

*STATE OF TENNESSEE*

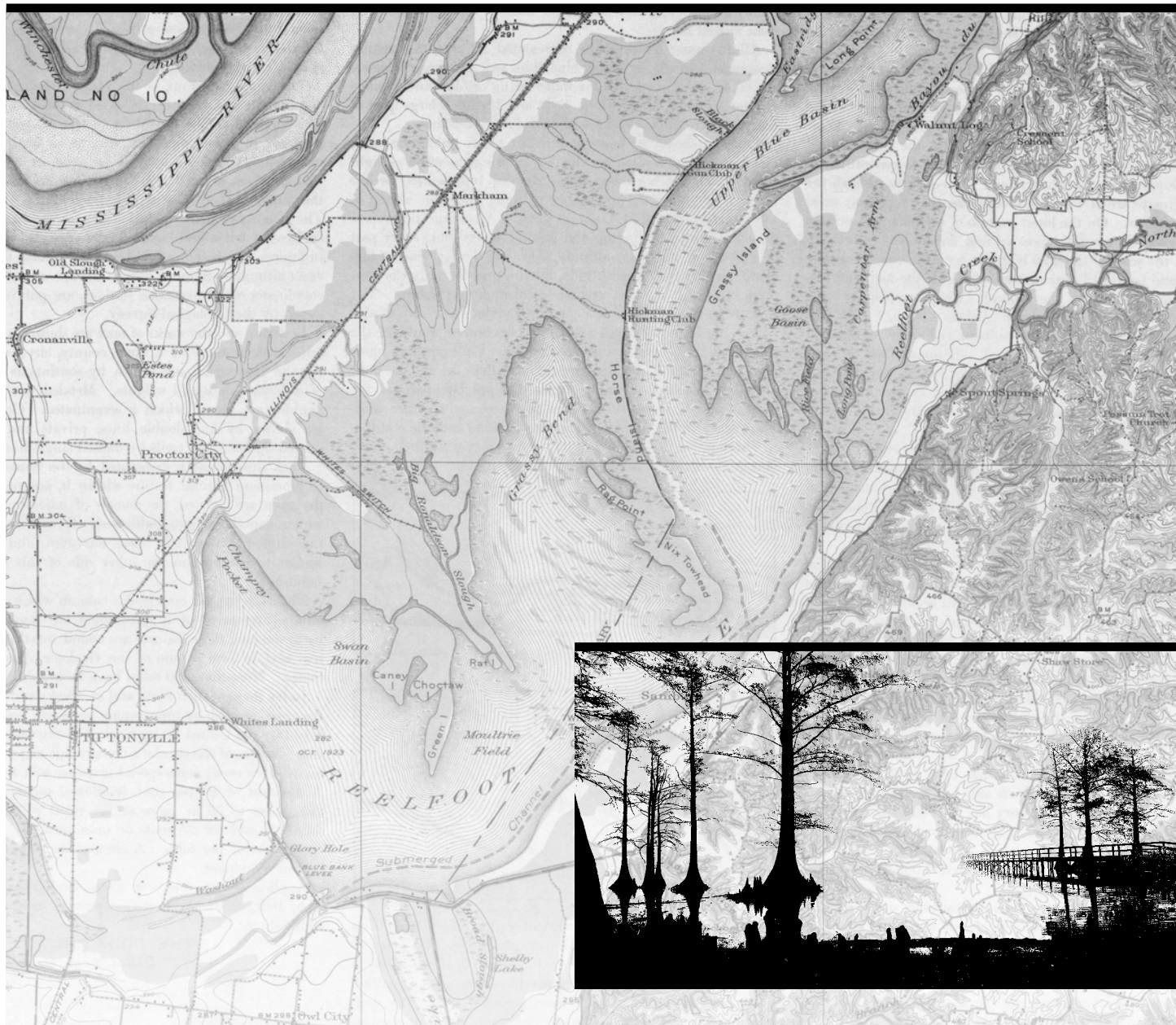


# The Budget

*FISCAL YEAR 2012-2013*



**Bill Haslam, Governor**



**Cover:** Reelfoot Lake, cypress and pier, light rain, early morning, November 2011. South end of lake, State Route 21, between Samburg and Tiptonville, Lake County, Tenn.

Reelfoot Lake was formed by earthquakes along the New Madrid fault in the winter of 1811-1812, and over many months the sunken land filled with waters of Reelfoot River and Bayou du Chien. According to folklore, waters of the Mississippi River flowed backward during the earthquakes and filled the lake.

In Lake and Obion counties, in northwest Tennessee, Reelfoot Lake encompasses 25,000 acres and includes an 18,000-acre state natural area, a state park, a state wildlife management area, and two national wildlife refuges and is a national natural landmark. The state natural area includes 10,900 acres of open water and marshes and 7,100 acres of bottomland hardwood forests and cypress bottoms and sloughs. The area is home to approximately 34 species of rare or endangered plants and animals. The lake is a prime area for viewing eagles, including nesting bald eagles, and for hunting, fishing, and wildlife-watching. Portions of the lake have been state-managed since the 1920s, first by a Reelfoot Lake Commission and beginning in 1931 by the Game and Fish Commission. Reelfoot Lake State Park was designated in 1956 and the state natural area in 1973. [Information from Tenn. Historical Society, Tennessee Historical Quarterly, Fall 1973, and Web site of Tenn. Dept. of Environment and Conservation.]

**Section Dividers:** Prepared by Tenn. Dept. of General Services, Printing and Media Services Division, from a 1923 topographic map prepared by the U.S. Geological Survey in cooperation with the Tenn. state geologist and the Mississippi River Commission. Map obtained from University of Texas at Austin, Perry-Castaneda Library, Map Collection, Tennessee Historical Topographic Maps, Reelfoot Lake Quadrangle [Tennessee, Missouri, Kentucky], 1923, 1:62,500 (4.3MB) at Web site: <http://www.lib.utexas.edu/maps/topo/tennessee/>.



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Bill Haslam,  
Governor







GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
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PRESENTED TO

**State of Tennessee**

For the Fiscal Year Beginning

**July 1, 2011**

*Linda C. Dawson Jeffrey R. Egan*

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the State of Tennessee for the Annual Budget beginning July 1, 2011.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



