

Bureau of Human Resources and Administration (BHRA)

Fiscal Year 2026 Budget Brief Detail

Information contained in this document is based on the Governor's FY2026 Budget and may not correspond with the final budget adopted by the Legislature.

Major Items Summary - Bureau of Human Resources and Administration (BHRA)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$21,220,639	\$500,000	\$65,656,612	\$87,377,251	237.0	\$21,220,639	\$500,000	\$65,656,612	\$87,377,251	237.0
1. Debt Collection Vendor Recovery Fees	\$0	\$0	\$520,000	\$520,000	0.0	\$0	\$0	\$520,000	\$520,000	0.0
2. Inmate Labor	\$0	\$0	\$40,000	\$40,000	0.0	\$0	\$0	\$40,000	\$40,000	0.0
3. Maintenance and Repair	\$4,320,569	\$0	\$0	\$4,320,569	0.0	(\$6,381,945)	\$0	\$0	(\$6,381,945)	0.0
4. Online Bidding System Software Maintenance	\$0	\$0	\$15,000	\$15,000	0.0	\$0	\$0	\$0	\$0	0.0
5. Owner Insite Project Management Software	\$0	\$0	\$30,000	\$30,000	0.0	\$0	\$0	\$30,000	\$30,000	0.0
6. Salary Adjustment for Hearing Examiner	\$13,907	\$0	\$0	\$13,907	0.0	\$13,907	\$0	\$0	\$13,907	0.0
7. Sioux Falls One Stop	\$0	\$0	\$146,424	\$146,424	0.0	\$0	\$0	\$146,424	\$146,424	0.0
8. Utility Cost Adjustment	\$0	\$0	\$59,344	\$59,344	0.0	\$0	\$0	\$101,813	\$101,813	0.0
FY 2026 Total Budget	\$25,555,115	\$500,000	\$66,467,380	\$92,522,495	237.0	\$14,852,601	\$500,000	\$66,494,849	\$81,847,450	237.0
Change from Base Budget	\$4,334,476	\$0	\$810,768	\$5,145,244	0.0	(\$6,368,038)	\$0	\$838,237	(\$5,529,801)	0.0
% Change from Base Budget	20.4%	0.0%	1.2%	5.9%	0.0%	(30.0%)	0.0%	1.3%	(6.3%)	0.0%

Bureau of Human Resources and Administration (BHRA) Budget Request

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$17,594,905	\$19,767,363	\$19,776,960	\$21,220,639	\$25,555,115	\$14,852,601	(\$6,368,038)
Federal	\$500,000	\$500,000	\$800,000	\$500,000	\$500,000	\$500,000	\$0
Other	\$41,947,597	\$53,222,024	\$64,134,830	\$65,656,612	\$66,467,380	\$66,494,849	\$838,237
Total	\$60,042,502	\$73,489,386	\$84,711,790	\$87,377,251	\$92,522,495	\$81,847,450	(\$5,529,801)
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Administrative Services	\$564,169	\$475,129	\$652,470	\$520,391	\$520,391	\$520,391	\$0
Central Services	\$23,665,519	\$25,643,433	\$29,697,990	\$29,698,683	\$29,822,082	\$29,864,551	\$165,868
State Engineer	\$1,692,095	\$2,059,406	\$2,078,836	\$2,004,682	\$2,064,376	\$2,049,376	\$44,694
Statewide Maintenance and Repair	\$21,147,583	\$22,812,724	\$22,812,724	\$24,219,467	\$28,540,036	\$17,837,522	(\$6,381,945)

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Office of Hearing Examiners	\$375,469	\$462,979	\$463,021	\$474,602	\$488,509	\$488,509	\$13,907
Obligation Recovery Center	\$686,623	\$851,596	\$855,000	\$720,000	\$1,240,000	\$1,240,000	\$520,000
Risk Management Administration - Info	\$6,589,439	\$7,970,146	\$9,275,314	\$11,003,595	\$11,025,850	\$11,025,850	\$22,255
Risk Management Claims - Info	\$5,321,605	\$4,858,903	\$7,896,476	\$6,727,456	\$6,727,456	\$6,727,456	\$0
Captive Insurance Pool	\$0	\$0	\$1,521,000	\$1,836,000	\$1,836,000	\$1,836,000	\$0
Personnel Management/Employee Benefits	\$0	\$8,355,070	\$9,458,959	\$10,172,375	\$10,257,795	\$10,257,795	\$85,420
Total	\$60,042,502	\$73,489,386	\$84,711,790	\$87,377,251	\$92,522,495	\$81,847,450	(\$5,529,801)
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$10,362,754	\$17,889,303	\$19,920,605	\$20,270,705	\$20,284,612	\$20,284,612	\$13,907
Salaries	\$7,790,606	\$13,624,460	\$14,976,337	\$15,102,088	\$15,115,995	\$15,115,995	\$13,907
Benefits	\$2,572,148	\$4,264,843	\$4,944,268	\$5,168,617	\$5,168,617	\$5,168,617	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$49,679,748	\$55,600,083	\$64,791,185	\$67,106,546	\$72,237,883	\$61,562,838	(\$5,543,708)
Travel	\$154,577	\$287,140	\$444,973	\$493,119	\$493,119	\$493,119	\$0
Contractual Services	\$15,318,583	\$19,972,926	\$23,489,881	\$23,241,302	\$24,030,675	\$24,058,144	\$816,842
Supplies	\$4,885,021	\$5,594,952	\$5,370,060	\$5,416,611	\$5,438,006	\$5,438,006	\$21,395
Capital Outlay	\$25,911,931	\$27,053,837	\$31,247,437	\$33,216,680	\$37,537,249	\$26,834,735	(\$6,381,945)
Other Expenses and Budgeted Operating Transfers Out	\$3,409,636	\$2,691,230	\$4,238,834	\$4,738,834	\$4,738,834	\$4,738,834	\$0
Total	\$60,042,502	\$73,489,386	\$84,711,790	\$87,377,251	\$92,522,495	\$81,847,450	(\$5,529,801)
Full-Time Equivalent (FTE)	150.07	219.52	238.5	237.0	237.0	237.0	0.00

Reversions and Unutilized FTE (012)

	General	Federal	Other
Original Appropriation FY2024	\$19,632,968	\$500,000	\$51,357,857
Pool Distributions	\$133,751	\$0	\$2,348,709
Supplemental Changes	\$0	\$0	\$8,856,602
Agency Adjustments	\$10,241	\$0	\$2,186,662
Transfers	\$0	\$300,000	(\$615,000)
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$19,776,960	\$800,000	\$64,134,830
FY2024 Expenditures	\$19,767,363	\$500,000	\$53,222,024
Reversion of Authority	\$9,597	\$300,000	\$10,912,807
Unutilized FTE			19.0

Administrative Services (0121)

Provides administrative oversight for all human resource and central services programs and ensures quality services at the most economical price.

Reversions and Unutilized FTE (0121)

	General	Federal	Other
Original Appropriation FY2024	\$683	\$0	\$576,748
Pool Distributions	\$0	\$0	\$48,831
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$26,208
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$683	\$0	\$651,787
FY2024 Expenditures	\$547	\$0	\$474,582
Reversion of Authority Unutilized FTE	\$136	\$0	\$177,205 0.8

Budget Request: Administrative Services (0121)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$77	\$547	\$683	\$683	\$683	\$683	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$564,092	\$474,582	\$651,787	\$519,708	\$519,708	\$519,708	\$0
Total	\$564,169	\$475,129	\$652,470	\$520,391	\$520,391	\$520,391	\$0
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Administrative Services	\$564,169	\$475,129	\$652,470	\$520,391	\$520,391	\$520,391	\$0
Total	\$564,169	\$475,129	\$652,470	\$520,391	\$520,391	\$520,391	\$0
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$477,316	\$376,774	\$503,755	\$392,228	\$392,228	\$392,228	\$0
Salaries	\$393,504	\$311,564	\$404,120	\$290,284	\$290,284	\$290,284	\$0
Benefits	\$83,812	\$65,209	\$99,635	\$101,944	\$101,944	\$101,944	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$86,853	\$98,355	\$148,715	\$128,163	\$128,163	\$128,163	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Travel	\$5,308	\$11,868	\$9,016	\$9,164	\$9,164	\$9,164	\$0
Contractual Services	\$68,888	\$78,590	\$115,533	\$94,833	\$94,833	\$94,833	\$0
Supplies	\$3,533	\$2,432	\$15,166	\$15,166	\$15,166	\$15,166	\$0
Capital Outlay	\$9,103	\$4,123	\$9,000	\$9,000	\$9,000	\$9,000	\$0
Other Expenses and Budgeted Operating Transfers Out	\$20	\$1,341	\$0	\$0	\$0	\$0	\$0
Total	\$564,169	\$475,129	\$652,470	\$520,391	\$520,391	\$520,391	\$0
Full-Time Equivalent (FTE)	3.51	2.66	3.5	2.3	2.3	2.3	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
STATE GENERAL FUND	\$683	\$0	\$0	100.0%	0.0%	0.0%
BOA CENTRAL OFFICE	\$0	\$0	\$519,708	0.0%	0.0%	100.0%

Central Services (0123)

Provides quality procurement, buildings and grounds, mail, fleet and travel, state and federal surplus property, records management, and duplicating services for state and local governments at the most economical price.

More information on the various Central Services provided by BHRA can be found here: <https://boa.sd.gov/central-services/default.aspx>.

