and Tobacco Division
- Local Government Services Division
- Information Technology Division
- Processing Center

Each division plays a strategic role in meeting department goals and objectives.

TAX ADMINISTRATION AND COLLECTION

The Department of Revenue net state revenue collections for FY 2007 totaled \$17.6 billion. The major taxes and fees collected by the department include Personal Income Taxes, General Sales and Use Taxes, Corporation Income and License Taxes, Selective Sales Taxes (Motor Fuels, Liquor, etc.), Estate Taxes, and Property Taxes.

In addition to collecting and processing state revenue, each year the department also collects over \$4 billion in taxes designated for local counties, schools, and municipalities. This amount includes a 1% sales tax in Fulton and DeKalb Counties that is used as dedicated revenue for the construction and operation of the Metropolitan Atlanta Rapid Transit Authority (MARTA). Other 1% sales taxes designated for local entities are the local option sales tax, the special purpose local option sales tax, the homestead local option sales tax, and the education local option sales tax.

ALCOHOL AND TOBACCO REGULATION

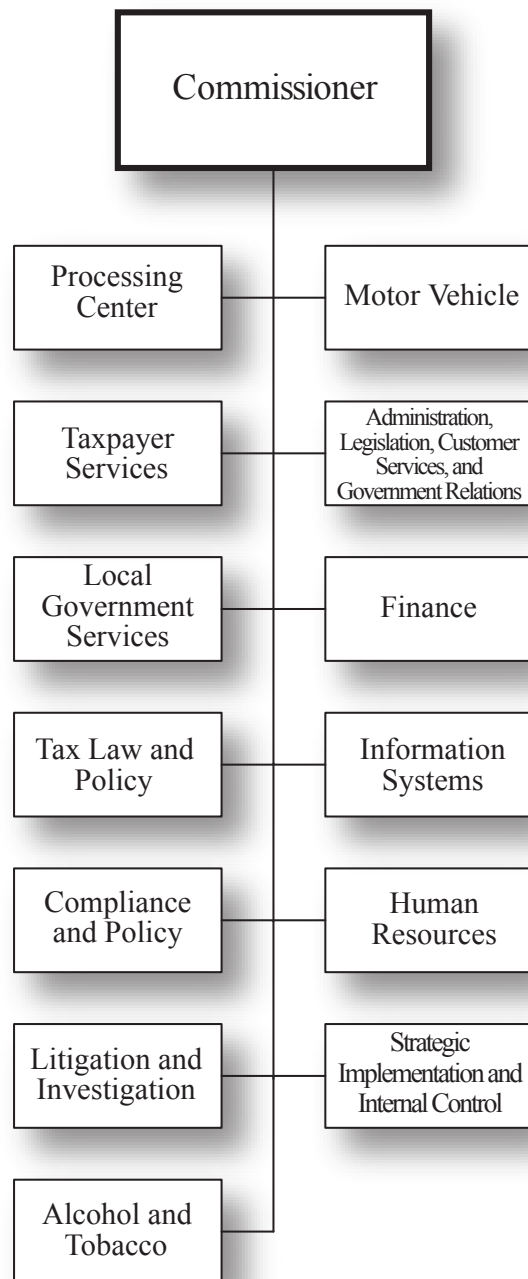
The department enforces all laws and regulations pertaining to the manufacture, possession, transportation, and sale of alcoholic beverages and the possession, transportation, and sale of tobacco products within the state, as well as, the operation of coin-operated amusement machines. The department's Alcohol and Tobacco Division is comprised of a criminal investigative unit and an audit and operations unit. Agents assigned to the investigative unit carryout specialized investigations that focus on licensing and enforcement agencies and lend assistance to outside parties. The audit and operations staff conducts audits of manufacturers, shippers, and distributors of alcoholic beverages and tobacco products. In addition, they promote voluntary compliance with the state's alcoholic beverage and tobacco excise tax laws.

STATE BOARD OF EQUALIZATION

The State Board of Equalization is attached to the Department of Revenue for administrative purposes only. The board appoints hearing officers that evaluate appeals by local governing authorities on issues relating to the Revenue Commissioner's disapproval of county tax digests.

AUTHORITY

Title 48, Official Code of Georgia Annotated.



Department of Revenue

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|---------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$554,091,659 | \$18,175,582 | \$572,267,241 |
| Tobacco Settlement Funds | 150,000 | | 150,000 |
| TOTAL STATE FUNDS | \$554,241,659 | \$18,175,582 | \$572,417,241 |
| Federal Funds | | 397,422 | 397,422 |
| Other Funds | 7,005,348 | 12,343,500 | 19,348,848 |
| TOTAL FUNDS | \$561,247,007 | \$30,916,504 | \$592,163,511 |

Department Statewide Budget Changes (Information Only):

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,328,617 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$820,655), for performance increases (\$328,262), for employees in specified critical jobs (\$28,538), and for structure adjustments to the statewide salary plan (\$15,017). | 1,192,472 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 607,168 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (35,224) |
| 5. Increase the GBA real estate rental rate for office space | 93,245 |
| Total Change | \$3,186,278 |

Administration

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$64,403 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$34,420), and for performance increases (\$13,768). | 48,188 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 25,466 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (964) |
| 5. Increase other funds (\$375,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$137,093 |

Customer Service

Purpose: Assure that all state revenue collection activities proceed in a manner consistent with promoting voluntary compliance and the Taxpayer Bill of Rights.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$118,745 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$97,031), and for performance increases (\$38,813). | 135,844 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 71,790 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (4,403) |
| Total Change | \$321,976 |

Homeowner Tax Relief Grants

Purpose: Provide homeowner tax relief grants to counties and local school districts.

Recommended Change:

| | |
|---|--------------|
| 1. Provide additional funds for Homeowner Tax Relief Grants based on 1.84% annual growth. | \$10,497,034 |
| Total Change | \$10,497,034 |

Department of Revenue

FY 2009 Program Budgets

Industry Regulation

Purpose: Provide regulation of the distribution, sale, and consumption of alcoholic beverages, tobacco products and ensure all coin operated amusement machines are properly licensed and decaled.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$67,677 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$38,204), and for performance increases (\$15,282). | 53,486 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 28,266 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,502) |
| 5. Increase federal funds (\$187,422) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$147,927 |

Local Tax Officials Retirement and FICA

Recommended Change:

| | |
|---|-----|
| 1. Retain one-time funds (\$284,084) to meet obligations to the Employees Retirement System for local tax officials retirement. | Yes |
| Total Change | \$0 |

Revenue Processing

Purpose: Ensure that all tax payments are received, credited, and deposited according to sound business practices and the law, and ensure that all tax returns are reviewed and recorded to accurately update taxpayer information.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$412,316 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$241,953), and for performance increases (\$96,781). | 338,734 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 179,011 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (10,721) |
| 5. Increase the GBA real estate rental rate for office space. | 45,420 |
| Total Change | \$964,760 |

Salvage Inspection

Purpose: Inspect rebuilt salvage vehicles.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$24,174 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$14,720), and for performance increases (\$5,888). | 20,608 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 10,891 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (614) |
| 5. Increase the GBA real estate rental rate for office space. | 6,923 |
| Total Change | \$61,982 |

State Board of Equalization

Purpose: Examine the proposed assessments of each class of taxpayers or property and the digest of proposed assessments as a whole to determine that they are reasonably apportioned among the several tax jurisdictions and reasonably uniform with the values set on other classes of property throughout the state.

Recommended Change:

| | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Department of Revenue

FY 2009 Program Budgets

Tag and Title Registration

Purpose: Establish motor vehicle ownership.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$198,318 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$113,187), and for performance increases (\$45,275). | 158,462 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 83,742 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (5,437) |
| 5. Increase the GBA real estate rental rate for office space. | 40,902 |
| 6. Provide funding to ensure proper inventory for motor vehicle tags and registration cards and implement digital plate manufacturing technology. | 3,282,250 |
| 7. Increase other funds (\$147,319) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$3,758,237 |

Tax Compliance

Purpose: Ensure all taxpayers pay the correct amount of taxes owed under the law.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$442,984 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$281,139), for performance increases (\$112,456), for employees in specified critical jobs (\$28,538), and for structure adjustments to the statewide salary plan (\$15,017). | 437,150 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 208,002 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (11,583) |
| 5. Provide funds for ongoing maintenance, support, and development costs for the multi-year data warehouse project. | 1,210,020 |
| 6. Increase federal funds (\$210,000) and other funds (\$11,821,181) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$2,286,573 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| 1. Continue implementation of Integrated Tax System. | 5 | \$8,000,000 | \$1,848,000 |
| 2. Continue implementation of Enterprise Data Warehouse. | 5 | 2,750,000 | 635,250 |
| Total | | \$10,750,000 | \$2,483,250 |

Department of Revenue

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Customer Service | | | | |
| 1. Customer Service: percentage of persons surveyed who attended taxpayer education workshops who reported that the programs were beneficial | 95% | 95% | 95% | 95% |
| Tag and Title Registration | | | | |
| 1. Amount of revenue from motor vehicle registration (in millions) | \$195.7 | \$193 | \$195 | \$197 |
| Tax Compliance | | | | |
| 1. Collections on delinquent and deficient accounts within the Compliance Division (in millions) | \$374 | \$357 | \$371 | \$386 |
| Homeowner Tax Relief Grant | | | | |
| 1. Number of homesteads qualifying for the grants under the Homeowner Tax Relief Grant (in millions) | 7.3 | 7 | 7.5 | 8 |

Department of Revenue

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$4,504,368 | \$4,430,744 | \$4,070,980 | \$4,111,067 | \$4,583,073 |
| Customer Service | 12,807,480 | 15,045,139 | 13,399,351 | 13,513,448 | 13,721,327 |
| Grants and Distribution | 9,880,453 | | | | |
| Homeowner Tax Relief Grants | 410,072,376 | 423,075,134 | 428,290,501 | 428,290,501 | 438,787,535 |
| Industry Regulation | 4,581,256 | 5,466,472 | 4,879,168 | 4,924,910 | 5,214,517 |
| Local Tax Officials Retirement and FICA | | 3,785,079 | 5,149,163 | 4,865,079 | 5,149,163 |
| Revenue Processing | 34,697,755 | 44,932,628 | 42,064,729 | 40,342,215 | 43,029,489 |
| Salvage Inspection | 1,527,476 | 1,595,746 | 1,671,368 | 1,688,681 | 1,733,350 |
| State Board of Equalization | | | 5,000 | 5,000 | 5,000 |
| Tag and Title Registration | 26,358,602 | 23,483,246 | 23,838,255 | 27,971,631 | 27,743,811 |
| Tax Compliance | 40,209,758 | 38,653,755 | 37,878,492 | 39,031,670 | \$52,196,246 |
| TOTAL FUNDS | \$544,639,524 | \$560,467,943 | \$561,247,007 | \$564,744,202 | \$592,163,511 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$136,769 | \$404,243 | | | \$397,422 |
| Other Funds | 19,939,600 | 23,068,776 | \$7,005,348 | \$7,005,348 | 19,348,848 |
| Subtotal | \$524,563,155 | \$536,994,924 | \$554,241,659 | \$557,738,854 | \$572,417,241 |
| State General Funds | \$524,563,155 | \$536,994,924 | \$554,091,659 | \$557,588,854 | \$572,267,241 |
| Tobacco Settlement Funds | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| TOTAL STATE FUNDS | \$524,713,155 | \$537,144,924 | \$554,241,659 | \$557,738,854 | \$572,417,241 |
| Positions | 1,366 | 1,365 | 1,377 | 1,377 | 1,377 |
| Motor Vehicles | 94 | 94 | 94 | 94 | 94 |

Department of Revenue

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|---------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$554,091,659 | \$18,175,582 | \$572,267,241 |
| Tobacco Settlement Funds | 150,000 | | 150,000 |
| TOTAL STATE FUNDS | \$554,241,659 | \$18,175,582 | \$572,417,241 |
| Federal Funds | | 397,422 | 397,422 |
| Other Funds | 7,005,348 | 12,343,500 | 19,348,848 |
| TOTAL FUNDS | \$561,247,007 | \$30,916,504 | \$592,163,511 |
| Administration | | | |
| State General Funds | \$4,070,980 | \$137,093 | \$4,208,073 |
| Other Funds | | 375,000 | 375,000 |
| Total Funds | \$4,070,980 | \$512,093 | \$4,583,073 |
| Customer Service | | | |
| State General Funds | \$11,289,216 | \$321,976 | \$11,611,192 |
| Other Funds | 2,110,135 | | 2,110,135 |
| Total Funds | \$13,399,351 | \$321,976 | \$13,721,327 |
| Homeowners Tax Relief Grants | | | |
| State General Funds | \$428,290,501 | \$10,497,034 | \$438,787,535 |
| Total Funds | \$428,290,501 | \$10,497,034 | \$438,787,535 |
| Industry Regulation | | | |
| State General Funds | \$4,729,168 | \$147,927 | \$4,877,095 |
| Tobacco Settlement Funds | 150,000 | | 150,000 |
| Federal Funds | | 187,422 | 187,422 |
| Total Funds | \$4,879,168 | \$335,349 | \$5,214,517 |
| Local Tax Officials Retirement and FICA | | | |
| State General Funds | \$5,149,163 | | \$5,149,163 |
| Total Funds | \$5,149,163 | \$0 | \$5,149,163 |
| Revenue Processing | | | |
| State General Funds | \$41,637,960 | \$964,760 | \$42,602,720 |
| Other Funds | 426,769 | | 426,769 |
| Total Funds | \$42,064,729 | \$964,760 | \$43,029,489 |
| Salvage Inspection | | | |
| State General Funds | \$1,671,368 | \$61,982 | \$1,733,350 |
| Total Funds | \$1,671,368 | \$61,982 | \$1,733,350 |
| State Board of Equalization | | | |
| State General Funds | \$5,000 | | \$5,000 |
| Total Funds | \$5,000 | \$0 | \$5,000 |

Department of Revenue

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------|---------------------------|--------------|---------------------------|
| Tag and Title Registration | | | |
| State General Funds | \$23,185,574 | \$3,758,237 | \$26,943,811 |
| Other Funds | 652,681 | 147,319 | 800,000 |
| Total Funds | \$23,838,255 | \$3,905,556 | \$27,743,811 |
| Tax Compliance | | | |
| State General Funds | \$34,062,729 | \$2,286,573 | \$36,349,302 |
| Federal Funds | | 210,000 | 210,000 |
| Other Funds | 3,815,763 | 11,821,181 | 15,636,944 |
| Total Funds | \$37,878,492 | \$14,317,754 | \$52,196,246 |

Secretary of State

Roles, Responsibilities, and Organization

The Secretary of State is the keeper of the Great Seal of Georgia and custodian of the State flag. The Office of the Secretary of State provides many services for the public, businesses, state agencies, and city and county governments. These services include:

- Licensing the practice of over 66 professions and registration of other activities
- Election and voter registration, campaign finance disclosure
- Business activity monitoring and enforcement of many financial regulations
- Management and preservation of public records
- Museum and Tour programs in the Capitol

The office is comprised of Internal Administration, Archives and History, Elections, Corporations, Securities and Business Regulation, and State Professional Licensing Boards. The attached agencies are the Georgia Commission on the Holocaust, Georgia Drugs and Narcotics Agency, State Ethics Commission, and the Georgia Real Estate Commission and Appraisers Board.

REGULATORY RESPONSIBILITIES

As a regulatory agency, the office offers education and examinations, issues licenses, collects fees for licenses, investigates complaints or violations of the law and orders reprimands. The Securities Division is responsible for regulating securities, and has the authority to adopt necessary rules to monitor the securities industry, including registration of brokers and securities. The division registers cemeteries, and regulates perpetual care cemeteries, charitable organizations and paid solicitors.

The Corporations Division serves as custodian of filings for foreign and domestic charters, nonprofit organizations and other types of corporate entity activities. In addition, the division registers and renews trademarks and servicemarks.

The Professional Licensing Boards Division manages 35 occupational and professional regulatory boards. The duties include reviewing and

approving applications to practice, scheduling examinations, issuing licenses, maintaining records, investigating violations and resolution of complaints.

STATE ELECTIONS ACTIVITY

The Office of the Secretary of State monitors all activities related to officials and elections. The Elections Division's primary function is to perform all activities related to federal, state, county and municipal elections, including authorization of election results.

MANAGEMENT OF PUBLIC RECORDS

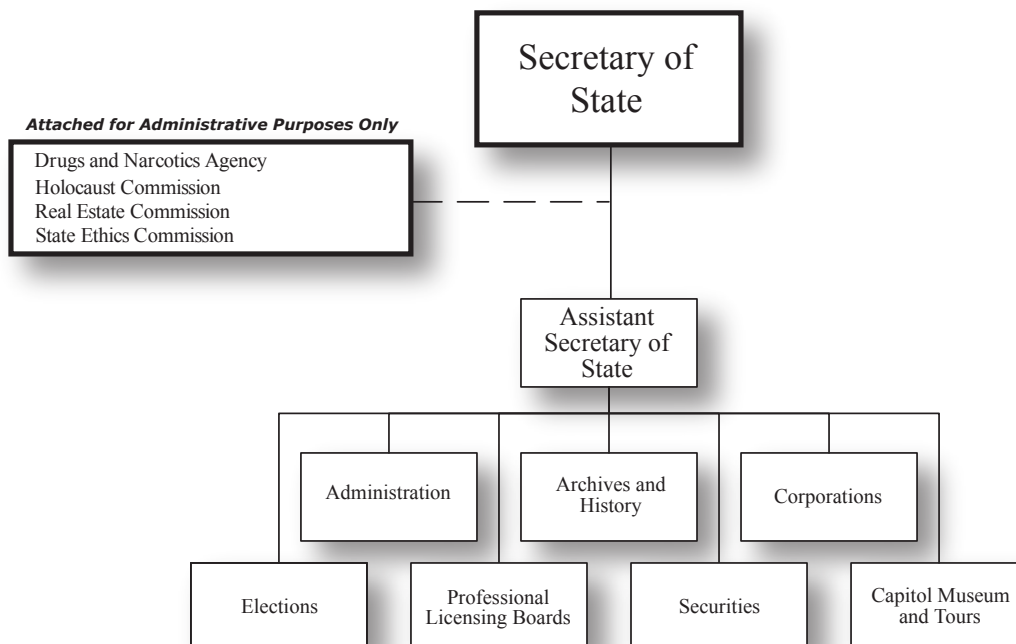
The Division of Archives and History collects, manages, and preserves official records of Georgia from 1732 to the present. The division administers the state records management program under the direction of the State Records Committee, chaired by the Secretary of State, and a record center for the storage and maintenance of non-permanent records of state agencies.

EDUCATIONAL PROGRAMS

The Capitol Museum and Tours Program provides tours of the Capitol. The Internal Administration Division contains the general administrative support functions of accounting, purchasing, budgeting, human resources and information technology, as well as two non-internally focused activities: the Georgia Capitol Museum and Tour program; and the Administrative Procedures Section, responsible for administering the rules promulgation process pursuant to the Administrative Procedures Act for the State.

AUTHORITY

Titles 10, 14, 21, 28, 43, 44, 45, Official Code of Georgia Annotated; Public Law 93-443, 1993; Resolution Act 11, Georgia Laws 1993.



Secretary of State

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$39,639,484 | \$3,548,949 | \$43,188,433 |
| TOTAL STATE FUNDS | <u>\$39,639,484</u> | <u>\$3,548,949</u> | <u>\$43,188,433</u> |
| Other Funds | 1,500,283 | | 1,500,283 |
| TOTAL FUNDS | <u>\$41,139,767</u> | <u>\$3,548,949</u> | <u>\$44,688,716</u> |

Department Statewide Budget Changes (Information Only):

| | |
|--|--------------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$428,971 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$330,102), for performance increases (\$132,042), for special adjustments to selected job classes (\$38,044), and for structure adjustments to the statewide salary plan (\$2,908). | 503,096 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 248,665 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (45,337) |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 49,773 |
| Total Change | <u>\$1,185,168</u> |

Administration

Recommended Change:

| | |
|---|--------------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$70,639 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$91,519), for performance increases (\$36,608), and for structure adjustments to the statewide salary plan (\$919). | 129,046 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 58,787 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (4,632) |
| 5. Increase the GBA real estate rental rate for office space. | 10,151 |
| 6. Transfer funding from the Elections program (\$229,798 and three positions), the Professional Licensing Boards program (\$2,929,332 and 45 positions) and the Securities program (\$309,977 and four positions) to consolidate the Investigation Unit. | 3,469,107 |
| 7. Reduce funding for one position (\$116,059) and GBA rent (\$8,000) associated with the Capitol Museum. | (124,059) |
| 8. Eliminate the contract agreement with the YMCA for the Youth Assembly Conference. | (10,000) |
| 9. Eliminate funding for the Silver Haired Legislature. | (50,000) |
| 10. Transfer the Capitol Museum function, including two positions from the Administration program to the Archives program. | (155,917) |
| 11. Increase funds to cover projected legal expenses. | 431,103 |
| 12. Delete one-time funds for Voter ID educational activities. | (500,000) |
| Total Change | <u>\$3,324,225</u> |

Archives

Purpose: Assist state agencies in adequately documenting their activities, administering their records management programs, scheduling their records, and transferring their non-current records to the State Records Center.

Recommended Change:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$47,231 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$40,284), for performance increases (\$16,114), and for structure adjustments to the statewide salary plan (\$405). | 56,803 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 26,630 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (2,098) |
| 5. Increase the GBA real estate rental rate for office space. | 11,666 |

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| | |
|--|-----------|
| 6. Eliminate funding for one assistant division director position. | (102,878) |
| 7. Eliminate the Georgia Historical Society grant (\$98,000) and reduce funding to the Georgia Historical Records Advisory Board (\$36,000). | (134,000) |
| 8. Transfer the Capitol Museum function, including two positions from the Administration program to the Archives program. | 155,917 |
| 9. Increase repairs and maintenance to maintain the HVAC system, generator, scanners, micro equipment, and other critical systems. | 100,000 |
| Total Change | \$159,271 |

Capitol Tours

Purpose: Provide guided informational tours of the State Capitol.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,197 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$1,653), for performance increases (\$661), and for structure adjustments to the statewide salary plan (\$17). | 2,331 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,507 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (119) |
| Total Change | \$5,916 |

Corporations

Purpose: Accept and review findings made pursuant to statutes, issue certifications of records on file, and provide information to the public on all filed entities.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$23,626 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$19,091), for performance increases (\$7,636), and for structure adjustments to the statewide salary plan (\$192). | 26,919 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 14,571 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,148) |
| 5. Increase the GBA real estate rental rate for office space. | 12,097 |
| 6. Provide funding for the mailing of corporate administrative dissolution letters and certificates to remove the backlog of inactive or unqualified corporations from the database, and implement the mailing of dissolution letters and certificates yearly. | 150,000 |
| 7. Provide funding for the maintenance contract for the Office Automation Solutions Knowledge Base software application. | 84,464 |
| 8. Add two positions to improve functions of the call center . | 81,724 |
| Total Change | \$392,253 |

Elections

Purpose: Administer all duties imposed upon the Secretary of State by providing all required filing and public information services, performing all certification and commissioning duties required by law, and assisting candidates, local governments, and citizens in interpreting and complying with all election, voter registration, and financial disclosure laws.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$27,087 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$19,101), for performance increases (\$7,641), and for structure adjustments to the statewide salary plan (\$192). | 26,934 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 14,571 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,148) |
| 5. Increase the GBA real estate rental rate for office space. | 6,353 |
| 6. Transfer funding and three positions from the Elections program to the Administration program to consolidate the Investigation Unit. | (229,798) |

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| | |
|--|-------------|
| 7. Delete one-time funds associated with an independent audit of Georgia's election procedures, guidelines, and security measures. | (100,000) |
| 8. Provide for reduced operating expenses by combining the mailrooms of the Administration program and the Elections program. | (27,423) |
| 9. Increase funds to support local registrars' operating expenses associated with creating voter photo IDs. | 60,000 |
| 10. Provide funding for Voter ID educational efforts statewide. | 500,000 |
| 11. Provide funding to design, implement, and maintain an online training program for local election officials. | 90,000 |
| 12. Provide funding for the training and deployment of temporary voting machine technicians to support the 2008 election cycle. | 400,000 |
| 13. Provide funding for independent validation and verification requirements, project management, feasibility study, and business process mapping for a new voter registration system. | 2,000,000 |
| Total Change | \$2,766,576 |

Professional Licensing Boards

Purpose: Protect the public health and welfare by supporting all operations of Boards which license professions.

Recommended Change:

| | |
|--|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$138,816 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$70,986), for performance increases (\$28,394), and for structure adjustments to the statewide salary plan (\$713). | 100,093 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 66,326 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (5,226) |
| 5. Delete one-time funds associated with an independent audit of the Professional Licensing Boards to improve customer service. | (100,000) |
| 6. Reduce funding for one accounting administrative clerk, one computer service administrative clerk, one examination development and testing unit customer service agent, and one attorney. | (194,255) |
| 7. Transfer funding and 45 positions from the Professional Licensing Boards program to the Administration program to consolidate the Investigation Unit. | (2,929,332) |
| Total Change | (\$2,923,578) |

Securities

Purpose: Provide for registration, compliance, and enforcement of the provisions of the Georgia Codes, and to provide information to the public regarding subjects of such codes.

