

Budget Tidbits... just the facts

Senate Republican Caucus

Budget Brief #4: (4/24/08)

Growth in the Governor's Office

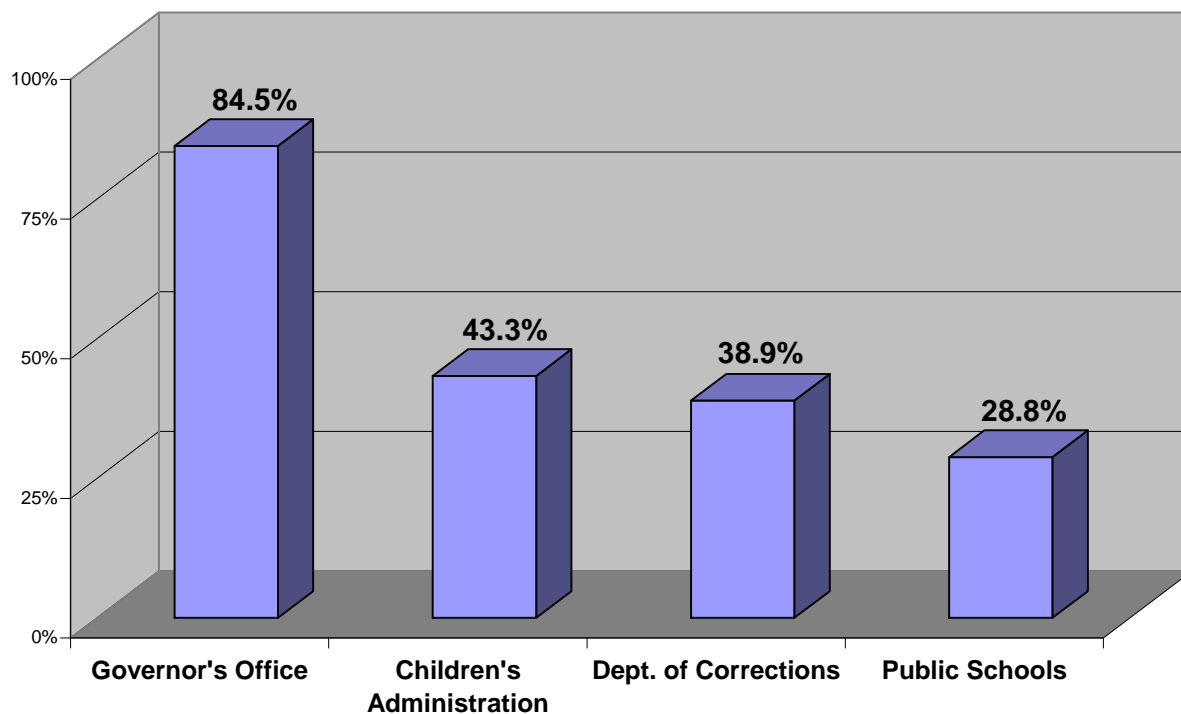
Analyzing one of the most rapidly expanding areas of state government

This brief analyzes the growth in the Governor's office, which by statute includes the Office of Financial Management.¹

I. Governor's office spending nearly doubled in four years

Appropriations Growth

(Near General Fund State -- 2004 supp to 2008 supp)