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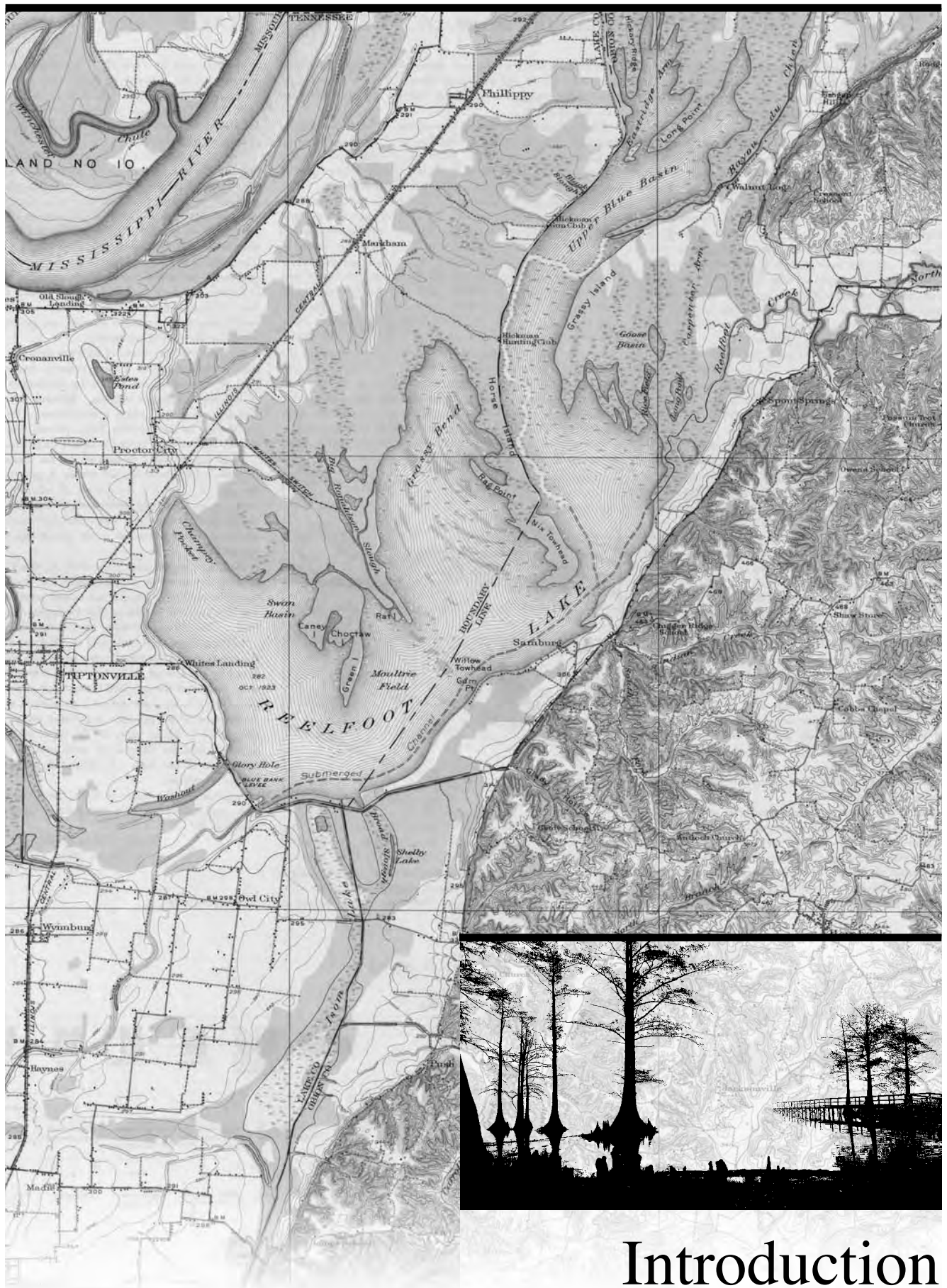
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# Introduction



# Introduction



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**BILL HASLAM**  
GOVERNOR  
STATE OF TENNESSEE

January 30, 2012

To the Members of the 107<sup>th</sup> General Assembly:

I am pleased to recommend to you the fiscal year 2012-2013 Budget for the State of Tennessee.

This budget has been developed as our economy finally begins to show signs of economic recovery. For fiscal year 2012-2013, general fund revenue collections are projected to grow 4.03 percent. Although growing, it is important to note that revenue collections are only just now recovering to levels last achieved in 2007.

With limited new funding, I am proposing to fully fund program and inflationary costs in TennCare and the Basic Education Program, make additional investments in the Jobs4TN program, and replace a significant portion of non-recurring Core Service Programs with recurring funding. For state employees, teachers, and higher education, I am proud to be recommending a 2.5 percent salary policy. I also want to take the first step in providing tax relief to the citizens of Tennessee by reducing the state sales tax on food and increasing the exemption level on the inheritance tax.

Unfortunately, because funding needs exceed available new revenue, it was necessary once again to reduce funding to state programs. As a result, the budget reduces the base of state programs by an average of 2 percent. Reductions, although difficult, were carefully determined to minimize the impact on important government programs and services. In my opinion, many of the proposed reductions will take a significant step in making state government work smarter, more focused, and more efficient.

To achieve efficiencies, for example, I am proposing to eliminate duplicative functions by restructuring 22 state boards and commissions. I am also proposing significant change to our current employment system, which is antiquated and in need of reform. To eliminate waste, I am also proposing to eliminate 835 unfilled positions across state government that have been vacant for over a year.

Lastly, I am recommending an additional deposit of \$50 million to the Rainy Day Fund. The recent economic downturn required a significant reduction of this reserve and it is imperative that it be replenished as much as possible.

My staff and I look forward to working with the members of the General Assembly on this budget, the Appropriations Bill, related legislation, and other issues of interest to you.

Sincerely,

Bill Haslam  
Governor of the State of Tennessee





STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
STATE CAPITOL  
NASHVILLE, TENNESSEE 37243-0285

Mark A. Emkes  
Commissioner

January 30, 2012

The Honorable Bill Haslam  
State Capitol  
Nashville, TN 37243

I am pleased to present to you the fiscal year 2012-2013 Budget Document.

The total state budget for fiscal year 2012-2013 is \$31.1 billion. Of this amount, \$14 billion is state appropriations, \$12.3 billion is federal and \$4.8 billion is from other departmental revenues, higher education tuition and fees, and bonds.

The budget is based on a growth rate in total taxes of 3.65 percent. The economy appears to be recovering and I am glad to report that total collections have now grown for 18 consecutive months. Although encouraging, it is important to note that collections are only just now reaching collection levels that were achieved in 2007.

The budget also includes additional recurring cost increases totaling \$504.5 million. Much of this increase will be used to fund program and inflationary growth in TennCare, the Basic Education Program, and employee-related benefits. The budget does provide funding to recognize the new outcome-based funding formula for higher education as well as to continue necessary investments in economic and development programs. Also included is funding to provide a 2.5 percent salary increase. Notably, this increase represents only the second general salary increase for state employees, teachers, and higher education in the last five years.

To remain balanced within available revenues, reductions were again necessary. State programs were reduced by an average of 2 percent for a total of \$109.7 million. The budget also reduces 835 long-term vacant positions throughout state government for payroll savings totaling \$18.6 million.

The revenue fluctuation reserve (Rainy Day Fund) is estimated to be \$356 million on June 30, 2013. This represents an increase of \$50 million over the estimated June 30, 2012 balance of \$306 million. The recent economic downturn significantly reduced this reserve and it is critical that it be replenished as we continue to face economic uncertainty.

In summary, this budget is balanced within available revenues. It does so with some program reductions while making very important strategic investments. Staff and I will be pleased to assist you in working with the General Assembly on this budget.

Respectfully submitted,

Mark A. Emkes  
Commissioner of Finance and Administration



State of Tennessee

# Budget Highlights

## Recommended Budget, Fiscal Year 2012-2013

The total recommended state budget for 2012-2013 is \$31.1 billion, with \$14 billion from state appropriations, \$12.3 billion from federal funds, and \$4.8 billion from other departmental revenues, higher education student tuition and fees, and bonds for capital projects and facilities revolving fund capital outlay.

Mid-year review of state tax collections and advice from economists and the State Funding Board suggest that current-year estimates of taxes collected by the Department of Revenue should be adjusted upwards. In the general fund for fiscal year 2011-2012, the revenue estimate increased by \$209.6 million from the originally budgeted estimate. The revised current-year growth rate in the general fund is 4.58 percent compared with the actual 2010-2011 Department of Revenue collections. For 2012-2013, before inter-fund reallocations, general fund taxes are expected to grow by \$365.9 million above the revised current-year estimate. This is a 4.03 percent general fund growth rate above the revised current-year estimate. Revenue growth rates are within the range of revenue growth recommended by the State Funding Board.

The revised revenue estimates for the current year and estimates for next year are based on a slow economic recovery through fiscal year 2012-2013 and beyond.

### Plan for Balancing

Supplemental appropriations in 2011-2012 total \$147.9 million, including \$7.3 million to partially restore reductions in the TennCare program, \$2.1 million for the Clover Bottom Developmental Center; \$2 million for the Clean Water and Drinking Water revolving fund; \$31 million for local jail payments and \$912,000 for mental health contract services in the Department of Correction; \$50 million for Fast Track infrastructure and job training assistance, \$34 million for headquarters relocation assistance, and \$199,100 to correct a closing error in the Biodiesel Manufacturers Incentive Fund in the Department of Economic and Community Development; \$2 million to correct the average salary of teachers in the Basic Education Program funding formula; \$3.6 million for indirect costs in regulatory boards; \$4.8 million for the transition of patients from the Lakeshore Mental Health Institute; \$2.5 million for a change in how interest expenses on tax refunds are accounted for, \$6.6 million to correct a fiscal note error from the 2011 legislative session pertaining to driver license revocation; \$150,000 to display the Emancipation Proclamation; and \$700,000 for increases in postage and mileage rates.