Recommended Change:

| | |
|---|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$32,251 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$20,921), for performance increases (\$8,369), and for structure adjustments to the statewide salary plan (\$210). | 29,500 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 14,571 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,148) |
| 5. Increase the GBA real estate rental rate for office space. | 9,506 |
| 6. Transfer funding and four positions from the Securities program to the Administration program to consolidate the Investigation Unit. | (309,977) |
| 7. Eliminate funding for one junior auditor position. | (63,411) |
| Total Change | (\$288,708) |

Agencies Attached for Administrative Purposes:

Georgia Commission on the Holocaust

Purpose: Teach the lessons of the Holocaust to present and future generations of Georgians in order to create an awareness of the enormity of the crimes of prejudice and inhumanity.

Recommended Change:

| | |
|---|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$3,781 |
|---|---------|

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| | |
|---|---------|
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,173) and for performance increases (\$1,269). | 4,442 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,414 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,656) |
| Total Change | \$8,981 |

Georgia Drugs and Narcotics Agency

Purpose: Protect the health, safety, and welfare of the general public by providing an enforcement presence to oversee all laws and regulations pertaining to controlled substances and dangerous drugs.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$21,296 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$16,416), for performance increases (\$6,567), for special adjustments to selected job classes (\$38,044), and for structure adjustments to the statewide salary plan (\$167). | 61,194 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 13,006 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (8,097) |
| 5. Provide for an increase in computer charges due to the modernization of information technology resources. | 23,000 |
| Total Change | \$110,399 |

Georgia Real Estate Commission

Purpose: Administer the license law for real estate brokers and salespersons and provide administrative support to the Georgia Real Estate Appraisers Board in their administration of real estate appraisal.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$38,785 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$29,238), for performance increases (\$11,695), and for structure adjustments to the statewide salary plan (\$94). | 41,027 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 22,576 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (15,084) |
| 5. Reduce regular operating expenses (\$23,000), contractual services (\$33,000), and computer charges (\$14,000). | (70,000) |
| 6. Provide funding for one additional investigator position to address the backlog of pending consumer compliant investigations. | 52,000 |
| 7. Delete one-time funding used to replace a motor vehicle. | (17,272) |
| Total Change | \$52,032 |

State Ethics Commission

Purpose: Protect the integrity of the democratic process and ensure compliance by candidates, public officials, non-candidate committees, lobbyists, and vendors with Georgia's Campaign and Financial Disclosure requirements.

Recommended Change:

| | |
|--|------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$23,262 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$17,719) and for performance increases (\$7,088). | 24,807 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 13,706 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (4,981) |
| 5. Delete one-time funding used for relocation expenses. | (115,212) |
| Total Change | (\$58,418) |

Secretary of State

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Corporations | | | | |
| 1. Percentage of filings certified within two business days | 95% | 95% | 95% | 95% |
| 2. Number of corporation applications filed | 89,336 | 101,299 | 104,000 | 121,000 |
| Elections | | | | |
| 1. Number of elections | 435 | 750 | 800 | 840 |
| 2. Number of registered voters | 5,046,988 | 5,211,118 | 5,300,000 | 5,375,000 |
| Professional Licensing Boards | | | | |
| 1. Number of licensed professionals regulated by the Professional Licensing Boards | 783,296 | 865,000 | 868,195 | 873,195 |
| 2. Number of license renewals supported by the operations support unit | 176,507 | 166,695 | 183,000 | 190,000 |
| Georgia Commission on the Holocaust | | | | |
| 1. College courses coordinated, in-house training sessions conducted, and permanent and traveling exhibits provided | 25 | 25 | 25 | 25 |
| 2. Number of educators attending Commission programs and training sessions requesting materials to incorporate into their lesson plans | 650 | 650 | 650 | 750 |
| Georgia Drugs and Narcotics Agency | | | | |
| 1. Inspections conducted | 1,874 | 1,300 | 2,100 | 2,100 |
| 2. Percentage of law enforcement agencies that rate the Georgia Drugs and Narcotics Agency services to be high quality | 90% | 90% | 90% | 90% |
| Georgia Real Estate Commission | | | | |
| 1. Percentage of findings of negligence occurring in completed cases | 30% | 29% | 33% | 33% |
| 2. Percentage of Georgia passing rates on qualifying examinations that surpass the national average. | 8% | 10% | 10% | 10% |
| State Ethics Commission | | | | |
| 1. Number of cases brought before the Commission for review | 38 | 60 | 72 | 82 |
| 2. Number of cases actually closed/removed from the docket | 38 | 51 | 48 | 58 |

Secretary of State

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$5,810,271 | \$5,119,791 | \$5,333,115 | \$8,796,758 | \$8,657,340 |
| Archives | 6,959,901 | 6,664,575 | 6,714,809 | 6,781,079 | 6,874,080 |
| Capitol Tours | 144,037 | 155,052 | 165,573 | | 171,489 |
| Corporations | 2,356,966 | 2,134,953 | 2,044,652 | 2,284,466 | 2,436,905 |
| Elections | 8,901,856 | 5,469,614 | 5,318,929 | 8,518,795 | 8,085,505 |
| Professional Licensing Boards | 9,240,816 | 11,160,764 | 12,122,078 | 9,092,478 | 9,198,500 |
| Securities | 2,460,309 | 2,359,453 | 2,241,515 | 1,900,378 | 1,952,807 |
| SUBTOTAL FUNDS (Excludes Attached Agencies) | \$35,874,156 | \$33,064,202 | \$33,940,671 | \$37,373,954 | \$37,376,626 |
| <u>ATTACHED AGENCIES</u> | | | | | |
| Georgia Commission on the Holocaust | \$372,031 | \$377,170 | \$340,743 | \$344,524 | \$349,724 |
| Georgia Drugs and Narcotics Agency | 1,266,976 | 1,380,279 | 1,454,200 | 1,475,496 | 1,564,599 |
| Georgia Real Estate Commission | 2,955,394 | 3,071,371 | 3,535,210 | 3,538,721 | 3,587,242 |
| State Ethics Commission | 1,286,665 | 1,617,938 | 1,868,943 | 1,886,400 | 1,810,525 |
| TOTAL FUNDS | \$41,755,222 | \$39,510,960 | \$41,139,767 | \$44,619,095 | \$44,688,716 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$948,805 | \$569,996 | | | |
| Other Funds | 4,353,026 | 3,534,888 | \$1,500,283 | \$1,474,742 | \$1,500,283 |
| Subtotal | \$5,301,831 | \$4,104,884 | \$1,500,283 | \$1,474,742 | \$1,500,283 |
| State General Funds | \$36,453,391 | \$35,406,076 | \$39,639,484 | \$43,144,353 | \$43,188,433 |
| TOTAL STATE FUNDS | \$36,453,391 | \$35,406,076 | \$39,639,484 | \$43,144,353 | \$43,188,433 |
| Positions | 428 | 448 | 464 | 468 | 467 |
| Motor Vehicles | 99 | 99 | 104 | 104 | 104 |

Secretary of State

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$39,639,484 | \$3,548,949 | \$43,188,433 |
| TOTAL STATE FUNDS | \$39,639,484 | \$3,548,949 | \$43,188,433 |
| Other Funds | 1,500,283 | | 1,500,283 |
| TOTAL FUNDS | \$41,139,767 | \$3,548,949 | \$44,688,716 |
| Administration | | | |
| State General Funds | \$5,303,115 | \$3,324,225 | \$8,627,340 |
| Other Funds | 30,000 | | 30,000 |
| Total Funds | <u>\$5,333,115</u> | <u>\$3,324,225</u> | <u>\$8,657,340</u> |
| Archives | | | |
| State General Funds | \$6,204,038 | \$159,271 | \$6,363,309 |
| Other Funds | 510,771 | | 510,771 |
| Total Funds | <u>\$6,714,809</u> | <u>\$159,271</u> | <u>\$6,874,080</u> |
| Capitol Tours | | | |
| State General Funds | \$165,573 | \$5,916 | \$171,489 |
| Total Funds | <u>\$165,573</u> | <u>\$5,916</u> | <u>\$171,489</u> |
| Corporations | | | |
| State General Funds | \$1,305,140 | \$392,253 | \$1,697,393 |
| Other Funds | 739,512 | | 739,512 |
| Total Funds | <u>\$2,044,652</u> | <u>\$392,253</u> | <u>\$2,436,905</u> |
| Elections | | | |
| State General Funds | \$5,298,929 | \$2,766,576 | \$8,065,505 |
| Other Funds | 20,000 | | 20,000 |
| Total Funds | <u>\$5,318,929</u> | <u>\$2,766,576</u> | <u>\$8,085,505</u> |
| Professional Licensing Boards | | | |
| State General Funds | \$11,972,078 | (\$2,923,578) | \$9,048,500 |
| Other Funds | 150,000 | | 150,000 |
| Total Funds | <u>\$12,122,078</u> | <u>(\$2,923,578)</u> | <u>\$9,198,500</u> |
| Securities | | | |
| State General Funds | \$2,191,515 | (\$288,708) | \$1,902,807 |
| Other Funds | 50,000 | | 50,000 |
| Total Funds | <u>\$2,241,515</u> | <u>(\$288,708)</u> | <u>\$1,952,807</u> |
| Agencies Attached for Administrative Purposes: | | | |
| Georgia Commission on the Holocaust | | | |
| State General Funds | \$340,743 | \$8,981 | \$349,724 |
| Total Funds | <u>\$340,743</u> | <u>\$8,981</u> | <u>\$349,724</u> |

Secretary of State Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|------------------------------------|---------------------------|------------|---------------------------|
| Georgia Drugs and Narcotics Agency | | | |
| State General Funds | \$1,454,200 | \$110,399 | \$1,564,599 |
| Total Funds | \$1,454,200 | \$110,399 | \$1,564,599 |
| Georgia Real Estate Commission | | | |
| State General Funds | \$3,535,210 | \$52,032 | \$3,587,242 |
| Total Funds | \$3,535,210 | \$52,032 | \$3,587,242 |
| State Ethics Commission | | | |
| State General Funds | \$1,868,943 | (\$58,418) | \$1,810,525 |
| Total Funds | \$1,868,943 | (\$58,418) | \$1,810,525 |

Soil and Water Conservation Commission

Roles, Responsibilities, and Organization

The Georgia Soil and Water Conservation Commission (GASWCC) was formed to protect, conserve, and improve the soil and water resources of the State of Georgia. The commission's primary goal is to make Georgia a better place for its citizens through the wise use and protection of basic soil and water resources, and to achieve practical water quality goals through agricultural best practices.

There are 40 Soil and Water Conservation Districts in Georgia, composed of one or several counties each; every county has at least two supervisor representatives on the District Board of Supervisors. Serving as the coordinator of the 370 District Supervisors is a commission appointed by Governor Perdue, comprised of five supervisors from different regions of the state and appointed by the Governor to serve five-year terms. There are five commission members in all, one of whom is designated Chairman. The commission is headquartered in Athens with six regional offices, and has a professional staff whose primary duty is to serve and advance the goals of the Soil and Water Conservation Districts. The regional offices are located in Rome, Athens, Conyers, Milledgeville, Dawson, and Statesboro.

CONSERVATION OF AGRICULTURAL WATER SUPPLIES

The Conservation of Agricultural Water Supplies program exists to assist agricultural water users in quantifying water use, conserving existing water supplies through irrigation audits, and reducing dependence on ground water and surface water supplies through agricultural catchments. The Soil and Water Conservation Commission accomplishes these goals through agricultural water metering, by installing water meters on farmers' irrigation systems to track and document water usage. This allows the commission to accurately determine state water use and obtain data to be used by policy makers and individual farmers alike in developing water conservation strategies. In addition, the commission administers farmer incentive programs designed to increase the uniformity and efficiency of agricultural irrigation systems and develop agricultural water catchments for irrigation of cropland in South Georgia.

CONSERVATION OF SOIL AND WATER RESOURCES

The Conservation of Soil and Water Resources program is intended to support landowners in protecting soil and water resources through the

use of voluntary best management practices intended to meet water quality standards. Best management practices implemented by the commission and individual farmers prevent erosion and pollution on both agricultural and urban lands.

Three subprograms in the Conservation of Soil and Water Resources program address different types of land and conservation issues. The Agricultural Lands subprogram helps to reduce soil erosion and non-point source pollutants on agricultural lands; Urban Lands addresses erosion on development sites by educating developers, local governments, and erosion and sediment control professionals on best management practices; and Conservation District Education and Outreach promotes increased awareness of the importance of soil and water conservation by supplying Georgia citizens with research data, mapping systems, and soil and water resource information.

WATER RESOURCES AND LAND USE PLANNING

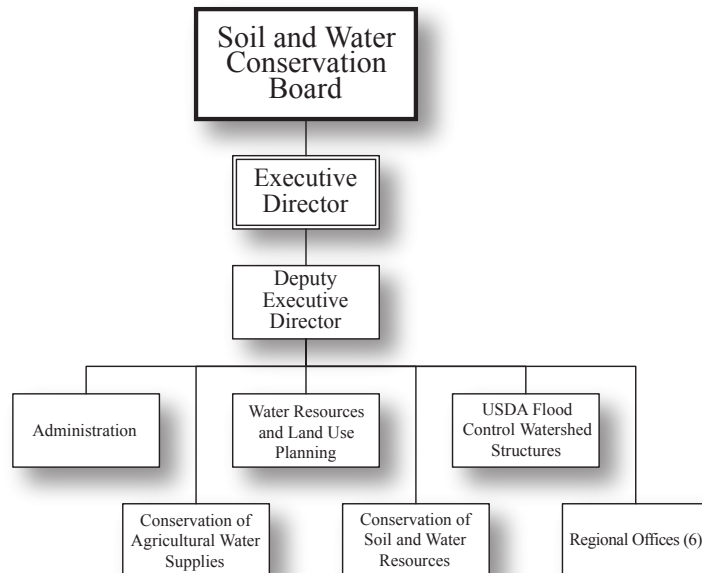
The Water Resources and Land Use Planning program exists to conduct planning activities that further the understanding of water use and to improve water management throughout the state. Through wetted acreage maps and an irrigator gateway, the commission provides resource information to stakeholders and policy makers in the statewide water planning process.

WATERSHED FLOOD CONTROL DAMS

There are 357 USDA-constructed flood control watershed dams in the State of Georgia, most of them located in the northern part of the state. This program provides for proper operation and maintenance of these dams by working with federal, local, and Soil and Water District officials. Through the program, the commission helps to ensure that dams meet the Georgia Safe Dams Act standards for structural integrity, operate efficiently to provide multi-purpose use, and ensure flood protection for nearby communities.

AUTHORITY

Title 2-6, Official Code of Georgia Annotated.



Soil and Water Conservation Commission

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---|-----------------------|-----------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$3,517,863 | \$86,269 | \$3,604,132 |
| TOTAL STATE FUNDS | \$3,517,863 | \$86,269 | \$3,604,132 |
| Federal Funds Not Specifically Identified | 3,454,308 | | 3,454,308 |
| Other Funds | 6,601,885 | | 6,601,885 |
| TOTAL FUNDS | \$13,574,056 | \$86,269 | \$13,660,325 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$30,446 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$19,669), for performance increases (\$7,868), and for special adjustments to selected job classes (\$40,862). | 68,399 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 15,551 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (10,770) |
| Total Change | \$103,626 |

Administration

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$4,574 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,499), for performance increases (\$1,400), and for special adjustments to selected job classes (\$7,269). | 12,168 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,766 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,916) |
| 5. Remove funds used to replace five high-mileage vehicles in FY 2008. | (15,269) |
| 6. Realign personal services funding to reflect projected expenditures. | 107,559 |
| Total Change | \$109,882 |

Conservation of Agricultural Water Supplies

Purpose: Conserve the use of Georgia's ground and surface water by agricultural water users.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$8,904 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$1,954), for performance increases (\$782), and for special adjustments to selected job classes (\$4,060). | 6,796 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,545 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (1,070) |
| 5. Remove funds used to replace five high-mileage vehicles in FY 2008. | (8,569) |
| 6. Increase per diem rate for conservation district supervisors from \$30 to \$40. | 3,500 |
| Total Change | \$11,106 |

Conservation of Soil and Water Resources

Purpose: Conserve Georgia's rich natural resources through voluntary implementation of conservation best management practices on agricultural lands.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$16,543 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$14,215), for performance increases (\$5,687), and for special adjustments to selected job classes (\$29,533). | 49,435 |

Soil and Water Conservation Commission

FY 2009 Program Budgets

| | |
|---|-----------|
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 11,240 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (7,784) |
| 5. Remove funds used to replace five high-mileage vehicles in FY 2008. | (55,476) |
| 6. Realign personal services funding to reflect projected expenditures (Total Funds: \$107,559). | (43,305) |
| 7. Increase per diem rate for conservation district supervisors from \$30 to \$40. | 29,500 |
| 8. Provide full state funding for the Erosion & Sedimentation Control program as mandated in O.C.G.A. 12-7-9(a). | 100,000 |
| Total Change | \$100,153 |

USDA Flood Control Watershed Structures

Purpose: Provide flood retarding, water quality, recreation, and water supply benefits to Georgia citizens.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$368 |
| 2. Remove funds used to replace five high-mileage vehicles in FY 2008. | (686) |
| 3. Realign personal services funding to reflect projected expenditures (Total Funds: \$107,559). | (7,568) |
| Total Change | (\$7,886) |

Water Resources and Land Use Planning

Purpose: Improve understanding of water use and develop plans that improve water management and efficiency.

Recommended Change:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$57 |
| 2. Realign personal services funding to reflect projected expenditures (Total Funds: \$107,559). | (56,686) |
| 3. Reduce contract funds by 2%. | (70,357) |
| Total Change | (\$126,986) |

Soil and Water Conservation Commission

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Conservation of Agricultural Water Resources | | | | |
| 1. Number of agricultural water meters installed in high-priority watersheds | 2,823 | 1,318 | 4,406 | 3,555 |
| 2. Number of agricultural irrigation systems audited for uniformity and efficiency | 516 | 331 | 150 | 250 |
| Conservation of Soil and Water Resources | | | | |
| 1. Number of agricultural acres protected and benefited by conservation plans | 228,771 | 355,909 | 210,000 | 260,000 |
| 2. Number of individuals certified or recertified in erosion and sedimentation control | 11,921 | 31,650 | 6,200 | 18,000 |
| USDA Flood Control Watershed Structures | | | | |
| 1. Number of watershed dam assessments completed in conjunction with USDA to determine if dams could serve as water supply reservoirs | 0 | 10 | 20 | 20 |
| 2. Number of commission/USDA watershed dams maintained | 88 | 91 | 115 | 130 |

Soil and Water Conservation Commission

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$583,601 | \$598,679 | \$640,246 | \$760,054 | \$750,128 |
| Conservation of Agricultural Water Supplies | 7,270,873 | 7,144,061 | 8,821,981 | 8,847,148 | 8,833,087 |
| Conservation of Soil and Water Resources | 2,690,002 | 3,389,631 | 3,127,588 | 3,291,029 | 3,227,741 |
| USDA Flood Control Watershed Structures | 80,824 | 104,916 | 106,696 | 99,496 | 98,810 |
| Water Resources and Land Use Planning | 1,726,810 | 957,066 | 877,545 | 706,758 | 750,559 |
| TOTAL FUNDS | \$12,352,110 | \$12,194,353 | \$13,574,056 | \$13,704,485 | \$13,660,325 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$3,220,153 | \$5,514,279 | \$3,454,308 | \$3,454,308 | \$3,454,308 |
| Other Funds | 5,430,102 | 3,589,108 | 6,601,885 | 6,601,885 | 6,601,885 |
| Subtotal | \$8,650,255 | \$9,103,387 | \$10,056,193 | \$10,056,193 | \$10,056,193 |
| State General Funds | \$3,701,855 | \$3,090,966 | \$3,517,863 | \$3,648,292 | \$3,604,132 |
| TOTAL STATE FUNDS | \$3,701,855 | \$3,090,966 | \$3,517,863 | \$3,648,292 | \$3,604,132 |
| Positions | 52 | 61 | 60 | 60 | 60 |
| Motor Vehicles | 25 | 25 | 26 | 26 | 26 |

Soil and Water Conservation Commission

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|-----------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$3,517,863 | \$86,269 | \$3,604,132 |
| TOTAL STATE FUNDS | \$3,517,863 | \$86,269 | \$3,604,132 |
| Federal Funds Not Specifically Identified | 3,454,308 | | 3,454,308 |
| Other Funds | 6,601,885 | | 6,601,885 |
| TOTAL FUNDS | \$13,574,056 | \$86,269 | \$13,660,325 |
| Administration | | | |
| State General Funds | \$640,246 | \$109,882 | \$750,128 |
| Total Funds | \$640,246 | \$109,882 | \$750,128 |
| Conservation of Agricultural Water Supplies | | | |
| State General Funds | \$314,303 | \$11,106 | \$325,409 |
| Federal Funds Not Specifically Identified | 3,131,804 | | 3,131,804 |
| Other Funds | 5,375,874 | | 5,375,874 |
| Total Funds | \$8,821,981 | \$11,106 | \$8,833,087 |
| Conservation of Soil and Water Resources | | | |
| State General Funds | \$1,579,073 | \$100,153 | \$1,679,226 |
| Federal Funds Not Specifically Identified | 322,504 | | 322,504 |
| Other Funds | 1,226,011 | | 1,226,011 |
| Total Funds | \$3,127,588 | \$100,153 | \$3,227,741 |
| USDA Flood Control Watershed Structures | | | |
| State General Funds | \$106,696 | (\$7,886) | \$98,810 |
| Total Funds | \$106,696 | (\$7,886) | \$98,810 |
| Water Resources and Land Use Planning | | | |
| State General Funds | \$877,545 | (\$126,986) | \$750,559 |
| Total Funds | \$877,545 | (\$126,986) | \$750,559 |

Georgia Student Finance Commission

Roles, Responsibilities, and Organization

The Georgia Student Finance Commission is responsible for administering student financial aid programs. The programs, which include the Helping Outstanding Pupils Educationally (HOPE) Scholarship Program, GACollege411, service-cancelable loans, financial aid consultation, and other educational scholarships and grants, are supported by lottery proceeds and state general fund appropriations.

GEORGIA HIGHER EDUCATION ASSISTANCE CORPORATION

The Georgia Higher Education Assistance Corporation is a nonprofit public corporation of the state and is responsible for administering a program of guaranteed educational loans to eligible students and parents in accordance with state law and the requirements of the Federal Higher Educational Loan Act. In FY 2007, the corporation guaranteed over \$279 million in new loans for eligible students and parents.

GEORGIA STUDENT FINANCE AUTHORITY

The Georgia Student Finance Authority, a nonprofit public corporation of the state, is responsible for providing student financial aid to eligible Georgians through loan, scholarship, and grant assistance programs as prescribed by the General Assembly. In FY 2007, the authority disbursed over \$27 million in state general funds and agency revenues to more than 34,000 students. In addition, over \$477 million in HOPE

Scholarship and other lottery funded grant and scholarship programs were disbursed to more than 215,000 students.

The authority is also authorized to be a lender under the Georgia Higher Educational Loan Program. In FY 2007, the authority originated over \$50.1 million in student loans, and the total value of loans serviced exceeded \$288 million.

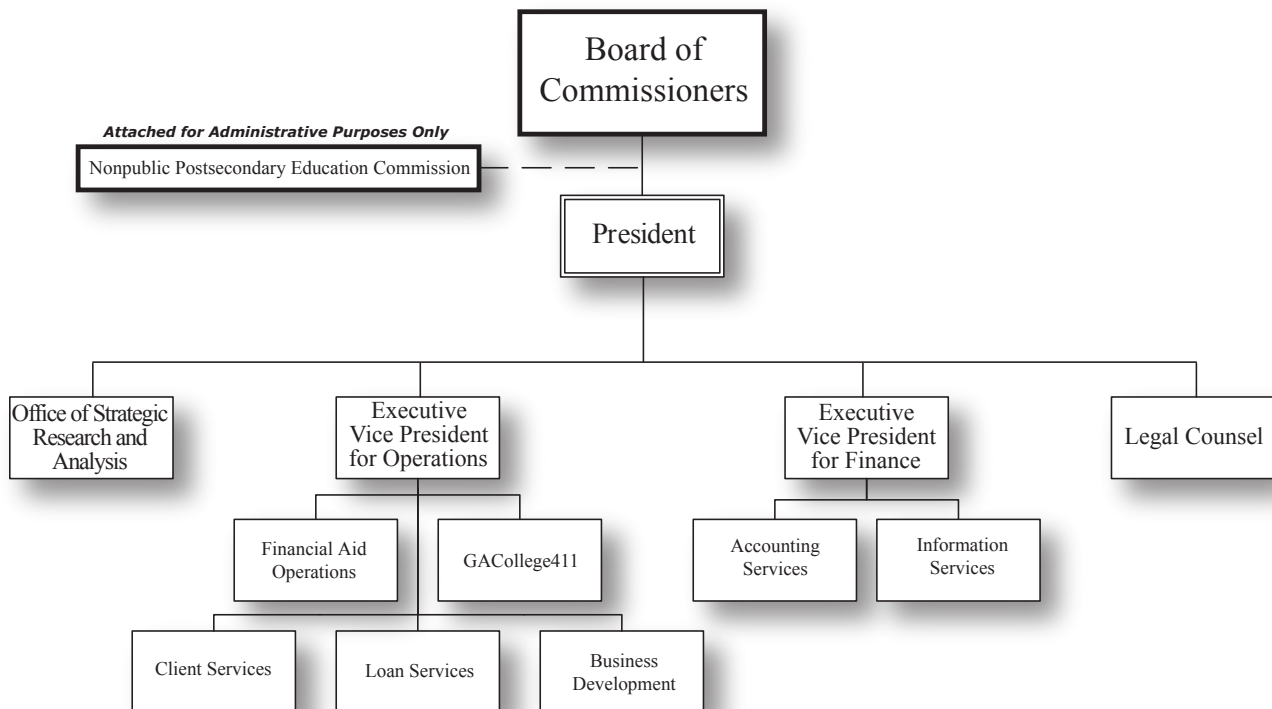
The authority has the responsibility of performing all management, supervisory, clerical and administrative functions required by the corporation and the commission. The authority also provides administrative and operational support services at no cost to the state for the Georgia Nonpublic Postsecondary Education Commission (NPEC), which is attached for administrative purposes.

