

8860 Department of Finance

By statute, the Director of Finance serves as the Governor's chief fiscal policy advisor and promotes long-term economic sustainability and responsible resource allocation.

The primary functions of the Department of Finance are to:

- Prepare, explain, and administer the annual financial plan for the state.
- Establish fiscal and accounting policies for all state departments.
- Analyze proposed legislation for fiscal and policy impacts.
- Monitor and audit expenditures by state departments to ensure compliance with the law, approved standards, and policies.
- Analyze the fiscal impact of information technology projects.

3-YEAR EXPENDITURES AND POSITIONS

		Positions			Expenditures		
		2022-23	2023-24	2024-25	2022-23*	2023-24*	2024-25*
6770	State Budget	208.5	269.2	269.2	\$53,154	\$75,261	\$74,009
6780	State Audits and Evaluations	71.9	104.0	99.0	17,454	27,007	25,554
6785	Statewide Accounting Policies, Consulting and Training	45.2	57.6	56.6	11,158	16,099	14,500
9900100	Administration	59.9	90.3	90.3	12,715	19,228	18,920
9900200	Administration - Distributed	-	-	-	-12,715	-19,228	-18,920
TOTALS, POSITIONS AND EXPENDITURES (All Programs)		385.5	521.1	515.1	\$81,766	\$118,367	\$114,063

		2022-23*	2023-24*	2024-25*
0001	General Fund	\$44,132	\$60,240	\$64,734
0995	Reimbursements	8,125	11,404	11,598
3314	California Cannabis Tax Fund	-	46	-
3342	Cannabis Tax Fund - Department of Finance	-	440	-
8506	Coronavirus Fiscal Recovery Fund of 2021	2,038	6,536	794
9740	Central Service Cost Recovery Fund	27,471	39,701	36,937
TOTALS, EXPENDITURES, ALL FUNDS		\$81,766	\$118,367	\$114,063

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Government Code Section 13000.

PROGRAM AUTHORITY

6770-State Budget:

Article IV, Section 12 of the State Constitution; Government Code Sections 13070, 13073-13075, 13335 and 13337.

6780-State Audits and Evaluations:

Government Code Sections 13070-13071, 13076-13077, and 13291-13296; Health and Safety Code Sections 34176-34176.5, 34177-34178, 34179, 34179.6, 34179.8, 34189.1, and 34191.1-34191.5.

6785-Statewide Accounting Policies, Consulting and Training:

Government Code Sections 13031, 13070, 13300, 13301, 13306, 13310, and 13344.

9900100-Administration:

Government Code Section 13005.

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

8860 Department of Finance - Continued**DETAILED BUDGET ADJUSTMENTS**

	2023-24*			2024-25*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Other Post-Employment Benefit Adjustments	\$-127	\$-91	-	\$-171	\$-119	-
• Miscellaneous Baseline Adjustments	-	-	-	2,993	-2,793	2.0
• Salary Adjustments	1,514	1,195	-	1,944	1,360	-
• Benefit Adjustments	674	524	-	882	610	-
• Carryover/Reappropriation	-	3,049	-	-	-	-
Totals, Other Workload Budget Adjustments	\$2,061	\$4,677	-	\$5,648	\$-942	2.0
Totals, Workload Budget Adjustments	\$2,061	\$4,677	-	\$5,648	\$-942	2.0
Totals, Budget Adjustments	\$2,061	\$4,677	-	\$5,648	\$-942	2.0

PROGRAM DESCRIPTIONS**6770 - STATE BUDGET**

To ensure the financial integrity of the state through the planned allocation of state resources, the Department of Finance advises the Governor on the fiscal condition of the state and prepares the annual Governor's Budget. The Governor's Budget contains past year actual expenditures and revenues, current year estimated expenditures and revenues, and proposed expenditures and estimated revenues for the next fiscal year. After the budget is enacted, the Department of Finance assists in the administration of the budget. The Department of Finance also conducts performance reviews of state agencies and programs, recommends ways to lower the costs of state government and to better serve the public within existing resources, and provides fiscal analyses of bills introduced in the Legislature and makes recommendations to the Governor. Federal Funds Accountability and Cost Tracking functions support the coordination of the tracking, reporting, transparency, and accountability for federal stimulus and disaster recovery funds, while also performing certain federal disaster cost recovery activities in coordination with the California Office of Emergency Services. Basic and applied economic and tax research functions support the revenue estimates required for the development of the state financial plan, for the analysis of financial legislation, and the evaluation of economic trends or other fiscal developments which affect the state. Basic and applied demographic research functions provide data to support the workload estimates of state agencies.