In fiscal year 2012-2013, the budget is balanced, with recurring revenues fully supporting recurring appropriations. This is accomplished by additional budget reductions in fiscal year 2012-2013. Base budgets in general fund programs throughout state government have been

reduced by \$109.7 million, long-term vacant positions have been reduced for a savings of \$18.6 million, and certain programs have been decreased by \$24.9 million for a net recurring base reduction of \$153.1 million in the general fund. The average general fund reduction is 2 percent. Reductions in programs supporting public safety are minimal or non-existent. (The reductions are detailed in **Volume 2: Base Reductions.**)

## **K-12 Education**

For K-12 education, the cost increase from the general fund is \$116.1 million, including \$47.8 million to maintain full funding of the Basic Education Program (BEP) formula, which provides an equitable state share of K-12 public education funding to local education agencies (LEAs). A \$1.2 million appropriation for pre-kindergarten is necessary to maintain full funding of existing pre-kindergarten and early childhood education classrooms. Proposed legislation allowing an increase in the maximum class size and use of the resulting savings for teacher salary increases is funded with an appropriation of \$795,000.

The state share of a 2.5 percent salary increase effective July 1, 2012, for teachers and other positions funded through the Basic Education Program formula, is funded with an appropriation of \$58 million. The state share of an increase in group health insurance costs is funded with \$7.3 million.

## **Higher Education**

For higher education, the general fund cost increase is \$81.7 million. This amount includes \$25.5 million in funding to reflect greater institutional productivity, such as increases in student progression, degree productions, research and service, efficiency metrics, and other outcome measures related to institutional mission.

A total of \$10 million non-recurring is appropriated to institutions that are losing recurring funding due to the implementation of the Complete College Tennessee Act of 2010, which created an outcomes-based funding formula for higher education that will implement beginning in fiscal year 2011-2012. An additional non-recurring appropriation of \$5 million for the two university systems is anticipated next year to continue some level of support until the new funding formula is fully implemented.

Need-based student financial aid through the Tennessee Student Assistance Awards program is increased with an additional \$3.4 million. The second year of what is anticipated to be a five year project to expand the University of Memphis to the campus of what was formerly Lambuth University is funded with a recommendation of \$4 million.

A 2.5 percent salary increase across the higher education system is funded with an appropriation of \$29.8 million. This funds the state appropriation share through the higher education academic funding formula. The salary increase for non-academic formula units is funded completely by state appropriation. An increase in cost of group health insurance is funded with \$8.3 million

and an increase in contributions to the consolidated retirement system is funded with an appropriation of \$738,300.

## **Jobs, Economic Development, Agriculture, and the Environment**

An appropriation of \$20 million is recommended for the Jobs4TN program to continue the state's investment in creating new opportunities for Tennessee's workforce and to support the growth and retention of the state's traditional jobs base. Of that amount, \$10 million is recurring funding and \$10 million is non-recurring. A non-recurring supplemental of \$50 million is recommended for the current year for Fast Track infrastructure and job training assistance.

Tennessee's tourism advertising campaign is continued with a \$3.5 million recurring appropriation that will be used to target markets with the highest potential for increasing tourism and to provide additional marketing support to rural and small communities for various heritage, cultural, and other outdoor recreational activities. The new Interstate 26 welcome center in Sullivan County is staffed with \$508,400 in interdepartmental funding from the Department of Transportation with ten positions. The second of three years of funding for the National Folk Festival in Nashville is funded with an appropriation of \$50,000.

The State Museum will display the Emancipation Proclamation for six days in 2013, as part of a celebration of the 150<sup>th</sup> anniversary of that historic document. Tennessee will be the only state in the southeast to display the Emancipation Proclamation. To fund the cost of transporting and displaying the document, an appropriation of \$150,000 is recommended.

The Department of Labor and Workforce Development will receive \$50.1 million in federal funds to build and implement an unemployment insurance benefits system as part of a consortium of four states: Tennessee, Georgia, North Carolina, and South Carolina. Cost increases to the department's labor market and career information website are funded with an appropriation of \$243,500. Unemployment benefits to the spouses of military personnel relocated to another post are funded with \$280,000 and a comprehensive study of Worker's Compensation laws is funded with \$150,000.

Dedicated funding from the Underground Storage Tank Fund in the Department of Environment and Conservation was diverted to the General Fund in fiscal years 2010 through 2012. An appropriation of \$3 million restores the fund. During those same years, funds from the Solid Waste Assistance program were also diverted to the General Fund and \$2.6 million restores that program. Also in Environment & Conservation, \$1.4 million is recommended to fully match the federal funds available for the Clean Water and Drinking Water State Revolving Fund program. These funds are used to provide low interest loans to local governments for waste water and drinking water facility improvements.

Statutory pay raises for eligible employees of the Tennessee Wildlife Resources Agency and the Tennessee Law Enforcement Training Academy are funded with \$424,200 and \$14,900, respectively. A 2.5 percent portion of the annual salary survey done for certain positions in both agencies is funded with \$728,300 and \$21,300 respectively. Additional funding for police and

firefighter pay supplements is provided for with an appropriation of \$149,400. Local police officers and firefighters are eligible for the annual \$600 pay supplement upon successful completion of at least 40 hours of in-service training. Administration legislation to broaden the categories of law enforcement officers whose estates receive compensation when they die in the line of duty is expanded with a recommendation of \$25,000.

## **Health, Child Welfare, Social Services, and Juvenile Justice**

Total additional funding for the TennCare program is increased by \$146.1 million. Certain reductions previously made in the TennCare program are restored or partially restored with this budget recommendation. Recurring funding of \$14.5 million defers 1.75 percent of the 4.25 percent rate reduction that was to have occurred on January 1, 2012, for the following providers: nursing homes, managed care organizations, transportation, laboratory and x-ray, dental services, private ICF-MR, Program of All-Inclusive Care for the Elderly (PACE), and home health. These funds also eliminate the \$2 co-pay on non-emergency transportation, which was to have taken place on January 1, 2012.

Previous reductions are restored with \$24.8 million. This restoration includes recurring funding for the following programs: \$300,000 to Jellico Hospital for supplemental hospital payments, \$9.8 million for birthing method reimbursement rates, \$4.5 million for perinatal grants to five teaching hospitals, and a \$200,000 grant to the Tennessee Chapter of the American Academy of Pediatrics. Non-recurring state funds restore reductions in the following: \$32.2 million for the Standard Spend-Down Program, \$200,000 to Jellico Hospital, \$2.5 million for a grant to Meharry Medical College, \$7.4 million for emergency room physician reimbursement, and \$2,750,000 to Nashville Metro General Hospital and The Med Regional Medical Center in Memphis for supplemental hospital payments.

A 3.18 percent increase in TennCare costs resulting from additional medical utilization and cost inflation is funded with a recurring appropriation of \$78.9 million. This 3.18 percent increase compares favorably to a national average increase of 8.25 percent. A decrease in the amount of federal funds available through the Federal Medical Assistance Percentages (FMAP) match rate is offset with a recurring state appropriation of \$3.1 million. A recommended increase in payments to Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC) is funded with \$10.6 million recurring. An acuity-based reimbursement methodology for nursing homes is funded with an \$8 million appropriation. The cost of funding programs delivered by the departments of Intellectual and Developmental Disabilities and Children's Services, but funded through TennCare, is provided for with appropriations to the Bureau of TennCare of \$5.3 million and \$959,900, respectively.

