

Agency Name – **NYS DEPARTMENT OF STATE**
 Agency Head – **Lorraine A. Cortés-Vázquez, Secretary of State**

A. Overview of Proposed Plan

A.1 Overall Approach

The Department will achieve its 3.35% savings by utilizing recurring savings, delays in filling position vacancies and implementing program efficiencies. Currently, all programs are being reviewed for savings and efficiencies. In particular, for Business and Licensing, consideration will be given to enhancing licensing-related enforcement and improving customer service. We will continue to explore ways in which the prudent use of technology can help to decrease processing times, eliminate backlogs and reduce the need for overtime. Relative to local government issues, attention will be directed toward developing new approaches to training our various constituencies (e.g., firefighters, code enforcement officers, local government officials) and analyzing the many ways in which we interact with local governments to identify opportunities for improvement.

A.2 Achievement of Savings on a Recurring Basis

To achieve savings on a recurring basis, the Department will, from savings in 2007-08, prepay \$2.9 million of furniture which was to be financed as part of our move to One Commerce Plaza. It was intended that we would pay the landlord nearly \$500,000 per year for the next ten years. Prepayment will result in total savings of almost \$5,000,000.

A.3 Protecting Key Priorities

The Department will continue to progress priority projects. An analysis of program needs associated with key priorities is currently underway.

A.4 Treatment of New Initiatives

New initiatives will proceed as required. Savings will be achieved by delaying the fill of newly established items for a few months.

B. Summary of General Fund Financial Impacts

(in thousands)

GENERAL FUND – SAVINGS SUMMARY

	Required Reduction	2008-09 Savings	2009-10 Savings
Local Assistance	(\$63)	(\$63)	(\$63)
Personal Service	(\$200)	(\$200)	(\$200)
Non-personal Service	(\$500)	(\$500)	(\$500)
Total State Operations	(\$700)	(\$700)	(\$700)
Capital			
TOTAL	(\$763)	(\$763)	(\$763)

GENERAL FUND – YEAR-TO-YEAR CHANGE, AFTER SAVINGS

	2007-08 Actual	Revised Projection	Percent Change
Local Assistance	\$6,804	\$6,179	-9%
Personal Service	\$12,749	\$13,752	+8%
Non-personal Service	\$8,557	\$6,634	-22%
Total State Operations	\$21,306	\$20,386	-4%
Capital	\$1,682	\$674	-60%
TOTAL	\$29,792	\$27,239	-9%

Cash estimates include required savings from the 2% local assistance and 3.35% State operations across-the board cuts and revisions to State operations and local assistance disbursements.

C. Identification of Proposed General Fund Actions

	<u>2008-09 Cash</u>	<u>2009-10 Cash</u>	<u>2010-11 Cash</u>
GENERAL FUND			
Local Assistance	63	63	63
1. See Section H			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
	<u>2008-09 Cash</u>	<u>2009-10 Cash</u>	<u>2010-11 Cash</u>
State Operations			
11. Personal service attrition	200	200	200
12. Prepay furniture	500	500	500
13.			
14.			
Capital Projects			
15. Completion of Burn Building	674	-0-	-0-
16.			
17.			
18.			

D. Summary of Impact on Other Funds

OTHER FUNDS – SAVINGS SUMMARY

	Required Reduction	2008-09 Savings	2009-10 Savings
Local Assistance	(\$313)	(\$313)	(\$313)
Personal Service	(\$618)	(\$618)	(\$618)
Non-personal Service	(\$450)	(\$450)	(\$450)
Total State Operations	(\$1,068)	(\$1,068)	(\$1,068)
Capital			
TOTAL	(\$1,381)	(\$1,381)	(\$1,381)

OTHER FUNDS – YEAR-TO-YEAR CHANGE, AFTER SAVINGS

	2007-08 Actual	Revised Projection	Percent Change
Local Assistance	\$16,100	\$15,317	-5%
Personal Service	\$17,729	\$18,052	+2%
Non-personal Service	\$18,567	\$20,349	+10%
Total State Operations	\$36,296	\$38,401	+6%
Capital	\$27,940	\$24,215	-13%
TOTAL	\$80,336	\$77,933	-3%

E. Identification of Proposed Other Fund Actions

2008-09 Cash 2009-10 Cash 2010-11 Cash

OTHER FUNDS

(Note the funds affected by each proposal, in parenthesis at the end of each entry)

Local Assistance

- | | | | | |
|--------------------------------|-----|-----|-----|---------------------------|
| 1. Wireless Public Safety | 200 | 200 | 200 | (Gifts, Grants, Requests) |
| 2. Cemeteries Vandalism | 11 | 11 | 11 | (Special Revenue) |
| 3. Emerg. Serv. Revolving Loan | 82 | 82 | 82 | (Gifts, Grants, Requests) |
| 4. Civil Legal Services | 20 | 20 | 20 | (Special Revenue) |
| 5. | | | | |
| 6. | | | | |
| 7. | | | | |

State Operations

2008-09 Cash 2009-10 Cash 2010-11 Cash

- | | | | | |
|-----------------------|-----|-----|-----|-------------------|
| 8. Attrition Savings | 618 | 618 | 618 | (Special Revenue) |
| 9. Efficiency Savings | 450 | 450 | 450 | (Special Revenue) |
| 10. | | | | |
| 11. | | | | |

Capital Projects

- 12. N/A
- 13.
- 14.
- 15.