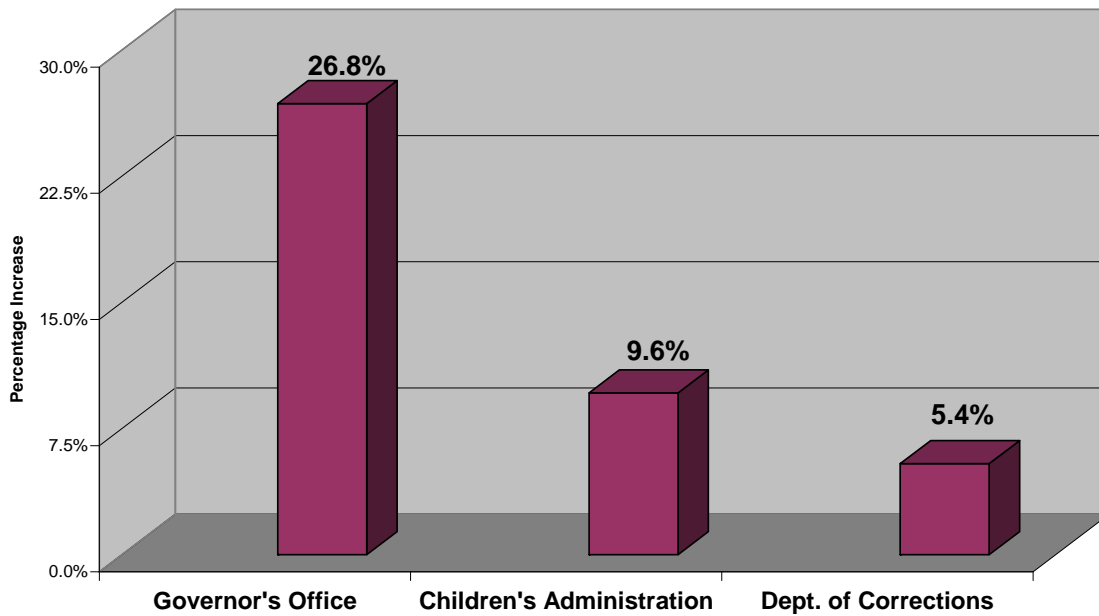
* Source: LEAP

The Governor's office has grown from an adjusted basis of \$33.5 million to \$61.8 million, an 84.5% increase.²

Public schools' state appropriations have risen by 28.8% over the same time frame. Put another way, the Governor's office growth rate has been nearly three times that of public schools.

II. Employee growth rate is comparatively quite high

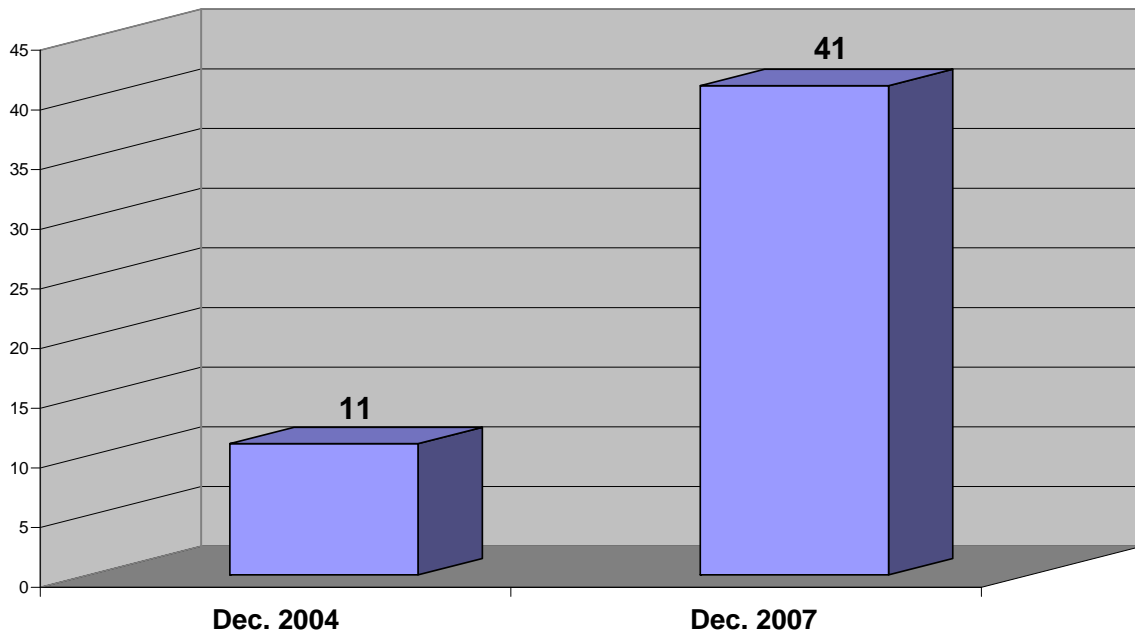
Employee Growth (Dec. 2004 - Dec. 2007)