The FQHC and the state's primary care clinics will receive recurring funds of \$1.4 million and \$6 million respectively from the Department of Health. Also included in the recommendation for Health is \$100,000 for the increased state share of costs at the Middle Tennessee Forensic Center and \$1,000,000 for increased costs at the West Tennessee Forensic Center.



A projected increase of 105 enrollees and cost per day for home and community-based services provided to the intellectually and developmentally disabled is funded with an additional \$6.7 million in recurring interdepartmental funds from TennCare. Non-recurring funds of \$8.8 million interdepartmental from TennCare are recommended for the temporary continuation of operations at Clover Bottom Developmental Center due to a delay in the phase-down process. Administration legislation pertaining to the licensing of developmental centers is funded with a recommendation of \$77,900 in current services revenue.

Increased costs in the CoverKids program are funded with an appropriation of \$8.9 million recurring that will match \$25.3 million federal for a total of \$34.2 million. A three percent increase in rates paid to private residential providers by the Department of Children's Services is funded with an appropriation of \$1.9 million recurring.

## **Safe Communities**

An additional \$78.7 million is recommended for the Department of Correction. In the prison budget, \$36 million is required to accommodate an increased felon population in local jails. Funding for 442 positions and the operational expenses required to expand the Southeastern Tennessee State Regional Correctional Facility is provided for with a recurring appropriation of \$24.5 million. This amount is offset by a recurring base reduction in the Sentencing Act of 1985 allotment, as required by law. Increased costs at a variety of correctional institutions particular to sex offenders, medical services, and contract inflators are funded with \$9.6 million. Non-recurring funds of \$1.8 million are provided to expand the radio system at the Southeastern Tennessee State Regional Correctional Facility.

Administration legislation calling for enhanced punishment for crimes related to gang violence, unlawful possession of a firearm, prescription drug fraud, and domestic assault is funded with \$6.7 million.

Mandatory annual Department of Safety trooper salary increases are funded with \$800,900. A 2.5 percent salary increase for the annual border-states commissioned officer salary survey is funded with \$1.4 million.

An additional \$2 million is recommended to provide interpreter services in general sessions courts. The mandated salary increase for judges, the Attorney General, district attorneys, criminal investigators, public defenders, and assistant post-conviction defenders are funded with a total appropriation of \$2.7 million.

## **General Government**

A 2.5 percent salary increase for state employees is recommended and funded with a \$36 million appropriation. Additional funds are recommended to fund the state's portion of increases for teachers (\$58 million) and higher education (\$29.8 million). The total cost of the 2.5 percent salary increase is \$123.8 million. Increasing costs in the state's group health insurance program

are funded with a total appropriation of \$26 million. This cost increase includes funds for state employees (\$10.4 million), teachers and other licensed K-12 employees (\$7.3 million), and higher education employees (\$8.3 million). Increasing retirement contribution rates are funded with appropriations of \$1.2 million for general government employees and \$738,300 to higher education for a total of \$1.9 million. An increase in the risk management premium is funded with \$1.7 million.

A non-recurring amount of \$300,000 is recommended to fund a new market salary study of state employees. Once that study is complete, \$15 million is provided to begin implementation of the study's results on January 1, 2013.

A new program, Business Solutions Delivery, is established in the Department of Finance and Administration to provide project management assistance to implement large and complex information technology projects in other state agencies with an appropriation of \$1,175,900 and eight positions.

In the Department of General Services, the pre-planning of capital projects is funded with \$8.5 million, of which \$8 million is non-recurring. A new strategic sourcing initiative and web-based shopping platform are funded with \$5 million and \$1.4 million respectively. Operational support of the newly created procurement office is provided with a \$252,700 appropriation, and a real estate management attorney position is funded with \$202,900. The need for temporary relocation of state offices due to office renovations is funded with a non-recurring appropriation of \$6 million to Miscellaneous Appropriations.

The establishment of a new college savings plan to be managed by the State Treasurer is funded with \$416,400 in recurring appropriations, \$1,735,800 non-recurring, and \$125,000 in departmental revenue for a total of \$2,152,200.

## **Capital Outlay**

Capital outlay in fiscal year 2012-2013 totals \$561.5 million, including \$138.6 million in non-recurring current funds and \$122 million from federal and other sources. A bond authorization of \$300.9 million is also requested. An appropriation of \$135.5 million is recommended for statewide capital maintenance, including \$38.8 million for general government, \$39.9 million for the Board of Regents, \$32.3 million for the University of Tennessee, and \$24.5 million for the Department of Correction from Sentencing Act funds.

The facilities revolving fund (FRF) capital budget provides an additional \$134.6 million for projects and maintenance of state office buildings and similar facilities maintained through agency rent payments. This is funded by a transfer of \$125.1 million in state appropriation from the general fund, \$2 million from FRF current funds, \$6.5 million from other funding, and \$1 million from proposed bonds, with debt service provided from the facilities revolving fund through agency rent payments.

A statewide office consolidation project including building renovations and modifications, systems replacements, office relocations, and related work to move state agencies from privately-owned space to state-owned space is funded with an appropriation of \$75 million to the facilities revolving fund.

### **Revenue Fluctuation Reserve**

The revenue fluctuation reserve allows services to be maintained when revenue growth is slower than estimated in the budget, mainly during economic downturns. The revenue fluctuation reserve was \$283.6 million on June 30, 2011. The 2011 appropriations act set the reserve at \$311 million, less a contingency appropriation for the University of Memphis Lambuth Campus of \$5 million. The net result is an anticipated balance in the revenue fluctuation reserve of \$306 million on June 30, 2012. A recommended deposit to the fund of \$50 million in fiscal year 2012-2013 will have the total revenue fluctuation reserve at \$356 million on June 30, 2013.

### **TennCare Reserve**

The TennCare reserve consists of prior-year unspent funds appropriated to the TennCare program. The unobligated reserve as of June 30, 2011, is estimated at \$235 million, less an appropriation for primary care clinic grants of \$6 million, for a total of \$229 million. No transfers from the TennCare reserve are anticipated in fiscal year 2012-2013, so the balance is projected to be \$229 million on June 30, 2013.

### **Conclusion**

The budget document includes narrative program statements for each of the line-item programs for which funds are recommended. In addition, detailed statements explain the recommended program improvements. **Volume 2: Base Budget Reductions**, describes the reductions in recurring funding by program.



# The Budget Document

## Introduction

Tennessee Code Annotated, Section 9-4-5106, requires that the financial plan of Tennessee's state government be presented in four parts:

**1. Financial Policy** – The state's financial policy, contrasting the relationships between expenditures and revenues from all sources that are estimated for the ensuing fiscal year, with the corresponding figures for the latest completed fiscal year and the fiscal year in progress; and a budget summary;

**2. State Appropriations and Taxes, Excluding Dedicated Funds** – Appropriations and tax estimates from general state tax sources, excluding appropriations from dedicated tax sources; this is the so-called "State Taxpayers Budget";

**3. Detailed Budget Estimates** – Estimates of expenditures and revenues, including all funding sources; program statements and performance measures; statement of the state's bonded indebtedness, detailing redemption requirements until retirement, the net and gross debt of the state, and condition of the sinking fund; and

**4. Appropriations Bill and Other Budget Bills** – The General Appropriations Bill, through which the General Assembly gives legal sanction to the financial plan it adopts. Upon passage, this bill appropriates by agency and fund the expenditures for the ensuing fiscal year. The revenues by which these expenditures are financed also are detailed in this bill. In addition, other bills required to give legal sanction to the financial plan must be filed.

Parts one, two, and three are included in the Budget Document. The format of the Budget Document is reviewed annually for clarity and content. Part four, the Appropriations Bill and other budget legislation, such as the Bond Authorization Bill, are separate documents.

The "Introduction" section of the Budget Document begins with transmittal letters from the Governor to the General Assembly and from the Commissioner of Finance and Administration to the Governor. These letters and the following budget highlights summarize the policy and financial recommendations included in the document.