F. Plan to Manage the Workforce

F.1 Overall Approach

The numbers in F-2 below do not reflect any reduction in target. The Department anticipates living within our cash limit by starting off the year under target and through attrition savings for the remainder of the year. We will continually monitor the agency's fill level and associated cash expenditures to ensure that the required cash savings are achieved. Cash projections will be analyzed at least monthly. It should also be noted that the 57 positions transferred with the Committee of Public Integrity included four Department of State administrative positions. While Fiscal, Personnel and Administrative Services should end sometime during this fiscal year, we anticipate that IT support will continue on for approximately two years. As IT comprised the majority of services provided, the need for target will remain. In addition, the Secretary was previously allowed the flexibility to exceed target, where cash was available, if necessary to address priority hiring needs.

F.2 Plan for Refill of Vacant Positions (both current and anticipated vacancies)

The Department plans to refill vacancies where cash is available. If at any time projections show a potential deficit, delays in filling items will be instituted to achieve required savings.

Workforce Impact – All Funds

a. Initial Target: x,xxx (for reference)	900
b. Current Fills PP# 1	808
c. Recurring impact of proposed actions (see Parts C & E)	-0-
d. Recurring impact of vacancy-refilling plan (see F.2)	92
e. Total FTEs March 31, 2009 (line b minus line c, plus/minus line d)	900
f. Change from initial 2008-09 target (line a minus line e)	-0-

G. Monthly Projections: All Funds Workforce; General Fund State Operations/Local/Capital

See attached.

H. Assumptions Underlying the Proposed Plan

Programs will be allowed to refill vacancies where justified. However, delays may be imposed to save cash during the year. Efficiencies will be required to generate NPS savings. It should be noted that the Department has no control over General Fund Local Assistance

expenditures. All of these funds are specifically "lined out" to not-for-profit agencies. Due to prompt contracting and prompt payment laws, we are required to pay as projects are completed and payment is requested.

I. Management of Risks Inherent in the Plan

Delays in filling positions may result in processing backlogs as well as decreased revenue.

J. Additional Savings Opportunities for 2008-09

A major responsibility of the Divisions of Local Government, Fire and Codes is training. It is our goal to improve and change our delivery of courses to include webcasting, internet-based training and other methods to produce savings and enhance service. On the Business and Licensing side, we are implementing new systems and using new technology that will result in efficiencies and produce savings. In April, we launched E-Access, a new on-line Real Estate system, which should both reduce backlogs and result in savings. Enforcement activities are being examined for potential revenue generators. We are also reviewing legislation to see where changes could be proposed.

K. Potential Future Savings Opportunities/Operational Improvements (indicate if statutory change is required)

Where allowed by law, we will attempt to schedule meetings of boards and commissions less frequently. All training offerings will be reviewed to determine where on-line training is practicable. We will also be implementing a new vehicle policy to ensure that vehicles are used efficiently. The lease for our NYC office expires in 2009-10. Costs will be increasing for affected programs.