6780 - STATE AUDITS AND EVALUATIONS

The Department of Finance systematically reviews and evaluates state-administered and financed programs. The Office of State Audits and Evaluations assists the Director of Finance in fulfilling the statutory responsibilities for supervision over all matters concerning the financial and business policies of the state by conducting financial audits and by performing critical examinations of state programs and policies including the oversight activities associated with the dissolution of redevelopment agencies.

6785 - STATEWIDE ACCOUNTING POLICIES, CONSULTING AND TRAINING

The Department of Finance is responsible for devising and maintaining a modern and uniform system of statewide accounting. The Fiscal Systems and Consulting Unit sets statewide fiscal and accounting policies and procedures. The unit provides fiscal and accounting training, advice, and consulting services to departments to ensure that the state's assets are protected, and that accurate and timely financial information is maintained. The Department of Finance participates in the development of statewide financial systems.

DETAILED EXPENDITURES BY PROGRAM

		2022-23*	2023-24*	2024-25*
	PROGRAM REQUIREMENTS			
6770	STATE BUDGET			
	State Operations:			
0001	General Fund	\$29,004	\$40,827	\$44,267
0995	Reimbursements	2,999	3,100	3,100

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

8860 Department of Finance - Continued

		2022-23*	2023-24*	2024-25*
8506	Coronavirus Fiscal Recovery Fund of 2021	1,450	2,993	644
9740	Central Service Cost Recovery Fund	19,701	28,341	25,998
	Totals, State Operations	\$53,154	\$75,261	\$74,009
	SUBPROGRAM REQUIREMENTS			
6770010	Preparation			
	State Operations:			
0001	General Fund	\$11,428	\$16,612	\$17,734
9740	Central Service Cost Recovery Fund	7,578	11,541	10,415
	Totals, State Operations	\$19,006	\$28,153	\$28,149
	SUBPROGRAM REQUIREMENTS			
6770019	Enactment			
	State Operations:			
0001	General Fund	\$5,272	\$7,153	\$7,634
9740	Central Service Cost Recovery Fund	3,506	4,953	4,483
	Totals, State Operations	\$8,778	\$12,106	\$12,117
	SUBPROGRAM REQUIREMENTS			
6770028	Support and Direction			
	State Operations:			
0001	General Fund	\$7,369	\$10,165	\$11,533
0995	Reimbursements	2,999	3,100	3,100
8506	Coronavirus Fiscal Recovery Fund of 2021	1,450	2,993	644
9740	Central Service Cost Recovery Fund	5,322	7,043	6,774
	Totals, State Operations	\$17,140	\$23,301	\$22,051
	SUBPROGRAM REQUIREMENTS			
6770037	Legislation and Intergovernmental Relations			
	State Operations:			
0001	General Fund	\$4,935	\$6,897	\$7,366
9740	Central Service Cost Recovery Fund	3,295	4,804	4,326
	Totals, State Operations	\$8,230	\$11,701	\$11,692
	PROGRAM REQUIREMENTS			
6780	STATE AUDITS AND EVALUATIONS			
	State Operations:			
0001	General Fund	\$8,490	\$10,937	\$11,411
0995	Reimbursements	5,033	8,179	8,373
3314	California Cannabis Tax Fund	-	46	-
3342	Cannabis Tax Fund - Department of Finance	-	440	-
8506	Coronavirus Fiscal Recovery Fund of 2021	585	1,933	150
9740	Central Service Cost Recovery Fund	3,346	5,472	5,620
	Totals, State Operations	\$17,454	\$27,007	\$25,554
	PROGRAM REQUIREMENTS			
6785	STATEWIDE ACCOUNTING POLICIES, CONSULTING AND TRAINING			
	State Operations:			
0001	General Fund	\$6,638	\$8,476	\$9,056
0995	Reimbursements	93	125	125
8506	Coronavirus Fiscal Recovery Fund of 2021	3	1,610	-
9740	Central Service Cost Recovery Fund	4,424	5,888	5,319
	Totals, State Operations	\$11,158	\$16,099	\$14,500
	SUBPROGRAM REQUIREMENTS			
6785055	Fiscal Systems and Consulting			
	State Operations:			
0001	General Fund	\$6,638	\$8,476	\$9,056

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

8860 Department of Finance - Continued

		<u>2022-23*</u>	<u>2023-24*</u>	<u>2024-25*</u>
0995	Reimbursements	93	125	125
8506	Coronavirus Fiscal Recovery Fund of 2021	3	1,610	-
9740	Central Service Cost Recovery Fund	4,424	5,888	5,319
	Totals, State Operations	\$11,158	\$16,099	\$14,500
	SUBPROGRAM REQUIREMENTS			
9900100	Administration			
	State Operations:			
0001	General Fund	\$12,715	\$19,228	\$18,920
	Totals, State Operations	\$12,715	\$19,228	\$18,920
	SUBPROGRAM REQUIREMENTS			
9900200	Administration - Distributed			
	State Operations:			
0001	General Fund	-\$12,715	-\$19,228	-\$18,920
	Totals, State Operations	-\$12,715	-\$19,228	-\$18,920
	TOTALS, EXPENDITURES			
	State Operations	81,766	118,367	114,063
	Totals, Expenditures	\$81,766	\$118,367	\$114,063