The next section of the Budget Document, entitled "Budget Overview," is a brief summary of the total budget.

This overview is a series of charts and schedules that summarize the Budget. The total state budget and the general fund budget are represented by pie charts that detail each major tax and each functional area for the recommended budget. Tennessee's current tax structure has the majority of its tax revenue coming from the sales tax, the largest portion of which funds K-12 education.

The overview schedules clarify and detail the expenditures, revenue sources, and personnel requirements of state government.

The Budget Document has several total budget schedules comparing programs by funding source and showing how those funds are derived.

Also included are tables that list, by department, the cost increases proposed for the next fiscal year. A separate table lists, by department, proposed base budget reductions, indicating the percent of reduction compared with general fund state appropriations and with so-called discretionary appropriations. The discretionary appropriations exclude appropriations from all dedicated taxes and

fees, federal aid, and other departmental revenue; and general fund appropriations for the K-12 Basic Education Program (BEP), pre-kindergarten appropriations, constitutionally and statutorily required salaries of judges, 31 district attorneys general, 31 public defenders, and certain programs affecting indigent or low-income persons.

There are two charts that provide the total fund balance available, indicating the appropriation requirements and the general fund and education fund revenues and reserves available to meet that need: "General Fund and Education Fund, Comparison of Appropriation Requirements and State Revenues" for the current year, and next (or recommended budget) year. The two charts show how the budget is balanced against general fund and education fund tax revenues for the two fiscal years. Because of its dedicated funding sources, the Department of Transportation's appropriation requirements and revenue sources are stated on a separate chart.

All agencies and departments are included in the summary comparison schedules by program and funding source.

Other schedules provide detail on the supplemental appropriations required to maintain programs in the current fiscal year, the Constitutional spending limitation requirement, a summary of personnel and funding for all state agencies and higher education institutions, and Tennessee characteristics, which include demographic and other information on the state.

Two charts in the overview summarize base budget reductions and base budget adjustments (increases). The charts reflect changes from the current-year work program recurring state appropriations.

The overview also includes charts summarizing the lottery for education revenue estimates, program requirements funded from the lottery revenue, and lottery reserve fund balances.

The section entitled "State Tax Revenues" presents state tax revenue estimates for the ensuing fiscal year, compared with actual collections for the previous year and the revised estimate for the current year. This section explains the various sources of revenue, by collecting agency, and the statutory apportionment among the various funds: the general fund, education fund, highway fund, sinking (or debt service) fund, and cities and counties fund.

Included in the "Financial Statements" section are the comparative balance sheets for the general fund, education fund, and highway fund.

This section is followed by the expenditures and requirements of the debt service fund for the previous, current, and subsequent fiscal years. A debt service fund comparative balance sheet also is included.

The status of the various authorized and unissued bonds is given in a schedule of bonds and appropriations made for capital purposes in lieu of bond issuance. The statement of bonded indebtedness presents the retirement schedule for the state's bonded debt. The cost of outstanding bonds is reflected as principal and interest.

The proposed capital outlay for the ensuing fiscal year is included within the "Capital Outlay Program" section. Specific projects are shown for each department impacted, along with capital maintenance. Whether from current funds of the general fund, the sale of general obligation bonds, or from other sources, the proposed funding for each project is indicated.

The "State Taxpayers Budget" section is included to distinguish between state appropriations from general state taxes and appropriations from dedicated taxes and fees, which are narrowly levied and earmarked for specific purposes. The "State Taxpayers Budget" excludes the dedicated funds, federal revenues, and other departmental revenues; it reports only appropriations from general state

tax sources, along with estimates of the general taxes.

Except for the "State Taxpayers Budget," all of the other summary charts and program statements in this Budget Document that deal with appropriations include appropriations from all state sources, both general taxes and dedicated taxes and fees.

The major portion of the Budget Document is "Program Statements by Functional Area." For presentation in the Budget Document, departments and agencies with related missions, programs, goals, and objectives are grouped, resulting in six functional areas. This enables legislators, policy-makers, and citizens to have a better concept of the magnitude and costs of services provided through the various functional areas of state government.

At the beginning of each functional presentation is an introduction to the associated agencies, followed by a list of the cost increases that are recommended for that area of state government. The cost increase list is followed by tables that show the total expenditures, funding sources, and personnel of each functional area.

The activities and responsibilities of the departments and agencies are explained through narrative descriptions of each program.

Following this narrative, fiscal and personnel data are provided for the last completed year, the current year, and the next year.

The next-year estimates include the level of funding and number of positions for the recommended base budget, program cost increases, and the total recommended. Program performance measures also are provided for executive branch programs. Budgets of executive branch agencies operating under the performance-based budget law are designated with a sub-heading following the department name.

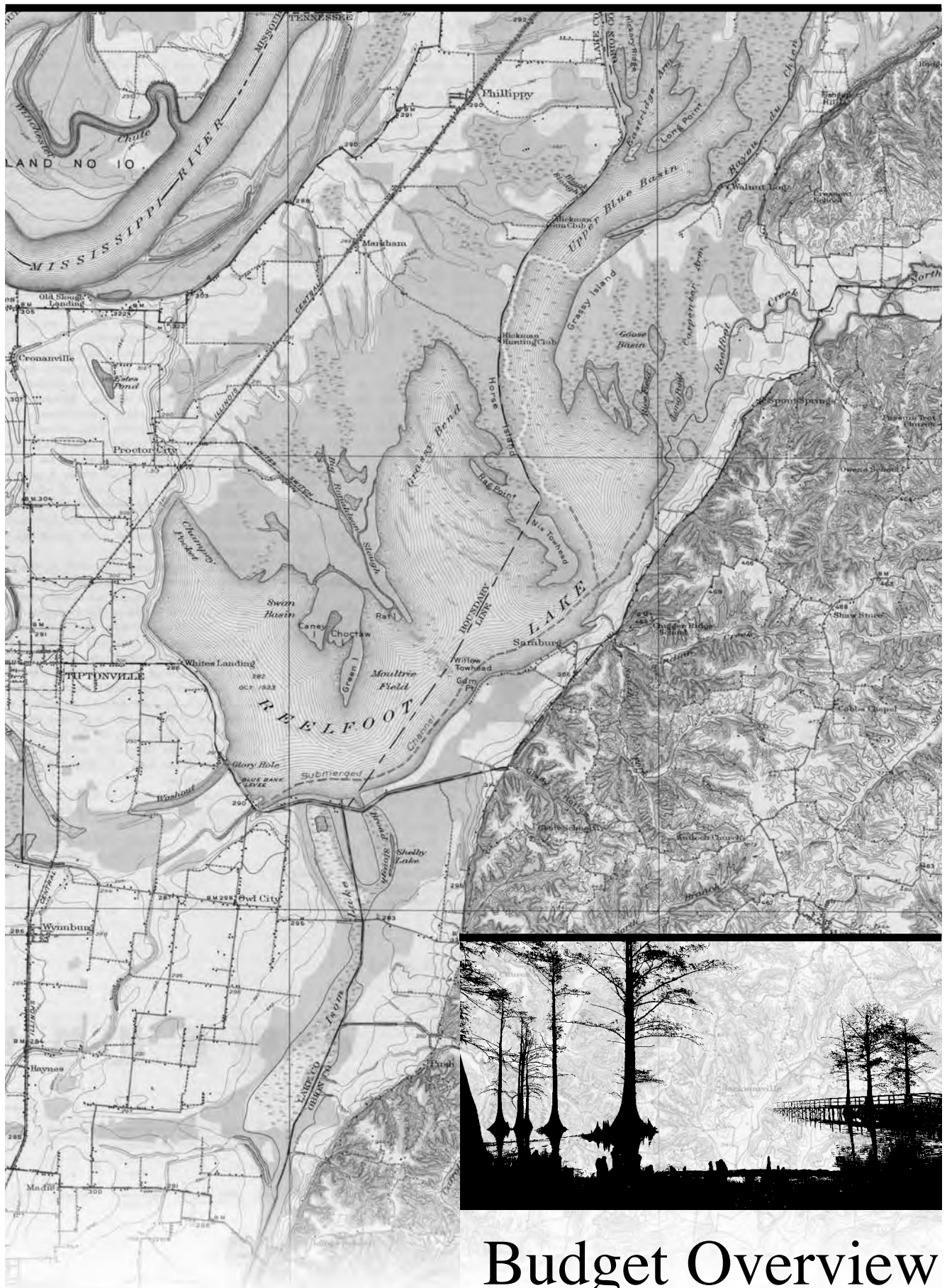
Base budget reductions necessary to balance general fund appropriations are included in the recommended base budget of this document by program. The specific base reductions by program are itemized in a separate Volume 2, Base Budget Reductions.