ATTACHED AGENCY

The Georgia Nonpublic Postsecondary Education Commission is responsible for regulating private postsecondary schools in this state in order to protect the financial investment of Georgians participating in their programs.

AUTHORITY

Titles 20-3-230 et seq., 20-3-250 et seq., 20-3-260 et seq., and 20-3-310 et seq., Official Code of Georgia Annotated.



Georgia Student Finance Commission

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|---------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$40,223,482 | \$27,686 | \$40,251,168 |
| Lottery Funds | 516,697,160 | 28,540,435 | 545,237,595 |
| TOTAL STATE FUNDS | \$556,920,642 | \$28,568,121 | \$585,488,763 |
| Federal Funds | 520,653 | | 520,653 |
| Other Funds | 5,622,493 | (250,000) | 5,372,493 |
| TOTAL FUNDS | \$563,063,788 | \$28,318,121 | \$591,381,909 |

Department Statewide Budget Changes (Information Only):

State General Funds:

- | | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$10,099 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$8,538) and for performance increases (\$3,415). | 11,953 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 6,604 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (970) |
| Total Change | \$27,686 |

Lottery Funds:

- | | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$50,948 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$43,094) and for performance increases (\$17,238). | 60,332 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 33,333 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 6,974 |
| Total Change | \$151,587 |

Accel

Purpose: Allow students to pursue postsecondary study at approved public and private postsecondary institutions, while receiving dual high school and college credit for courses successfully completed.

Recommended Change:

- | | |
|---|---------------|
| 1. Reduce funding to the Accel program to reflect projected need. | (\$1,800,000) |
| Total Change | (\$1,800,000) |

Engineer Scholarship

Purpose: Provide forgivable loans to Georgia residents who are engineering students at Mercer University (Macon campus) and retain those students as engineers in the state.

Recommended Change:

- | | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Georgia Military College Scholarship

Purpose: Provide outstanding students with a full scholarship to attend Georgia Military College, thereby strengthening Georgia's National Guard with their membership.

Recommended Change:

- | | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Georgia Student Finance Commission

FY 2009 Program Budgets

Governor's Scholarship Program

Purpose: Recognize graduating Georgia high school seniors who are valedictorians or STAR students of their class by providing a scholarship to attend an eligible postsecondary institution in Georgia.

Recommended Change:

- | | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Guaranteed Educational Loans

Purpose: Provide service cancelable loans to students enrolled in critical fields of study, which include nursing, physical therapy and pharmacy.

Recommended Change:

- | | |
|---|-----|
| 1. Eliminate \$250,000 in other funds for nursing faculty service cancelable loans. | Yes |
| Total Change | \$0 |

HERO Scholarship

Purpose: Provide educational and grant assistance to members of the Georgia National Guard and U.S. Military Reservists who served in combat zones and the children of such members.

Recommended Change:

- | | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

HOPE Administration

Recommended Change:

Lottery Funds

- | | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$50,948 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$43,094) and for performance increases (\$17,238). | 60,332 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 33,333 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 6,974 |
| Total Change | \$151,587 |

HOPE GED

Purpose: Award a \$500 voucher once to each student receiving a general education development (GED) diploma awarded by the Georgia Department of Technical and Adult Education.

Recommended Change:

- | | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

HOPE Grant

Purpose: Provide grants to students seeking a diploma or certificate at a public postsecondary institution.

Recommended Change:

- | | |
|--|--------------|
| 1. Increase HOPE Grant to meet projected need. | \$14,405,864 |
| Total Change | \$14,405,864 |

HOPE Scholarships - Private Schools

Purpose: Provide merit scholarships to students seeking an associate or baccalaureate degree at an eligible private postsecondary institution.

Recommended Change:

- | | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Georgia Student Finance Commission

FY 2009 Program Budgets

HOPE Scholarships - Public Schools

Purpose: Provide merit scholarships to students seeking an associate or baccalaureate degree at an eligible public postsecondary institution.

Recommended Change:

1. Increase HOPE Scholarships for Public Schools to meet projected need.
- Total Change

| | |
|--|--------------|
| | \$15,782,984 |
| | \$15,782,984 |

Law Enforcement Dependents Grant

Purpose: Provide educational grant assistance to the children of Georgia law enforcement officers, firefighters, and prison correctional officers who were permanently disabled or killed in the line of duty, to attend an eligible private or public postsecondary institution in Georgia.

Recommended Change:

1. No change.
- Total Change

| | |
|--|-----|
| | \$0 |
| | \$0 |

Leveraging Educational Assistance Partnership (LEAP) Program

Purpose: Provide educational grant assistance to residents of Georgia who demonstrate substantial financial need to attend eligible postsecondary institutions in Georgia.

Recommended Change:

1. No change.
- Total Change

| | |
|--|-----|
| | \$0 |
| | \$0 |

North Georgia Military Scholarship Grants

Purpose: Provide outstanding students with a full scholarship to attend North Georgia College and State University, thereby strengthening Georgia's Army National Guard with their membership.

Recommended Change:

1. No change.
- Total Change

| | |
|--|-----|
| | \$0 |
| | \$0 |

North Georgia ROTC Grants

Purpose: Provide Georgia residents with non-repayable financial assistance to attend North Georgia College and State University and to participate in the Reserve Officers Training Corps program.

Recommended Change:

1. No change.
- Total Change

| | |
|--|-----|
| | \$0 |
| | \$0 |

Promise Scholarship

Purpose: Provide forgivable loans to students in their junior and senior year who aspire to be teachers in Georgia public schools.

Recommended Change:

1. No change.
- Total Change

| | |
|--|-----|
| | \$0 |
| | \$0 |

Public Memorial Safety Grant

Purpose: Provide educational grant assistance to the children of Georgia law enforcement officers, fire fighters, Emergency Medical Technicians (EMTs), and correctional officers who were permanently disabled or killed in the line of duty, to attend a public postsecondary institution in Georgia.

Recommended Change:

1. No change.
- Total Change

| | |
|--|-----|
| | \$0 |
| | \$0 |

Georgia Student Finance Commission

FY 2009 Program Budgets

Teacher Scholarship

Purpose: Provide forgivable loans to teachers seeking advanced education degrees in critical shortage fields of study.

Recommended Change:

- | | |
|---------------|-----|
| 1. No change. | \$0 |
| Total Change | \$0 |

Tuition Equalization Grants (TEG)

Purpose: Promote the private segment of higher education in Georgia by providing non-repayable grant aid to Georgia residents who attend eligible private postsecondary institutions.

Recommended Change:

- | | |
|--|-----|
| 1. Increase Tuition Equalization Grant award amount from \$1,100 to \$1,200. | Yes |
| Total Change | \$0 |

Agency Attached for Administrative Purposes:

Nonpublic Postsecondary Education Commission (NPEC)

Purpose: Authorize private postsecondary schools in Georgia; provide transcripts for students who attended schools that closed; resolve complaints.

Recommended Change:

- | | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$10,099 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$8,538) and for performance increases (\$3,415). | 11,953 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 6,604 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (970) |
| Total Change | \$27,686 |

Georgia Student Finance Commission

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Guaranteed Educational Loans | | | | |
| 1. Number of awards granted per year | 637 | 1,276 | 1,276 | 1,276 |
| 2. Average dollar amount per award | \$5,069 | \$2,553 | \$2,553 | \$2,553 |
| 3. Percentage of students repaying loans in cash | 6% | 5% | 5% | 5% |
| 4. Number of nursing awards | 535 | 1,008 | 1,108 | 1,108 |
| HOPE Grant | | | | |
| 1. Number of awards granted per year | 222,257 | 204,218 | 212,529 | 218,905 |
| 2. Average dollar amount per award | \$453 | \$470 | \$480 | \$495 |
| HOPE Scholarships - Private Schools | | | | |
| 1. Number of awards granted per year | 31,785 | 31,250 | 31,235 | 31,235 |
| 2. Average dollar amount per award | \$1,275 | \$1,272 | \$1,272 | \$1,272 |
| HOPE Scholarships - Public Schools | | | | |
| 1. Number of awards granted per year | 191,473 | 196,924 | 194,030 | 200,798 |
| 2. Average dollar amount per award | \$1,526 | \$1,598 | \$1,695 | \$1,760 |
| Tuition Equalization Grant (TEG) | | | | |
| 1. Number of awards granted per year | 62,430 | 61,826 | 61,167 | 62,000 |
| 2. Average dollar amount per award | \$394 | \$426 | \$479 | \$485 |
| Nonpublic Postsecondary Education Commission (NPEC) | | | | |
| 1. Percentage of NPEC educational institutions meeting prescribed academic and financial standards annually without remediation | 60% | 65% | 66% | 70% |

Georgia Student Finance Commission

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Accel | \$4,169,508 | \$3,865,640 | \$6,000,000 | \$6,000,000 | \$4,200,000 |
| Engineer Scholarship | 574,000 | 663,250 | 760,000 | 760,000 | 760,000 |
| Georgia Military College Scholarship | 625,743 | 1,066,793 | 1,228,708 | 1,228,708 | 1,228,708 |
| Governor's Scholarship Program | 2,329,200 | 2,329,200 | 2,329,200 | 2,329,200 | 2,329,200 |
| Guaranteed Educational Loans | 3,799,883 | 4,079,883 | 4,049,883 | 3,799,883 | 3,799,883 |
| HERO Scholarship | 100,000 | 480,523 | 918,000 | 451,000 | 918,000 |
| HOPE Administration | 6,111,697 | 6,069,319 | 5,887,232 | 6,080,425 | 6,038,819 |
| HOPE GED | 2,085,234 | 2,072,885 | 2,461,614 | 2,461,614 | 2,461,614 |
| HOPE Grant | 101,084,342 | 96,148,368 | 104,972,024 | 104,972,024 | 119,377,888 |
| HOPE Scholarships- Private Schools | 40,700,732 | 39,226,645 | 45,651,732 | 45,651,732 | 45,651,732 |
| HOPE Scholarships- Public Schools | 291,045,177 | 312,874,620 | 338,950,936 | 353,493,561 | 354,733,920 |
| Law Enforcement Dependents Grant | 50,911 | 50,911 | 50,911 | 50,911 | 50,911 |
| Leveraging Educational Assistance Partnership (LEAP) Program | 1,488,891 | 1,489,225 | 1,487,410 | 1,487,410 | 1,487,410 |
| North Georgia Military Scholarship Grant | 1,458,348 | 1,694,353 | 683,951 | 683,951 | 683,951 |
| North Georgia ROTC Grants | 432,479 | 469,750 | 432,479 | 432,479 | 432,479 |
| Promise Scholarships | 5,822,636 | 5,826,306 | 5,855,278 | 5,855,278 | 5,855,278 |
| Public Memorial Safety Grant | 178,905 | 230,791 | 255,850 | 255,850 | 255,850 |
| Teacher Scholarship | 3,592,963 | 3,685,239 | 5,332,698 | 5,332,698 | 5,332,698 |
| Tuition Equalization Grants | 27,981,893 | 33,015,000 | 34,966,295 | 29,918,557 | 34,966,295 |
| SUBTOTAL FUNDS (Excludes Attached Agencies) | \$493,632,542 | \$515,338,701 | \$562,274,201 | \$571,245,281 | \$590,564,636 |
| <u>ATTACHED AGENCY:</u> | | | | | |
| Nonpublic Postsecondary Education Commission | \$695,223 | \$676,130 | \$789,587 | \$799,686 | \$817,273 |
| TOTAL FUNDS | \$494,327,765 | \$516,014,831 | \$563,063,788 | \$572,044,967 | \$591,381,909 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$522,134 | \$522,468 | \$520,653 | \$520,653 | \$520,653 |
| Other Funds | 3,316,309 | 7,955,516 | 5,622,493 | | 5,372,493 |
| Subtotal | \$3,838,443 | \$8,477,984 | \$6,143,146 | \$520,653 | \$5,893,146 |
| State General Funds | \$35,498,385 | \$36,647,991 | \$40,223,482 | \$40,284,529 | \$40,251,168 |
| Lottery Funds | 454,990,937 | 470,888,856 | 516,697,160 | 531,239,785 | 545,237,595 |
| TOTAL STATE FUNDS | \$490,489,322 | \$507,536,847 | \$556,920,642 | \$571,524,314 | \$585,488,763 |
| Positions | 60 | 60 | 65 | 65 | 65 |
| Motor Vehicles | 2 | 2 | 2 | 2 | 2 |

Georgia Student Finance Commission

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--------------------------------------|---------------------------|---------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$40,223,482 | \$27,686 | \$40,251,168 |
| Lottery Funds | 516,697,160 | 28,540,435 | 545,237,595 |
| TOTAL STATE FUNDS | \$556,920,642 | \$28,568,121 | \$585,488,763 |
| Federal Funds | 520,653 | | 520,653 |
| Other Funds | 5,622,493 | (250,000) | 5,372,493 |
| TOTAL FUNDS | \$563,063,788 | \$28,318,121 | \$591,381,909 |
| | | | |
| Accel | | | |
| Lottery Funds | \$6,000,000 | (\$1,800,000) | \$4,200,000 |
| Total Funds | \$6,000,000 | (\$1,800,000) | \$4,200,000 |
| | | | |
| Engineer Scholarship | | | |
| Lottery Funds | \$760,000 | | \$760,000 |
| Total Funds | \$760,000 | \$0 | \$760,000 |
| | | | |
| Georgia Military College Scholarship | | | |
| Lottery Funds | \$1,228,708 | | \$1,228,708 |
| Total Funds | \$1,228,708 | \$0 | \$1,228,708 |
| | | | |
| Governor's Scholarship Program | | | |
| State General Funds | \$2,329,200 | | \$2,329,200 |
| Total Funds | \$2,329,200 | \$0 | \$2,329,200 |
| | | | |
| Guaranteed Educational Loans | | | |
| State General Funds | \$3,799,883 | | \$3,799,883 |
| Other Funds | 250,000 | (\$250,000) | 0 |
| Total Funds | \$4,049,883 | (\$250,000) | \$3,799,883 |
| | | | |
| HERO Scholarship | | | |
| State General Funds | \$200,000 | | \$200,000 |
| Other Funds | 718,000 | | 718,000 |
| Total Funds | \$918,000 | \$0 | \$918,000 |
| | | | |
| HOPE Administration | | | |
| State General Funds | \$158,912 | | \$158,912 |
| Lottery Funds | 5,228,320 | \$151,587 | 5,379,907 |
| Other Funds | 500,000 | | 500,000 |
| Total Funds | \$5,887,232 | \$151,587 | \$6,038,819 |
| | | | |
| HOPE GED | | | |
| Lottery Funds | \$2,461,614 | | \$2,461,614 |
| Total Funds | \$2,461,614 | \$0 | \$2,461,614 |

Georgia Student Finance Commission

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|---------------------|---------------------------|
| HOPE Grant | | | |
| Lottery Funds | \$104,972,024 | \$14,405,864 | \$119,377,888 |
| Total Funds | <u>\$104,972,024</u> | <u>\$14,405,864</u> | <u>\$119,377,888</u> |
| HOPE Scholarships- Private Schools | | | |
| Lottery Funds | \$45,651,732 | | \$45,651,732 |
| Total Funds | <u>\$45,651,732</u> | <u>\$0</u> | <u>\$45,651,732</u> |
| HOPE Scholarships- Public Schools | | | |
| Lottery Funds | \$338,950,936 | \$15,782,984 | \$354,733,920 |
| Total Funds | <u>\$338,950,936</u> | <u>\$15,782,984</u> | <u>\$354,733,920</u> |
| Law Enforcement Dependents Grant | | | |
| State Funds | \$50,911 | | \$50,911 |
| Total Funds | <u>\$50,911</u> | <u>\$0</u> | <u>\$50,911</u> |
| Leveraging Educational Assistance Partnership (LEAP) Program | | | |
| State General Funds | \$966,757 | | \$966,757 |
| Federal Funds | 520,653 | | 520,653 |
| Total Funds | <u>\$1,487,410</u> | <u>\$0</u> | <u>\$1,487,410</u> |
| North Georgia Military Scholarship Grants | | | |
| State Funds | \$683,951 | | \$683,951 |
| Total Funds | <u>\$683,951</u> | <u>\$0</u> | <u>\$683,951</u> |
| North Georgia ROTC Grants | | | |
| State Funds | \$432,479 | | \$432,479 |
| Total Funds | <u>\$432,479</u> | <u>\$0</u> | <u>\$432,479</u> |
| Promise Scholarships | | | |
| Lottery Funds | \$5,855,278 | | \$5,855,278 |
| Total Funds | <u>\$5,855,278</u> | <u>\$0</u> | <u>\$5,855,278</u> |
| Public Memorial Safety Grant | | | |
| Lottery Funds | \$255,850 | | \$255,850 |
| Total Funds | <u>\$255,850</u> | <u>\$0</u> | <u>\$255,850</u> |
| Teacher Scholarship | | | |
| Lottery Funds | \$5,332,698 | | \$5,332,698 |
| Total Funds | <u>\$5,332,698</u> | <u>\$0</u> | <u>\$5,332,698</u> |
| Tuition Equalization Grants | | | |
| State General Funds | \$30,811,802 | | \$30,811,802 |
| Other Funds | 4,154,493 | | 4,154,493 |
| Total Funds | <u>\$34,966,295</u> | <u>\$0</u> | <u>\$34,966,295</u> |

Georgia Student Finance Commission

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|----------|---------------------------|
| <i>Agency Attached for Administrative Purposes:</i> | | | |
| Nonpublic Postsecondary Education Commission | | | |
| State General Funds | \$789,587 | \$27,686 | \$817,273 |
| Total Funds | \$789,587 | \$27,686 | \$817,273 |

Teachers' Retirement System

Roles, Responsibilities, and Organization

The Teachers' Retirement System (TRS) is a vehicle for collecting employee and employer contributions, investing accumulated funds, and disbursing retirement benefits to members and beneficiaries. As required by Georgia law, the system is examined on an annual basis by an independent actuarial firm that specializes in pension and retirement plans. The firm prepares a yearly valuation on the contingent assets and liabilities of the system, thus revealing its ability to meet future obligations. In addition, an independent accounting firm audits the system annually.

Administration of the system is ultimately the responsibility of the TRS Board of Trustees, while daily management of system operations is the responsibility of the executive director. The executive director is appointed by the board and serves at the pleasure of its members. The board consists of 10 members as follows:

- State Auditor, *ex officio*
- Director, Office of Treasury and Fiscal Services, *ex officio*
- Two classroom teachers (both active members of TRS) appointed by the Governor
- One school administrator (an active member of TRS) appointed by the Governor
- One Board of Regents employee (an active member of TRS) appointed by the Board of Regents
- One trustee appointed by the Governor who must be an active member of TRS
- One trustee appointed by the Governor
- One retired member of TRS elected by the trustees
- One citizen (not a TRS member) experienced in the investment of money elected by the trustees

MEMBERSHIP

All individuals employed half time or more in covered positions of the state's public school systems, regional libraries, county libraries, and regional educational service agencies are required to be TRS members as a condition of employment. Similarly, employees in covered positions of the University System of Georgia are required to be TRS members unless eligible for participation in an optional retirement plan administered by the University System's Board of Regents. Covered positions include teachers, administrators, supervisors, clerks, teacher

aides, secretaries, public school nurses, and paraprofessionals. Also eligible for TRS membership are certain employees of the State Department of Education and the Department of Technical and Adult Education, along with public school lunchroom, maintenance, warehouse, and transportation managers and supervisors.

INVESTMENTS

TRS has its own "in-house" Investment Services Division, which handles day-to-day investment transactions. Securities lending and portfolio officers, securities and investment analysts, and investment assistants are all part of the TRS investment team. Six members of the TRS Board of Trustees, along with the executive director, comprise the Investment Committee. Committee members convene with the directors of the Investment Services Division and hear recommendations from outside investment advisors at monthly meetings. Investment recommendations made by the committee require approval by the entire board.

COLA FUNDS FOR LOCAL SYSTEM RETIREES

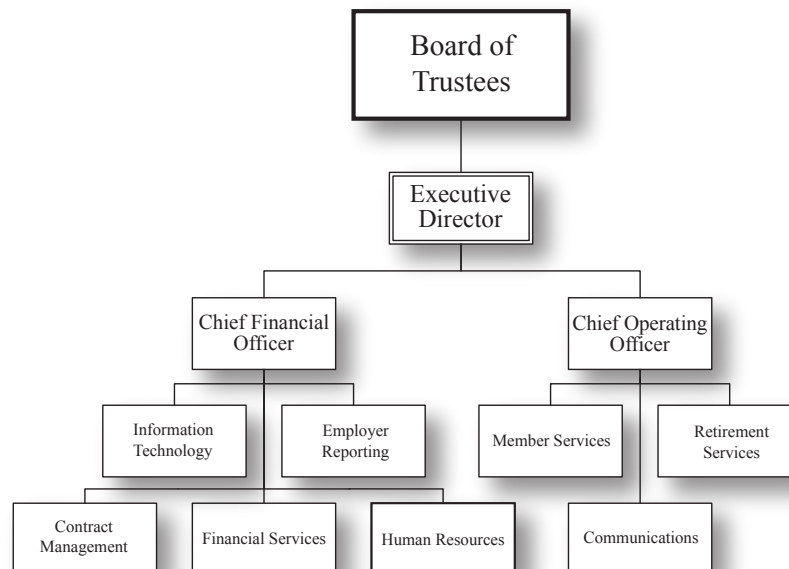
Teachers who retired prior to July 1, 1978 from a local retirement system (Atlanta City Schools, Chatham County Schools, Fulton County Schools, and Rome City Schools) receive a post-retirement cost of living adjustment (COLA) to their monthly benefit whenever such adjustment is granted to teachers who retire under TRS. These funds are appropriated to TRS annually.

FLOOR FUNDS FOR LOCAL SYSTEM RETIREES

Any teacher who has retired from a local retirement system (Atlanta City Schools, Chatham County Schools, Fulton County Schools, and Rome City Schools) prior to July 1, 1978 shall receive a minimum allowance upon retirement of not less than \$17.00 per month for each year of creditable service, not to exceed 40 years of service. These funds are appropriated to TRS annually.

AUTHORITY

Title 47, Chapter 3, Official Code of Georgia Annotated.



Teachers' Retirement System

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|--------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$1,555,000 | (\$153,000) | \$1,402,000 |
| TOTAL STATE FUNDS | \$1,555,000 | (\$153,000) | \$1,402,000 |
| Other Funds | 26,351,456 | 255,325 | 26,606,781 |
| TOTAL FUNDS | \$27,906,456 | \$102,325 | \$28,008,781 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$302,522). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (Other Funds: \$273,950) and for performance increases (Other Funds: \$109,580). | |
| 3. Reflect for an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$206,709). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$26,364). | Yes |
| Total Change | \$0 |

Local/Floor COLA

Purpose: Provide retirees from local retirement systems a minimum allowance upon retirement and a post-retirement benefit adjustment (COLA) whenever such adjustment is granted to teachers who retired under TRS.

Recommended Change:

| | |
|--|-------------|
| 1. Reduce funds for the Floor Fund (\$3,000) and COLA Fund (\$150,000) due to the declining population of retired teachers who qualify for this benefit. | (\$153,000) |
| Total Change | (\$153,000) |

System Administration

Purpose: Provide all services to active members, including: service purchases, refunds, retirement counseling, and new retirement processing.