EXPENDITURES BY CATEGORY

1 State Operations	<u>Positions</u>			<u>Expenditures</u>		
	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2022-23*</u>	<u>2023-24*</u>	<u>2024-25*</u>
PERSONAL SERVICES						
Baseline Positions	512.1	521.1	513.1	\$59,080	\$61,692	\$60,845
Other Adjustments	-126.6	-	2.0	-11,550	780	3,002
Net Totals, Salaries and Wages	385.5	521.1	515.1	\$47,530	\$62,472	\$63,847
Staff Benefits	-	-	-	24,189	32,284	32,912
Totals, Personal Services	385.5	521.1	515.1	\$71,719	\$94,756	\$96,759
OPERATING EXPENSES AND EQUIPMENT				\$10,047	\$23,611	\$17,304
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$81,766	\$118,367	\$114,063

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS		<u>2022-23*</u>	<u>2023-24*</u>	<u>2024-25*</u>
	0001 General Fund			
APPROPRIATIONS				
001 Budget Act appropriation		\$44,132	\$58,179	\$64,734
Allocation for Employee Compensation		-	1,514	-
Allocation for Other Post-Employment Benefits		-	-127	-
Allocation for Staff Benefits		-	674	-
Totals Available		\$44,132	\$60,240	\$64,734
TOTALS, EXPENDITURES		\$44,132	\$60,240	\$64,734
	0995 Reimbursements			
APPROPRIATIONS				
Reimbursements		\$8,125	\$11,404	\$11,598
TOTALS, EXPENDITURES		\$8,125	\$11,404	\$11,598
	3314 California Cannabis Tax Fund			
APPROPRIATIONS				

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

8860 Department of Finance - Continued

1 STATE OPERATIONS	2022-23*	2023-24*	2024-25*
Revenue and Taxation Code section 34019(a)(1)(F) and Business and Professions Code section 26191	-	\$46	-
TOTALS, EXPENDITURES	-	\$46	-
3342 Cannabis Tax Fund - Department of Finance			
APPROPRIATIONS			
Revenue and Taxation Code section 34019(a)(1)(F) and Business and Professions Code section 26191	-	\$440	-
TOTALS, EXPENDITURES	-	\$440	-
8506 Coronavirus Fiscal Recovery Fund of 2021			
APPROPRIATIONS			
062 Budget Act appropriation	\$2,028	\$3,487	\$794
Prior Year Balances Available:			
Item 8860-062-8506, Budget Act of 2021	10	1,590	-
Item 8860-062-8506, Budget Act of 2022	-	1,459	-
Totals Available	\$2,038	\$6,536	\$794
TOTALS, EXPENDITURES	\$2,038	\$6,536	\$794
9740 Central Service Cost Recovery Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$27,471	\$38,345	\$36,937
Allocation for Employee Compensation	-	993	-
Allocation for Other Post-Employment Benefits	-	-74	-
Allocation for Staff Benefits	-	437	-
Totals Available	\$27,471	\$39,701	\$36,937
TOTALS, EXPENDITURES	\$27,471	\$39,701	\$36,937
Total Expenditures, All Funds, (State Operations)	\$81,766	\$118,367	\$114,063

FUND CONDITION STATEMENTS

	2022-23*	2023-24*	2024-25*
<u>3342 Cannabis Tax Fund - Department of Finance^s</u>			
BEGINNING BALANCE	\$440	440	-
Adjusted Beginning Balance	\$440	\$440	-
Total Resources	\$440	\$440	-
EXPENDITURE AND EXPENDITURE ADJUSTMENTS			
8860 Department of Finance (State Operations)	-	440	-
Total Expenditures and Expenditure Adjustments	-	\$440	-
FUND BALANCE	\$440	-	-
Reserve for economic uncertainties	440	-	-

CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2022-23	2023-24	2024-25	2022-23*	2023-24*	2024-25*
Baseline Positions	512.1	521.1	513.1	\$59,080	\$61,692	\$60,845
Salary and Other Adjustments	-126.6	-	2.0	-11,550	780	3,002
Totals, Adjustments	-126.6	-	2.0	\$-11,550	\$780	\$3,002
TOTALS, SALARIES AND WAGES	385.5	521.1	515.1	\$47,530	\$62,472	\$63,847

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.