Following the "Program Statements by Functional Area," the next-to-last section of the Budget Document is "Budget Process and Program History." This section includes explanatory sections entitled "The Budget Process," "Performance-Based Budget," "Basis of Budgeting and Accounting," and "Tennessee Program History," which provides historical information on major programs.

The final section is the "Glossary and Index."







# Budget Overview



# Budget Overview

## Summary Statements and Charts

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# Budget Overview

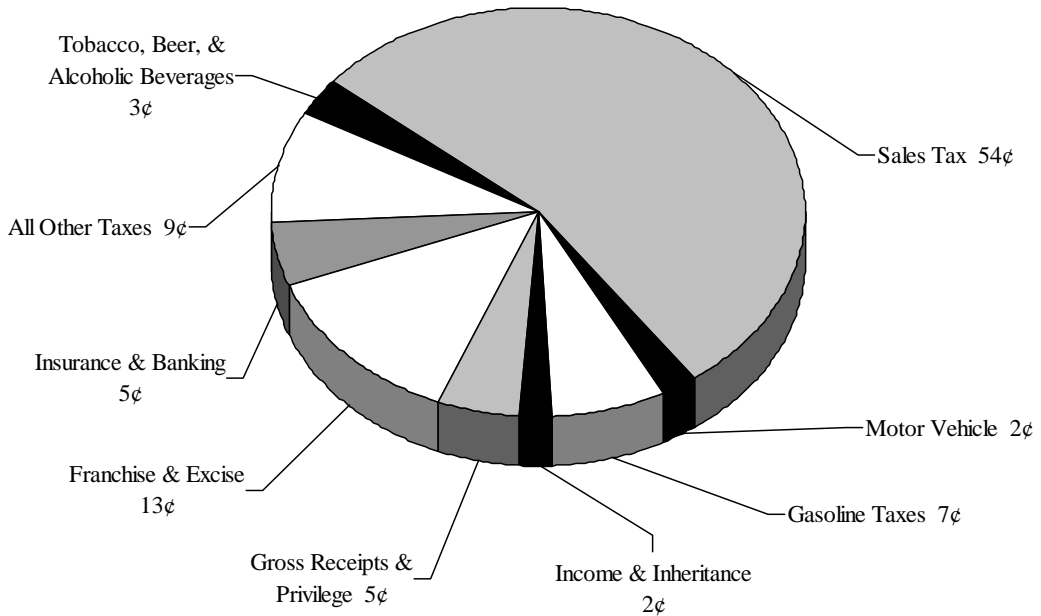
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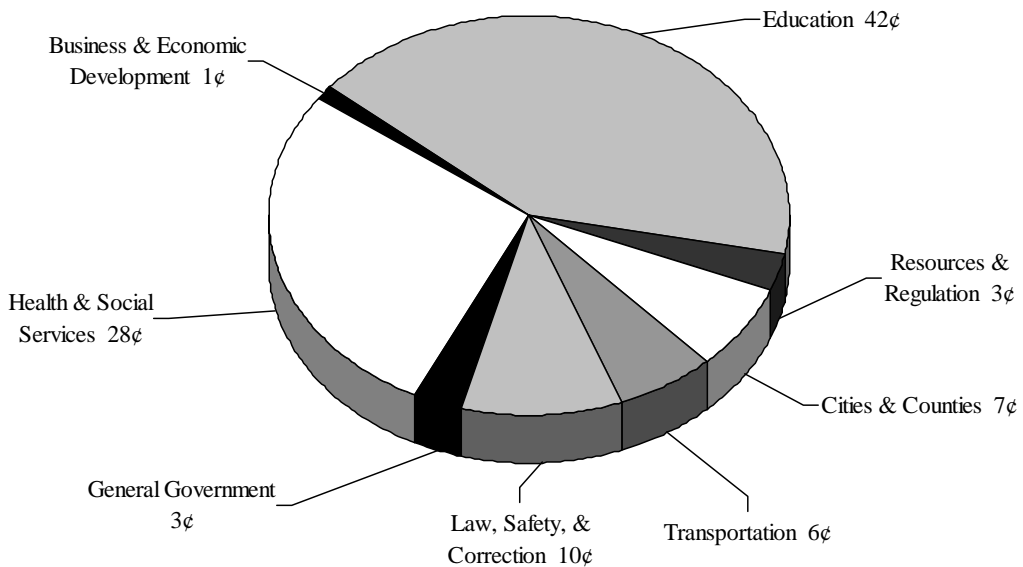
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# Total State Budget