Major Items Summary: Central Services (0123)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$483,927	\$0	\$29,214,756	\$29,698,683	131.5	\$483,927	\$0	\$29,214,756	\$29,698,683	131.5
1. Inmate Labor	\$0	\$0	\$40,000	\$40,000	0.0	\$0	\$0	\$40,000	\$40,000	0.0
2. Sioux Falls One Stop	\$0	\$0	\$24,055	\$24,055	0.0	\$0	\$0	\$24,055	\$24,055	0.0
3. Utility Cost Adjustment	\$0	\$0	\$59,344	\$59,344	0.0	\$0	\$0	\$101,813	\$101,813	0.0
FY 2026 Total Budget	\$483,927	\$0	\$29,338,155	\$29,822,082	131.5	\$483,927	\$0	\$29,380,624	\$29,864,551	131.5
Change from Base Budget	\$0	\$0	\$123,399	\$123,399	0.0	\$0	\$0	\$165,868	\$165,868	0.0
% Change from Base Budget	0.0%	0.0%	0.4%	0.4%	0.0%	0.0%	0.0%	0.6%	0.6%	0.0%

1. Inmate Labor

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$40,000	\$40,000	0.00
Governor's Recommendation	\$0	\$0	\$40,000	\$40,000	0.00

The agency requests an increase of **\$40,000** in **other fund** expenditure authority for inmate labor compensation. BHRA employs 3-4 inmates in Pierre to work on the Capitol Complex and the Governor's residence and one inmate in Yankton to work in the Kanner building. The rate is based on the state minimum wage, which increased in January 2024 from \$10.80 per hour to \$11.20 per hour. Effective January 1, 2025, it has increased to \$11.50 per hour. In FY2024, BHRA spent \$54,336 on prisoner compensation, but it is currently budgeted \$17,000. This request will bring authority up to anticipated expenditures.

The fund source for this authority is the Buildings and Grounds Fund (Company 6004), which receives revenue by billing state agencies for maintenance costs.

The governor recommends this request.

2. Sioux Falls One Stop

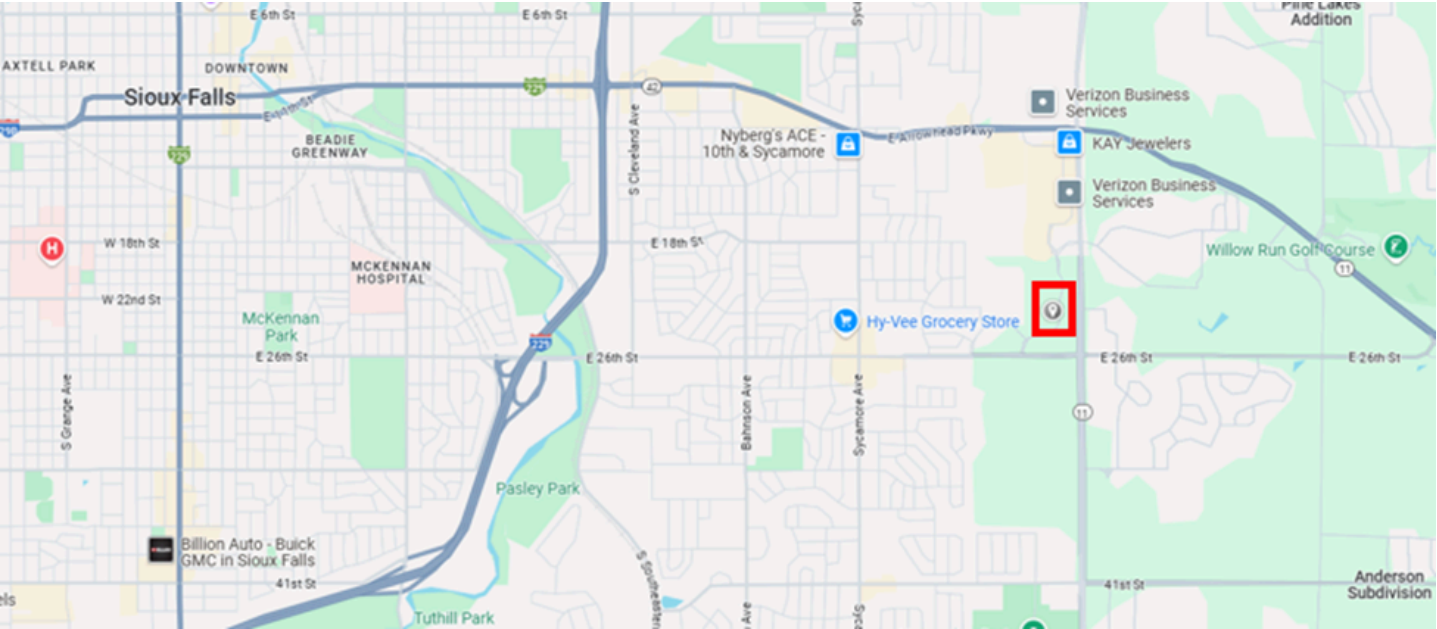
	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$24,055	\$24,055	0.00
Governor's Recommendation	\$0	\$0	\$24,055	\$24,055	0.00

The agency requests an increase of **\$24,055** in **other fund** expenditure authority for rent costs at the Sioux Falls One Stop for the Leased Facilities Management budget center within Central Services. The fund source for this authority is the Buildings and Grounds Fund (Company 6004).

Background:

The Sioux Falls One Stop is a building set to house multiple agencies and designed to centralize public services in the Sioux Falls area. The campus is set to be located along Highline Avenue just north of 26th Street. It is south of Dawley Farms Village in the eastern part of the city.

Below is a map of the location of the One Stop within Sioux Falls.



The One Stop is being developed by Dream Design International, which has teamed up with CO-OP Architecture and McGough Construction to complete the project. Dream Design was selected via [a bidding process started on September 12, 2022](#). The company has taken on the full cost of constructing the building.

The landlord for the building will be SF One Stop LLC, a company managed by the owner of Dream Design International, Hani Shafai. The One Stop is expected to be completed and ready for move-in around June 2025. Agencies may move into the One Stop before the lease

begins but must pay rent for the time that they occupy the building. The One Stop will consist of three connected structures at the same location, housing 13 separate agencies.

The lease is set to be for a period of 30 years, from September 1, 2025, to August 31, 2055. Each agency will be charged \$22.95 per sq. ft. for the lease plus \$3.97 per sq. ft. for the operating costs of the building, for a total of \$26.92 per sq. ft. Along with their own square footage, agencies are responsible for the rent on a portion of the common area shared across the entire One Stop.

The state has agreed to pay, in total, \$543,387 per month for rent and \$93,998 per month for operating costs. The state is also responsible for covering the costs of electricity, gas, water, sewer, telephone, cable, janitorial services, garbage pickup, and internet. The landlord has agreed to cover landscaping, lawn mowing, and snow removal. In the event the Legislature does not provide expenditure authority for renting space in the One Stop, the lease becomes null and void.

The table below shows the cost per agency for renting space in the Sioux Falls One Stop compared to renting space in the previous locations being used by these agencies.

SIOUX FALLS			Prior to One Stop			One Stop			Difference		
Agency	Address	City	SqFt	Price per SqFt	Annual Cost	SqFt	Price per SqFt	Annual Cost	SqFt	Price per SqFt	Annual Cost
DOH	4101 West 38th St	Sioux Falls	23,575	\$ 13.50	\$ 318,264	43,355	\$ 26.92	\$ 1,167,124	13,862	\$ 13.15	\$ 760,977
DOH	2900 West 11th St	Sioux Falls	5,918	\$ 14.85	\$ 87,882						
DHS	2900 West 11th St	Sioux Falls	7,640	\$ 14.85	\$ 113,454	28,985	\$ 26.92	\$ 780,284	13,811	\$ 12.62	\$ 563,265
DHS	811 East 10th St	Sioux Falls	7,534	\$ 13.75	\$ 103,565						
DPS	2501 West Russell St	Sioux Falls	4,758	\$ 14.68	\$ 69,847	12,172	\$ 26.92	\$ 327,659	7,414	\$ 12.24	\$ 257,811
DOR	300 S Sycamore Ave Ste 102	Sioux Falls	9,578	\$ 18.45	\$ 176,666	14,597	\$ 26.92	\$ 392,959	5,019	\$ 8.47	\$ 216,293
DLR	301 East 14th Suite 200	Sioux Falls	1,260	\$ 13.86	\$ 17,462						
DLR	1500 W 51st St Suite 102	Sioux Falls	4,703	\$ 13.00	\$ 61,139	38,882	\$ 26.92	\$ 1,046,710	15,120	\$ 13.35	\$ 724,279
DLR	1500 W 51st St Suite 106	Sioux Falls	3,563	\$ 13.50	\$ 48,101						
DLR	811 East 10th St	Sioux Falls	14,236	\$ 13.75	\$ 195,730						
DSS	811 East 10th St	Sioux Falls	42,018	\$ 13.75	\$ 577,631	96,552	\$ 26.92	\$ 2,599,180	45,048	\$ 12.76	\$ 1,869,773
DSS	3900 West Technology Circle, S	Sioux Falls	9,486	\$ 16.00	\$ 151,776						
GOED	4901 South Isabel Place Suite 2	Sioux Falls	3,755	\$ 21.57	\$ 81,002	5,834	\$ 26.92	\$ 157,057	2,079	\$ 5.35	\$ 76,055
BIT	1701 North Terin Circle	Sioux Falls	2,500	\$ 6.25	\$ 15,625	10,124	\$ 26.92	\$ 272,545	7,624	\$ 20.67	\$ 256,920
DANR	4305 S Louise Ave Suite 107	Sioux Falls	700	\$ 12.52	\$ 8,764	7,477	\$ 26.92	\$ 201,275	5,142	\$ 13.42	\$ 169,763
DANR	4305 S Louise Ave Suite 104 & 1	Sioux Falls	1,635	\$ 13.91	\$ 22,748						
DOC	NA	NA	-	\$ -	\$ -	13,524	\$ 26.92	\$ 364,078	13,524	\$ 26.92	\$ 364,078
BHRA	4305 S Louise Ave	Sioux Falls	288	\$ 12.50	\$ 3,600	6,129	\$ 26.92	\$ 165,005	5,841	\$ 14.42	\$ 161,405
DOE	4001 West Valhalla Boulevard S	Sioux Falls	220	\$ 25.91	\$ 5,700	525	\$ 26.92	\$ 14,142	305	\$ 1.01	\$ 8,442
UJS	4101 West 38th St	Sioux Falls	534	\$ 13.50	\$ 7,212	5,966	\$ 26.92	\$ 160,602	5,432	\$ 13.42	\$ 153,390
			143,901	\$ 14.36	\$ 2,066,167	284,124	\$ 26.92	\$ 7,648,618	140,223	\$ 12.56	\$ 5,582,451

The governor recommends this request.