Recommended Change:

| | |
|---|-----|
| 1. Annualize the cost of the FY 2008 salary adjustment (Other Funds: \$302,522). | Yes |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (Other Funds: \$273,950) and for performance increases (Other Funds: \$109,580). | Yes |
| 3. Reflect for an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182% (Other Funds: \$206,709). | Yes |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure (Other Funds: \$26,364). | Yes |
| 5. Increase funding to purchase computer equipment (Other Funds: \$80,000). | Yes |
| 6. Reduce funding based on actual expenses (Other Funds: \$743,800). | Yes |
| Total Change | \$0 |

Teachers' Retirement System

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Local Floor/COLA | | | | |
| 1. Number of recipients of Floor/COLA payments | 230 | 200 | 180 | 160 |
| System Administration | | | | |
| 1. Retirees and beneficiaries currently receiving benefits | 70,219 | 76,133 | 82,047 | 88,420 |
| 2. Customer Service: Percentage of accuracy rate of processing member service requests | 98% | 99% | 98% | 98% |

Teachers' Retirement System

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Local/Floor COLA | \$1,687,794 | \$1,497,430 | \$1,555,000 | \$1,402,000 | \$1,402,000 |
| System Administration | 21,159,059 | 23,055,464 | 26,351,456 | 25,990,178 | 26,606,781 |
| TOTAL FUNDS | \$22,846,853 | \$24,552,894 | \$27,906,456 | \$27,392,178 | \$28,008,781 |
| <u>Less:</u> | | | | | |
| Other Funds | \$21,159,059 | \$23,055,464 | \$26,351,456 | \$25,990,178 | \$26,606,781 |
| Subtotal | \$21,159,059 | \$23,055,464 | \$26,351,456 | \$25,990,178 | \$26,606,781 |
| State General Funds | \$1,687,794 | \$1,497,430 | \$1,555,000 | \$1,402,000 | \$1,402,000 |
| TOTAL STATE FUNDS | \$1,687,794 | \$1,497,430 | \$1,555,000 | \$1,402,000 | \$1,402,000 |
| Positions | 186 | 189 | 190 | 190 | 190 |
| Motor Vehicles | 1 | 1 | 2 | 2 | 2 |

Teachers' Retirement System

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|----------------------------------|---------------------------|--------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$1,555,000 | (\$153,000) | \$1,402,000 |
| TOTAL STATE FUNDS | \$1,555,000 | (\$153,000) | \$1,402,000 |
| Other Funds | 26,351,456 | 255,325 | 26,606,781 |
| TOTAL FUNDS | \$27,906,456 | \$102,325 | \$28,008,781 |
| Local/Floor COLA | | | |
| State General Funds | \$1,555,000 | (\$153,000) | \$1,402,000 |
| Total Funds | \$1,555,000 | (\$153,000) | \$1,402,000 |
| System Administration | | | |
| Other Funds | \$26,351,456 | \$255,325 | \$26,606,781 |
| Total Funds | \$26,351,456 | \$255,325 | \$26,606,781 |

Department of Technical and Adult Education

Roles, Responsibilities, and Organization

The Quality Basic Education Act (QBE) of 1985 created a separate State Board of Postsecondary Vocational Education within the Department of Education to promote the economic growth and development of Georgia by providing leadership, direction, and state-level management of public postsecondary technical schools, programs, and services. In 1987, the new board was created as an agency separate from the Department of Education to provide guidance to public technical institutes operated by the state or by local boards of education. The board was renamed the State Board of Technical and Adult Education in 1988 to govern the newly created Department of Technical and Adult Education (DTAE).

The department is divided into four programs: Technical Education, Adult Literacy, Economic Development and Administration.

TECHNICAL EDUCATION

DTAE oversees 33 technical colleges, 31 branch campuses and seven technical education centers. In addition, there are four technical education divisions housed within four of the University System of Georgia colleges. The colleges offer more than 1,200 programs and provide opportunities for students to learn new skills or upgrade existing skills to keep pace with rapidly-changing technology and competition in a world market. Students attending technical colleges have the option of short-term programs as well as courses of study leading to certificates, diplomas, and associate degrees. These programs can range in duration from a few weeks to two years. The technical colleges serve approximately 141,000 students annually and produce about 27,000 graduates each year.

ADULT LITERACY

The Adult Literacy program, through its network of 37 service delivery areas throughout the state, promotes and provides adult basic education and literacy programs, including the general educational diploma (GED) Testing program that awards GED diplomas. The program is the primary fiscal agent for the U.S. Department of Education adult literacy funds. It is also the largest adult literacy provider for other state agencies and facilitates collaboration among state and local entities to improve literacy efforts for adults needing basic English literacy, or specialized skills instruction.

ECONOMIC DEVELOPMENT (QUICK START)

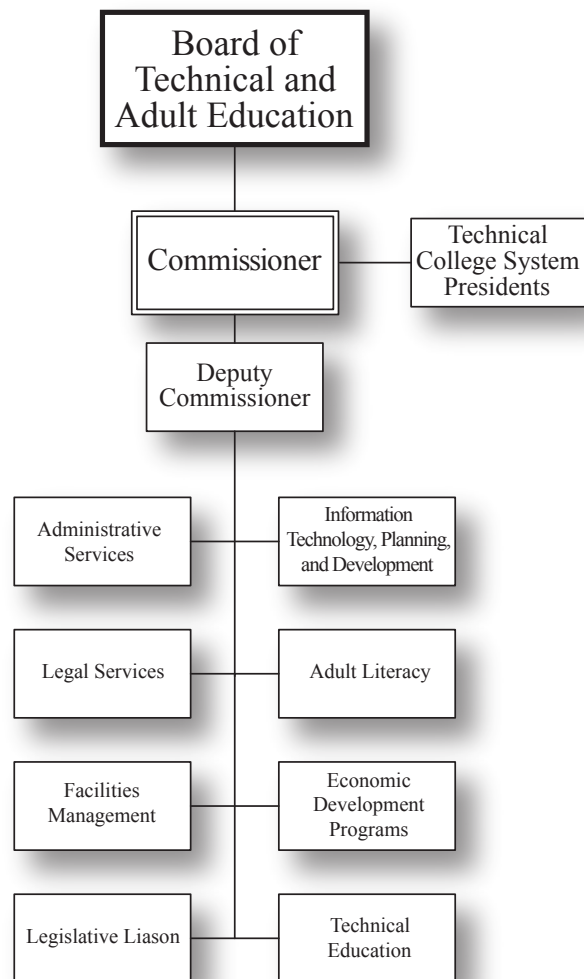
The Economic Development program provides employee training services to new and expanding industries as well as existing industries at no cost through Quick Start. Quick Start plays a key role in the state's business recruitment and retention efforts by serving as a state training incentive. Supported by DTAE's network of technical colleges, Quick Start has provided training for new jobs in virtually every technology required by Georgia's manufacturing and service sectors.

ADMINISTRATION

The Administration program fulfills overall administrative roles for the central office and the 33 technical colleges. These activities include budgeting, accounting, purchasing, asset management, personnel, information technology, research, public information, facilities management, legal services, planning, and evaluation.

AUTHORITY

Title 20, Official Code of Georgia Annotated.



Department of Technical and Adult Education

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|----------------------|----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommended</u> |
| State General Funds | <u>\$373,317,567</u> | <u>\$13,847,127</u> | <u>\$387,164,694</u> |
| TOTAL STATE FUNDS | \$373,317,567 | \$13,847,127 | \$387,164,694 |
| Federal Funds | 37,000,000 | 19,600,000 | 56,600,000 |
| Other Funds | <u>112,800,000</u> | <u>80,715,000</u> | <u>193,515,000</u> |
| TOTAL FUNDS | \$523,117,567 | \$114,162,127 | \$637,279,694 |

Department Statewide Budget Changes (Information Only):

| | |
|--|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$4,494,714 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,988,833) and for performance increases (\$43,136). | 4,031,969 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 3,069,921 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (454,820) |
| Total Change | \$11,141,784 |

Administration

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$118,843 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$107,840) and for performance increases (\$43,136). | 150,976 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 81,171 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (12,026) |
| 5. Eliminate one-time funding to the Harriett Darnell Multi-Purpose Center. | (10,000) |
| 6. Increase federal funds (\$1,200,000) and other funds (\$240,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$328,964 |

Adult Literacy

Purpose: Enable every adult learner in Georgia to acquire the necessary basic skills — reading, writing, computation, speaking, and listening — to compete successfully in today's workplace, strengthen family foundations, and exercise full citizenship.

Recommended Change:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$169,964 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009. | 186,515 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 116,086 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (17,199) |
| 5. Increase federal funds (\$1,200,000) and other funds (\$600,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$455,366 |

Economic Development (Quick Start)

Purpose: Provide a number of programs and services designed to assist businesses and industries with their training needs.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$105,580 |
|---|-----------|

Department of Technical and Adult Education

FY 2009 Program Budgets

| | |
|--|-----------|
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009. | 93,178 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 72,112 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (10,683) |
| 5. Increase federal funds (\$200,000) and other funds (\$4,875,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$260,187 |

Technical Education

Purpose: Provide quality technical education and special workforce services. The primary role is to ensure that all programs and services excel in meeting the individual's need for career success and the community's need for continued economic growth and development.

Recommended Change:

| | |
|---|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$4,100,327 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009. | 3,601,300 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,800,552 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (414,912) |
| 5. Increase formula funding in operating expenses to reflect an increase in square footage. | 2,715,343 |
| 6. Reduce formula funding in personal services due to declining enrollment of 2.8% (\$4,259,447) and redirect to Minor Repairs and Renovations (MRR), bringing total funding to \$12,222,173. | Yes |
| 7. Increase federal funds (\$17,000,000) and other funds (\$75,000,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$12,802,610 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| 1. Purchase equipment for Construction Projects, multiple technical colleges | 5 | \$11,590,000 | \$2,677,290 |
| 2. Replace obsolete equipment, statewide | 5 | 7,500,000 | 1,732,500 |
| 3. Design and construct Center for Health Sciences, Milledgeville Campus, Central Georgia Technical College, Milledgeville, Baldwin County | 20 | 17,670,000 | 1,509,018 |
| 4. Design and construct Industrial Technology Building, Elbert County Campus, Athens Technical College, Elberton, Elbert County | 20 | 5,235,000 | 447,069 |
| 5. Design and construct a classroom building, Cherokee County Campus, Appalachian Technical College, Canton, Cherokee County | 20 | 7,855,000 | 670,817 |
| 6. Design and construct Logistics Training Center (Building K), Albany Technical College, Albany, Dougherty County | 20 | 9,150,000 | 781,410 |
| 7. Construct an automotive technology building, Southeastern Technical College, Vidalia, Toombs County | 20 | 4,000,000 | 341,600 |
| 8. Construct an auditorium on the Forsyth County campus, Lanier Technical College | 20 | 1,500,000 | 128,100 |
| 9. Construct a 25,600 sq. ft. building expansion on the Dawson County campus, Lanier Technical College | 20 | 5,000,000 | 427,000 |
| 10. Design and construct a Life Sciences Building, Gwinnett Technical College, Gwinnett County | 20 | 18,650,000 | 1,592,710 |
| 11. Construct High School Career Academies located on public school campuses, statewide | 20 | 5,000,000 | 427,000 |
| | | \$93,150,000 | \$10,734,514 |

Department of Technical and Adult Education

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Adult Literacy | | | | |
| 1. Number of Adult Basic Education (ABE) graduates | 20,501 | 23,832 | 24,504 | 25,844 |
| 2. Passage rate of adult learners who enrolled in an ABE course with the goal of obtaining a general educational diploma (GED) | 68% | 70% | 71% | 72% |
| Economic Development (Quick Start) | | | | |
| 1. Number of companies that receive company-specific training from the Customized Business and Industry Services program | 1,725 | 1,588 | 1,000 | 1,050 |
| 2. Number of jobs created in Georgia with the assistance of the Quick Start for New and Expanding Industry Program | 10,330 | 11,053 | 6,000 | 6,000 |
| Technical Education | | | | |
| 1. Two-year graduate rate of students who are enrolled in an award program and have 12 credit hours and at least one vocational course in their enrollment history | 46% | 51% | 47% | 48% |
| 2. Percentage of students who graduated from or were still enrolled at the same or a different DTAE technical college the subsequent fiscal year | 66% | 61% | 62% | 63% |
| 3. Number of middle and high schools served by the Stay in School Initiative | 128 | 184 | 108 | 100 |

Department of Technical and Adult Education

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|------------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$14,527,008 | \$15,896,839 | \$13,850,002 | \$13,958,845 | \$15,618,966 |
| Adult Literacy | 32,094,934 | 32,790,909 | 32,016,600 | 32,186,564 | 34,271,966 |
| Economic Development (Quick Start) | 20,676,123 | 21,180,553 | 21,368,043 | 21,473,623 | 26,703,230 |
| Technical Education | 466,418,825 | 479,498,388 | 455,882,922 | 467,906,559 | 560,685,532 |
| TOTAL FUNDS | \$533,716,890 | \$549,366,689 | \$523,117,567 | \$535,525,591 | \$637,279,694 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$55,389,521 | \$57,672,529 | \$37,000,000 | \$37,000,000 | \$56,600,000 |
| Other Funds | 148,849,949 | 154,911,474 | 112,800,000 | 112,800,000 | 193,515,000 |
| Subtotal | \$204,239,470 | \$212,584,003 | \$149,800,000 | \$149,800,000 | \$250,115,000 |
| State General Funds | \$329,477,420 | \$336,782,686 | \$373,317,567 | \$385,725,591 | \$387,164,694 |
| TOTAL STATE FUNDS | \$329,477,420 | \$336,782,686 | \$373,317,567 | \$385,725,591 | \$387,164,694 |
| Positions | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 |
| Motor Vehicles | 1 | 1 | 1 | 1 | 1 |

Department of Technical and Adult Education

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$373,317,567 | \$13,847,127 | \$387,164,694 |
| TOTAL STATE FUNDS | \$373,317,567 | \$13,847,127 | \$387,164,694 |
| Federal Funds | 37,000,000 | 19,600,000 | 56,600,000 |
| Other Funds | 112,800,000 | 80,715,000 | 193,515,000 |
| TOTAL FUNDS | \$523,117,567 | \$114,162,127 | \$637,279,694 |
| Administration | | | |
| State General Funds | \$10,050,002 | \$328,964 | \$10,378,966 |
| Federal Funds | 3,000,000 | 1,200,000 | 4,200,000 |
| Other Funds | 800,000 | 240,000 | 1,040,000 |
| Total Funds | <u>\$13,850,002</u> | <u>\$1,768,964</u> | <u>\$15,618,966</u> |
| Adult Literacy | | | |
| State General Funds | \$16,016,600 | \$455,366 | \$16,471,966 |
| Federal Funds | 14,000,000 | 1,200,000 | 15,200,000 |
| Other Funds | 2,000,000 | 600,000 | 2,600,000 |
| Total Funds | <u>\$32,016,600</u> | <u>\$2,255,366</u> | <u>\$34,271,966</u> |
| Economic Development (Quick Start) | | | |
| State General Funds | \$16,368,043 | \$260,187 | \$16,628,230 |
| Federal Funds | | 200,000 | 200,000 |
| Other Funds | 5,000,000 | 4,875,000 | 9,875,000 |
| Total Funds | <u>\$21,368,043</u> | <u>\$5,335,187</u> | <u>\$26,703,230</u> |
| Technical Education | | | |
| State General Funds | \$330,882,922 | \$12,802,610 | \$343,685,532 |
| Federal Funds | 20,000,000 | 17,000,000 | 37,000,000 |
| Other Funds | 105,000,000 | 75,000,000 | 180,000,000 |
| Total Funds | <u>\$455,882,922</u> | <u>\$104,802,610</u> | <u>\$560,685,532</u> |

Department of Transportation

Roles, Responsibilities, and Organization

The Department of Transportation (DOT) plans, constructs, maintains, and improves the state's roads and bridges; provides planning and financial support for other modes of transportation; and provides air travel to state departments.

The majority of the DOT's resources are applied to maintaining and improving the state's network of roads and bridges. Proceeds from the state's motor fuel taxes are constitutionally earmarked solely for use on Georgia's roads and bridges.

The department is governed by a board comprised of members from each of the state's congressional districts elected by each district's state representatives and senators. The board in turn appoints a commissioner.

PLANNING, CONSTRUCTION, MAINTENANCE, AND IMPROVEMENTS

The department plans, maintains, and improves the roads and bridges of the state highway system. As part of this responsibility, personnel provide a long-range state multimodal transportation plan and long-range plans for urban areas; maintain an approved construction work program of priority projects; perform location and environmental studies; conduct mapping and photogrammetric surveys; acquire rights-of-way necessary to construct and maintain highways; supervise all construction and maintenance activities let to contract; ensure the quality of materials used in construction; and conduct research to improve planning and engineering methods.

The department is also responsible for maintenance and repairs to the roads and bridges of the state highway system. The goal is to preserve the existing road network and improve its safety by programming and supervising major reconstruction and resurfacing or rehabilitation projects let to contract; performing certain heavy and specialized maintenance such as emergency repairs; making spot improvements and safety modifications; performing routine maintenance such as patching pavement, repairing shoulders,

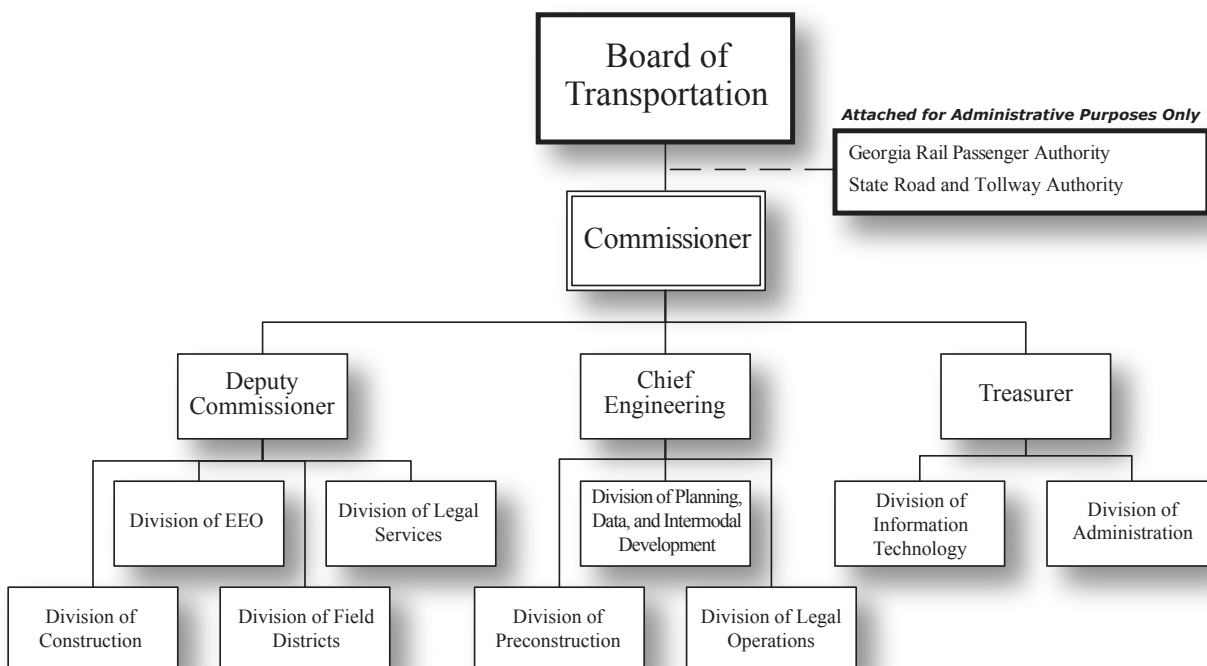
maintaining drainage, mowing rights-of-way, erecting and maintaining warning and directional signs, and inspecting roadside parks and rest areas; maintaining state welcome centers and rest areas; and issuing permits for special vehicles such as overweight carriers.

INFORMATION AND TRAVELER SERVICES

The department provides critical information and services concerning transportation to government agencies and the public. Data collected include truck weight, traffic volume, and speed. DOT also maintains an inventory of the public road system and produces the official state transportation map along with county maps.

The accident reporting unit receives all accident reports from law enforcement agencies throughout the state. These reports are available for a fee and are frequently used by insurance companies and attorneys.

Highway Emergency Response Operators (HEROs) and the Navigator system provide critical services and information to ensure the safe and efficient operation of the state's highways. HERO units respond to traffic incidents on metro Atlanta freeways to minimize any impact on traffic flow. HEROs are on duty at all times patrolling routes on the interstates throughout the metro Atlanta and Macon areas, and responding to incidents such as road debris, spills, disabled vehicles, and crashes. The Navigator system uses video cameras, road sensors, weather stations, and other technology to collect data and control traffic. Information is then made available to the public through various outlets. As part of the Navigator system, DOT recently implemented the 511 telephone-based service that provides traffic and travel information statewide 24 hours a day, 7 days a week. 511 is a "one stop" travel information number that works from any phone. Motorists can quickly contact just about any mode of transportation in Georgia including major airports, transit and rail agencies, rideshare programs, the Department of Economic Development for tourism information, and neighboring states' 511 systems.



Department of Transportation

Roles, Responsibilities, and Organization

MULTIMODAL SERVICES

The Transit program provides financial and technical assistance to preserve and enhance the state's urban and rural public transit program. The program administers the federal funds from the Federal Transit Administration and provides the state share for the local match.

The Airport Aid program provides financial assistance to cities and counties for airport planning, construction, approach aids, maintenance, and other services as needed. It also maintains the state airport system plan; publishes a state aeronautical chart and airport directory; and lends management and technical assistance to local governments to develop, maintain, and improve air service.

The Rail program acquires and rehabilitates rail lines to assure freight rail service is a safe, efficient, and viable transportation option throughout the state. This effort provides cities, counties, and municipalities the opportunity to offer an efficient transportation alternative to promote economic development in their communities.

The Ports and Waterways program is responsible for the provision and maintenance of land, dikes and control works necessary for storage of dredge materials removed from the Savannah Harbor and River Navigation Channel. Navigation dredging is performed by the U.S. Army Corps of Engineers and the dredge materials are placed inside designated storage areas prepared by the department.

AIR TRANSPORTATION

The Air Transportation program operates aircraft for use by state officials and performs various aerial photography services for the department in the course of construction or road and bridge improvement. The program also partners with the Department of Economic Development to attract new business and industry by providing air transportation for prospective industrial clients looking to locate in Georgia.

AUTHORITY

Titles 6 and 32, Official Code of Georgia Annotated.

Department of Transportation

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|--|------------------------|-----------------------|------------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$23,372,316 | \$1,190,023 | \$24,562,339 |
| Motor Fuel Funds | 750,414,878 | 76,142,638 | 826,557,516 |
| TOTAL STATE FUNDS | \$773,787,194 | \$77,332,661 | \$851,119,855 |
| Federal Highway Administration - Planning and Construction | 1,310,432,809 | (55,268,563) | 1,255,164,246 |
| Federal Funds Not Specifically Identified | 26,500,000 | | 26,500,000 |
| TOTAL FEDERAL FUNDS | \$1,336,932,809 | (\$55,268,563) | \$1,281,664,246 |
| Other Funds | 7,417,336 | | 7,417,336 |
| TOTAL FUNDS | \$2,118,137,339 | \$22,064,098 | \$2,140,201,437 |

Department Statewide Budget Changes (Information Only):

State General Funds:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$67,333 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$45,906), for performance increases (\$18,363), and for structure adjustments to the statewide salary plan (\$34,545). | 98,814 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 35,693 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 6,154 |
| Total Change | \$207,994 |

Motor Fuel Funds:

| | |
|--|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$5,697,011 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,761,338), and for performance increases (\$1,504,535). | 5,265,873 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,935,765 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 609,246 |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 154,959 |
| Total Change | \$14,662,854 |

Administration

Recommended Change:

State General Funds:

| | |
|---|-----------|
| 1. Fund implementation of the freight logistics transport strategy to improve freight mobility and leverage state infrastructure investments. | \$500,000 |
| Total Change | \$500,000 |

Motor Fuel Funds:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$778,864 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$605,950), and for performance increases (\$242,380). | 848,330 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 472,951 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 81,461 |
| 5. Increase the GBA real estate rental rate for office space. | 154,959 |
| 6. Adjust telecommunications to reflect GTA billings. | 129,742 |
| 7. Reallocate operating funds among programs to reflect projected expenditures. | 2,463,961 |
| Total Change | \$4,930,268 |

Department of Transportation

FY 2009 Program Budgets

Air Transportation

Purpose: Provide air transportation to state officials and companies considering a move to Georgia and conduct aerial photography flights.

Recommended Change:

State General Funds:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$26,237 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$17,501), for performance increases (\$7,001), and for structure adjustments to the statewide salary plan (\$34,545). | 59,047 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 13,608 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 2,159 |
| 5. Add three new positions for the new hangar facility: a facility manager (\$84,540), a hangar and aircraft cleaner (\$36,145), and a customer service representative (\$49,315). | 170,000 |
| 6. Provide one-time funds for federally-required inspections of two King Airls to ensure aircraft safety and to prevent the planes from being grounded. | 730,000 |
| Total Change | \$1,001,051 |

Airport Aid

Purpose: Support statewide economic development by providing the infrastructure for a safe, efficient, and adequate transportation system, and awarding grants from the Airport Fund.

Recommended Change:

State General Funds:

| | |
|--|---------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$6,316 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,866), and for performance increases (\$1,547). | 5,413 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 3,006 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 648 |
| 5. Delete one-time increase for airport aid grant funding. | (5,000,000) |
| Total Change | (\$4,984,617) |

Data Collection, Compliance, and Reporting

Purpose: Provide quality transportation data products in the appropriate format within an acceptable timeframe that meets the needs of the state's business partners.