## Where Your State Tax Dollar Comes From



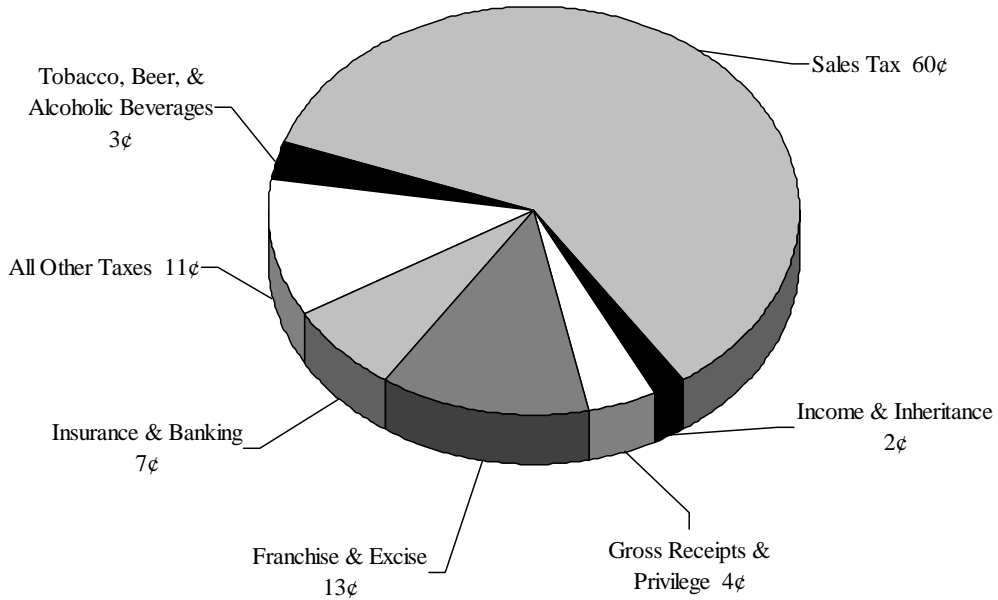
## Where Your State Tax Dollar Goes



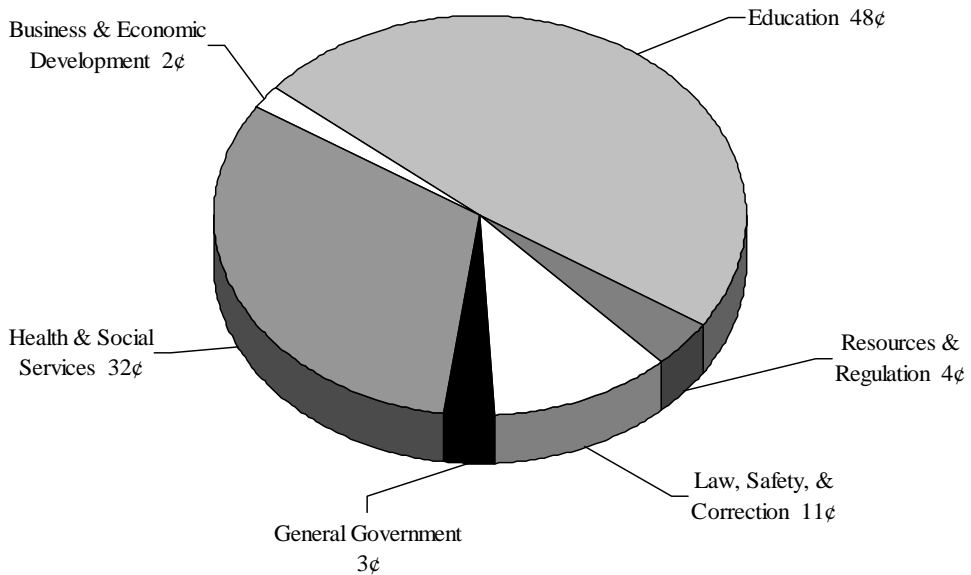
Fiscal Year 2012 - 2013

# General Fund Budget

## Where Your State Tax Dollar Comes From



## Where Your State Tax Dollar Goes



Fiscal Year 2012 - 2013

**Total State Budget  
Comparison of Programs and Revenue Sources  
Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Recommended 2012-2013</u>	<u>Act. vs. Est. Difference</u>	<u>Est. vs. Rec. Difference</u>
<b>I. PROGRAMS</b>					
<b>ALL PROGRAMS</b>	<b>\$ 31,123,308,000</b>	<b>\$ 31,929,306,660</b>	<b>\$ 31,076,599,000</b>	<b>\$ 805,998,660</b>	<b>\$ (852,707,660)</b>
General Fund <sup>1</sup>	27,494,969,300	28,312,026,560	27,184,575,100	817,057,260	(1,127,451,460)
Department of Transportation	1,882,067,900	1,816,595,000	1,737,486,900	(65,472,900)	(79,108,100)
Debt Service Requirements	396,736,000	426,346,400	436,460,000	29,610,400	10,113,600
Capital Outlay Program	391,519,000	360,997,500	561,510,000	(30,521,500)	200,512,500
Facilities Revolving Fund	137,499,800	160,741,200	278,067,000	23,241,400	117,325,800
Cities & Counties - State Shared Taxes	820,516,000	852,600,000	878,500,000	32,084,000	25,900,000
<b>II. REVENUE SOURCES</b>					
<b>APPROPRIATION</b>	<b>\$ 12,436,523,600</b>	<b>\$ 13,632,894,160</b>	<b>\$ 13,999,344,300</b>	<b>\$ 1,196,370,560</b>	<b>\$ 366,450,140</b>
General Fund <sup>1</sup>	9,996,054,500	11,572,632,960	11,669,319,500	1,576,578,460	96,686,540
Department of Transportation	889,674,900 <sup>2</sup>	712,800,000	738,300,000	(176,874,900)	25,500,000
Debt Service Requirements	396,736,000	426,346,400	436,460,000	29,610,400	10,113,600
Capital Outlay Program	326,025,000 <sup>2</sup>	55,450,000	138,600,000	(270,575,000)	83,150,000
Facilities Revolving Fund	7,517,200	13,064,800	138,164,800	5,547,600	125,100,000
Cities & Counties - State Shared Taxes	820,516,000	852,600,000	878,500,000	32,084,000	25,900,000
<b>BONDS</b>	<b>\$ 0</b>	<b>\$ 423,000,000</b>	<b>\$ 381,900,000</b>	<b>\$ 423,000,000</b>	<b>\$ (41,100,000)</b>
Department of Transportation	0	161,500,000	80,000,000	161,500,000	(81,500,000)
Capital Outlay Program	0	253,600,000	300,900,000	253,600,000	47,300,000
Facilities Revolving Fund	0	7,900,000	1,000,000	7,900,000	(6,900,000)
<b>FEDERAL</b>	<b>\$ 13,578,227,900</b>	<b>\$ 13,124,655,700</b>	<b>\$ 12,294,184,900</b>	<b>\$ (453,572,200)</b>	<b>\$ (830,470,800)</b>
General Fund	12,631,270,300	12,204,657,200	11,397,652,000	(426,613,100)	(807,005,200)
Department of Transportation	941,331,600	904,031,000	876,972,900	(37,300,600)	(27,058,100)
Capital Outlay Program	5,626,000	15,967,500	19,560,000	10,341,500	3,592,500
<b>CURRENT SERVICES &amp; OTHER</b>	<b>\$ 5,108,556,500</b>	<b>\$ 4,748,756,800</b>	<b>\$ 4,401,169,800</b>	<b>\$ (359,799,700)</b>	<b>\$ (347,587,000)</b>
General Fund <sup>3</sup>	4,867,644,500	4,534,736,400	4,117,603,600	(332,908,100)	(417,132,800)
Department of Transportation	51,061,400	38,264,000	42,214,000	(12,797,400)	3,950,000
Capital Outlay Program	59,868,000	35,980,000	102,450,000	(23,888,000)	66,470,000
Facilities Revolving Fund	129,982,600 <sup>4</sup>	139,776,400	138,902,200	9,793,800	(874,200)
<b>TOTAL STATE BUDGET</b>	<b>\$ 31,123,308,000</b>	<b>\$ 31,929,306,660</b>	<b>\$ 31,076,599,000</b>	<b>\$ 805,998,660</b>	<b>\$ (852,707,660)</b>

<sup>1</sup> General Fund includes Education Lottery-funded programs.

<sup>2</sup> Includes tax revenues and bonds.

<sup>3</sup> Includes Lottery-funded early childhood education program and Higher Education tuition and student fees.

<sup>4</sup> Includes departmental operating revenues and bonds.