3. Utility Cost Adjustment

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$59,344	\$59,344	0.00
Governor's Recommendation	\$0	\$0	\$101,813	\$101,813	0.00

The agency requests an increase of **\$59,344** in **other fund** expenditure authority for utility cost adjustments.

The state uses a software called EnergyCAP (also referred to as ENCAP) to track and analyze agencies' energy usage throughout the fiscal year.

To calculate budget adjustments for utilities, agencies multiply their utilization by energy source from the previous year ended (FY24 for the current adjustments) by the Statewide Energy Manager's projected future price rates for each energy source, which are based on data from utility suppliers and industry resources. Additionally, the Statewide Energy Manager provides projections on weather sensitivity for each energy source and adjustments for heating and cooling days.

Combining the most recent fiscal year of data on their actual energy utilization with the Energy Manager's projections, agencies request any adjustments to their utilities budgets that they are forecasted to need for the next fiscal year. Utility cost adjustments for the current fiscal year (which appear in the supplemental to the current year's General Appropriations Act) are calculated in the same way as adjustments for the next fiscal year, except that the percentage change in the cost rates is typically different.

This process is used for natural gas, propane, electricity, and fuel oil. Adjustments for sewer, garbage, and water are requested outside of this process and evaluated separately.

The fund source for this authority is the Buildings and Grounds Fund (Company 6004).

*The governor recommends an increase of **\$101,813** in **other fund** expenditure authority. BHRA re-ran their calculations in EnergyCAP and it returned a result \$42,469 higher than what was in the agency budget request.*

Reversions and Unutilized FTE (0123)			
	General	Federal	Other
Original Appropriation FY2024	\$444,185	\$0	\$27,941,336
Pool Distributions	\$24,677	\$0	\$1,194,426
Supplemental Changes	\$0	\$0	\$6,602
Agency Adjustments	\$4,268	\$0	\$317,496
Transfers	\$0	\$0	(\$235,000)
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$473,130	\$0	\$29,224,860
FY2024 Expenditures	\$463,717	\$0	\$25,179,716
Reversion of Authority	\$9,413	\$0	\$4,045,144
Unutilized FTE			9.6

Budget Request: Central Services (0123)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$411,022	\$463,717	\$473,130	\$483,927	\$483,927	\$483,927	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$23,254,497	\$25,179,716	\$29,224,860	\$29,214,756	\$29,338,155	\$29,380,624	\$165,868
Total	\$23,665,519	\$25,643,433	\$29,697,990	\$29,698,683	\$29,822,082	\$29,864,551	\$165,868
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Central Services	\$23,665,519	\$25,643,433	\$29,697,990	\$29,698,683	\$29,822,082	\$29,864,551	\$165,868
Total	\$23,665,519	\$25,643,433	\$29,697,990	\$29,698,683	\$29,822,082	\$29,864,551	\$165,868
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$7,541,399	\$8,519,708	\$9,605,891	\$9,544,011	\$9,544,011	\$9,544,011	\$0
Salaries	\$5,556,996	\$6,275,136	\$6,969,837	\$6,803,855	\$6,803,855	\$6,803,855	\$0
Benefits	\$1,984,403	\$2,244,572	\$2,636,054	\$2,740,156	\$2,740,156	\$2,740,156	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$16,124,119	\$17,123,725	\$20,092,099	\$20,154,672	\$20,278,071	\$20,320,540	\$165,868
Travel	\$37,333	\$27,243	\$65,755	\$81,140	\$81,140	\$81,140	\$0
Contractual Services	\$6,216,913	\$7,220,394	\$7,548,822	\$7,353,010	\$7,455,014	\$7,497,483	\$144,473
Supplies	\$4,845,456	\$5,332,383	\$5,118,114	\$5,118,114	\$5,139,509	\$5,139,509	\$21,395
Capital Outlay	\$4,741,355	\$4,145,684	\$6,832,872	\$7,075,872	\$7,075,872	\$7,075,872	\$0
Other Expenses and Budgeted Operating Transfers Out	\$283,063	\$398,021	\$526,536	\$526,536	\$526,536	\$526,536	\$0
Total	\$23,665,519	\$25,643,433	\$29,697,990	\$29,698,683	\$29,822,082	\$29,864,551	\$165,868
Full-Time Equivalent (FTE)	121.66	124.92	134.5	131.5	131.5	131.5	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
BUILDINGS & GROUNDS FUND	\$0	\$0	\$659,983	0.0%	0.0%	2.2%
STATE GENERAL FUND	\$483,927	\$0	\$0	100.0%	0.0%	0.0%
RECORDS MANAGEMENT	\$0	\$0	\$483,411	0.0%	0.0%	1.6%
BUILDINGS & GROUNDS	\$0	\$0	\$8,675,236	0.0%	0.0%	29.5%
CENTRAL MAIL SERVICES	\$0	\$0	\$964,437	0.0%	0.0%	3.3%
PROPERTY MANAGEMENT	\$0	\$0	\$496,565	0.0%	0.0%	1.7%
CENTRAL DUPLICATING FUND	\$0	\$0	\$1,422,484	0.0%	0.0%	4.8%
FLEET & TRAVEL MANAGEMENT FUND	\$0	\$0	\$14,764,461	0.0%	0.0%	50.3%
PROCUREMENT MANAGEMENT FUND	\$0	\$0	\$1,112,216	0.0%	0.0%	3.8%
FEDERAL PROPERTY AGENCY	\$0	\$0	\$801,831	0.0%	0.0%	2.7%

Revenues and Statistics: Central Services (0123)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Federal Surplus - Surplus Sales	\$2,111,204	\$1,481,368	\$1,500,000	\$1,500,000
Mail - Postage	\$3,133,664	\$2,520,659	\$2,500,000	\$2,500,000
Property Management - On-Site Auction Sales	\$1,116,600	\$2,330,730	\$1,800,000	\$2,000,000
Property Management - On-Line Auction Sales	\$511,542	\$1,320,142	\$1,400,000	\$1,500,000
Property Management - Direct/Other Sales	\$87,280	\$335,536	\$300,000	\$400,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Buildings and Grounds - Work Orders	7,239	7,395	7,500	7,600
Duplicating - Printing Impressions	13,988,959	14,146,928	14,500,000	14,500,000
Federal Surplus - Clients	303	268	300	300
Mail - Interoffice Mail	127,509	139,002	125,000	125,000
Mail - Outgoing Mail	3,984,836	4,015,324	4,400,000	4,400,000
Mail - Inserting	2,216,438	2,395,602	2,600,000	2,600,000
Mail - Incoming Mail	2,076,150	2,173,697	2,000,000	2,000,000
Mail - Pre-Sort Savings	\$613,094	692,475	625,000	675,000
Procurement - Annual Contracts	72	73	70	70
Procurement - Purchase Orders Issued	4,193	3,741	3,800	3,800
Procurement - Request for Proposals (RFPs) Issued	274	277	280	285
Procurement - Invitation for Bids (IFBs) Issued	76	57	55	55
Records - # of Projects	186	168	170	170
Records - # of Storage Activity Requests	10,461	16,170	7,026	7,026
State Fleet - Fleet Vehicles	3,245	3,230	3,100	3,100
State Fleet - Total Miles Driven	27,583,403	28,082,566	28,000,000	28,000,000
State Fleet - Average Vehicle Age (Years)	9.5	9.7	9.8	9.9

State Engineer (0124)

The Office of the State Engineer provides services for the State in three areas:

- Managing the construction process for all new construction projects, excluding highway construction.
- Managing the South Dakota statewide maintenance and repair program.
- Providing technical assistance and advice to Physical Plant Directors on matters beyond their in-house capability.

Major Items Summary: State Engineer (0124)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$0	\$0	\$2,004,682	\$2,004,682	16.0	\$0	\$0	\$2,004,682	\$2,004,682	16.0
1. Online Bidding System Software Maintenance	\$0	\$0	\$15,000	\$15,000	0.0	\$0	\$0	\$0	\$0	0.0
2. Owner Insite Project Management Software	\$0	\$0	\$30,000	\$30,000	0.0	\$0	\$0	\$30,000	\$30,000	0.0
3. Sioux Falls One Stop	\$0	\$0	\$14,694	\$14,694	0.0	\$0	\$0	\$14,694	\$14,694	0.0
FY 2026 Total Budget	\$0	\$0	\$2,064,376	\$2,064,376	16.0	\$0	\$0	\$2,049,376	\$2,049,376	16.0
Change from Base Budget	\$0	\$0	\$59,694	\$59,694	0.0	\$0	\$0	\$44,694	\$44,694	0.0
% Change from Base Budget	0.0%	0.0%	3.0%	3.0%	0.0%	0.0%	0.0%	2.2%	2.2%	0.0%

1. Online Bidding System Software Maintenance

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$15,000	\$15,000	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$15,000** in **other fund** expenditure authority to pay for ongoing system maintenance for the State Engineer's online bidding platform. This platform allows contractors to submit bids for state projects online rather than physically by mail or hand delivery. The system is a Service Now platform and was developed by BIT using IT Modernization Funds. It is also used by the Board of Regents, the Department of the Military, Game, Fish, and Parks, and the Department of Agriculture and Natural Resources.