Recommended Change:

State General Funds:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$13,057 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$9,865), and for performance increases (\$3,946). | 13,811 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 7,670 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 1,403 |
| 5. Reduce funds for telecommunications to reflect actual expenditures. | (17,971) |
| Total Change | \$17,970 |

Motor Fuel Funds:

| | |
|--|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$73,171 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2008 (\$62,143), and for performance increases (\$24,857). | 87,000 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 48,503 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 9,353 |
| 5. Reallocate operating funds among programs to reflect projected expenditures. | 20,000 |
| Total Change | \$238,027 |

Department of Transportation

FY 2009 Program Budgets

Local Road Assistance

Purpose: Provide contracts with local governments to assist in the construction and reconstructions of their road, bridge, and street systems.

Recommended Change:

Motor Fuel Funds:

| | |
|--|--------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$505,689 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2008 (\$331,283), and for performance increases (\$132,513). | 463,796 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 258,570 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 49,379 |
| 5. Reallocate operating funds among programs to reflect projected expenditures. | (68,000) |
| 6. Increase funds for State Fund Construction - Off System from \$27,000,000 to \$35,602,101. | 8,602,101 |
| 7. Increase funds for State Fund Construction - Most Needed from \$20,787,879 to \$35,602,101 in the Local Road Assistance and the State Highway System Construction and Improvement programs. | 8,888,533 |
| Total Change | \$18,700,068 |

Payments to State Road and Tollway Authority

Purpose: Provide funds through the State Road and Tollway Authority for bond trustees for debt service payments on non-general obligation bonds and other finance instruments, and provide funds for the State Transportation Infrastructure Bank to make loans and provide financial assistance for transportation projects.

Recommended Change:

State General Funds:

| | |
|---|-------------|
| 1. Provide funds for the State Transportation Infrastructure Bank to make loans and provide financial assistance for transportation projects. | \$4,600,000 |
| Total Change | \$4,600,000 |

Motor Fuel Funds:

| | |
|---|--------------|
| 1. Transfer capital outlay funds from the State Highway System Construction and Improvement program to the State Road and Tollway Authority program for required debt service on issued GARVEE bonds for the Governor's Fast Forward program (Total Funds: \$15,808,510). | \$3,161,702 |
| 2. Provide additional funds to reflect an increase in required debt service on issued GARVEE bonds for the Governor's Fast Forward program. | 9,867,673 |
| 3. Provide funds to reflect required debt service on issued guaranteed revenue bonds. | 6,041,431 |
| 4. Provide funds for the State Transportation Infrastructure Bank to make loans and provide financial assistance for transportation projects. | 25,000,000 |
| Total Change | \$44,070,806 |

Ports and Waterways

Purpose: Maintain the navigability of the Atlantic Intracoastal Waterway and Georgia's deep water ports to promote international trade.

Recommended Change:

State General Funds:

| | |
|--|---------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$3,928 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$2,211), and for performance increases (\$884). | 3,095 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,719 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 216 |
| Total Change | \$8,958 |

Department of Transportation

FY 2009 Program Budgets

Rail

Purpose: Oversee the construction, financing, operation, and development of rail passenger, freight service, and other public transportation projects.

Recommended Change:

State General Funds:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$3,271 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$4,060), and for performance increases (\$1,624). | 5,684 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 3,157 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 432 |
| Total Change | \$12,544 |

State Highway System Construction and Improvement

Purpose: Ensure a safe and efficient transportation system and provide the necessary resources to accelerate the surplus property disposal process.

Recommended Change:

Motor Fuel Funds:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$1,530,770 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$1,046,665), and for performance increases (\$418,666). | 1,465,331 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 816,934 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 149,948 |
| 5. Reallocate operating funds among programs to reflect projected expenditures. | (2,569,461) |
| 6. Increase funds for State Fund Construction - Most Needed from \$20,787,879 to \$35,602,101 in the Local Road Assistance and the State Highway System Construction and Improvement programs. | 5,925,689 |
| 7. Transfer capital outlay funds from the State Highway System Construction and Improvement program to the Payments to State Road and Tollway Authority program for required debt service payments on issued GARVEE bonds for the Governor's Fast Forward program (Total Funds: \$15,808,510). | (3,161,702) |
| 8. Reduce Federal Highway Administration funds and the required state match to reflect a lower federal estimate (Total Funds: \$58,243,948). | (2,975,385) |
| Total Change | \$1,182,124 |

State Highway System Maintenance

Purpose: Coordinate all statewide maintenance activities.

Recommended Change:

Motor Fuel Funds:

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,326,113 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$1,372,765), and for performance increases (\$549,106). | 1,921,871 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 1,071,458 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 263,792 |
| 5. Reallocate operating funds among programs to reflect projected expenditures. | 229,000 |
| Total Change | \$5,812,234 |

State Highway System Operations

Purpose: Ensure a safe and efficient transportation system statewide through traffic engineering and traffic management.

Recommended Change:

Motor Fuel Funds:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$482,404 |
|---|-----------|

Department of Transportation

FY 2009 Program Budgets

| | |
|--|-------------|
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$342,532), and for performance increases (\$137,013). | 479,545 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 267,349 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 55,313 |
| 5. Reallocate operating funds among programs to reflect projected expenditures. | (75,500) |
| Total Change | \$1,209,111 |

Transit

Purpose: Preserve and enhance the state's urban and rural public transit programs by providing financial and technical assistance to Georgia's transit systems.

Recommended Change:

State General Funds:

| | |
|--|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$14,524 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$8,403), and for performance increases (\$3,361). | 11,764 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 6,533 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 1,296 |
| Total Change | \$34,117 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| <u>State General Funds:</u> | | | |
| 1. Provide funds for the Savannah harbor dike disposal area. | 20 | \$3,405,000 | \$290,787 |
| Total | | \$3,405,000 | \$290,787 |
| <u>Motor Fuel Funds:</u> | | | |
| 1. Provide funds for the Governor's Fast Forward program. | 20 | \$230,000,000 | \$19,642,000 |
| 2. Construct a district office in Tennille, Washington County. | 20 | 10,500,000 | 896,700 |
| Total | | \$240,500,000 | \$20,538,700 |

Department of Transportation

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Airport Aid | | | | |
| 1. Percentage of airports meeting state licensing standards | 62% | 64% | 70% | 70% |
| Local Road Assistance | | | | |
| 1. Percent of off-system projects in the state transportation improvement program (STIP) advanced/let to construction in the year programmed | 34% | 27% | 60% | 60% |
| 2. Percentage of let local road and bridge construction projects completed within original contract time | 75% | 71% | 80% | 80% |
| State Highway System Construction and Improvement | | | | |
| 1. Percentage of on-system projects in the STIP advanced/let to construction in the year programmed | 67% | 74% | 85% | 85% |
| 2. Percentage of construction projects completed within original contract time | 80% | 67% | 80% | 80% |
| State Highway System Maintenance | | | | |
| 1. Percentage of state highways with pavements that meet or exceed minimum standards (pavement condition evaluation system - PACES - rating equal to or greater than 70) | 87% | 86% | 90% | 90% |
| 2. Percentage of on-system bridges with a sufficiency rating less than or equal to 50 | 6% | 5% | 5% | 4% |
| 3. Customer Service: Customer satisfaction with welcome centers (percent grading A or B) | 80% | 81% | 85% | 85% |
| 4. Number of shoulder miles of litter and debris removed | 77,560 | 76,128 | 70,000 | 70,000 |
| State Highway System Operations | | | | |
| 1. Customer Service: Average HERO incident response time in minutes | 11 | 12 | 10 | 8 |
| 2. Customer Service: Average roadway clearance time for autos in minutes | 32 | 17 | 20 | 15 |
| 3. Customer Service: Average roadway clearance time for trucks in minutes | 55 | 41 | 50 | 45 |
| Transit | | | | |
| 1. Number of transit riders | 152,277,370 | 167,831,406 | 165,599,709 | 167,255,707 |

Department Transportation

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|---|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$91,922,374 | \$96,101,225 | \$75,612,523 | \$79,613,242 | \$81,042,791 |
| Air Transportation | 2,596,978 | 2,287,707 | 2,439,553 | 2,435,655 | 3,440,604 |
| Airport Aid | \$18,530,615 | 19,368,188 | 18,146,149 | 12,977,035 | 13,161,532 |
| Data Collection, Compliance, and Reporting | 8,683,489 | 18,076,345 | 12,830,912 | 13,002,939 | 13,086,909 |
| Local Road Assistance | 218,391,725 | 411,336,727 | 206,349,381 | 207,184,555 | 225,049,449 |
| Payments to State Road and Tollway Authority | 53,998,813 | 46,999,184 | 47,798,980 | 79,516,594 | 109,116,594 |
| Ports and Waterways | 7,490,529 | 1,160,763 | 1,523,402 | 1,527,330 | 1,532,360 |
| Rail | 5,957,159 | 7,705,449 | 385,722 | 388,993 | 398,266 |
| State Highway System Construction and Improvement | 1,447,154,731 | 3,351,139,568 | 1,318,021,611 | 1,257,994,512 | 1,251,288,364 |
| State Highway System Maintenance | 804,269,420 | 931,686,010 | 342,141,130 | 346,349,451 | 347,953,364 |
| State Highway System Operations | 89,984,730 | 204,626,823 | 65,382,037 | 66,241,697 | 66,591,148 |
| Transit | 16,554,217 | 44,341,483 | 27,505,939 | 27,376,553 | 27,540,056 |
| TOTAL FUNDS | \$2,765,534,780 | \$5,134,829,472 | \$2,118,137,339 | \$2,094,608,556 | \$2,140,201,437 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$1,721,727,063 | \$3,115,035,209 | \$1,336,932,809 | \$1,281,664,246 | \$1,281,664,246 |
| Other Funds | 69,038,150 | 1,407,640,985 | 7,417,336 | 7,417,336 | 7,417,336 |
| Subtotal | \$1,790,765,213 | \$4,522,676,194 | \$1,344,350,145 | \$1,289,081,582 | \$1,289,081,582 |
| State General Funds | \$12,542,943 | \$17,124,586 | \$23,372,316 | \$18,072,203 | \$24,562,339 |
| Motor Fuel Funds | 962,226,624 | 595,028,692 | 750,414,878 | 787,454,771 | 826,557,516 |
| TOTAL STATE FUNDS | \$974,769,567 | \$612,153,278 | \$773,787,194 | \$805,526,974 | \$851,119,855 |
| Positions | 6,043 | 6,084 | 6,115 | 6,115 | 6,118 |
| Motor Vehicles | 4,645 | 4,645 | 4,645 | 4,645 | 4,645 |

Department of Transportation

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$23,372,316 | \$1,190,023 | \$24,562,339 |
| Motor Fuel Funds | 750,414,878 | 76,142,638 | 826,557,516 |
| TOTAL STATE FUNDS | \$773,787,194 | \$77,332,661 | \$851,119,855 |
| Federal Highway Administration - Planning and Construction | 1,310,432,809 | (55,268,563) | 1,255,164,246 |
| Federal Funds Not Specifically Identified | 26,500,000 | | 26,500,000 |
| TOTAL FEDERAL FUNDS | \$1,336,932,809 | (\$55,268,563) | \$1,281,664,246 |
| Other Funds | 7,417,336 | | 7,417,336 |
| TOTAL FUNDS | \$2,118,137,339 | \$22,064,098 | \$2,140,201,437 |
| Administration | | | |
| State General Funds | | \$500,000 | \$500,000 |
| Motor Fuel Funds | \$63,873,730 | 4,930,268 | 68,803,998 |
| Federal Highway Administration - Planning and Construction | 10,839,823 | | 10,839,823 |
| Other Funds | 898,970 | | 898,970 |
| Total Funds | \$75,612,523 | \$5,430,268 | \$81,042,791 |
| Air Transportation | | | |
| State General Funds | \$1,506,758 | \$1,001,051 | \$2,507,809 |
| Other Funds | 932,795 | | 932,795 |
| Total Funds | \$2,439,553 | \$1,001,051 | \$3,440,604 |
| Airport Aid | | | |
| State General Funds | \$11,646,149 | (\$4,984,617) | \$6,661,532 |
| Federal Funds Not Specifically Identified | 6,500,000 | | 6,500,000 |
| Total Funds | \$18,146,149 | (\$4,984,617) | \$13,161,532 |
| Data Collection, Compliance, and Reporting | | | |
| State General Funds | \$898,585 | \$17,970 | \$916,555 |
| Motor Fuel Funds | 3,599,813 | 238,027 | 3,837,840 |
| Federal Highway Administration - Planning and Construction | 8,270,257 | | 8,270,257 |
| Other Funds | 62,257 | | 62,257 |
| Total Funds | \$12,830,912 | \$255,997 | \$13,086,909 |
| Local Road Assistance | | | |
| Motor Fuel Funds | \$136,095,478 | \$18,700,068 | \$154,795,546 |
| Federal Highway Administration - Planning and Construction | 69,658,670 | | 69,658,670 |
| Other Funds | 595,233 | | 595,233 |
| Total Funds | \$206,349,381 | \$18,700,068 | \$225,049,449 |
| Payments to State Road and Tollway Authority | | | |
| State General Funds | | \$4,600,000 | \$4,600,000 |
| Motor Fuel Funds | \$47,798,980 | 44,070,806 | 91,869,786 |
| Federal Highway Administration - Planning and Construction | | 12,646,808 | 12,646,808 |
| Total Funds | \$47,798,980 | \$61,317,614 | \$109,116,594 |

Department of Transportation

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|--|---------------------------|----------------|---------------------------|
| Ports and Waterways | | | |
| State General Funds | \$1,523,402 | \$8,958 | \$1,532,360 |
| Total Funds | \$1,523,402 | \$8,958 | \$1,532,360 |
| Rail | | | |
| State General Funds | \$297,483 | \$12,544 | \$310,027 |
| Other Funds | 88,239 | | 88,239 |
| Total Funds | \$385,722 | \$12,544 | \$398,266 |
| State Highway System Construction and Improvement | | | |
| Motor Fuel Funds | \$284,967,946 | \$1,182,124 | \$286,150,070 |
| Federal Highway Administration - Planning and Construction | 1,032,888,665 | (67,915,371) | 964,973,294 |
| Other Funds | 165,000 | | 165,000 |
| Total Funds | \$1,318,021,611 | (\$66,733,247) | \$1,251,288,364 |
| State Highway System Maintenance | | | |
| Motor Fuel Funds | \$188,393,676 | \$5,812,234 | \$194,205,910 |
| Federal Highway Administration - Planning and Construction | 153,104,852 | | 153,104,852 |
| Other Funds | 642,602 | | 642,602 |
| Total Funds | \$342,141,130 | \$5,812,234 | \$347,953,364 |
| State Highway System Operations | | | |
| Motor Fuel Funds | \$25,685,255 | \$1,209,111 | \$26,894,366 |
| Federal Highway Administration - Planning and Construction | 35,670,542 | | 35,670,542 |
| Other Funds | 4,026,240 | | 4,026,240 |
| Total Funds | \$65,382,037 | \$1,209,111 | \$66,591,148 |
| Transit | | | |
| State General Funds | \$7,499,939 | \$34,117 | \$7,534,056 |
| Federal Funds Not Specifically Identified | 20,000,000 | | 20,000,000 |
| Other Funds | 6,000 | | 6,000 |
| Total Funds | \$27,505,939 | \$34,117 | \$27,540,056 |

Department of Veterans Service

Roles, Responsibilities, and Organization

The Department of Veterans Service serves more than 775,000 Georgia veterans, their dependents, and beneficiaries in all matters pertaining to veterans affairs. Since all veterans benefits must be applied for, the major activities of the department generally consist of informing veterans and their families about all available state and federal benefits and directly assisting and advising them in obtaining those benefits to which they are entitled.

VETERANS ASSISTANCE

The first priority in the department's mission of Veterans Assistance is accomplished with a claims staff, field offices, an information division and a central office. The claims staff processes claims and appeals of Georgia veterans. The field offices, located throughout the state, provide direct assistance to veterans at the local level. Department field office representatives provide counsel and assistance in gathering documentation and information required to process a claim. The Information Division keeps Georgia veterans informed about issues and their possible impact. The Central Office manages and supports all administrative requirements.

STATE VETERANS NURSING HOMES

The Department operates two State veterans nursing homes. The Georgia War Veterans Home in Milledgeville, is a 550-bed facility licensed to provide skilled nursing and domiciliary care to eligible Georgia war veterans. It consists of three skilled nursing care buildings, a domiciliary, and an Alzheimer's Care facility.

The Georgia War Veterans Nursing Home is a 192-bed skilled nursing care facility located adjacent to the Medical College of Georgia Hospital and the U.S. Department of Veterans Affairs Medical Center in Augusta. In addition to providing care for eligible Georgia war veterans, the Georgia War Veterans Nursing Home serves as a

teaching facility to acquaint medical and allied health students with medical conditions and diseases that confront the elderly.

GEORGIA VETERANS MEMORIAL CEMETERIES

The Georgia Veterans Memorial Cemetery in Milledgeville will eventually be a final resting place for more than 100,000 Georgia veterans, their spouses, and their dependents. A second state veterans cemetery in Glenville was dedicated on November 28, 2007.

VETERANS EDUCATION ASSISTANCE

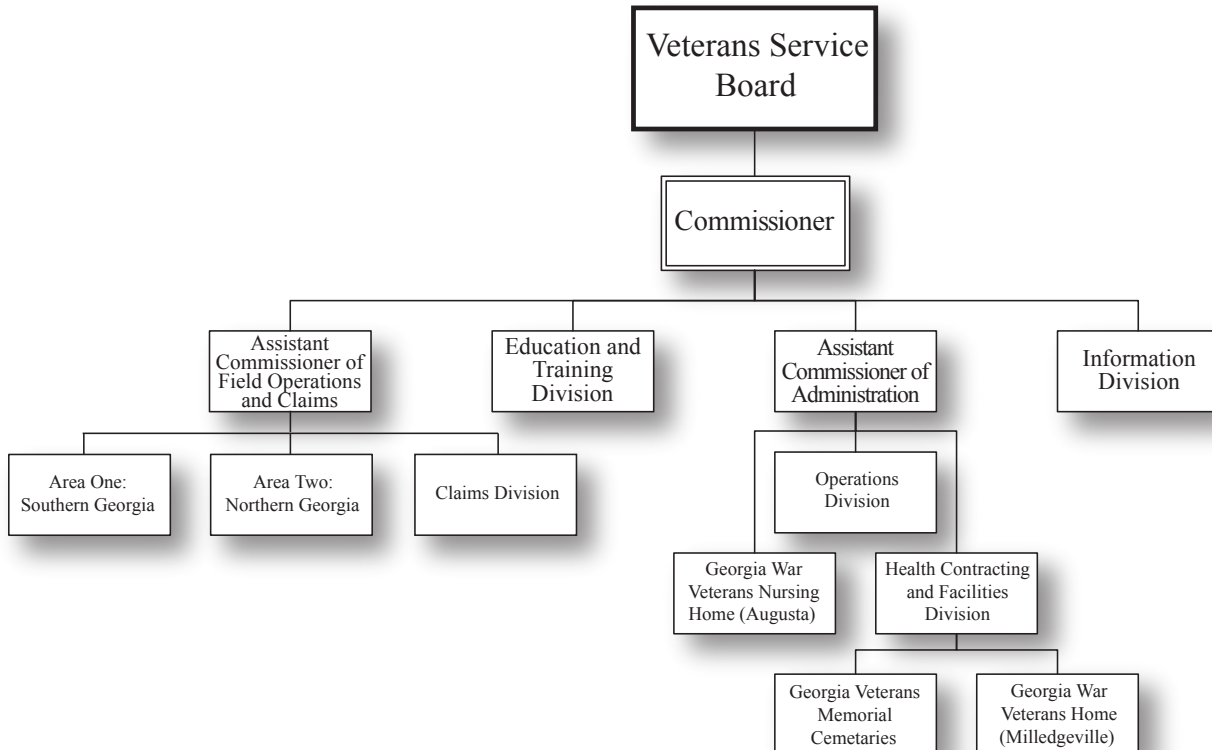
As the state-approving agency for the federally sponsored Veterans Education Assistance Program, the department is responsible for approving and supervising all institutions (including public and private schools and establishments offering on-the-job training and apprenticeship programs) in Georgia, which participate in this program. In addition to approving these institutions, the Department of Veterans Service also inspects them regularly to ensure that all criteria for continued approval are met. This function is 100% federally funded and is staffed with eight employees.

GOVERNING AND RESPONSIBILITIES

The seven-member Veterans Service Board appointed by the Governor, and confirmed by the Senate, governs the Department of Veterans Service. The day-to-day operation of the department is the responsibility of a Commissioner who is appointed by the Board for a four-year term.

AUTHORITY

Title 38-4, Official Code of Georgia Annotated; Chapter 36, Title 38, United States Code.



Department of Veterans Service

FY 2009 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---|-----------------------|----------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | <u>\$25,286,306</u> | <u>(\$187,058)</u> | <u>\$25,099,248</u> |
| TOTAL STATE FUNDS | \$25,286,306 | (\$187,058) | \$25,099,248 |
| Federal Funds Not Specifically Identified | <u>11,919,879</u> | <u>(942,500)</u> | <u>10,977,379</u> |
| TOTAL FUNDS | \$37,206,185 | (\$1,129,558) | \$36,076,627 |

Department Statewide Budget Changes (Information Only):

| | |
|--|------------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$103,050 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$79,329), for performance increases (\$31,732), and for structure adjustments to the statewide salary plan (\$188). | 111,249 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 60,677 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 15,173 |
| 5. Increase the Georgia Building Authority (GBA) real estate rental rate for office space. | 10,293 |
| Total Change | <u>\$300,442</u> |

Administration

Recommended Change:

| | |
|---|-----------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$4,236 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$4,103), for performance increases (\$1,641), and for structure adjustments to the statewide salary plan (\$10). | 5,754 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 3,138 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | 15,173 |
| 5. Increase the GBA real estate rental rate for office space. | 10,293 |
| 6. Provide one-time funds for temporary labor to assist with processing a backlog of veterans case files. | 20,000 |
| Total Change | <u>\$58,594</u> |

Georgia Veterans Memorial Cemetery

Purpose: Provide for the internment of eligible Georgia veterans who served faithfully and honorably in the military service of our country.

Recommended Change:

| | |
|--|----------------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$2,647 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$3,306), for performance increases (\$1,322), and for structure adjustments to the statewide salary plan (\$8). | 4,636 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 2,529 |
| Total Change | <u>\$9,812</u> |

Georgia War Veterans Nursing Home - Augusta

Purpose: Provide skilled nursing care to aged and infirmed Georgia veterans, and serve as a teaching facility for the Medical College of Georgia.

Recommended Change:

| | |
|---|----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$50,103 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$31,907), for performance increases (\$12,763), and for structure adjustments to the statewide salary plan (\$76). | 44,746 |

Department of Veterans Service

FY 2009 Program Budgets

| | |
|---|-----------|
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 24,405 |
| Total Change | \$119,254 |

Georgia War Veterans Nursing Home - Milledgeville

Purpose: Provide both skilled nursing and domiciliary care to aged and infirmed Georgia war veterans.