DIRECT APPROPRIATIONS

PROGRAM	APRIL		MAY		JUNE		JULY		AUGUST		SEPTEMBER		OCTOBER		NOVEMBER		DECEMBER		JANUARY		FEBRUARY		MARCH		TOTALS		
	PLANNED	ACTUAL																									
ADMINISTRATION																											
P/S	590,400	0	374,200	0	374,200	0	516,000	0	404,200	0	374,200	0	559,800	0	374,200	0	374,200	0	374,200	0	374,200	0	374,200	0	374,200	5,064,000	0
NPS	0	0	819,400	0	1,466,000	0	356,600	0	238,000	0	378,000	0	209,000	0	340,000	0	427,000	0	452,000	0	457,000	0	457,000	0	457,000	5,600,000	0
SUBTOTAL	590,400	0	1,193,600	0	1,840,200	0	872,600	0	642,200	0	752,200	0	768,800	0	714,200	0	801,200	0	826,200	0	831,200	0	831,200	0	831,200	10,664,000	0
BUS & LICENSING																											
P/S	2,055,600	0	1,319,200	0	1,319,200	0	1,319,200	0	1,319,200	0	1,319,200	0	1,978,200	0	1,319,200	0	1,319,200	0	1,319,200	0	1,319,200	0	1,130,400	0	1,130,400	17,037,000	0
NPS	300,000	0	2,439,600	0	3,659,600	0	2,901,400	0	730,700	0	875,300	0	2,901,400	0	730,700	0	730,700	0	2,801,400	0	930,700	0	919,500	0	919,500	19,921,000	0
SUBTOTAL	2,355,600	0	3,758,800	0	4,978,800	0	4,220,600	0	2,049,900	0	2,194,500	0	4,879,600	0	2,049,900	0	2,049,900	0	4,120,600	0	2,249,900	0	2,049,900	0	2,049,900	36,958,000	0
LOCAL GOVERNMENT																											
P/S	439,700	0	736,480	0	736,480	0	736,480	0	736,480	0	736,480	0	736,480	0	736,480	0	736,480	0	736,480	0	736,480	0	736,500	0	736,500	8,541,000	0
NPS	80,000	0	490,500	0	1,290,500	0	26,700	0	26,700	0	26,700	0	26,700	0	26,700	0	26,700	0	206,700	0	26,700	0	26,400	0	26,400	2,281,000	0
SUBTOTAL	519,700	0	1,226,980	0	2,026,980	0	763,180	0	763,180	0	763,180	0	763,180	0	763,180	0	763,180	0	943,180	0	763,180	0	762,900	0	762,900	10,822,000	0
REVOLVING LOAN																											
P/S	12,000	0	0	0	11,000	0	11,000	0	11,000	0	11,000	0	11,000	0	11,000	0	11,000	0	11,000	0	11,000	0	13,000	0	13,000	124,000	0
NPS	0	0	0	0	21,000	0	11,000	0	1,000	0	1,000	0	16,000	0	1,000	0	1,000	0	16,000	0	1,000	0	1,000	0	1,000	70,000	0
SUBTOTAL	12,000	0	0	0	32,000	0	22,000	0	12,000	0	12,000	0	27,000	0	12,000	0	12,000	0	27,000	0	12,000	0	14,000	0	14,000	194,000	0
FIRE ACADEMY																											
P/S	39,400	0	25,600	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	315,000	0
NPS	0	0	106,500	0	169,800	0	91,700	0	39,000	0	39,000	0	91,500	0	39,000	0	39,000	0	91,500	0	39,000	0	39,000	0	39,000	785,000	0
SUBTOTAL	39,400	0	132,100	0	194,800	0	116,700	0	64,000	0	64,000	0	116,500	0	64,000	0	64,000	0	116,500	0	64,000	0	64,000	0	64,000	1,100,000	0
FIRE PROTECTION																											
P/S	0	0	0	0	300	0	300	0	300	0	300	0	300	0	300	0	300	0	300	0	300	0	300	0	300	3,000	0
NPS	0	0	0	0	9,500	0	10,100	0	9,500	0	9,500	0	10,200	0	9,500	0	9,500	0	10,200	0	9,500	0	9,500	0	9,500	97,000	0
SUBTOTAL	0	0	0	0	9,800	0	10,400	0	9,800	0	9,800	0	10,500	0	9,800	0	9,800	0	10,500	0	9,800	0	9,800	0	9,800	100,000	0
MANUF. HOUSING																											
P/S	4,000	0	70,200	0	37,100	0	37,100	0	37,100	0	37,100	0	37,100	0	37,100	0	37,100	0	37,100	0	37,100	0	37,900	0	37,900	446,000	0
NPS	0	0	23,600	0	67,500	0	67,500	0	11,800	0	11,800	0	67,500	0	11,800	0	11,800	0	67,500	0	11,800	0	12,400	0	12,400	365,000	0
SUBTOTAL	4,000	0	93,800	0	104,600	0	104,600	0	48,900	0	48,900	0	104,600	0	48,900	0	48,900	0	104,600	0	48,900	0	50,300	0	50,300	811,000	0
WATERSHED																											
P/S	3,200	0	11,200	0	11,200	0	11,200	0	11,200	0	11,200	0	11,200	0	11,200	0	11,200	0	11,200	0	11,200	0	11,800	0	11,800	127,000	0
NPS	100	0	6,900	0	17,000	0	23,800	0	3,800	0	23,800	0	3,800	0	3,800	0	3,800	0	23,800	0	3,800	0	4,600	0	4,600	119,000	0
SUBTOTAL	3,300	0	18,100	0	28,200	0	35,000	0	15,000	0	35,000	0	15,000	0	15,000	0	15,000	0	35,000	0	15,000	0	16,400	0	16,400	246,000	0
LAW REVISION COMM.																											
P/S	0	0	12,250	0	24,500	0	12,250	0	12,250	0	12,250	0	12,250	0	12,250	0	12,250	0	12,250	0	12,250	0	12,250	0	12,250	147,000	0
NPS	0	0	800	0	800	0	800	0	800	0	800	0	800	0	800	0	800	0	800	0	800	0	1,000	0	1,000	9,000	0
SUBTOTAL	0	0	13,050	0	25,300	0	13,050	0	13,050	0	13,050	0	13,050	0	13,050	0	13,050	0	13,050	0	13,050	0	13,250	0	13,250	156,000	0
NYCUSL (UNIFORM)																											
P/S	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NPS	0	0	0	0	144,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	144,000	0
SUBTOTAL	0	0	0	0	144,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	144,000	0

