

AGENDA ITEM

MARCH 142

2007 Supplemental Budget
Appropriation - Carry Forward of
budgeted funds from 2006 to 2007

DATE: February 15, 2007

TO: Members of the Board Planning, Program Development, and Budget
Committee
Members of the Board of Governors

FROM: Finance Department

SUBJECT: 2007 Supplemental Budget Appropriation to carry forward unspent
budgeted funds from 2006 to 2007 to complete projects in process

Executive Summary

At the end of each year, the State Bar typically has a number of budgeted projects that are still in the process of completion. In order to allow these projects to continue, staff annually requests approval of a supplemental budget appropriation to carry forward the previous year's unspent budget associated with these projects. As of the end of December 2006, several projects were uncompleted and authorization for a carry forward of the 2006 unspent project budget is required to provide funding through project completion. Approval of this agenda item will allow budget staff to encumber the unspent 2006 budgeted funds to complete these projects in 2007.

DISCUSSION

Outlined below are the 2006 approved projects that will carryforward into 2007. Because budget appropriations lapse at the end of the budget year, the unspent budgeted funds must be re-appropriated to allow for the completion of the projects.

Information Technology:

1. Professional services, including training, documentation, project management, and other support for the Word Perfect to Microsoft Word conversion project - \$540,000
2. Microsoft Office 2003 licenses with upgrade assurance - \$275,000
3. Peoplesoft service support for general ledger, payroll and human resources systems - \$135,000
4. State Teale Data Center transition - \$100,000

The total Information Technology carryforward - \$1,050,000

Finance Department:

1. Development and implementation of a computerized budget development system - \$80,000

Office of General Counsel

1. Continued consulting on General Counsel's Pro Law system - \$28,000

The total of all requested carryforward funding is \$1,158,000.

FISCAL IMPACT

Approval of a supplemental appropriation for these projects will amend the 2007 Administration and Support Fund budget by \$1,158,000. Since these costs were approved in 2006 but unspent at the end of the year, there is no impact to the State Bar's fund balances.

BOARD BOOK / ADMINISTRATIVE MANUAL UPDATES

None.

RECOMMENDATION

Should the Board Planning, Program Development, and Budget Committee concur with the proposed budget carryovers and supplemental budget appropriations for 2007 as presented herein, the following resolutions would be in order:

Committee Resolution:

RESOLVED that the Board Planning, Program Development and Budget Committee, recommends that the Board of Governors hereby approves the following supplemental appropriations to the 2007 State Bar budget whereby:

1. An amount of \$1,158,000 is added to the 2006 Administrative and Support Fund budget within the cost center for Information Technology for the completion of the Word Perfect to Microsoft Word conversion, Microsoft Office 2003 licenses, Peoplesoft support and State Teale Data Center transition projects;
2. An amount of \$80,000 is added to the 2007 Administrative and Support Fund budget within the cost center for Finance for the completion of the development and implementation of a computerized budget development system;
3. An amount of \$28,000 is added to the 2007 Administration and Support Fund budget within the cost center for Office of General Counsel for continued consulting services on the General Counsel's Pro Law system.

Board Resolution:

RESOLVED, upon recommendation of the Board Planning, Program Development, and Budget Committee that the Board of Governors hereby approves the following supplemental appropriations to the 2007 State Bar budget whereby:

1. An amount of \$1,158,000 is added to the 2006 Administrative and Support Fund budget within the cost center for Information Technology for the completion of the Word Perfect to Microsoft Word conversion, Microsoft Office 2003 licenses, Peoplesoft support and State Teale Data Center transition projects;
2. An amount of \$80,000 is added to the 2007 Administrative and Support Fund budget within the cost center for Finance for the completion of the development and implementation of a computerized budget development system;
3. An amount of \$28,000 is added to the 2007 Administration and Support Fund budget within the cost center for Office of General Counsel for continued consulting services on the General Counsel's Pro Law system.