Recommended Change:

| | |
|---|-------------|
| 1. Delete one-time funding for repairs of the electrical system in the Wheeler Building (Total Funds: \$1,450,000). | (\$507,500) |
| Total Change | (\$507,500) |

Veterans Benefits

Purpose: Serve Georgia's veterans, their dependents, and survivors in all matters pertaining to veterans benefits by informing the veterans and their families about veterans benefits, and directly assisting and advising them in securing the benefits to which they are entitled.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$46,064 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$40,013), for performance increases (\$16,006), and for structure adjustments to the statewide salary plan (\$94). | 56,113 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 30,605 |
| 4. Add one veterans benefits counselor position to each of the Veterans Service Offices in Valdosta, Augusta, and Newnan. | Yes |
| Total Change | \$132,782 |

Capital Outlay Summary

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|---------------------|
| 1. Georgia War Veteran Nursing Home - Milledgeville, Wood Building, Metal Roofing and Mechanical Upgrades | 20 | \$240,000 | \$20,496 |
| 2. Georgia War Veteran Nursing Home - Milledgeville, Wheeler Building, Energy Upgrades - Windows and Insulation | 20 | 775,000 | 66,185 |
| Total | | \$1,015,000 | \$86,681 |

Department of Veterans Service

Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Veterans Benefits | | | | |
| 1. Number of veterans served | 406,300 | 555,172 | 570,000 | 590,000 |
| 2. Total amount of federal benefits received by Georgia's veterans (in billions). | \$2.04 | \$2.71 | \$2.73 | \$2.80 |

Department of Veterans Service

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$16,448,901 | \$638,266 | \$695,585 | \$749,371 | \$754,179 |
| Georgia Veterans Memorial Cemetery | 358,170 | 6,276,259 | 610,076 | 612,723 | 619,888 |
| Georgia War Veterans Nursing Home - Augusta | 4,004,549 | 11,475,513 | 9,064,992 | 9,115,095 | 9,184,246 |
| Georgia War Veterans Nursing Home - Milledgeville | 8,325,528 | 21,008,560 | 20,177,423 | 18,727,423 | 18,727,423 |
| Veterans Benefits | 4,974,752 | 5,975,693 | 6,658,109 | 6,654,623 | 6,790,891 |
| TOTAL FUNDS | \$34,111,900 | \$45,374,292 | \$37,206,185 | \$35,859,235 | \$36,076,627 |
| <u>Less:</u> | | | | | |
| Federal Funds | \$12,830,515 | \$21,964,787 | \$11,919,879 | \$10,977,379 | \$10,977,379 |
| Subtotal | \$12,830,515 | \$21,964,787 | \$11,919,879 | \$10,977,379 | \$10,977,379 |
| State General Funds | \$21,281,385 | \$23,409,505 | \$25,286,306 | \$24,881,856 | \$25,099,248 |
| TOTAL STATE FUNDS | \$21,281,385 | \$23,409,505 | \$25,286,306 | \$24,881,856 | \$25,099,248 |
| Positions | 129 | 134 | 134 | 139 | 137 |
| Motor Vehicles | 5 | 5 | 5 | 5 | 5 |

Department of Veterans Service

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$25,286,306 | (\$187,058) | \$25,099,248 |
| TOTAL STATE FUNDS | \$25,286,306 | (\$187,058) | \$25,099,248 |
| Federal Funds Not Specifically Identified | 11,919,879 | (942,500) | 10,977,379 |
| TOTAL FUNDS | \$37,206,185 | (\$1,129,558) | \$36,076,627 |
| | | | |
| Administration | | | |
| State General Funds | \$695,585 | \$58,594 | \$754,179 |
| Total Funds | \$695,585 | \$58,594 | \$754,179 |
| | | | |
| Georgia Veterans Memorial Cemetery | | | |
| State General Funds | \$566,022 | \$9,812 | \$575,834 |
| Federal Funds Not Specifically Identified | 44,054 | | 44,054 |
| Total Funds | \$610,076 | \$9,812 | \$619,888 |
| | | | |
| Georgia War Veterans Nursing Home - Augusta | | | |
| State General Funds | \$5,960,242 | \$119,254 | \$6,079,496 |
| Federal Funds Not Specifically Identified | 3,104,750 | | 3,104,750 |
| Total Funds | \$9,064,992 | \$119,254 | \$9,184,246 |
| | | | |
| Georgia War Veterans Nursing Home - Milledgeville | | | |
| State General Funds | \$12,009,788 | (\$507,500) | \$11,502,288 |
| Federal Funds Not Specifically Identified | 8,167,635 | (942,500) | 7,225,135 |
| Total Funds | \$20,177,423 | (\$1,450,000) | \$18,727,423 |
| | | | |
| Veterans Benefits | | | |
| State General Funds | \$6,054,669 | \$132,782 | \$6,187,451 |
| Federal Funds Not Specifically Identified | 603,440 | | 603,440 |
| Total Funds | \$6,054,669 | \$132,782 | \$6,790,891 |

State Board of Workers' Compensation

Roles, Responsibilities, and Organization

WORKERS' COMPENSATION LAW

Most Georgia employees are covered by the state's workers' compensation law. Since passage of this law, employees may now gain benefits from employers when injured on the job. The law ensures employees certain benefits paid to them as a result of on-the-job injuries. The same law also provides employers with a form of limited liability from these injuries.

The state's workers' compensation law applies to all employers that have at least 3 full-time, part-time, or seasonal employees. Some categories of workers are exempt, however, including: federal employees, railroad workers, farmers, domestic servants, business partners, independent contractors, and some corporate officers. The state created the State Board of Workers' Compensation to oversee the workers' compensation law. The board may create rules, regulations, and policies to enforce this area of law. The board is also vested with the responsibility of conducting training seminars that educate employers, employees, insurers, self-insurers, physicians, and rehabilitation suppliers about workers' compensation law changes and other related issues.

If either the employer or an employee involved in a workers' compensation claim wishes to contest the facts involved in the case, an administrative law judge under the board or a board mediator may be used to settle the issue. Either party disagreeing with this ruling may appeal the decision through the appellate division, state superior or appellate courts; however, that avenue may only be used to debate points of law, not facts of a case.

ORGANIZATIONAL STRUCTURE

The board consists of three directors, 1 of which is the chair, and all are appointed by the Governor. The directors promulgate workers' compensation regulations, and develop workers' compensation policy. They also hear appeals of administrative law judges' decisions and render rulings on appeals, and approve and submit budget requests for the agency.

The executive director/chief operating officer oversees the operations of the board. The executive director also provides management supervision, makes presentations to various groups as requested, assists the directors as needed, and acts as peer review of medical services.

The Alternative Dispute Resolution Division mediates appropriate issues, issues orders, and makes presentations to various groups as requested.

The Appellate Division researches cases that are appealed to the board, recommends appropriate action, receives and processes documents regarding appealed cases, and sets calendars for appellate hearings.

The Claims/Quality Assurance Division maintain the file room and filing system, screen requests for hearings, operate the mailroom, process mail and forward files and mail to divisions, locate files and resolve problems caused by duplicate files, code and enters data, and perform quality assurance reviews of insurers and self-insurers.

The Enforcement Division investigates incidents of non-compliance and incidents alleging fraud, maintains information on employers' insurance coverage, and makes presentations to various groups regarding fraud/compliance.

The Trials Division holds formal hearings, and makes presentations to various groups as requested.

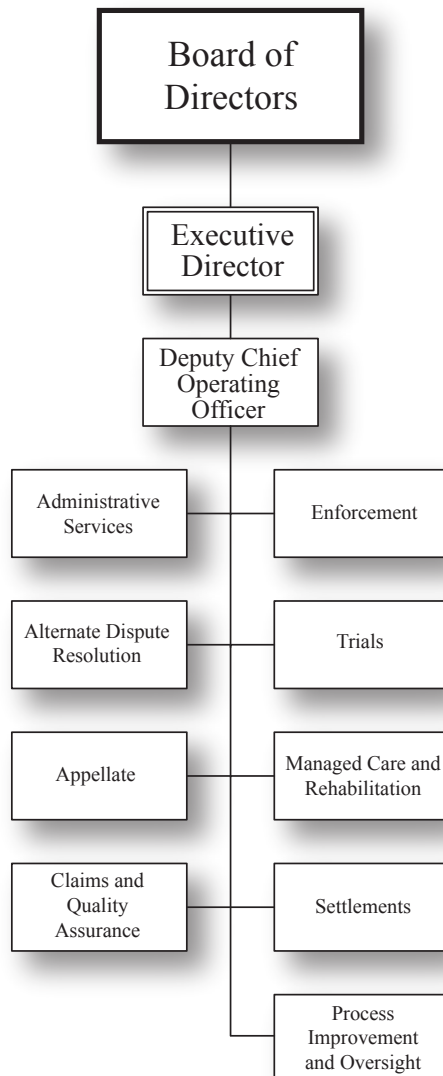
The Managed Care and Rehabilitation Division processes requests for rehabilitation services, performs quality assurance reviews of rehabilitation suppliers, holds conferences to resolve disputes, reviews and approves rehabilitation plans, reviews applications of managed care organizations, and registers rehabilitation suppliers.

The Settlements Division reviews and processes stipulated settlements and requests for advances.

The IT Services Division's mission is to provide innovative contemporary and accessible technology in computing, media, telephone services and training to enable the SBWC staff to meet their goals as a state agency. To accomplish this mission, the IT staff works collaboratively within SBWC and with stakeholders to provide technological leadership, which empowers our users through the use of technology.

AUTHORITY

Title 34-9, Official Code of Georgia Annotated.



State Board of Workers' Compensation

FY 09 Program Budgets

| Department Budget Summary | FY 2008 | | FY 2009 |
|---------------------------|-----------------------|------------------|-----------------------|
| | <u>Current Budget</u> | <u>Changes</u> | <u>Recommendation</u> |
| State General Funds | \$17,268,050 | \$684,160 | \$17,952,210 |
| TOTAL STATE FUNDS | \$17,268,050 | \$684,160 | \$17,952,210 |
| Other Funds | | 200,000 | 200,000 |
| TOTAL FUNDS | \$17,268,050 | \$884,160 | \$18,152,210 |

Department Statewide Budget Changes (Information Only):

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$359,754 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$150,451), and performance increases (\$60,181). | 210,632 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 114,074 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (300) |
| Total Change | \$684,160 |

Administration

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$22,765 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$24,894), and performance increases (\$9,958). | 34,852 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 18,875 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (33) |
| 5. Reduce payments to the State Treasury. | (345,361) |
| 6. Provide additional funds for increased real estate space for alternative dispute resolution hearings. | 13,900 |
| 7. Provide funding for ongoing maintenance, software, and hardware support for the Integrated Claims Management System. | 331,461 |
| 8. Increase other funds (\$25,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$76,459 |

Administer Workers' Compensation Laws

Purpose: Provide exclusive remedy for resolution of disputes in the Georgia Workers' Compensation law.

Recommended Change:

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2008 salary adjustment. | \$336,989 |
| 2. Provide for a general salary increase of 2.5% effective January 1, 2009 (\$125,557), and performance increases (\$50,223). | 175,780 |
| 3. Reflect an adjustment in the employer share of the State Health Benefit Plan premiums from 22.843% to 24.182%. | 95,199 |
| 4. Reflect an adjustment in the Workers' Compensation premium rate structure. | (267) |
| 5. Increase other funds (\$175,000) to reflect projected expenditures for FY 2009. | Yes |
| Total Change | \$607,701 |

State Board of Workers' Compensation Performance Measures

| | FY 2006 Actual | FY 2007 Actual | FY 2008 Estimated | FY 2009 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Administer Workers' Compensation Laws | | | | |
| 1. Percentage of hearings scheduled within 60 days of notice | 70% | 80% | 100% | 100% |
| 2. Percentage of cases successfully resolved through mediation | 82% | 85% | 100% | 100% |

State Board of Workers' Compensation

Department Financial Summary

| Program / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2009 Agency Request Total | FY 2009 Governor's Recommendation |
|----------------------------------|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| Administration | \$6,675,097 | \$6,520,634 | \$6,466,072 | \$6,474,437 | \$6,567,531 |
| Administer Workers' Compensation | 9,557,597 | 10,141,804 | 10,801,978 | 11,153,367 | 11,584,679 |
| Laws | | | | | |
| TOTAL FUNDS | \$16,232,694 | \$16,662,438 | \$17,268,050 | \$17,627,804 | \$18,152,210 |
| <u>Less:</u> | | | | | |
| Other Funds | \$526,414 | \$582,839 | | | \$200,000 |
| Subtotal | \$526,414 | \$582,839 | \$0 | \$0 | \$200,000 |
| State General Funds | \$15,706,280 | \$16,079,599 | \$17,268,050 | \$17,627,804 | \$17,952,210 |
| TOTAL STATE FUNDS | \$15,706,280 | \$16,079,599 | \$17,268,050 | \$17,627,804 | \$17,952,210 |
| Positions | 166 | 166 | 166 | 166 | 166 |
| Motor Vehicles | 1 | 1 | 1 | 1 | 1 |

State Board of Workers' Compensation

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---------------------------------------|---------------------------|------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$17,268,050 | \$684,160 | \$17,952,210 |
| TOTAL STATE FUNDS | \$17,268,050 | \$684,160 | \$17,952,210 |
| Other Funds | | 200,000 | 200,000 |
| TOTAL FUNDS | \$17,268,050 | \$884,160 | \$18,152,210 |
| | | | |
| Administration | | | |
| State General Funds | \$6,466,072 | \$76,459 | \$6,542,531 |
| Other Funds | | 25,000 | 25,000 |
| Total Funds | \$6,466,072 | \$101,459 | \$6,567,531 |
| | | | |
| Administer Workers' Compensation Laws | | | |
| State General Funds | \$10,801,978 | \$607,701 | \$11,409,679 |
| Other Funds | | 175,000 | 175,000 |
| Total Funds | \$10,801,978 | \$782,701 | \$11,584,679 |

General Obligation Debt Sinking Fund

FY 2009 Program Budgets

| Bond Projects | Term | Authorized Principal | Debt Service |
|---------------|------|----------------------|--------------|
|---------------|------|----------------------|--------------|

General Obligation Debt Sinking Fund - Issued

State General Funds

| | | | |
|---|--|--|--------------|
| 1. Transfer funds from GO Bonds New to GO Bonds Issued to reflect the issuance of new bonds. | | | \$93,487,595 |
| 2. Decrease debt service for existing obligation on issued bonds. | | | (40,350,929) |
| 3. Decrease debt service to reflect savings from bonds purchased by GSFIC | | | (1,508,612) |
| 4. Decrease debt service to reflect the defeasance of previously issued bonds due to a change in use. | | | (7,831,878) |
| Total Change | | | \$43,796,176 |

Motor Fuel Funds

| | | | |
|--|--|--|--------------|
| 1. Transfer funds from GO Bonds New to GO Bonds Issued to reflect the issuance of new bonds. | | | \$5,980,100 |
| 2. Reduce debt service for authorized unissued bonds for the Department of Transportation. | | | (2,432,670) |
| 3. Increase debt service for existing obligation on issued bonds for the Department of Transportation. | | | 28,482,991 |
| Total Change | | | \$32,030,421 |

Total: State Funds - Issued

\$75,826,597

General Obligation Debt Sinking Fund - New

State General Funds

| | | | |
|--|--|--|----------------|
| 1. Transfer funds from GO Bonds New to GO Bonds Issued to reflect the issuance of new bonds. | | | (\$93,487,595) |
| 2. Provide debt service funding for new bonds recommended. | | | 104,718,341 |
| Total Change | | | \$11,230,746 |

Motor Fuel Funds

| | | | |
|--|--|--|---------------|
| 1. Transfer funds from GO Bonds New to GO Bonds Issued to reflect the issuance of new bonds. | | | (\$5,980,100) |
| 2. Provide debt service funding for new bonds recommended. | | | 20,538,700 |
| Total Change | | | \$14,558,600 |

Total: State Funds - New

\$25,789,346

New Projects Recommended by Policy Area:

Educated Georgia

State Board of Education / Department of Education

| | | | |
|--|----|---------------|--------------|
| 1. Fund the Capital Outlay Program-Regular, for local school construction | 20 | \$112,400,000 | \$9,598,960 |
| 2. Fund the Capital Outlay Program-Exceptional Growth, for local school construction | 20 | 97,840,000 | 8,355,536 |
| 3. Fund the Capital Outlay Program-Regular Advance, for local school construction | 20 | 83,365,000 | 7,119,371 |
| 4. Fund the Capital Outlay Program-Low Wealth, for local school construction | 20 | 2,030,000 | 173,362 |
| 5. Fund vocational equipment, statewide | 5 | 8,855,000 | 2,045,505 |
| Subtotal | | \$304,490,000 | \$27,292,734 |

General Obligation Debt Sinking Fund

FY 2009 Program Budgets

| Bond Projects | Term | Authorized Principal | Debt Service |
|---|------|-------------------------|--------------|
| Regents, University System of Georgia | | | |
| 1. Fund Major Repairs and Rehabilitation, statewide | 20 | \$30,000,000 | \$2,562,000 |
| 2. Purchase equipment for Academic Classroom Building, Savannah State University, Savannah, Chatham County | 5 | 1,900,000 | 438,900 |
| 3. Purchase equipment for Professional Sciences Center Building, Macon State College, Macon, Bibb County | 5 | 2,600,000 | 600,600 |
| 4. Purchase equipment for Academic Classroom & Laboratory Building, Fort Valley State University, Fort Valley, Peach County | 5 | 2,100,000 | 485,100 |
| 5. Purchase equipment for College of Pharmacy Building, University of Georgia, Athens, Clarke County | 5 | 4,500,000 | 1,039,500 |
| 6. Purchase equipment for Health Sciences Building, Kennesaw State University, Kennesaw, Cobb County | 5 | 4,500,000 | 1,039,500 |
| 7. Design, construct, and equip the School of Dentistry, Medical College of Georgia, Augusta, Richmond County | 20 | 70,000,000 | 5,978,000 |
| 8. Design and construction of the Engineering Technology Center, Southern Polytechnic State University, Marietta, Cobb County | 20 | 33,305,000 | 2,844,247 |
| 9. Design and construction of the renovation of the Math & Computer Science Building, Valdosta State University, Valdosta, Lowndes County | 20 | 4,075,000 | 348,005 |
| 10. Fund construction of Northwest Campus Infrastructure, University of West Georgia, Carrollton, Carroll County | 20 | 1,900,000 | 162,260 |
| 11. Design, construction, and equipment for the Remediation of the Business / Health Science Building, Clayton State University, Morrow, Clayton County | 20 | 6,900,000 | 589,260 |
| 12. Design, construct, and equip the Hendricks Hall Renovation, Georgia Southern University, Statesboro, Bulloch County | 20 | 4,000,000 | 341,600 |
| 13. Renovate the Hinman Technology Building, Georgia Institute of Technology, Atlanta, Fulton County | 20 | 6,400,000 | 546,560 |
| 14. Design and construction of Marine Operations Infrastructure, Skidaway Institute of Oceanography, Savannah, Chatham County | 20 | 1,200,000 | 102,480 |
| 15. Design, construct, and equip Alpharetta Academic Facility, Georgia State University and Georgia Perimeter College, Alpharetta, Fulton County | 20 | 12,800,000 | 1,093,120 |
| 16. Design of Ray Charles Fine Arts Center, Albany State University, Albany, Dougherty County | 5 | 1,500,000 | 346,500 |
| 17. Design of Health Sciences Building, Coastal Georgia Community College, Brunswick, Glynn County | 5 | 1,000,000 | 231,000 |
| 18. Design and renovate the Tift, Lewis, and Herring Halls, Abraham Baldwin Agricultural College, Tifton, Tift County | 5 | 600,000 | 138,600 |
| 19. Renovate the biology labs, East Georgia College, Swainsboro, Emanuel County | 20 | 700,000 | 59,780 |
| 20. Design of Teacher Education Building, Macon State College, Macon, Bibb County | 20 | 1,600,000 | 136,640 |
| 21. Design, construct and equip the Nursing/Health Building, Gordon College, Barnesville, Lamar County | 20 | 14,400,000 | 1,229,760 |
| 22. Design of Academic Facility, Gainesville State College, Gainesville, Hall County | 5 | 2,400,000 | 554,400 |
| 23. Design of Special Collections Library, University of Georgia, Athens, Clarke County | 5 | 1,500,000 | 346,500 |
| 24. Design and construct Nancy Guinn Memorial Library Addition, Conyers, Rockdale County | 20 | 2,000,000 | 170,800 |
| 25. Design and construct Senoia Public Library, Senoia, Coweta County | 20 | 1,225,000 | 104,615 |
| 26. Design and construct Blackshear Memorial Library, Blackshear, Pierce County | 20 | 1,900,000 | 162,260 |
| 27. Design and construct Houston County Library, Houston County | 20 | 2,000,000 | 170,800 |
| 28. Purchase equipment for R&D Infrastructure for science-based economic development, Georgia Research Alliance, statewide | 5 | 19,000,000 | 4,389,000 |

General Obligation Debt Sinking Fund

FY 2009 Program Budgets

| Bond Projects | Term | Authorized Principal | Debt Service |
|---|------|-------------------------|--------------|
| 29. Purchase equipment for the Traditional Industries Program (TIP), statewide | 5 | 900,000 | 207,900 |
| 30. Provide funding for a New Prep School Facility, Georgia Military College, Milledgeville, Baldwin County | 20 | 10,000,000 | 854,000 |
| Subtotal | | \$246,905,000 | \$27,273,687 |

Technical and Adult Education, Department of

| | | | |
|--|----|---------------|--------------|
| 1. Purchase equipment for Construction Projects, multiple technical colleges | 5 | \$11,590,000 | \$2,677,290 |
| 2. Replace obsolete equipment, statewide | 5 | 7,500,000 | 1,732,500 |
| 3. Design and construct Center for Health Sciences, Milledgeville Campus, Central Georgia Technical College, Milledgeville, Baldwin County | 20 | 17,670,000 | 1,509,018 |
| 4. Design and construction of Industrial Technology Building, Elbert County Campus, Athens Technical College, Elberton, Elbert County | 20 | 5,235,000 | 447,069 |
| 5. Design and construct a classroom building, Cherokee County Campus, Appalachian Technical College, Canton, Cherokee County | 20 | 7,855,000 | 670,817 |
| 6. Design and construct the Logistic Training Center (Building K), Albany Technical College, Albany, Dougherty County | 20 | 9,150,000 | 781,410 |
| 7. Design and construct an Automotive Technology Building, Southeastern Technical College, Vidalia, Toombs County | 20 | 4,000,000 | 341,600 |
| 8. Design and construct an auditorium, Lanier Technical College, Cumming, Forsyth County | 20 | 1,500,000 | 128,100 |
| 9. Design and construct building expansion, Lanier Technical College, Dawsonville, Dawson County | 20 | 5,000,000 | 427,000 |
| 10. Design and construct a Life Sciences Building, Gwinnett Technical College, Lawrenceville, Gwinnett County | 20 | 18,650,000 | 1,592,710 |
| 11. Construct High School Career Academies located on public school campuses, statewide | 20 | 5,000,000 | 427,000 |
| Subtotal | | \$93,150,000 | \$10,734,514 |
| Total: Educated Georgia | | \$644,545,000 | \$65,300,935 |

Healthy Georgia

Human Resources, Department of

| | | | |
|--|----|--------------|-------------|
| 1. Fund statewide facility repairs and renovations for kitchens [\$1,100,000] and roofing [\$2,355,000] | 20 | \$3,455,000 | \$295,057 |
| 2. Fund facility and infrastructure repairs and equipment replacement: replace culvert at steam plant [\$930,000], replace laundry equipment and utilities [\$5,180,000], and water system upgrades [\$830,000] at Central State Hospital, Milledgeville, Baldwin County | 20 | 6,940,000 | 592,676 |
| 3. Replace air handler units [\$925,000] and replace water lines [\$585,000] at West Central Georgia Regional Hospital, Columbus, Muscogee County | 20 | 1,510,000 | 128,954 |
| 4. Replace boilers at Southwestern State Hospital, Thomasville, Thomas County | 20 | 600,000 | 51,240 |
| 5. Fund facility and infrastructure repairs: replace underground steam and condensate lines [\$615,000], install backflow preventers on water lines [\$505,000], and new electrode steam boiler [\$740,000] at Northwest Regional Hospital, Rome, Floyd County | 20 | 1,860,000 | 158,844 |
| Subtotal | | \$14,365,000 | \$1,226,771 |

General Obligation Debt Sinking Fund

FY 2009 Program Budgets

| Bond Projects | Term | Authorized Principal | Debt Service |
|---|------|-------------------------|--------------|
| Veterans Service, Department of | | | |
| 1. Fund metal roofing system and mechanical upgrades, Wood Building, Georgia War Veterans Home, Milledgeville, Baldwin County, match Federal funds | 20 | \$240,000 | \$20,496 |
| 2. Fund energy upgrades including windows and insulation, Wheeler Building, Georgia War Veterans Home, Milledgeville, Baldwin County, match Federal funds | 20 | 775,000 | 66,185 |
| Subtotal | | \$1,015,000 | \$86,681 |
| Total: Healthy Georgia | | \$15,380,000 | \$1,313,452 |
| Safe Georgia | | | |
| Corrections, Department of | | | |
| 1. Major facility repairs, statewide | 5 | \$5,000,000 | \$1,155,000 |
| 2. Minor facility construction and renovations, statewide | 5 | 4,000,000 | 924,000 |
| 3. Complete the funding of the Headquarters Relocation and Training Academy, Forsyth, Monroe County | 20 | 31,300,000 | 2,673,020 |
| 4. Security and life safety upgrades, statewide | 20 | 9,880,000 | 843,752 |
| Subtotal | | \$50,180,000 | \$5,595,772 |
| Defense, Department of | | | |
| 1. Fund facility and site improvements at Readiness Centers (Armories), statewide (Federal fund match) | 5 | \$1,365,000 | \$315,315 |
| Subtotal | | \$1,365,000 | \$315,315 |
| Investigation, Georgia Bureau of | | | |
| 1. Design and construct a bomb truck garage, Perry, Houston County | 5 | \$100,000 | \$23,100 |
| 2. Design and construct a bomb truck garage, Savannah, Chatham County | 5 | 100,000 | 23,100 |
| 3. Fund facility roofing, electrical, and HVAC repairs and renovations, statewide | 5 | 395,000 | 91,245 |
| 4. Fund roof replacement at headquarters building, Decatur, DeKalb County | 20 | 570,000 | 48,678 |
| Subtotal | | \$1,165,000 | \$186,123 |
| Juvenile Justice, Department of | | | |
| 1. Fund facility repairs, statewide | 5 | \$4,345,000 | \$1,003,695 |
| 2. Fund minor construction and renovations for facilities, statewide | 5 | 6,810,000 | 1,573,110 |
| Subtotal | | \$11,155,000 | \$2,576,805 |
| Public Safety, Department of | | | |
| 1. Replace the burn building, Georgia Fire Academy, Forsyth, Monroe County | 20 | \$500,000 | \$42,700 |
| Subtotal | | \$500,000 | \$42,700 |
| Total: Safe Georgia | | \$64,365,000 | \$8,716,715 |