INSURANCE SUBALLOCATION

PROGRAM	APRIL		MAY		JUNE		JULY		AUGUST		SEPTEMBER		OCTOBER		NOVEMBER		DECEMBER		JANUARY		FEBRUARY		MARCH		TOTALS		
	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	PLANNED	ACTUAL	
INS - CODES																											
P/S	468,700	0	321,000	0	321,300	0	321,000	0	321,000	0	321,000	0	321,000	0	321,000	0	321,000	0	321,000	0	321,000	0	321,000	0	321,000	4,000,000	0
NPS	71,000	0	628,800	0	131,100	0	613,300	0	113,300	0	113,300	0	613,300	0	113,300	0	113,300	0	613,300	0	113,300	0	113,300	0	113,700	3,351,000	0
SUBTOTAL	539,700	0	949,800	0	452,400	0	934,300	0	434,300	0	434,300	0	934,300	0	434,300	0	434,300	0	934,300	0	434,300	0	434,300	0	434,700	7,351,000	0
INS -USAR																											
P/S	9,800	0	8,200	0	8,200	0	8,200	0	8,200	0	8,200	0	8,200	0	8,200	0	8,200	0	8,200	0	8,200	0	8,200	0	8,200	100,000	0
NPS	12,000	0	67,200	0	56,500	0	41,700	0	29,200	0	29,200	0	41,700	0	29,200	0	29,200	0	41,700	0	29,200	0	29,200	0	29,200	436,000	0
SUBTOTAL	21,800	0	75,400	0	64,700	0	49,900	0	37,400	0	37,400	0	49,900	0	37,400	0	37,400	0	49,900	0	37,400	0	37,400	0	37,400	536,000	0
INS - FIRE																											
P/S	716,900	0	480,300	0	480,300	0	480,300	0	480,300	0	480,300	0	480,300	0	480,300	0	480,300	0	480,300	0	480,300	0	480,300	0	480,100	6,000,000	0
NPS	99,700	0	1,254,600	0	604,300	0	1,014,600	0	264,600	0	264,600	0	1,014,600	0	264,600	0	264,600	0	1,014,600	0	264,600	0	264,600	0	264,600	6,590,000	0
SUBTOTAL	816,600	0	1,734,900	0	1,084,600	0	1,494,900	0	744,900	0	744,900	0	1,494,900	0	744,900	0	744,900	0	1,494,900	0	744,900	0	744,900	0	744,700	12,590,000	0
INS- ACAD MAINT.																											
NPS	3,300	0	83,300	0	82,700	0	39,300	0	39,300	0	39,300	0	39,300	0	39,300	0	39,300	0	39,300	0	39,300	0	39,300	0	39,300	523,000	0
INS - CAMPUS																											
P/S	57,700	0	31,100	0	31,300	0	31,100	0	31,100	0	31,100	0	31,100	0	31,100	0	31,100	0	31,100	0	31,100	0	31,100	0	31,100	400,000	0
NPS	105,700	0	111,400	0	59,700	0	80,800	0	30,800	0	30,800	0	80,800	0	30,800	0	30,800	0	80,800	0	30,800	0	30,800	0	30,800	704,000	0
SUBTOTAL	163,400	0	142,500	0	91,000	0	111,900	0	61,900	0	61,900	0	111,900	0	61,900	0	61,900	0	111,900	0	61,900	0	61,900	0	61,900	1,104,000	0
INS - SAFE CIGS																											
P/S	66,700	0	39,400	0	39,300	0	39,400	0	39,400	0	39,400	0	39,400	0	39,400	0	39,400	0	39,400	0	39,400	0	39,400	0	39,400	500,000	0
NPS	36,000	0	181,800	0	127,700	0	190,200	0	127,700	0	127,700	0	190,200	0	127,700	0	190,200	0	127,700	0	127,700	0	128,400	0	128,400	1,683,000	0
SUBTOTAL	102,700	0	221,200	0	167,000	0	229,600	0	167,100	0	167,100	0	229,600	0	167,100	0	229,600	0	167,100	0	167,100	0	167,800	0	167,800	2,183,000	0