The fund source for this authority is the State Engineer Fund (Company 6016), which receives revenue from the State Engineer's billings for expenses incurred from supervision of construction projects.

The governor does not recommend this request. Instead, this other fund authority has been included in the BIT Bureau Billing Pool and would be distributed to BHRA therefrom upon passage of the General Appropriations Act.

2. Owner Insite Project Management Software

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$30,000	\$30,000	0.00
Governor's Recommendation	\$0	\$0	\$30,000	\$30,000	0.00

The agency requests an increase of **\$30,000** in **other fund** expenditure authority for Owner Insite project management software. Owner Insite is replacing Project Register, which is an old Microsoft Access database no longer supported by BIT or Microsoft. The Office of the State Engineer uses project management software to track and manage all aspects of a building project, from planning to completion.

The fund source for this authority is the State Engineer Fund (Company 6016).

The governor recommends this request.

3. Sioux Falls One Stop

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$14,694	\$14,694	0.00
Governor's Recommendation	\$0	\$0	\$14,694	\$14,694	0.00

The agency requests an increase of **\$14,694** in **other fund** expenditure authority for rent costs at the Sioux Falls One Stop for the Office of the State Engineer. The fund source for this authority is the State Engineer Fund (Company 6016).

The governor recommends this request.

Reversions and Unutilized FTE (0124)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$1,753,482
Pool Distributions	\$0	\$0	\$181,146
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$44,208
Transfers	\$0	\$0	\$100,000
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$2,078,836
FY2024 Expenditures	\$0	\$0	\$2,059,406
Reversion of Authority	\$0	\$0	\$19,430
Unutilized FTE			0.2

Budget Request: State Engineer (0124)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$1,692,095	\$2,059,406	\$2,078,836	\$2,004,682	\$2,064,376	\$2,049,376	\$44,694
Total	\$1,692,095	\$2,059,406	\$2,078,836	\$2,004,682	\$2,064,376	\$2,049,376	\$44,694
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
State Engineer	\$1,692,095	\$2,059,406	\$2,078,836	\$2,004,682	\$2,064,376	\$2,049,376	\$44,694
Total	\$1,692,095	\$2,059,406	\$2,078,836	\$2,004,682	\$2,064,376	\$2,049,376	\$44,694
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$1,337,278	\$1,599,609	\$1,606,274	\$1,663,430	\$1,663,430	\$1,663,430	\$0
Salaries	\$1,046,476	\$1,255,331	\$1,223,983	\$1,272,941	\$1,272,941	\$1,272,941	\$0
Benefits	\$290,802	\$344,278	\$382,291	\$390,489	\$390,489	\$390,489	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$354,817	\$459,797	\$472,562	\$341,252	\$400,946	\$385,946	\$44,694
Travel	\$55,380	\$64,592	\$89,129	\$91,727	\$91,727	\$91,727	\$0
Contractual Services	\$257,662	\$357,457	\$360,883	\$226,975	\$286,669	\$271,669	\$44,694
Supplies	\$30,013	\$8,523	\$14,500	\$14,500	\$14,500	\$14,500	\$0
Capital Outlay	\$11,760	\$29,226	\$8,050	\$8,050	\$8,050	\$8,050	\$0
Other Expenses and Budgeted Operating Transfers Out	\$2	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$1,692,095	\$2,059,406	\$2,078,836	\$2,004,682	\$2,064,376	\$2,049,376	\$44,694
Full-Time Equivalent (FTE)	14.68	15.78	16.0	16.0	16.0	16.0	0.00

Funding Sources (Governor's Recommended)						
	General	Federal	Other	General%	Federal%	Other%
STATE ENGINEER FUND	\$0	\$0	\$2,049,376	0.0%	0.0%	100.0%

Revenues and Statistics: State Engineer (0124)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Billings	\$1,453,533	\$1,500,000	\$1,500,000	
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
New Projects	277	240	225	225
Active Projects	436	355	375	350
Change Orders as % of Construction Costs	2.5%	2.47	3	3
Billable Hours as % of Staff Time	73.8%	85.3	85	85
# of SWMR Projects	41	40	45	45
Satisfaction Surveys (% as Excellent or Exceeded all Expectations)	96%	92%	95%	95%

Statewide Maintenance and Repair (0125)

Provides funding for the ongoing maintenance and repair of state-owned facilities under the purview of the Bureau of Human Resources and Administration.

Major Items Summary: Statewide Maintenance and Repair (0125)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$19,880,221	\$500,000	\$3,839,246	\$24,219,467	0.0	\$19,880,221	\$500,000	\$3,839,246	\$24,219,467	0.0
1. Maintenance and Repair	\$4,320,569	\$0	\$0	\$4,320,569	0.0	(\$6,381,945)	\$0	\$0	(\$6,381,945)	0.0
FY 2026 Total Budget	\$24,200,790	\$500,000	\$3,839,246	\$28,540,036	0.0	\$13,498,276	\$500,000	\$3,839,246	\$17,837,522	0.0
Change from Base Budget	\$4,320,569	\$0	\$0	\$4,320,569	0.0	(\$6,381,945)	\$0	\$0	(\$6,381,945)	0.0
% Change from Base Budget	21.7%	0.0%	0.0%	17.8%	0.0%	(32.1%)	0.0%	0.0%	(26.4%)	0.0%

1. Maintenance and Repair

	General	Federal	Other	Total	FTE
Agency Request	\$4,320,569	\$0	\$0	\$4,320,569	0.00
Governor's Recommendation	(\$6,381,945)	\$0	\$0	(\$6,381,945)	0.00

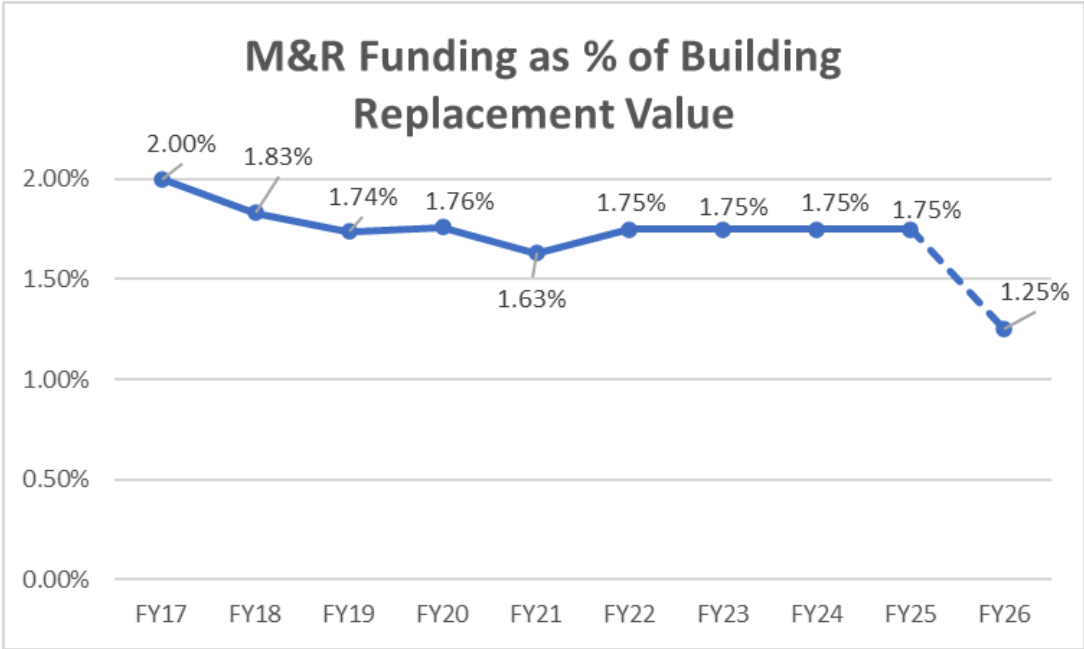
The agency requests an increase of **\$4,320,569** in **general funds** for funding statewide maintenance and repair at 2%.

Maintenance and Repair (M&R) refers to the maintenance and repair of state-owned buildings. Governor Daugaard set a goal of M&R funding equal to 2% of building replacement value, which is an industry standard for commercial buildings. The rationale behind 2% funding is to prevent M&R being deferred and thus creating the need for major projects in the future. Funding was at 2% for FY2017 and has been maintained at a percentage above 1.5% in the years since, a pattern from which the Governor’s recommendation of 1.25% for FY2026 would be a break.

The Office of the State Engineer maintains a list of projects anticipated to be completed over the next 3-5 years. Those projects are included in the Bureau of Finance and Management’s Five-Year Capital Expenditure Plan. Last year’s report can be found [here](#). This year’s report will be released by January 15.

The BHRA budget includes Statewide M&R, while certain other agencies have their own M&R budgets. The estimated replacement value of the state-owned buildings managed by BHRA is \$1,437,596,182 and the current (FY2025) budget for Statewide M&R is \$24,219,467.