General Obligation Debt Sinking Fund

FY 2009 Program Budgets

| Bond Projects | Term | Authorized Principal | Debt Service |
|---|------|-------------------------|--------------|
| <u>Best Managed State</u> | | | |
| Administrative Services, Department of | | | |
| Georgia Aviation Authority | | | |
| 1. Purchase 1 replacement airplane (King Air 350) and 4 replacement helicopters (Bell 407) | 5 | \$18,400,000 | \$4,250,400 |
| Subtotal | | \$18,400,000 | \$4,250,400 |
| Natural Resources, Department of | | | |
| 1. Design of the Don Carter State Park (Chattahoochee River), Gainesville, Hall County | 5 | \$1,965,000 | \$453,915 |
| 2. Construct Resaca Battlefield Historic Site, Calhoun, Gordon County | 20 | 3,000,000 | 256,200 |
| 3. Renovate aging docks and boat ramps, and bulkhead repairs, multiple counties | 20 | 1,000,000 | 85,400 |
| Subtotal | | \$5,965,000 | \$795,515 |
| Georgia Agricultural Exposition Center | | | |
| 1. Design, construct, and equip new horse barn and practice ring, Perry, Houston County | 20 | \$7,290,000 | \$622,566 |
| Subtotal | | \$7,290,000 | \$622,566 |
| Jekyll Island State Park Authority | | | |
| 1. Provide for public infrastructure improvements at Jekyll Island State Park, Glynn County | 20 | \$25,000,000 | \$2,135,000 |
| Subtotal | | \$25,000,000 | \$2,135,000 |
| Properties Commission, State | | | |
| Georgia Building Authority | | | |
| 1. Design of covered parking deck for legislators and state employees (to be located at the site of current DOT Building), Atlanta, Fulton County | 5 | \$2,460,000 | \$568,260 |
| 2. Fund water conservation improvements for Capitol Hill facilities, Atlanta, Fulton County | 5 | 5,405,000 | 1,248,555 |
| 3. Design of Capitol Green Space Project including Pedestrian Bridge, Atlanta, Fulton County | 5 | 8,400,000 | 1,940,400 |
| 4. Design, renovation, equipment, and exhibits for the State History Museum at the former site of the Coca-Cola Museum, Atlanta, Fulton County | 20 | 15,640,000 | 1,335,656 |
| Subtotal | | \$31,905,000 | \$5,092,871 |
| Forestry Commission, State | | | |
| 1. Purchase firefighting equipment | 5 | \$2,500,000 | \$577,500 |
| Subtotal | | \$2,500,000 | \$577,500 |

General Obligation Debt Sinking Fund

FY 2009 Program Budgets

| Bond Projects | Term | Authorized Principal | Debt Service |
|---|------|-------------------------|--------------|
| Revenue, Department of | | | |
| 1. Continue implementation of Integrated Tax System | 5 | \$8,000,000 | \$1,848,000 |
| 2. Develop and implement an Enterprise Data Warehouse | 5 | 2,750,000 | 635,250 |
| Subtotal | | \$10,750,000 | \$2,483,250 |
| Total: Best Managed State | | \$101,810,000 | \$15,957,102 |
| Growing Georgia | | | |
| Agriculture, Department of | | | |
| 1. Renovate and repair of State Farmers' Markets, statewide | 5 | \$1,250,000 | \$288,750 |
| Subtotal | | \$1,250,000 | \$288,750 |
| Community Affairs, Department of | | | |
| Georgia Environmental Facilities Authority | | | |
| 1. Provide funds for the state funded Water and Sewer Construction Loan Program, statewide | 20 | \$42,000,000 | \$3,586,800 |
| 2. Fund the Clean Water State Revolving Fund Match, Water and Sewer Construction Loan Program, statewide | 20 | 2,400,000 | 204,960 |
| 3. Fund the Drinking Water State Revolving Fund Match, Water and Sewer Construction Loan Program, statewide | 20 | 5,600,000 | 478,240 |
| 4. Fund reservoirs and water system improvements, statewide | 20 | 30,000,000 | 2,562,000 |
| 5. Fund remediation and replacement of fuel storage tanks at state owned sites, statewide | 20 | 3,000,000 | 256,200 |
| Subtotal | | \$83,000,000 | \$7,088,200 |
| Georgia Regional Transportation Authority | | | |
| 1. Purchase buses for route expansion and service improvements for GRTA's Xpress, multiple counties | 5 | \$13,300,000 | \$3,072,300 |
| 2. Acquire right-of-way and construct GRTA Xpress park-and-ride lots, multiple counties | 20 | 4,700,000 | 401,380 |
| Subtotal | | \$18,000,000 | \$3,473,680 |
| Economic Development, Department of | | | |
| Georgia Ports Authority | | | |
| 1. Fund the Savannah Harbor Expansion Project, Savannah, Chatham County, (Federal funds match) | 20 | \$17,000,000 | \$1,451,800 |
| Subtotal | | \$17,000,000 | \$1,451,800 |
| Georgia World Congress Center | | | |
| 1. Provide for property acquisition, design, and construction of the Mangum Street property for parking, Atlanta, Fulton County | 20 | \$9,800,000 | \$836,920 |
| Subtotal | | \$9,800,000 | \$836,920 |

General Obligation Debt Sinking Fund

FY 2009 Program Budgets

| Bond Projects | Term | Authorized Principal | Debt Service |
|---------------|------|-------------------------|--------------|
|---------------|------|-------------------------|--------------|

Transportation, Department of

State General Funds

| | | | |
|---|----|-------------|-----------|
| 1. Fund the Savannah Harbor Dike Disposal Area project, Savannah, Chatham County (Federal funds match) | 20 | \$3,405,000 | \$290,787 |
| Subtotal | | \$3,405,000 | \$290,787 |

Motor Fuel Funds

| | | | |
|---|----|---------------|--------------|
| 1. Fast Forward Program, statewide | 20 | \$230,000,000 | \$19,642,000 |
| 2. Replace the district office in Tennille, Washington County | 20 | 10,500,000 | 896,700 |
| Subtotal | | \$240,500,000 | \$20,538,700 |

| | | | |
|------------------------|--|---------------|--------------|
| Total: Growing Georgia | | \$372,955,000 | \$33,968,837 |
|------------------------|--|---------------|--------------|

| | | | |
|-----------------------------------|--|----------------------|----------------------|
| Total: State General Funds | | \$958,555,000 | \$104,718,341 |
|-----------------------------------|--|----------------------|----------------------|

| | | | |
|--------------------------------|--|----------------------|---------------------|
| Total: Motor Fuel Funds | | \$240,500,000 | \$20,538,700 |
|--------------------------------|--|----------------------|---------------------|

| | | | |
|---------------------------------|--|------------------------|----------------------|
| Total: State Funds - New | | \$1,199,055,000 | \$125,257,041 |
|---------------------------------|--|------------------------|----------------------|

| <u>SUMMARY OF BOND PROJECTS</u> | <u>Principal</u> | <u>Debt Service</u> |
|---------------------------------|------------------|---------------------|
| Total 5-year bond projects | \$156,990,000 | \$36,264,690 |
| Total 20-year bond projects | 801,565,000 | 68,453,651 |
| Total State General Funds | \$958,555,000 | \$104,718,341 |
| Total Motor Fuel Funds | 240,500,000 | 20,538,700 |
| Total Bonds | \$1,199,055,000 | \$125,257,041 |

General Obligation Debt Sinking Fund

Department Financial Summary

| Object Classes / Fund Sources | FY 2006 Expenditures | FY 2007 Expenditures | FY 2008 Current Budget | FY 2008 Agency Request Total | FY 2008 Governor's Recommendation |
|--|-------------------------|-------------------------|---------------------------|------------------------------------|---|
| General Obligation Debt Sinking Fund (Issued) | | | | | |
| State General Funds | \$708,830,091 | \$798,134,753 | \$672,109,074 | \$715,905,250 | \$715,905,250 |
| Motor Fuel Tax Funds | 155,000,000 | 155,000,000 | 163,032,222 | 195,062,643 | 195,062,643 |
| Subtotal | <u>\$863,830,091</u> | <u>\$953,134,753</u> | <u>\$835,141,296</u> | <u>\$910,967,893</u> | <u>\$910,967,893</u> |
| General Obligation Debt Sinking Fund (New) | | | | | |
| State General Funds | | | \$93,487,595 | \$104,718,341 | \$104,718,341 |
| Motor Fuel Tax Funds | | | 5,980,100 | 20,538,700 | 20,538,700 |
| Subtotal | <u>\$0</u> | <u>\$0</u> | <u>\$99,467,695</u> | <u>\$125,257,041</u> | <u>\$125,257,041</u> |
| TOTAL STATE FUNDS | \$863,830,091 | \$953,134,753 | \$934,608,991 | \$1,036,224,934 | \$1,036,224,934 |

General Obligation Debt Sinking Fund

Program Budget Financial Summary

| | FY 2008 Current Budget | Changes | FY 2009 Recommendation |
|---|---------------------------|----------------------|---------------------------|
| Department Budget Summary | | | |
| State General Funds | \$765,596,669 | \$55,026,922 | \$820,623,591 |
| Motor Fuel Funds | 169,012,322 | 46,589,021 | 215,601,343 |
| TOTAL STATE FUNDS | \$934,608,991 | \$101,615,943 | \$1,036,224,934 |
| TOTAL FUNDS | \$934,608,991 | \$101,615,943 | \$1,036,224,934 |
| | | | |
| General Obligation Debt Sinking Fund - Issued | | | |
| State General Funds | \$672,109,074 | \$43,796,176 | \$715,905,250 |
| Motor Fuel Funds | 163,032,222 | 32,030,421 | 195,062,643 |
| Total Funds | \$835,141,296 | \$75,826,597 | \$910,967,893 |
| | | | |
| General Obligation Debt Sinking Fund - New | | | |
| State General Funds | \$93,487,595 | \$11,230,746 | \$104,718,341 |
| Motor Fuel Funds | 5,980,100 | 14,558,600 | 20,538,700 |
| Total Funds | \$99,467,695 | \$25,789,346 | \$125,257,041 |

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APPENDICES

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APPENDIX I: GEORGIA ECONOMIC REPORT DETAIL

U.S. ECONOMIC INDICATORS

GROSS DOMESTIC PRODUCT

GDP growth accelerated in the third quarter of 2007 to nearly a 5.0% annualized growth rate. However, GDP growth in Q4 is expected to run close to 1% with the potential that the economy will slip into recession.

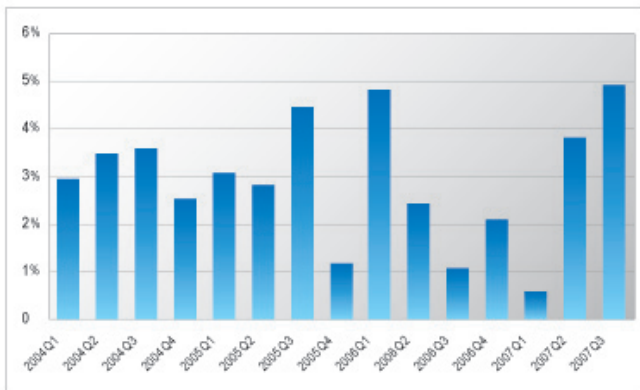


Figure 1.1 — GDP Growth: Annualized Percent Change

GDP's strong growth performance in this quarter was supported by extremely strong growth in exports compared to imports and strong growth in investment. Investment growth was supported by a large increase in inventories and moderate growth in non-residential structures and business investment. Investment in residential structures remains a drag on growth. Outsized growth in inventories and exports is not likely to be sustained while the bottom of residential investment has not yet been reached.



Figure 1.2 — GDP Growth by Component: Annualized Percent Change

MANUFACTURING

Manufacturing strength appears to be waning. The ISM index which measures the strength of the manufacturing sector has declined. Any value in excess of 50 indicates growth so the index indicates that manufacturing is growing but at a declining rate.



Figure 1.3 — ISM Manufacturing Index

This waning is consistent with new order and shipment data which have experienced declines in recent months.

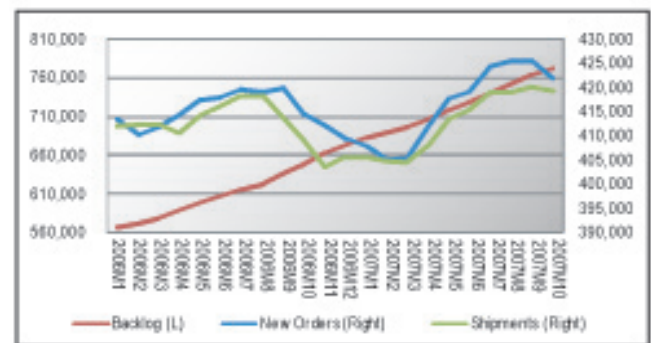


Figure 1.4 — Manufacturing Sector: Three-Month Moving Average, in Millions

LABOR MARKETS

Non-farm employment continues to expand but monthly job additions have declined to about 100,000 from 150,000 in early 2007. Job losses in manufacturing and housing related sectors have brought the growth rate down.

APPENDIX I: GEORGIA ECONOMIC REPORT DETAIL

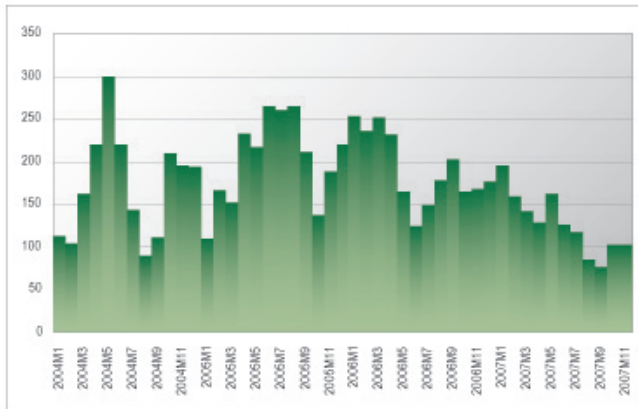


Figure 1.5 — U.S. Non-Farm Monthly Job Additions:
Three-Month Moving Average, in Thousands

Slowing job growth has been accompanied by a modest increase in the unemployment rate to 4.7% in November. The unemployment rate bottomed at 4.4% in March 2007. In addition, unemployment insurance claims are trending up. Initial claims are rising indicating some increase in layoff activity. Continuing claims are also up indicating the unemployed are having increasing difficulty finding new employment.

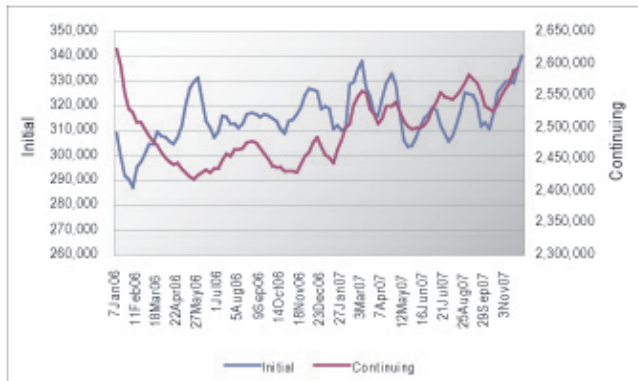


Figure 1.6 — U.S. Unemployment Insurance Claims:
Four-Week Moving Average

HOUSING MARKETS

National housing activity is in recession. All measures of the health of housing are markedly weaker than they were a year ago. Sales of new and existing homes have plunged. New home sales are off over 47% from their recent peak and existing home sales are off over 30%.

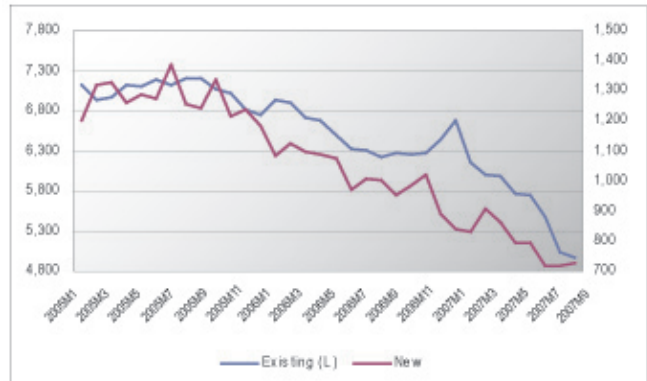


Figure 1.7 — Home Sales: SAAR, in Thousands

Home inventory for sale is very high. New homes available for sale have begun to contract indicating that sales are finally beginning to outstrip new construction. However, existing home inventory continues to build.

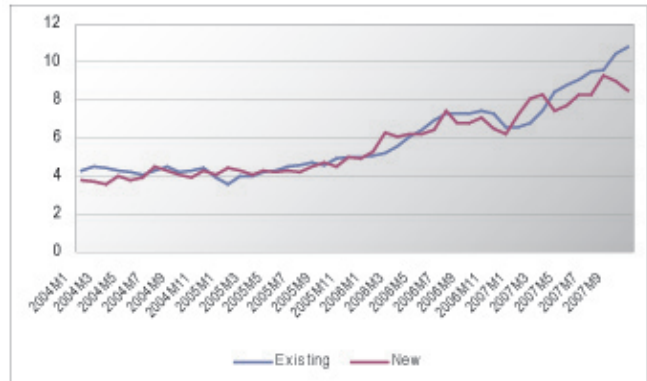


Figure 1.8 — Housing Inventory: Months at Current Sales Rate

Mortgage delinquency rates and foreclosure rates continue to rise. Much of the delinquency problem is concentrated in sub-prime mortgages, especially those with adjustable interest rates. This problem is likely to continue to grow since many of these mortgages will face their initial interest rate reset in 2008. At that time, many borrowers with minimal equity in the home and facing rising monthly payments may be forced to default.

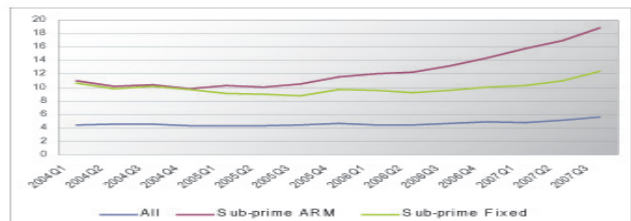


Figure 1.9 — Mortgage Delinquency Rates: Percent Past Due

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CONSUMER SPENDING

Consumer spending growth has slowed but is far from collapse. Consumers are weighed down by high debt burdens, falling home prices, high energy prices and declining confidence.

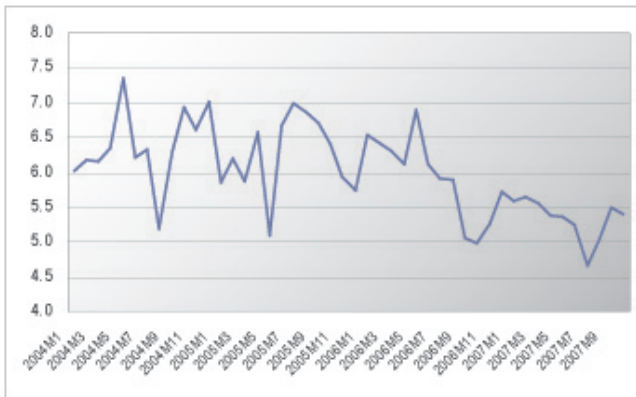


Figure 1.10 — Personal Consumption Expenditures: *Percent Change Over Prior Year, Three-Month Moving Average*

FINANCIAL INDICATORS

Inflation is moderate and generally within Federal Reserve policy guidelines. Inflation as measured by the core consumer price index is running at about a 2.1% rate. The core index excludes volatile components such as food and energy. Inflation as measured by the overall CPI is running at a higher rate, largely due to high energy prices.

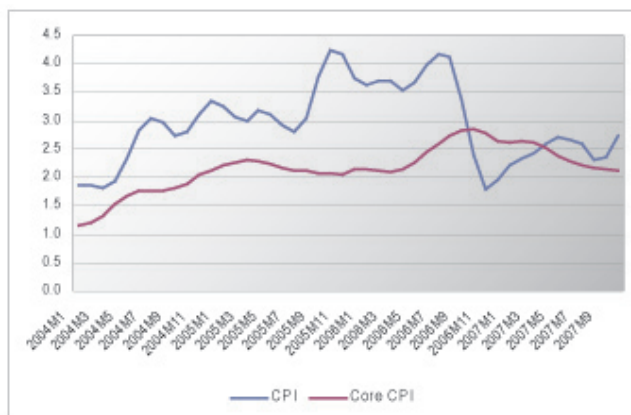


Figure 1.11 — CPI Inflation: *Percent Change Over Prior Year, Three-Month Moving Average*

The value of the dollar has been declining. This has multiple impacts. It tends to boost exports and decrease import, thus boosting growth. It also tends to boost inflation since the increased demand for exports

makes it easier for producers to raise prices and the cost of imports rise as the value of the dollar declines. This can limit the ability of policy makers to use interest rate decreases to boost the economy without raising the risk of accelerating inflation.

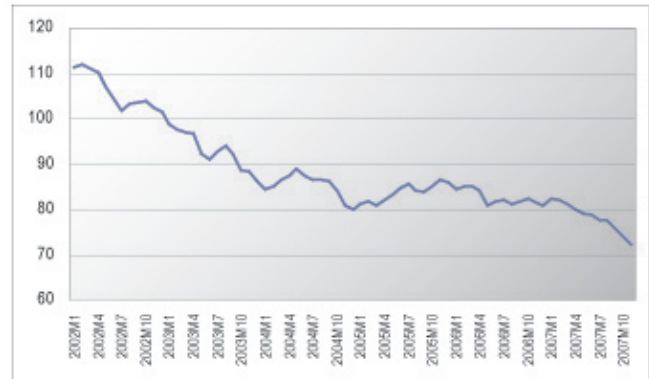


Figure 1.12 — Trade Weighted Index Value of Dollar

Interest rates on US Treasury securities have dropped sharply in recent weeks. This has coincided with continuing problems in broader asset markets due to the uncertainty associated with mortgage-backed securities. This has led to a significant re-pricing of risk and a flight to safety with investors seeking out safe investments in US backed securities.

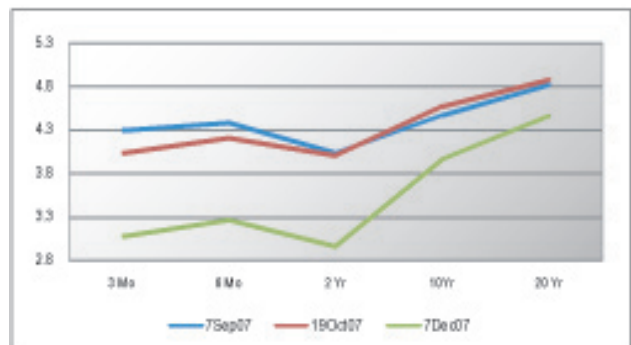


Figure 1.13 — U.S. Treasuries: *Interest Rate Yield Curve*

APPENDIX I: GEORGIA ECONOMIC REPORT DETAIL

GEORGIA ECONOMIC INDICATORS

PERSONAL INCOME

Personal income continues to grow in Georgia. Measured as the percent change from the prior year, personal income has grown faster in Georgia compared to the US in the last two quarters reported.



Figure 2.1 — Personal Income Growth: Percent Change Over Prior Year

LABOR MARKETS

Georgia's labor market continues to expand. Growth, however, has moderated in recent months from the first half of 2007. As of October, job additions are running about 6,000 per month. For the first part of 2007, job additions were running over to 8,000 per month.

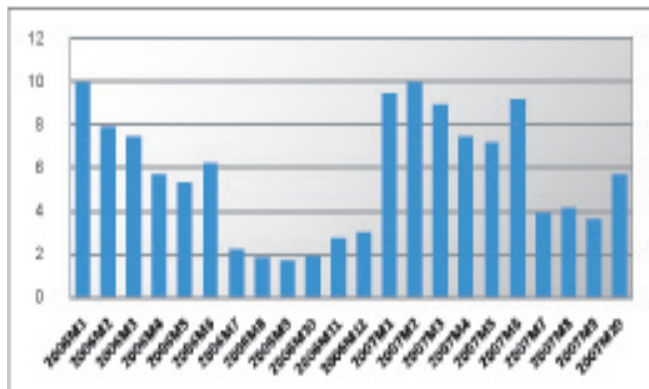


Figure 2.2 — Georgia Non-Farm Job Additions: Three-Month Moving Average, in Thousands

While growth has slowed, it is running at a rate higher than the US. In addition, growth has picked up on a year over year basis in recent months suggesting an underlying strength in Georgia's labor market and economy.



Figure 2.3 — Non-Farm Employment Growth: Percent Change Over Prior Year, Three-Month Moving Average

Regional growth is reasonably balanced across the state. For October 2007, only Dalton reported year over year decrease in total employment. Warner Robins experienced the highest growth rate in the state.