* Source: Personnel Detail Report & Dept. of Personnel³

III. Well-paid: Staff earning over \$100,000 a year nearly quadrupled

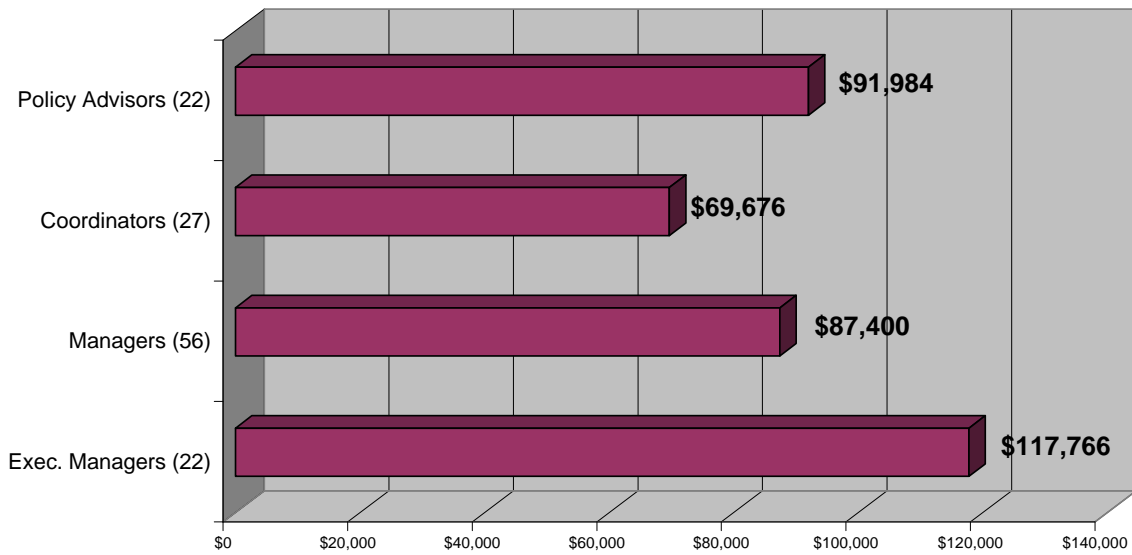
Governor's office staff earning over \$100,000 a year



* Source: Dec. 2004 -- 2005 personnel detail report; Dec. 2007 -- Dept. of Personnel HRMS payroll analysis (as of 1/1/08)⁴