The graph below shows funding for M&R since FY2017.



BHRA currently has a backlog of M&R projects. Each potential project must answer eight questions:

- (1) Is there currently a life/health/safety risk?
- (2) Has the equipment/system failed?
- (3) Is the system in disrepair that will cause loss or reduction of occupancy or function?
- (4) Is the system in disrepair which, if not corrected, will cause cost increases due to additional damage, energy consumption, liability claims, etc.?
- (5) Is the system/facility currently creating an undesirable appearance?
- (6) Will the system become critical if not maintained within the next two years?
- (7) If not maintained, will the project directly impact the institution's mission in the next two years?
- (8) Will this project reduce energy consumption?

If the project does pose a life, health, or safety risk, it is funded immediately, even if another project must be postponed. The projects are then ranked, with the relevant department's assistance, based on their mission, the deteriorated state of the M&R project, the cost, and other projects taking place on the same campus.

Below is the list of projects that were moved from FY2026 to FY2027 as part of BHRA's planning for a reduction in Statewide M&R funding under the Governor's recommendation. This list is fluid depending on other project needs that may arise and take priority (e.g., because they pose an immediate safety risk). The decrease in funding would impact other projects that have been planned for FY2027 as well.

CAPITOL	BECKER HANSEN	PARKING LOT RE-CONSTRUCTION
CAPITOL	CAPITOL	RISING DAMP
CAPITOL	CAPITOL/KNEIP	PARKINGLOT MAINTENANCE
STATE RADIO	KTSD RELIANCE, KZSD LONG VALLEY	REPLACE ICE SHIELDS
MDSP	MONTGOMERY	EAST AND SOUTH DOUBLE DOOR REPLACEMENT
MDSP	EAST AND WEST CRAWFORD	REPLACE HEATING UNITS
DOC WP	CAMPUS WIDE	REPLACE LOCK CYLINDERS
CAPITOL	FOSS BUILDING	REPLACE NW STAIRS
SDDC	CAMPUS	CONCRETE ROAD REPLACEMENT
STATE FAIR	CAMPUS WIDE	UPDATE ELECTRICAL PANEL BOARDS
STATE FAIR	HORTICULTURE BLDG	UPDATE SERVICE AND LED LIGHTING
STATE FAIR	4H RABBIT BARN	EXTERIOR REPAIRS AND ELECTRICAL UPDATES
STATE FAIR	CARNIVAL MAT	CRACK SEAL AND CHIP SEAL
STATE VETS HOME	FITZMAURICE BUILDING	REPLACE FLOORING
SDDC	TUNNELS	ASBESTOS ABATEMENT PHASE 1
JPA	JPA UNIT D	ROOF REPLACEMENT
C15	CAMPUS	REPLACE SIX SLIDE GATE DRIVERS

The governor recommends a decrease of **(\$6,381,945)** in **general funds** to fund Maintenance and Repair at 1.25%.

Reversions and Unutilized FTE (0125)

	General	Federal	Other
Original Appropriation FY2024	\$18,473,478	\$500,000	\$3,839,246
Pool Distributions	\$0	\$0	\$0
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$0
Transfers	\$0	\$300,000	(\$300,000)
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$18,473,478	\$800,000	\$3,539,246
FY2024 Expenditures	\$18,473,478	\$500,000	\$3,839,246
Reversion of Authority	\$0	\$300,000	(\$300,000)
Unutilized FTE			0.0

Budget Request: Statewide Maintenance and Repair (0125)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$16,808,337	\$18,473,478	\$18,473,478	\$19,880,221	\$24,200,790	\$13,498,276	(\$6,381,945)
Federal	\$500,000	\$500,000	\$800,000	\$500,000	\$500,000	\$500,000	\$0
Other	\$3,839,246	\$3,839,246	\$3,539,246	\$3,839,246	\$3,839,246	\$3,839,246	\$0
Total	\$21,147,583	\$22,812,724	\$22,812,724	\$24,219,467	\$28,540,036	\$17,837,522	(\$6,381,945)

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Statewide Maintenance and Repair	\$21,147,583	\$22,812,724	\$22,812,724	\$24,219,467	\$28,540,036	\$17,837,522	(\$6,381,945)
Total	\$21,147,583	\$22,812,724	\$22,812,724	\$24,219,467	\$28,540,036	\$17,837,522	(\$6,381,945)

By Object Expenditure	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Personnel Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenditures	\$21,147,583	\$22,812,724	\$22,812,724	\$24,219,467	\$28,540,036	\$17,837,522	(\$6,381,945)
Capital Outlay	\$21,147,583	\$22,812,724	\$22,812,724	\$24,219,467	\$28,540,036	\$17,837,522	(\$6,381,945)

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Total	\$21,147,583	\$22,812,724	\$22,812,724	\$24,219,467	\$28,540,036	\$17,837,522	(\$6,381,945)
Full-Time Equivalent (FTE)							0.00

Funding Sources (Governor's Recommended)						
	General	Federal	Other	General%	Federal%	Other%
STATE GENERAL FUND	\$13,498,276	\$0	\$0	100.0%	0.0%	0.0%
INSTITUTION M&R FEDERAL FUND	\$0	\$500,000	\$0	0.0%	100.0%	0.0%
CAPITOL COMPLEX M&R	\$0	\$0	\$3,089,246	0.0%	0.0%	80.5%
STATE WIDE M&R	\$0	\$0	\$750,000	0.0%	0.0%	19.5%

Office of Hearing Examiners (0126)

The Office of Hearing Examiners conducts administrative hearings pursuant to the South Dakota Administrative Procedures Act and issues decisions for citizens who have the right to a hearing before a state agency. OHE conducts all hearings for the Department of Revenue and the Division of Insurance, as well as other agencies wishing to use the Office. The mission is to be responsible for the impartial administration of administrative hearings; to ensure all citizens of South Dakota receive fair, prompt, and objective hearings; and to provide a fair hearing through due process for any contested case with the details and extent of the hearing varying according to the nature and circumstances of each case as allowed by the law.

Major Items Summary: Office of Hearing Examiners (0126)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$474,602	\$0	\$0	\$474,602	3.0	\$474,602	\$0	\$0	\$474,602	3.0
1. Salary Adjustment for Hearing Examiner	\$13,907	\$0	\$0	\$13,907	0.0	\$13,907	\$0	\$0	\$13,907	0.0
FY 2026 Total Budget	\$488,509	\$0	\$0	\$488,509	3.0	\$488,509	\$0	\$0	\$488,509	3.0
Change from Base Budget	\$13,907	\$0	\$0	\$13,907	0.0	\$13,907	\$0	\$0	\$13,907	0.0
% Change from Base Budget	2.9%	0.0%	0.0%	2.9%	0.0%	2.9%	0.0%	0.0%	2.9%	0.0%

1. Salary Adjustment for Hearing Examiner

	General	Federal	Other	Total	FTE
Agency Request	\$13,907	\$0	\$0	\$13,907	0.00
Governor's Recommendation	\$13,907	\$0	\$0	\$13,907	0.00

The agency requests an increase of **\$13,907** in **general funds** for an adjustment to a staff hearing examiner's salary.

The new examiner, for whom this request is being made, made a lateral move from another state agency to the Office of Hearing Examiners at their same salary, and is classified as an Attorney II. Since they have more experience than the hearing examiner they replaced, a higher starting salary is needed.

The responsibilities of a staff hearing examiner are to hear administrative hearings for state and public agencies; make and write decisions and findings of fact and conclusions of law; conduct board meetings; and perform various other office or legal duties as assigned by the Chief Hearing Examiner. This position requires a law degree, as well as experience practicing in the public or private sector, and is classified as an Attorney II.

The governor recommends this request.

Reversions and Unutilized FTE (0126)

	General	Federal	Other
Original Appropriation FY2024	\$396,508	\$0	\$0
Pool Distributions	\$60,540	\$0	\$0
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$5,973	\$0	\$0
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$463,021	\$0	\$0
FY2024 Expenditures	\$462,979	\$0	\$0
Reversion of Authority	\$42	\$0	\$0
Unutilized FTE			(0.1)

Budget Request: Office of Hearing Examiners (0126)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$375,469	\$462,979	\$463,021	\$474,602	\$488,509	\$488,509	\$13,907
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$375,469	\$462,979	\$463,021	\$474,602	\$488,509	\$488,509	\$13,907
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Office of Hearing Examiners	\$375,469	\$462,979	\$463,021	\$474,602	\$488,509	\$488,509	\$13,907
Total	\$375,469	\$462,979	\$463,021	\$474,602	\$488,509	\$488,509	\$13,907
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$311,249	\$378,702	\$378,704	\$383,716	\$397,623	\$397,623	\$13,907
Salaries	\$245,237	\$304,603	\$299,794	\$303,008	\$316,915	\$316,915	\$13,907
Benefits	\$66,012	\$74,098	\$78,910	\$80,708	\$80,708	\$80,708	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$64,220	\$84,278	\$84,317	\$90,886	\$90,886	\$90,886	\$0
Travel	\$3,093	\$658	\$9,092	\$9,722	\$9,722	\$9,722	\$0
Contractual Services	\$55,671	\$77,819	\$59,475	\$65,414	\$65,414	\$65,414	\$0
Supplies	\$3,543	\$3,909	\$11,500	\$11,500	\$11,500	\$11,500	\$0
Capital Outlay	\$1,847	\$1,892	\$4,250	\$4,250	\$4,250	\$4,250	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Other Expenses and Budgeted Operating Transfers Out	\$66	\$1	\$0	\$0	\$0	\$0	\$0
Total	\$375,469	\$462,979	\$463,021	\$474,602	\$488,509	\$488,509	\$13,907
Full-Time Equivalent (FTE)	3.17	3.08	3.0	3.0	3.0	3.0	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
STATE GENERAL FUND	\$488,509	\$0	\$0	100.0%	0.0%	0.0%