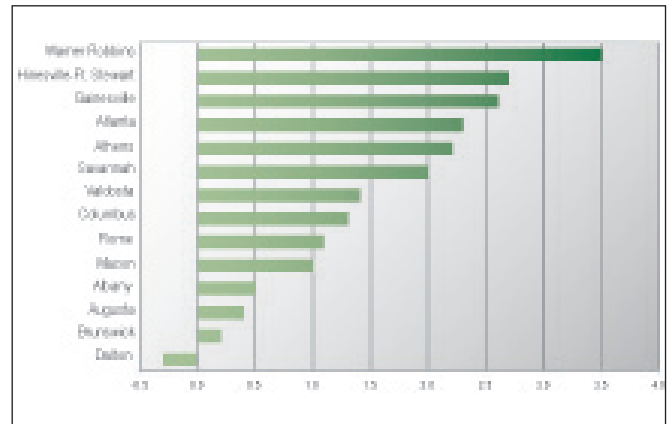


Figure 2.4 — Metro-Area Employment Growth: Year-over-Year Percent Change as of October 2007

Across the employment sectors in Georgia, manufacturing and finance experienced negative year over year employment growth as of October. Manufacturing continues to bleed jobs locally and nationally. Finance is being hit by turmoil in mortgage and other financial markets. In contrast, the information sector posted its strongest performance in recent

APPENDIX I: GEORGIA ECONOMIC REPORT DETAIL

years in October. Education & health, government, and leisure and hospitality posted the highest growth rates.

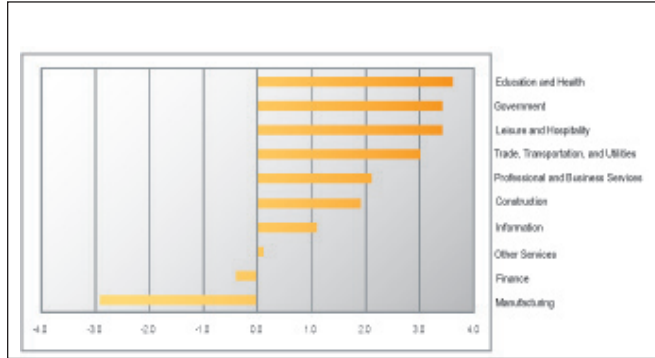


Figure 2.5 — Employment Growth by Sector: Year-over-Year Percent Change as of October 2007

Unemployment claims remain moderate in the state. Initial claims show some signs of a moderate upward trend but remain in line with recent levels. Continuing claims are in line with seasonal levels.

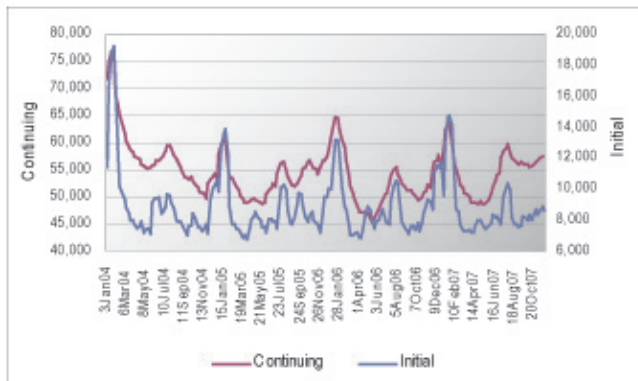


Figure 2.6 — Georgia Unemployment Insurance Claims: Four-Week Moving Average

HOUSING MARKETS

Residential construction permits issued are off sharply in Georgia. As of October, permit activity is running about 35% below last year's level.



Figure 2.7 — Georgia Residential Building Permits

Mortgage foreclosure rates are rising in Georgia and are above the US rate. Note however, that the increase in the foreclosure rate over the past year is comparable to the increase for the US. This suggests that the foreclosure situation in Georgia is not deteriorating faster than for the nation as a whole.

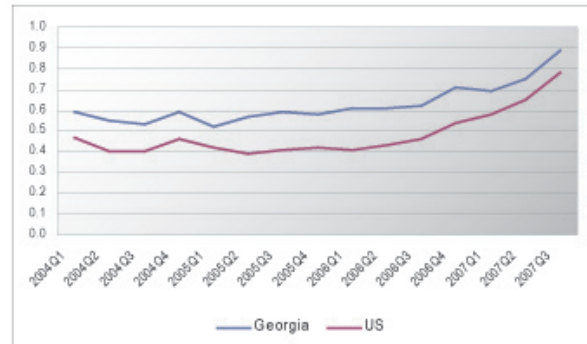


Figure 2.8 — Mortgage Foreclosures: Percent Loans Started in Foreclosure

Home prices in Georgia are stable. S&P/Case Shiller price index data for metropolitan Atlanta show that on a year over year basis, home prices are essentially flat. In contrast, the home price index for a composite of 20 metro areas is off about 5% and regional markets such as Washington D.C. and Miami have experienced bigger percentage declines.

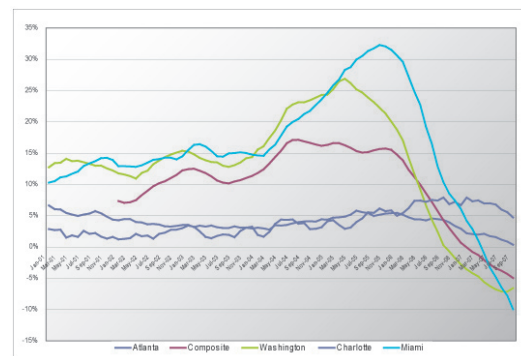


Figure 2.9 — S&P/Case Shiller Home Price Index: Percent Change over Prior Year

DROUGHT

One key uncertainty facing Georgia is the severe drought in the state and surrounding areas. Policymakers have implemented bans on outdoor watering and other measures to conserve water. To date, the economic impacts of this drought have been primarily confined to the urban agriculture business, nurseries and landscapers for example. It is unclear if the drought will have broader repercussions for the regional economy.

GLOSSARY

A

ADJUSTED BASE — The initial financial data set used for the development of the state budget for the upcoming fiscal year. The adjusted base consists of the current fiscal year Annual Operating Budget, less non-recurring expenditures, plus the amount required to annualize pay for performance.

AGENCY FUNDS — Funds collected by the various agencies of state government and retained as a means to provide for agency program expenditures. These funds are estimated in the Governor's Budget Report and the Appropriations Act. The agencies can change the amount of these funds by amendments to the Annual Operating Budget based upon actual collections during the year. Also known as *other funds*.

ALCOHOLIC BEVERAGE (DISTILLED SPIRITS) TAX — A state excise tax per liter upon the first sale, use, or final delivery within the state, and an import tax per liter of distilled spirits.

ALLOTMENT — The authorization for a state agency to withdraw funds from the state treasury for expenditure. Before each fiscal year begins, agencies must file an annual operating budget plan based upon an Appropriations Act. Allotments are requested quarterly based upon the plan. Once a quarterly allotment is approved for an agency, that agency can draw down funds as needed.

AMENDED BUDGET REPORT — A document submitted by the Governor to the General Assembly which recommends spending changes to the current fiscal year for the agencies of state government. The Amended Budget Report can involve budget additions, budget deletions, or transfers of funds within agency object classes. Also known as the *supplemental budget*.

ANNUAL OPERATING BUDGET (AOB) — A plan for annual expenditures based upon the Appropriations Act, organized by agency, program, and functional budget. The plan details a level of expenditure by object class for a given fiscal year, and must be approved by OPB before taking effect.

ANNUAL OPERATING BUDGET AMENDMENT — Revisions to the annual operating budget, which must be submitted to OPB for approval. Typically, these revisions are due to the receipt of funding not included during the appropriations process, or the transfer of funds from one activity/function to another.

APPROPRIATION — An authorization by the General Assembly to a state agency to spend, from public funds, a sum of money not in excess of the sum specified for the purposes in the authorization.

APPROPRIATIONS ACT — Legislation that has been passed by the General Assembly to authorize the expenditure of state, federal, and other funds during a given fiscal year. While under consideration, it is known as an *appropriations bill*.

ATTACHED AGENCIES — Agencies are sometimes attached to a larger state agency for "administrative purposes only" to consolidate and reduce administrative costs. These agencies operate autonomously, but receive funding through the larger agency. By law, authorities cannot directly receive state funds, and are attached to budgeted state agencies for the receipt of any state appropriations as mandated.

ATTRITION — A means of reducing state employment, especially during economic slowdowns, by eliminating positions as they become vacant, rather than refilling them with new employees.

AUTHORITY — A public corporation formed to undertake a state responsibility that operates in a competitive financial and business environment, and conducted like a private business corporation. Most authorities generate revenue and need to operate without the strict regiment of rules confining most departments of government. Authorities usually have the power to issue revenue bonds to construct facilities.

B

BUDGET — A complete financial plan for a specific fiscal year as proposed in the Governor's Budget Report, and modified and adopted by appropriations and revenue acts.

BUDGET ACCOUNTABILITY AND PLANNING ACT — An Act passed by the 1993 General Assembly that fundamentally changed Georgia's budget process. The Act made accountability and efficiency the driving forces behind budget decisions, as well as the attainment of agreed-upon goals that have been outlined in comprehensive strategic plans for the state and each of its agencies. The requirement for outcome-based budgeting is provided through the performance and results measures in Prioritized Program Budgeting. The measure mandated an ongoing review of agency continuation budgets and a more detailed review of expenditures at the individual program level. Procedures and requirements for grant awards by state agencies were also established.

BUDGET CLASS — See *Object Class*.

BUDGET CYCLE — A period of time in which a specific budget is affected, usually 12 months. See *fiscal year* for dates applying to state and federal budgets.

BUDGET ESTIMATE — A statement which accompanies explanations, as required by state law, in which a budget unit states its financial requirements and requests for appropriations. Also known as an agency's budget request, which must be submitted to OPB by September 1 of each year.

BUDGET MESSAGE — A speech by the Governor to the General Assembly in which the Governor outlines his spending proposals and revenue projections, including recommendations for increasing or decreasing revenues, that are embodied in an accompanying budget document. The formal budget message, dealing primarily with the following year's budget, is made to a joint session during the first week that the Legislature convenes.

BUDGET REPORT — A document that displays all programs, efforts, and expenditures that are recommended by the Governor for each agency during a specific fiscal year. The Budget Report includes the Governor's official estimate of state revenue to be collected during the fiscal year and details any surplus, reserve or other funds that are available for expenditure. The fund availability outlined by the Governor determines the size of the budget for any given year.

BUDGET UNIT — A department, board, commission, office, institution, or other unit of organization that has, under general law, an independent existence, and thus is authorized to receive and expend an appropriation. A department or agency may have one or more budget units in the Appropriations Act.

C

CAPITAL OUTLAY — Funds designated specifically to acquire, construct, renovate, or repair public facilities and other assets. These funds may be appropriated in cash (from state general funds,

GLOSSARY

lottery funds or other funds) or be provided through the sale of general obligation bonds or revenue bonds.

CONFERENCE COMMITTEE — A group of six legislators – three Representatives and three Senators – who are appointed by the presiding officers of the respective houses to reconcile different versions of the appropriations bill and other legislation passed by the House and Senate.

CORPORATE INCOME TAX — A non-graduated percentage tax based upon a corporation's federal taxable net income. The tax rate is based on a corporation's taxable net income attributed to business done in Georgia.

D

DEDICATED FUNDS — Funds collected from a specific revenue source that must be appropriated for a specific expenditure. An example in Georgia is motor fuel tax funds, which must be constitutionally appropriated for programs related to providing and maintaining an adequate system of public roads and bridges.

DEBT LIMITATION — The State Constitution places a ceiling on state indebtedness by limiting general obligation bond debt service payments to 10 percent of net treasury receipts for the prior fiscal year.

E

EMERGENCY FUND — An appropriation to the Office of the Governor set aside for the Governor to provide grants to state agencies to meet emergency needs. Grants from the fund cannot involve a recurring obligation.

ENHANCEMENT FUNDS — Funding for required services that are above the adjusted base level.

ENTITLEMENT PROGRAMS — Certain programs, usually federal in origin, that provide benefits to individuals based on specific eligibility requirements. Medicaid is the largest entitlement program operated by the state.

ESTATE (INHERITANCE) TAX — Based upon the value of the estate of residents as required to be reported for federal tax purposes. The tax is the amount equal to the amount allowable as a credit for state tax credits under the Internal Revenue Code.

F

FEDERAL FUNDS — Funding from the federal government utilized to pay for all or portions of specific programs. Often, federal funds require a state fund "match" in order to receive the federal allocation.

FISCAL AFFAIRS SUBCOMMITTEE — Twenty members of the House of Representatives and the Senate comprise the Fiscal Affairs Subcommittee, which is authorized to meet when the General Assembly is not in session to consider fiscal affairs transfers as described below at the request of the Governor. The membership includes the House Speaker and four other State Representatives appointed by the Speaker, the Lieutenant Governor and four Senators appointed by the Lieutenant Governor, and five members of each house appointed by the Governor.

FISCAL AFFAIRS TRANSFERS — Appropriations are made through allocations to specific object classes, and funds must be spent within those object classes. Language in each Appropriations

Act states that "... no funds whatsoever, shall be transferred between object classes without the prior approval of at least 11 members of the Fiscal Affairs Subcommittee in a meeting called to consider said transfers. This... shall apply to all funds of each budget unit whatever source derived." Fiscal affairs transfers can be considered at any time at the Governor's request but are usually considered near the end of the fiscal year to help agencies to meet emergency needs and to address unanticipated budget problems.

FISCAL YEAR — Any 12-month period in which financial accounts are balanced. The state fiscal year begins July 1 and ends June 30. The federal fiscal year begins October 1 and ends September 30.

FRINGE BENEFITS — Benefits that are provided to state employees over and above their salaries as an inducement to employment. These benefits include retirement, health insurance, and employer Social Security contributions.

FUNDS [i.e., *state, total, other*] — As used for the general purposes of the budget summaries and schedules in this document, unless otherwise noted, refers to state revenues available or received. The state's specific governmental accounting fund classifications are documented in the state Comprehensive Annual Financial Report prepared by the Department of Audits and Accounts.

G

GENERAL FUNDS — State money used for general purposes of state government. General funds are derived from taxes, fees, and other general revenues, and are appropriated to finance the ordinary operations of governmental units. These funds are included in the Governor's Revenue Estimate and are a part of the State's Budget Fund for accounting purposes.

GENERAL OBLIGATION BONDS — Bonds sold by the state to fund major capital outlay projects or for the management of state debt. The bonds are backed by "the full faith, credit, and taxing power of the state."

GUARANTEED REVENUE BONDS — State-sold bonds that have the principal and interest payable from earnings of a public enterprise. The state is required by law to appropriate one year's debt payment and to retain the total at that level until the bonds have been retired. Guaranteed Revenue Bonds can only be issued for specific purposes as outlined in the State Constitution.

H

HOUSE BUDGET OFFICE — An agency within the Legislative Branch that serves as budget advisor to the House of Representatives.

I

INDIGENT CARE TRUST FUNDS — A program that involves the use of Medicaid funds to compensate disproportionate share hospitals for indigent care and to support expanding primary care programs. Participating hospitals make payments into the Trust Fund, and these payments are used to match with Medicaid funds. Most of the funds are then returned to the hospitals with a small amount used for state-level programs. An amendment to the State Constitution authorized the newly revamped program and restricts the use of these funds. These funds are included in the Governor's Revenue Estimate and are a part of the State's Budget Fund for accounting purposes.

INDIRECT FUNDING — The Appropriations Act each year allocates direct funding for the provision of computer and telecommunications

GLOSSARY

services to be provided to seven state agencies by the Department of Administrative Services (DOAS). These funds are allocated in this manner to facilitate cash flow for DOAS, but are available to DOAS only as services are actually provided to each agency.

INDIVIDUAL INCOME TAX — The tax is based upon an individual's federal adjusted gross income, with specific adjustments as provided by state law.

INSURANCE PREMIUM TAX — Tax based on premiums on persons, property, or risks in Georgia written by insurance companies conducting business in the state.

INTER-AGENCY TRANSFERS — A transfer of funds between state departments, either in an Appropriations Act or by the State Office of Planning and Budget, pursuant to a legislative authorization.

L

LAPSE — The automatic termination of an appropriation. As most appropriations are made for a single fiscal year, any unexpended or unencumbered fund balances at the end of the fiscal year lapse into the state's general treasury, unless otherwise provided by law. There are two kinds of lapses: non-allotted lapses occur when appropriations are never allotted to a state agency for expenditure and automatically revert to the state treasury on June 30 of each year; and, audited lapses occur when budgeted funds are allotted to a state agency for expenditure but are not spent. These unspent funds are identified and lapsed by the State Auditor in the annual audit of each state agency.

LAPSE FACTOR — A budgeting tool that withholds funds from appropriations, based on anticipated employee turnover and lower employee replacement costs.

LINE-ITEM APPROPRIATION — An appropriation specified in language in the Appropriations Act that authorizes discrete expenditures for a state agency. Line-items appropriations may be vetoed by the Governor.

LOTTERY FUNDS — The net proceeds from the sale of lottery tickets dedicated to funding educational purposes and programs. By law educational purposes include capital outlay projects for educational facilities; tuition grants, scholarships, or loans to citizens of Georgia to attend post-secondary institutions in Georgia; training to teachers in the use of electronic instructional technology; costs associated with purchasing, repairing, and maintaining advanced electronic instructional technology; a voluntary pre-kindergarten program; and an education shortfall reserve. These funds are included in the Governor's Revenue Estimate and are a part of the State's Budget Fund for accounting purposes.

LUMP SUM — A single appropriation for a specific purpose that does not specify a breakdown by object class expenditure.

M

MATCHING FUNDS — A type of federal or state grant that requires the government or agency receiving the grant to commit funding for a certain percentage of costs to be eligible for it.

MIDTERM ADJUSTMENT — Additional appropriations to the State Board of Education in an Amended or Supplementary Budget to fund State Quality Basic Education (QBE) requirements for increased enrollment. Initial QBE funding cannot fully and accurately anticipate future enrollment. Midterm adjustments in funding are based on full-time equivalent enrollment counts during the fall quarter.

MIDYEAR ADJUSTMENT RESERVE — A reserve of funds set aside each year from prior fiscal year surplus funds to provide additional spending for state agencies in an Amended or Supplementary Budget. The reserve totals one percent net revenue collections, to the extent that surplus funds are available. It is established prior to the Revenue Shortfall Reserve.

MOTOR FUEL RESERVES — If actual motor fuel tax collections exceed the estimate, these funds are set aside in a reserve and appropriated to the State Department of Transportation in a subsequent Appropriations Act.

MOTOR FUEL TAX FUNDS — All motor fuel revenue collections are allocated for public highway and bridge construction or maintenance by provisions of the State Constitution. These funds are included in the Governor's Revenue Estimate and are a part of the state's Budget Fund for accounting purposes. There is an additional tax of the retail sales price. This tax is based upon an indexed retail sales price that is converted to a cent per gallon rate and is collected at the time of sale by the licensed distributor.

MOTOR VEHICLE LICENSE TAX — Collected for the title registration and license tags of motor vehicles, trailers, and truck tractors.

N

NON-APPROPRIATED FUNDS — Monies received or spent that are not contemplated by an Appropriations Act. These funds must be amended into an agency's budget through a request to the Office of Planning and Budget.

O

OBJECT CLASS — A grouping of similar expenditure items that form the basis of appropriations and records of expenditure. Establishment of budget object classes and changes are coordinated with the State Auditor's Chart of Accounts to ensure consistency in statewide financial reports. Common object classes are those shared by almost all agencies, including personal services, regular operating expenses, travel, motor vehicle purchases, postage, equipment, computer charges, real estate rentals, and telecommunications. Unique object classes are those that apply to only one or a few agencies, such as public library materials and driver's license processing.

OFFICE OF PLANNING AND BUDGET (OPB) — A part of the Office of the Governor charged with the responsibility of providing the Governor with assistance in the development and management of the state budget. OPB also is responsible for working with the State Auditor's Office in evaluating each program in state government at least once every 10 years. The Governor is the Director of the Budget.

ORIGINAL APPROPRIATION — The first budget passed that sets appropriations for all of state government for the next full year after a legislative session. The budget is generally amended midyear to more accurately reflect current needs of state agencies.

OTHER FUNDS — Funds received by state agencies and institutions for services performed such as tuition fees paid by students to colleges, universities and technical colleges, and fees collected by state parks. These funds are not turned into the state treasury, but are retained by agencies and spent in accordance with an Appropriations Act or state law. Also known as *agency funds*.

GLOSSARY

P

PERFORMANCE MEASURES — Quantitative or qualitative criteria used to gauge a program's performance.

PERSONAL SERVICES — The cost of state employees, including salary, fringe benefits, and other expenses. This also includes temporary labor.

PROGRAM — A systematic set of activities undertaken to accomplish an agency's core business.

PRIORITIZED PROGRAM BUDGET — A performance, results, and customer-focused method of budgeting, wherein agency programs are identified and are funded based upon their importance in carrying out the agency's mission and core businesses. Programs are measured on their effectiveness and efficiency in achieving desired outcomes.

PROPERTY TAX — Based on the taxable value (assessed value) of real and personal property, except for certain property as specified in state law. The state tax is collected locally via local property taxes, and is then remitted to the state.

R

RESULTS MEASURES — Indicators used to assess the impact of a program on its customers or community.

REVENUE ESTIMATE — An estimate of revenues that will be collected by the state during a fiscal year. These revenues include taxes, fees and sales, and other general revenues that flow into the state treasury and are available for expenditure in a budget recommended by the Governor and approved by the General Assembly.

REVENUE SHORTFALL RESERVE — An account established by the State Auditor to make up shortages that might occur in revenue collections at the end of the fiscal year, commonly known as the "rainy day" fund. The reserve is equal to not less than three percent nor more than five percent of the state's net revenue collections, to the extent that surplus is available. Funds are set-aside in the Revenue Shortfall Reserve only after the Midyear Adjustment Reserve is fully funded.

S

SALES TAX — Common name for the state Sales and Use Tax levied upon retail sales, rentals, leases, use, or consumption of tangible personal property and certain services. The statewide sales tax rate is four percent. Various items are exempt from the state sales tax by state law.

SENATE BUDGET AND EVALUATION OFFICE — An agency within the Legislative Branch that serves as budget advisor to the Senate.

STATE AID — Grants and other funding provided by Georgia's state government to assist cities, counties, public schools, and other allied groups in providing various services and programs to the citizens of Georgia.

STATE FUNDS — Includes the following: 1) The taxes and fees collected by the state and deposited directly into the state treasury to be appropriated; 2) Reserves; 3) Surplus funds; 4) Lottery receipts; 5) Indigent Care Trust Funds; 6) Motor Fuel tax funds;

and, 7) Tobacco Settlement funds, all of which form the basis for the Governor's revenue estimate.

STATEMENT OF FINANCIAL CONDITION — A statement which discloses the assets, liabilities, reserves, and equities of the state and its governmental units at the end of each fiscal year.

STATE TREASURY — A function of state government that receives, manages, invests, and allocates all state revenues that are available for expenditure through the state's general fund budgetary process. The function is managed by the Office of Treasury and Fiscal Services within the Department of Administrative Services.

STRATEGIC PLANNING — The process through which a preferred future direction and organizational mission are established and periodically updated in light of changing trends and issues. Goals, objectives, and strategies are adopted and implemented to guide an organization toward that preferred future direction.

SUB-OBJECT CLASS — The lowest level of detail used in recording expenditures. Supplies and materials is a sub-object class of regular operating expenses.

SUPPLEMENTARY APPROPRIATIONS — Increased funding that is approved by the General Assembly in a separate, stand-alone Appropriations Act, usually passed early in the session to get new money into projects with a high time priority. A supplementary appropriations act, often called a "speedy bill," cannot reduce spending or transfer funds previously appropriated.

SURPLUS — Unspent funds at the end of a fiscal year. Surplus funds come from two sources: excess revenue collections over the revenue estimate, and, unspent appropriations that were lapsed back to the state treasury and are available for re-appropriation.

T

TOBACCO SETTLEMENT FUNDS — Funds received as part of the 1998 national settlement with five major tobacco manufacturers to recover smoking related costs. The settlement provides for annual payments to Georgia based on a formula, with annual adjustments based on inflation and future national sales of cigarettes. These funds are included in the Governor's Revenue Estimate and are part of the State's Budget Fund for accounting purposes.

TOBACCO TAX — State tax on cigars based on the wholesale cost price; the state tax on cigarettes is based on per pack of 20. The state tax on loose or smokeless tobacco is based on the wholesaler's cost.

U

UNIT — A state agency or a division within an agency that is authorized to receive an appropriation. Functions or activities are a part of a unit.

USER TAXES AND FEES — Charges associated with using a particular service provided by state government to its citizens. The charge generally recovers the cost of providing the service. Examples include state park receipts and driver's licenses.

V

VETO — An action by the Governor that rejects appropriations passed by the General Assembly. The Governor is authorized to veto by line-item specific spending authorizations, or language

GLOSSARY

within an appropriations bill, or the entire bill. Line-item vetoes are more customary.

W

WINE TAX — An excise tax per liter on the first sale, use, or final delivery within the state and an import tax per liter for table wines; dessert wines (more than 14 percent, but not more than 21 percent alcohol by volume) have an excise tax per liter and an import tax per liter.

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