IV. Significant number of managers, advisors, coordinators

**Governor's Office Staffing --
Managers, Advisors, Coordinators
(Average Salary as of 1/1/2008)**

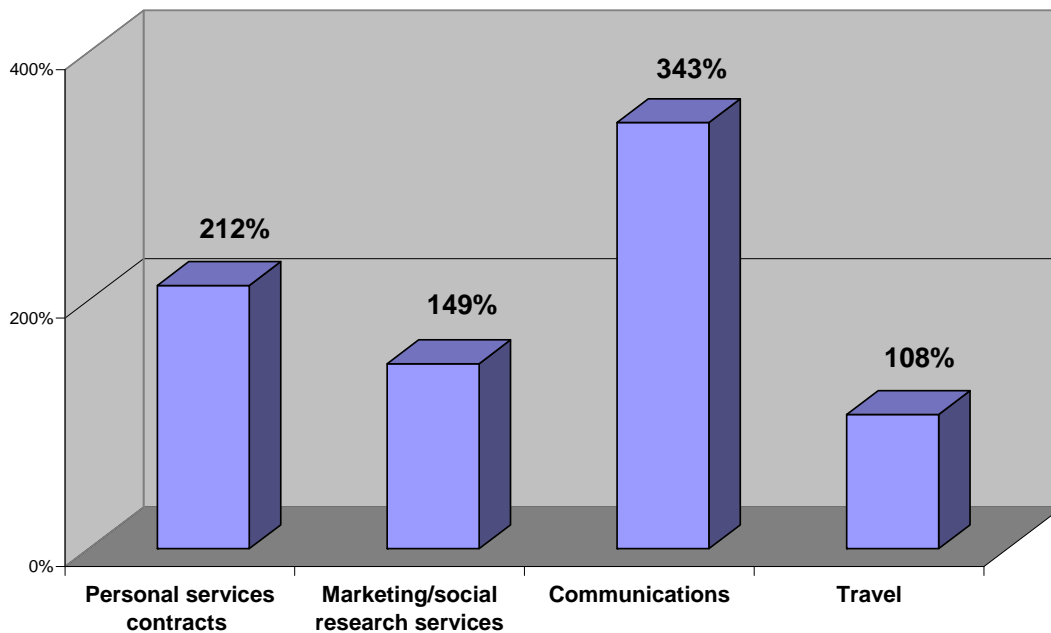


* Source: Dept of Personnel -- HRMS payroll analysis (as of 1/1/2008)

Nearly 30% (or 127 of 426 employees) are a policy advisor, coordinator, manager, or executive manager.

V. Certain expenditure areas have seen extensive growth

**Governor's Office -- Areas of Expenditure Growth
(Near general fund state)**



* Source: LEAP (compares biennial expenditures through Mar. 04 versus through Mar. 08)⁵

Bottom Line

Is the growth in the Governor's office beyond what taxpayers should expect?

1. See RCW 43.41.030 ("It is the purpose of this chapter to bring these functions together in a new division of the office of the governor to be called the office of financial management.")
2. Adjusted basis growth is \$33.5 million to \$61.8 million. LEAP reports \$73.2 million. Of this, \$11.4 million is an appropriation to the Office of Financial Management for an inter-agency agreement with the state superintendent's office concerning administration of WASL funds, essentially placing OFM in an oversight capacity. Including this appropriation would overstate the true growth in the Governor's office, so it is excluded. Additionally, the Puget Sound Action Team, which was in the Governor's office base in 2004, was transferred to the newly-created Puget Sound Partnership in 2007. The \$3.8 million in funding in the 2004 supplemental budget for this activity is excluded from the base to ensure an apples-to-apples comparison.
3. Governor's office employee growth: 336 to 426.
Children's administration growth: 2,743 to 3,005.
Dept. of corrections growth: 8,081 to 8,520.

Governor's office, OFM, and Dept. of Corrections growth analysis based on employee count comparison of 2005 personnel detail report to Dept. of Personnel HRMS reporting system for agencies as of 1/1/2008. Adjustment made for transfer of PSAT employees from the Governor's office to the Puget Sound Partnership. Children's administration analysis based on HRMS reports for 1/1/2005 and 1/1/2008.

4. The Governor's salary is not included in the above analysis, even though it is greater than \$100,000. The Governor's salary is set by a citizen's commission; only staff salaries are included in the analysis.
5. Compares 2003-05 object expenditures through Mar. 04 to 2007-09 object expenditures through Mar. 08 (preliminary). Object expenditures in 2003-05 attributable to the Puget Sound Action Team are excluded to ensure an accurate comparison:
 - o Personal service contracts: \$257,000 to \$800,000
 - o Marketing/social research services: \$139,000 to \$346,000
 - o Communications (goods & services): \$116,000 to \$515,000
 - o Travel: \$170,000 to \$355,000