Revenues and Statistics: Office of Hearing Examiners (0126)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
No data available				
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
County:				
Equalization	67	51	85	85
Number of Counties	19	13	15	15
State:				
Department of Education	1	1	1	1
Department of Public Safety	118	63	65	65
Department of Revenue	17	13	20	20
Division of Insurance	48	56	40	40
Department of Health	24	21	25	25
Department of Labor and Regulation	4	5	5	5
Department of Ag. and Natural Resources	3	3	5	5
Department of Human Services	10	16	10	10
Department of Game, Fish & Parks	1		2	2
Department of Transportation	1	2	3	5
Secretary of State	5		5	
Obligation Recovery Center	10		10	10
Public Records Request	10	9	10	12
Other	1	4	5	5
Number of Departments	14	13	15	15
Number of Divisions/Boards	25	25	20	20

Obligation Recovery Center (0127)

The South Dakota Obligation Recovery Center, established through SDCL 1-55, is the central repository for identification, registration, oversight, and collection of debts owed to any agency or department of the State of South Dakota. When an agency refers debt to the Center for collection, the Center will work with each debtor to inform them about their outstanding obligation and find a manner of payment for their delinquent debts owed to the State of South Dakota.

Major Items Summary: Obligation Recovery Center (0127)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$0	\$0	\$720,000	\$720,000	0.0	\$0	\$0	\$720,000	\$720,000	0.0
1. Debt Collection Vendor Recovery Fees	\$0	\$0	\$520,000	\$520,000	0.0	\$0	\$0	\$520,000	\$520,000	0.0
FY 2026 Total Budget	\$0	\$0	\$1,240,000	\$1,240,000	0.0	\$0	\$0	\$1,240,000	\$1,240,000	0.0
Change from Base Budget	\$0	\$0	\$520,000	\$520,000	0.0	\$0	\$0	\$520,000	\$520,000	0.0
% Change from Base Budget	0.0%	0.0%	72.2%	72.2%	0.0%	0.0%	0.0%	72.2%	72.2%	0.0%

1. Debt Collection Vendor Recovery Fees

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$520,000	\$520,000	0.00
Governor's Recommendation	\$0	\$0	\$520,000	\$520,000	0.00

The agency requests an increase of **\$520,000** in **other fund** expenditure authority for the Obligation Recovery Center (ORC) to pay debt recovery fees to its vendor.

The ORC is the state’s vendor-run (through Reliant Capital Solutions, LLC) debt collection effort, which began operating in July 2016. Established through [SDCL 1-55](#), it serves as the repository for “identification, registration, oversight, and collection of debts owed to any agency or department of the state.” The ORC adds a 20% cost recovery fee to the principal of debts referred to it by agencies and authority in this center is used for the payment of these fees to the vendor. Reliant Capital Solutions projects collections will be 20% higher in FY2026 compared to FY2025. (Additionally, a one-time increase for the ORC is being requested in the supplemental bill based on Reliant’s projections for FY2025 collections.)

The ORC may itself refer debts it is seeking to collect to an outside collection agency (OCA), which may add a collection charge up to 20% of the total (principal, interest, and penalties) of the debt that has been referred. The OCA the ORC partners with is HS Financial Group, LLC.

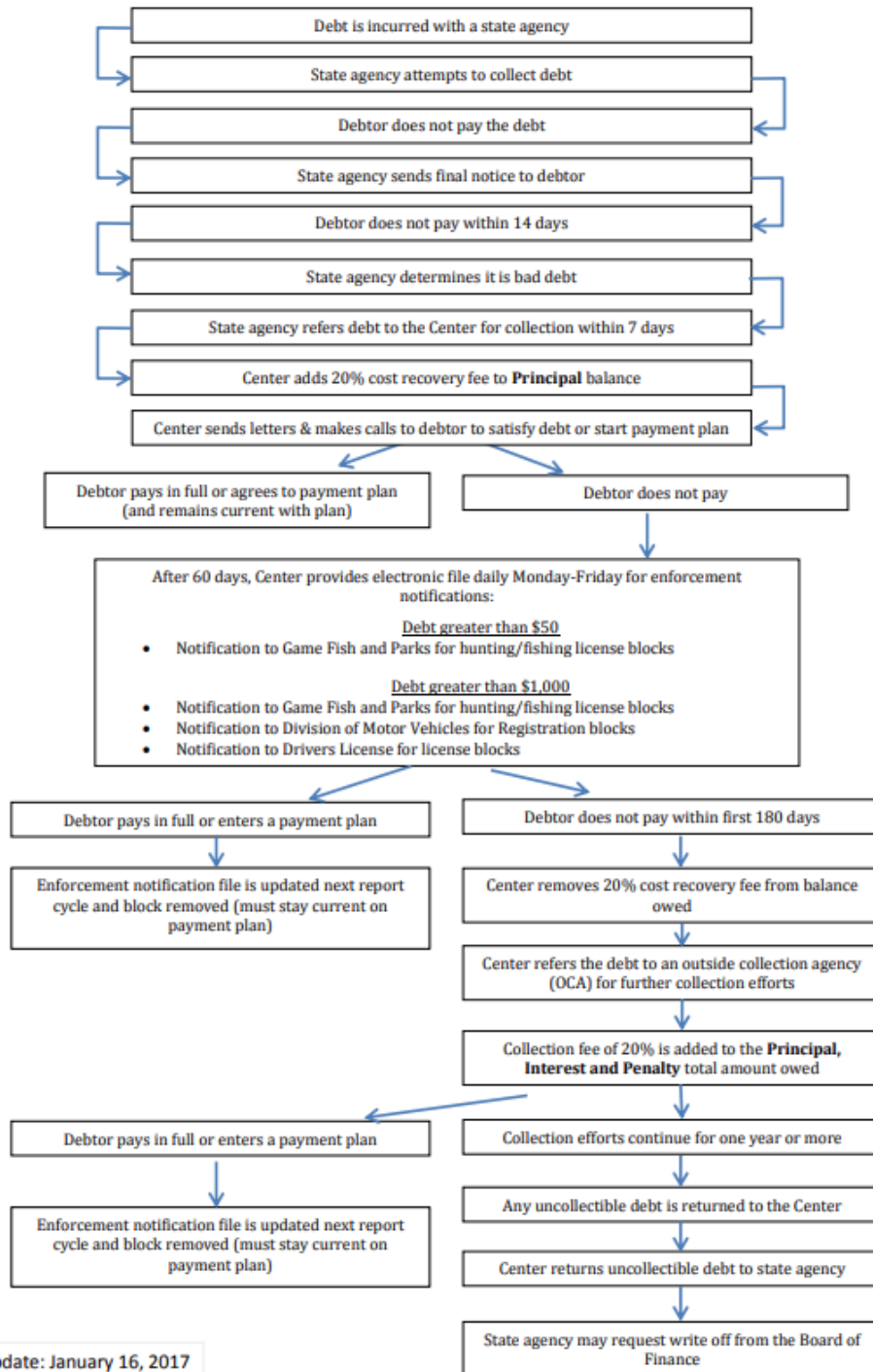
In FY2024, referrals to the ORC and ORC referrals to the OCA were as follows:

ORC & OCA 2024 Performance					
ORC Received			ORC referred to the *OCA		
Accounts Referred**	25,451		Accounts Referred**	9,003	
Amount Referred	\$20,939,456		Amount Referred	\$7,965,350	
Total Collected	\$3,916,542		Total Collected	\$1,151,003	
* OCA – Outside Collection Agency					
** Accounts Referred – Number of Accounts referred to the ORC or OCA by all State Agencies					

The flowchart below illustrates the ORC debt collection process.

Obligation Recovery Center (Center)

Debt Collection Process



Last Update: January 16, 2017

The ORC presents its annual reports ([FY2024 report available here](#)) to the Government Operations and Audit Committee.

The fund source for this authority is the Obligation Recovery Center fund (Company 3195).

The governor recommends this request.

Reversions and Unutilized FTE (0127)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$720,000
Pool Distributions	\$0	\$0	\$0
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$0
Transfers	\$0	\$0	\$135,000
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$855,000
FY2024 Expenditures	\$0	\$0	\$851,596
Reversion of Authority	\$0	\$0	\$3,404
Unutilized FTE			0.0

Budget Request: Obligation Recovery Center (0127)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$686,623	\$851,596	\$855,000	\$720,000	\$1,240,000	\$1,240,000	\$520,000
Total	\$686,623	\$851,596	\$855,000	\$720,000	\$1,240,000	\$1,240,000	\$520,000
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Obligation Recovery Center	\$686,623	\$851,596	\$855,000	\$720,000	\$1,240,000	\$1,240,000	\$520,000
Total	\$686,623	\$851,596	\$855,000	\$720,000	\$1,240,000	\$1,240,000	\$520,000
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$686,623	\$851,596	\$855,000	\$720,000	\$1,240,000	\$1,240,000	\$520,000
Contractual Services	\$686,623	\$851,596	\$855,000	\$720,000	\$1,240,000	\$1,240,000	\$520,000
Total	\$686,623	\$851,596	\$855,000	\$720,000	\$1,240,000	\$1,240,000	\$520,000
Full-Time Equivalent (FTE)							0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
OBLIGATION RECOVERY CENTER (ORC)	\$0	\$0	\$1,240,000	0.0%	0.0%	100.0%

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Cost Recovery Fee	\$686,623	\$824,880	\$1,010,600	\$1,240,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Agency Debts Referred to ORC				
Value of Debts Referred	\$18,306,716	\$17,676,597	\$18,500,000	\$18,500,000
Number of Accounts Referred	26,910	25,059	26,000	26,000
ORC Payment Agreements				
Value of Payment Agreements	\$7,844,072	\$8,775,664	\$9,000,000	\$9,000,000
Number of Payment Agreements	8,209	8,809	9,000	9,000
Average Debt Referred	\$680	\$705	680	680
Average ORC Payment Amount	\$145	\$155	\$150	\$150
Average OCA Payment Amount	\$169	\$152	\$160	\$160
Total Collection Rate	3.20%	3.69%	3.90%	3.90%
OCA Collection Rate	3.60%	3.60%	3.75%	3.75%
Money Collected by ORC	\$2,998,992	\$3,283,066	\$3,956,125	\$5,000,000
Money Collected by OCA	\$665,060	\$959,599	\$1,200,000	\$1,200,000

Risk Management Administration - Informational (01281)

The Office of Risk Management provides legal expertise to the bureaus and agencies, liability tort claims coverage for state employees, loss control services as a part of the coverage program, and management of the captive insurance companies.

The mission of the Office is to efficiently and effectively protect the assets of the State of South Dakota through the prudent use of risk management and insurance programs and safety and loss control techniques.

Major Items Summary: Risk Management Administration - Informational (01281)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$0	\$0	\$11,003,595	\$11,003,595	13.0	\$0	\$0	\$11,003,595	\$11,003,595	13.0
1. Sioux Falls One Stop	\$0	\$0	\$22,255	\$22,255	0.0	\$0	\$0	\$22,255	\$22,255	0.0
FY 2026 Total Budget	\$0	\$0	\$11,025,850	\$11,025,850	13.0	\$0	\$0	\$11,025,850	\$11,025,850	13.0
Change from Base Budget	\$0	\$0	\$22,255	\$22,255	0.0	\$0	\$0	\$22,255	\$22,255	0.0
% Change from Base Budget	0.0%	0.0%	0.2%	0.2%	0.0%	0.0%	0.0%	0.2%	0.2%	0.0%

1. Sioux Falls One Stop

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$22,255	\$22,255	0.00
Governor's Recommendation	\$0	\$0	\$22,255	\$22,255	0.00

The agency requests an increase of **\$22,255** in **other fund** expenditure authority for rent costs at the Sioux Falls One Stop for Legal and Risk Management services. The fund source for this authority is the Public Entity Pool for Liability (Company 6014).

The governor recommends this request.

Reversions and Unutilized FTE (01281)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$4,210,966
Pool Distributions	\$0	\$0	\$85,598
Supplemental Changes	\$0	\$0	\$4,450,000
Agency Adjustments	\$0	\$0	\$528,750
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$9,275,314
FY2024 Expenditures	\$0	\$0	\$7,970,146
Reversion of Authority	\$0	\$0	\$1,305,168
Unutilized FTE			0.4

Budget Request: Risk Management Administration - Informational (01281)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$6,589,439	\$7,970,146	\$9,275,314	\$11,003,595	\$11,025,850	\$11,025,850	\$22,255
Total	\$6,589,439	\$7,970,146	\$9,275,314	\$11,003,595	\$11,025,850	\$11,025,850	\$22,255
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Risk Management Administration - Info	\$6,589,439	\$7,970,146	\$9,275,314	\$11,003,595	\$11,025,850	\$11,025,850	\$22,255
Total	\$6,589,439	\$7,970,146	\$9,275,314	\$11,003,595	\$11,025,850	\$11,025,850	\$22,255
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$662,547	\$857,486	\$1,014,705	\$1,701,675	\$1,701,675	\$1,701,675	\$0
Salaries	\$518,677	\$679,037	\$858,059	\$1,370,781	\$1,370,781	\$1,370,781	\$0
Benefits	\$143,870	\$178,449	\$156,646	\$330,894	\$330,894	\$330,894	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$5,926,892	\$7,112,660	\$8,260,609	\$9,301,920	\$9,324,175	\$9,324,175	\$22,255
Travel	\$43,905	\$40,626	\$66,606	\$81,062	\$81,062	\$81,062	\$0
Contractual Services	\$5,879,747	\$7,061,537	\$8,169,782	\$9,192,137	\$9,214,392	\$9,214,392	\$22,255
Supplies	\$2,476	\$4,436	\$17,080	\$17,080	\$17,080	\$17,080	\$0
Capital Outlay	\$283	\$6,061	\$7,141	\$11,641	\$11,641	\$11,641	\$0
Other Expenses and Budgeted Operating Transfers Out	\$481	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$6,589,439	\$7,970,146	\$9,275,314	\$11,003,595	\$11,025,850	\$11,025,850	\$22,255
Full-Time Equivalent (FTE)	7.03	7.6	8.0	13.0	13.0	13.0	0.00

Funding Sources (Governor's Recommended)						
	General	Federal	Other	General%	Federal%	Other%
LIABILITY CAPTIVE INSURANCE COMPANY-STA	\$0	\$0	\$182,162	0.0%	0.0%	1.7%
LIABILITY CAPTIVE INSURANCE COMPANY FUND	\$0	\$0	\$121,147	0.0%	0.0%	1.1%
PROPERTY & CASUALTY CAPTIVE INS COMP FND	\$0	\$0	\$7,248,661	0.0%	0.0%	65.7%
PUBLIC ENTITY POOL FOR LIABILI	\$0	\$0	\$3,473,880	0.0%	0.0%	31.5%
Revenues and Statistics: Risk Management Administration - Informational (01281)						

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
No data available				
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Property Audits	240	154	150	150
Property Audits (% Complete)	100%	100%	100%	100%
Leased Space Audits	35	15	20	20
Leased Space Audits (% Complete)	100%	100%	100%	100%

Risk Management Claims - Informational (01282)

Provides liability tort claims coverage for state employees and claims for the captive insurance companies.

Reversions and Unutilized FTE (01282)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$2,226,476
Pool Distributions	\$0	\$0	\$0
Supplemental Changes	\$0	\$0	\$4,400,000
Agency Adjustments	\$0	\$0	\$1,270,000
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$7,896,476
FY2024 Expenditures	\$0	\$0	\$4,858,903
Reversion of Authority	\$0	\$0	\$3,037,573
Unutilized FTE			(0.0)

Budget Request: Risk Management Claims - Informational (01282)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$5,321,605	\$4,858,903	\$7,896,476	\$6,727,456	\$6,727,456	\$6,727,456	\$0
Total	\$5,321,605	\$4,858,903	\$7,896,476	\$6,727,456	\$6,727,456	\$6,727,456	\$0
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Risk Management Claims - Info	\$5,321,605	\$4,858,903	\$7,896,476	\$6,727,456	\$6,727,456	\$6,727,456	\$0
Total	\$5,321,605	\$4,858,903	\$7,896,476	\$6,727,456	\$6,727,456	\$6,727,456	\$0
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$32,964	\$76,103	\$85,000	\$0	\$0	\$0	\$0
Salaries	\$29,715	\$71,258	\$85,000	\$0	\$0	\$0	\$0
Benefits	\$3,249	\$4,845	\$0	\$0	\$0	\$0	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$5,288,641	\$4,782,799	\$7,811,476	\$6,727,456	\$6,727,456	\$6,727,456	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Travel	\$9,558	\$11,617	\$13,878	\$14,858	\$14,858	\$14,858	\$0
Contractual Services	\$2,153,079	\$2,477,405	\$4,085,200	\$2,500,200	\$2,500,200	\$2,500,200	\$0
Supplies	\$0	\$1,911	\$100	\$100	\$100	\$100	\$0
Other Expenses and Budgeted Operating Transfers Out	\$3,126,004	\$2,291,867	\$3,712,298	\$4,212,298	\$4,212,298	\$4,212,298	\$0
Total	\$5,321,605	\$4,858,903	\$7,896,476	\$6,727,456	\$6,727,456	\$6,727,456	\$0
Full-Time Equivalent (FTE)	0.02	0.01					0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
PROPERTY & CASUALTY CAPTIVE INS COMP FND	\$0	\$0	\$3,922,898	0.0%	0.0%	58.3%
PUBLIC ENTITY POOL FOR LIABILI	\$0	\$0	\$2,804,558	0.0%	0.0%	41.7%

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
No data available				
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
General Claims (Number/Amount)	125/\$1,095,667	96/\$581,636	110/\$800,000	110/\$800,000
Vehicle Claims (Number/Amount)	55/\$310,316	32/\$139,318	43/\$225,000	43/\$225,000

Captive Insurance Pool (01283)

Provides funding for claims related to the captive insurance companies.

Reversions and Unutilized FTE (01283)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$1,836,000
Pool Distributions	\$0	\$0	\$0
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$0
Transfers	\$0	\$0	(\$315,000)
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$1,521,000
FY2024 Expenditures	\$0	\$0	\$0
Reversion of Authority	\$0	\$0	\$1,521,000
Unutilized FTE			0.0

Budget Request: Captive Insurance Pool (01283)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$1,521,000	\$1,836,000	\$1,836,000	\$1,836,000	\$0
Total	\$0	\$0	\$1,521,000	\$1,836,000	\$1,836,000	\$1,836,000	\$0
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Captive Insurance Pool	\$0	\$0	\$1,521,000	\$1,836,000	\$1,836,000	\$1,836,000	\$0
Total	\$0	\$0	\$1,521,000	\$1,836,000	\$1,836,000	\$1,836,000	\$0
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$0	\$0	\$1,521,000	\$1,836,000	\$1,836,000	\$1,836,000	\$0
Capital Outlay	\$0	\$0	\$1,521,000	\$1,836,000	\$1,836,000	\$1,836,000	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Total	\$0	\$0	\$1,521,000	\$1,836,000	\$1,836,000	\$1,836,000	\$0
Full-Time Equivalent (FTE)							0.00

Funding Sources (Governor's Recommended)						
	General	Federal	Other	General%	Federal%	Other%
PROPERTY & CASUALTY CAPTIVE INS COMP FND	\$0	\$0	\$1,836,000	0.0%	0.0%	100.0%

Personnel Management/Employee Benefits (01291)

BHRA provides HR services to state agencies and employees through two divisions – Total Rewards and Human Resources. The Division of Total Rewards is responsible for compensation, classification, benefits and health, and record keeping. The Human Resources division provides guidance in all matters related to employee relations, development, training, and talent acquisition.

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	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$381,206	\$0	\$9,791,169	\$10,172,375	71.2	\$381,206	\$0	\$9,791,169	\$10,172,375	71.2
1. Sioux Falls One Stop	\$0	\$0	\$85,420	\$85,420	0.0	\$0	\$0	\$85,420	\$85,420	0.0
FY 2026 Total Budget	\$381,206	\$0	\$9,876,589	\$10,257,795	71.2	\$381,206	\$0	\$9,876,589	\$10,257,795	71.2
Change from Base Budget	\$0	\$0	\$85,420	\$85,420	0.0	\$0	\$0	\$85,420	\$85,420	0.0
% Change from Base Budget	0.0%	0.0%	0.9%	0.8%	0.0%	0.0%	0.0%	0.9%	0.8%	0.0%

1. Sioux Falls One Stop

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$85,420	\$85,420	0.00
Governor's Recommendation	\$0	\$0	\$85,420	\$85,420	0.00

The agency requests an increase of \$85,420 in other fund expenditure authority for rent costs at the Sioux Falls One Stop for Personnel Management/Employee Benefits. This increase for rent costs breaks down by budget center to \$70,584 for Human Resources, \$7,418 for Human Resources Administration, and \$7,418 for Employee Benefits.

The fund source of the authority for Human Resources and Human Resources Administration is the Personnel — Labor & Management fund (Company 6009).

The fund source of the authority for Employee Benefits is the Insurance Administration fund (Company 3035).

The governor recommends this request.

Reversions and Unutilized FTE (01291)

	General	Federal	Other
Original Appropriation FY2024	\$318,114	\$0	\$8,253,603
Pool Distributions	\$48,534	\$0	\$838,708
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$0
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$366,648	\$0	\$9,092,311
FY2024 Expenditures	\$366,641	\$0	\$7,988,429
Reversion of Authority	\$7	\$0	\$1,103,882
Unutilized FTE			8.0

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By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$366,641	\$366,648	\$381,206	\$381,206	\$381,206	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$7,988,429	\$9,092,311	\$9,791,169	\$9,876,589	\$9,876,589	\$85,420
Total	\$0	\$8,355,070	\$9,458,959	\$10,172,375	\$10,257,795	\$10,257,795	\$85,420

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Personnel Management/Employee Benefits	\$0	\$8,355,070	\$9,458,959	\$10,172,375	\$10,257,795	\$10,257,795	\$85,420
Total	\$0	\$8,355,070	\$9,458,959	\$10,172,375	\$10,257,795	\$10,257,795	\$85,420

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$0	\$6,080,922	\$6,726,276	\$6,585,645	\$6,585,645	\$6,585,645	\$0
Salaries	\$0	\$4,727,530	\$5,135,544	\$5,061,219	\$5,061,219	\$5,061,219	\$0
Benefits	\$0	\$1,353,391	\$1,590,732	\$1,524,426	\$1,524,426	\$1,524,426	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$0	\$2,274,149	\$2,732,683	\$3,586,730	\$3,672,150	\$3,672,150	\$85,420
Travel	\$0	\$130,536	\$191,497	\$205,446	\$205,446	\$205,446	\$0
Contractual Services	\$0	\$1,848,128	\$2,295,186	\$3,088,733	\$3,174,153	\$3,174,153	\$85,420
Supplies	\$0	\$241,358	\$193,600	\$240,151	\$240,151	\$240,151	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Capital Outlay	\$0	\$54,127	\$52,400	\$52,400	\$52,400	\$52,400	\$0
Total	\$0	\$8,355,070	\$9,458,959	\$10,172,375	\$10,257,795	\$10,257,795	\$85,420
Full-Time Equivalent (FTE)		65.47	73.5	71.2	71.2	71.2	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
STATE GENERAL FUND	\$381,206	\$0	\$0	100.0%	0.0%	0.0%
STATE EMPL WORKERS COMPENSATIO	\$0	\$0	\$378,587	0.0%	0.0%	3.8%
STATE EMPLOYEES BENEFITS PLAN	\$0	\$0	\$1,596,152	0.0%	0.0%	16.2%
PERSONNEL A-87	\$0	\$0	\$7,445,485	0.0%	0.0%	75.4%
TRAINING & DEVELOPMENT	\$0	\$0	\$456,365	0.0%	0.0%	4.6%

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
No data available				
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Instuctor Led Plus Virtual Courses / Participants	199 / 3,985	491 / 7,992	525 / 8,200	535 / 8,500
SD Learn Courses Taken	8,241	10,080	10,200	10,400
Insurance Plan Participants:				
Health: Employees, COBRA/ Dependents	11,943 / 13,668	12,137 / 14,025	12,169 / 26,564	12,169 / 26,564
Life: Employees/Supplemental	12,500 / 6,456	12,785 / 6,733	12,825 / 5,950	12,825 / 5,950
Members Receiving Annual Physical from Primary Car	11,650	9,063	9,200	9,200
Members Completing Online Risk Assessment Form	9,641	6,920	7,050	7,050
Members Enrolled in Case/Condition Management	1,542	1,165	700	700
Employee Assistance Program Utilization	794	788	800	800
Flexible Benefits Participants	12,970	12,992	11,840	11,840
Flexible Benefits Salary Sheltered	\$29,616,320	\$33,392,656	\$35,000,000	\$37,000,000
Workers' Compensation Total Eligible	26,835	27,106	27,100	27,100

Budget History

FY 2025 Budget		General	Federal	Other	Total	FTE
Proposed Executive Reorganizations		\$366,648	\$0	\$8,786,700	\$9,153,348	71.50
Software Licensing Fee		\$0	\$0	\$575,000	\$575,000	0.00
Merger Efficiencies		\$0	\$0	(\$186,087)	(\$186,087)	(1.50)
Office of Risk Management Legal Department		\$0	\$0	\$867,500	\$867,500	5.00
Insurance Premium Cost Inflation		\$0	\$0	\$5,770,000	\$5,770,000	0.00
Reduction in Federal Surplus Property Office		\$0	\$0	(\$375,000)	(\$375,000)	(3.00)
Reduction in Central Duplicating Services		\$0	\$0	(\$225,000)	(\$225,000)	0.00
Utility Cost Adjustment		\$0	\$0	\$6,602	\$6,602	0.00
Maintenance and Repair		\$1,406,743	\$0	\$0	\$1,406,743	0.00
Insurance Claim Cost Increase		\$0	\$0	\$4,500,000	\$4,500,000	0.00
Totals		\$1,773,391	\$0	\$19,719,715	\$21,493,106	72.00
Session 2024 Supplemental and Special Appropriations		General	Federal	Other	Total	FTE
State Govt. Water & Sewer Projects	SB 66	\$0	\$12,826,696	\$0	\$12,826,696	0.00
Totals		\$0	\$12,826,696	\$0	\$12,826,696	0.00
FY 2024 Budget		General	Federal	Other	Total	FTE
Utility Cost Adjustment		\$0	\$0	(\$621,985)	(\$621,985)	0.00
Maintenance and Repair		\$1,665,141	\$0	\$0	\$1,665,141	0.00
Totals		\$1,665,141	\$0	(\$621,985)	\$1,043,156	0.00
Session 2023 Supplemental and Special Appropriations		General	Federal	Other	Total	FTE
Construction Cost Increases for Kinsman Building	HB 1006	\$0	\$0	\$1,550,000	\$1,550,000	0.00
Water improvement & preserving memorials for Capitol Lake	HB 1196	\$3,200,000	\$0	\$2,000,000	\$5,200,000	0.00
Backfill Extraordinary Litigation Fund	SB 19	\$2,000,000	\$0	\$0	\$2,000,000	0.00
Totals		\$5,200,000	\$0	\$3,550,000	\$8,750,000	0.00
FY 2023 Budget		General	Federal	Other	Total	FTE
Utility Cost Adjustment		\$0	\$0	\$268,614	\$268,614	0.00
Maintenance and Repair		\$285,440	\$0	\$0	\$285,440	0.00

FY 2023 Budget		General	Federal	Other	Total	FTE
Totals		\$285,440	\$0	\$268,614	\$554,054	0.00
Session 2022 Supplemental and Special Appropriations	Bill	General	Federal	Other	Total	FTE
	Capitol Lake	HB 1013	\$3,500,000	\$0	\$3,500,000	0.00
	Extraordinary Litigation Fund	HB 1019	\$1,500,000	\$0	\$1,500,000	0.00
	Kinsman Building Addition	HB 1020	\$0	\$0	\$1,450,000	0.00
	Various Statewide Utilities	SB 60	\$0	\$0	\$189,550	0.00
	Totals	\$5,000,000	\$0	\$1,639,550	\$6,639,550	0.00