**Total State Budget  
Comparison of Programs by Revenue Sources  
Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013	Act. vs. Est. Difference	Est. vs. Rec. Difference
<b>I. GENERAL FUND <sup>1</sup></b>	<b>\$ 27,494,969,300</b>	<b>\$ 28,312,026,560</b>	<b>\$ 27,184,575,100</b>	<b>\$ 817,057,260</b>	<b>\$ (1,127,451,460)</b>
Appropriation	9,996,054,500	11,572,632,960	11,669,319,500	1,576,578,460	96,686,540
Federal	12,631,270,300	12,204,657,200	11,397,652,000	(426,613,100)	(807,005,200)
Current Services & Other Revenue <sup>2</sup>	4,867,644,500	4,534,736,400	4,117,603,600	(332,908,100)	(417,132,800)
<b>II. DEPARTMENT OF TRANSPORTATION</b>	<b>\$ 1,882,067,900</b>	<b>\$ 1,816,595,000</b>	<b>\$ 1,737,486,900</b>	<b>\$ (65,472,900)</b>	<b>\$ (79,108,100)</b>
Appropriation	889,674,900 <sup>3</sup>	712,800,000	738,300,000	(176,874,900)	25,500,000
Federal	941,331,600	904,031,000	876,972,900	(37,300,600)	(27,058,100)
Current Services & Other Revenue	51,061,400	38,264,000	42,214,000	(12,797,400)	3,950,000
Bonds	0	161,500,000	80,000,000	161,500,000	(81,500,000)
<b>III. DEBT SERVICE REQUIREMENTS</b>	<b>\$ 396,736,000</b>	<b>\$ 426,346,400</b>	<b>\$ 436,460,000</b>	<b>\$ 29,610,400</b>	<b>\$ 10,113,600</b>
Appropriation	396,736,000	426,346,400	436,460,000	29,610,400	10,113,600
<b>IV. CAPITAL OUTLAY PROGRAM</b>	<b>\$ 391,519,000</b>	<b>\$ 360,997,500</b>	<b>\$ 561,510,000</b>	<b>\$ (30,521,500)</b>	<b>\$ 200,512,500</b>
Appropriation	326,025,000 <sup>3</sup>	55,450,000	138,600,000	(270,575,000)	83,150,000
Federal	5,626,000	15,967,500	19,560,000	10,341,500	3,592,500
Current Services & Other Revenue	59,868,000	35,980,000	102,450,000	(23,888,000)	66,470,000
Bonds	0	253,600,000	300,900,000	253,600,000	47,300,000
<b>V. FACILITIES REVOLVING FUND</b>	<b>\$ 137,499,800</b>	<b>\$ 160,741,200</b>	<b>\$ 278,067,000</b>	<b>\$ 23,241,400</b>	<b>\$ 117,325,800</b>
Appropriations	7,517,200	13,064,800	138,164,800	5,547,600	125,100,000
Current Services & Other Revenue	129,982,600 <sup>4</sup>	139,776,400	138,902,200	9,793,800	(874,200)
Bonds	0	7,900,000	1,000,000	7,900,000	(6,900,000)
<b>VI. CITIES &amp; COUNTIES - STATE SHARED TAXES</b>	<b>\$ 820,516,000</b>	<b>\$ 852,600,000</b>	<b>\$ 878,500,000</b>	<b>\$ 32,084,000</b>	<b>\$ 25,900,000</b>
Appropriation	820,516,000	852,600,000	878,500,000	32,084,000	25,900,000
<b>VII. TOTAL STATE BUDGET</b>	<b>\$ 31,123,308,000</b>	<b>\$ 31,929,306,660</b>	<b>\$ 31,076,599,000</b>	<b>\$ 805,998,660</b>	<b>\$ (852,707,660)</b>
Appropriation	12,436,523,600	13,632,894,160	13,999,344,300	1,196,370,560	366,450,140
Federal	13,578,227,900	13,124,655,700	12,294,184,900	(453,572,200)	(830,470,800)
Current Services & Other Revenue <sup>2</sup>	5,108,556,500	4,748,756,800	4,401,169,800	(359,799,700)	(347,587,000)
Bonds	0	423,000,000	381,900,000	423,000,000	(41,100,000)

<sup>1</sup> General Fund includes Education Lottery-funded programs.

<sup>2</sup> Includes Higher Education tuition and student fees.

<sup>3</sup> Includes tax revenues and bonds.

<sup>4</sup> Includes departmental operating revenues and bonds.

**Summary Comparison of Tennessee Personal Income  
and Appropriations from State Tax Revenues  
Fiscal Years 1977-1978, 2010-2011, 2011-2012, and 2012-2013**

**TABLE 1**

**Tennessee Personal Income  
Calendar Years 1977, 2010, 2011, and 2012  
(Dollars in Millions)**

<u>Year</u>	<u>Personal Income</u>	<u>Percentage Growth</u>
1977	\$ 26,805	-
2010	222,204	-
2011	232,832	4.78
2012	243,652	4.65

**TABLE 2**

**Appropriations from State Tax Revenues  
Fiscal Years 1977-1978, 2010-2011, 2011-2012, and 2012-2013  
(Dollars in Millions)**

<u>Year</u>	<u>Appropriations</u>	<u>Percentage Growth</u>
1977-1978	\$ 1,747.3	-
2010-2011	11,836.7	-
2011-2012	12,553.4	6.05
2012-2013	12,947.2	3.14

Note: This statement is presented in compliance with Tennessee Code Annotated, Title 9, Chapter 4, Part 52, relating to the calculation of estimated rate of growth of the state's economy and the appropriation of state revenue as required by the Tennessee Constitution, Article II, Section 24, the constitutional spending limitation.

**2011-2012 Through 2015-2016 Budget Projection**  
**General Fund and Education Fund**  
**Recurring Appropriations and State Revenues**  
**(Incremental Change)**  
**Increase / (Decrease) in Millions**

	Year 0	Year 1	Year 2	Year 3	Year 4
	2011-2012 Non-Recurring	2012-2013	2013-2014	2014-2015	2015-2016
<b>I. General Fund Revenues:</b>					
Department of Revenue Taxes	\$ 210	\$ 576	\$ 425	\$ 494	\$ 518
Tax Legislation	-	(21)	(36)	(24)	(10)
Other and Miscellaneous Revenue	10	28	25	26	26
Debt Service Fund Revenue	94	18	5	5	5
Dedicated Taxes - Restore to Earmarked Programs	-	(14)	-	-	-
Unappropriated Budget Surplus at June 30, 2011	223	-	-	-	-
<b>Sub-Total Other State Revenue</b>	<b>\$ 327</b>	<b>\$ 32</b>	<b>\$ 30</b>	<b>\$ 31</b>	<b>\$ 31</b>
<b>Total Available General Fund Revenue and Reserves</b>	<b>\$ 537</b>	<b>\$ 587</b>	<b>\$ 419</b>	<b>\$ 501</b>	<b>\$ 539</b>
<b>II. Appropriation Requirements:</b>					
<b>Base Reductions and Adjustments:</b>					
Base Reductions and Adjustments	\$ -	\$ (141)	\$ (53)	\$ (15)	\$ -
Core Services Continuation	-	95	-	-	-
<b>Program Growth:</b>					
Education:					
Basic Education Program (BEP)	\$ 2	\$ 49	\$ 50	\$ 50	\$ 50
Other K-12 Education	-	1	1	1	1
<b>Sub-Total Education</b>	<b>\$ 2</b>	<b>\$ 50</b>	<b>\$ 51</b>	<b>\$ 51</b>	<b>\$ 51</b>
<b>Other Programs:</b>					
Higher Education	\$ -	\$ 29	\$ 50	\$ 50	\$ 50
TennCare and Cover Tennessee Health-Care Programs	9	125	113	114	155
Correction Department	32	77	10	10	10
Economic and Community Development	84	10	-	-	-
Employee Health Insurance	-	26	38	43	48
Retirement Contribution Rate Increase	-	2	-	50	-
Salary Increase - State, Higher Education, Teachers	-	154	155	156	161
Other Programs	36	33	15	14	46
Capital Outlay - Debt Service	-	33	40	27	18
Overappropriation (Reversion) Decrease	-	95	-	-	-
Rounding		(1)	-	-	-
<b>Sub-Total Program Growth</b>	<b>\$ 163</b>	<b>\$ 633</b>	<b>\$ 472</b>	<b>\$ 515</b>	<b>\$ 539</b>
<b>Total Appropriation Requirements</b>	<b>\$ 163</b>	<b>\$ 587</b>	<b>\$ 419</b>	<b>\$ 500</b>	<b>\$ 539</b>
<b>Recurring Budget Surplus / (Deficit)</b>	<b>\$ 374</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ -</b>
Rainy Day Fund at June 30, 2011: \$284 M; then:	\$ 306	\$ 356	\$ 397	\$ 447	\$ 500
TennCare Reserve Fund at June 30, 2011: \$261 M; then:	\$ 229	\$ 229	\$ 229	\$ 229	\$ 229
NOTE: Department of Revenue Taxes - Growth rates:	4.58%	4.03%	4.5%	5.0%	5.0%

**General Fund and Education Fund  
Comparison of Appropriation Requirements and State Revenues  
Fiscal Year 2011-2012**

	<u>TOTAL</u>	<u>RECURRING</u>	<u>NON-RECURRING</u>
<b>I. APPROPRIATION REQUIREMENTS</b>			
<b>General Fund Programs:</b>			
2011 Appropriations Act - Work Program	\$ 11,419,657,060	\$ 10,666,574,000	\$ 753,083,060
2011 Appropriations Act - Dedicated Revenue	66,400	66,400	0
2011 Appropriations Act - Contingency Appropriation	5,000,000	0	5,000,000
2012 Supplemental Appropriations	147,909,500	0	147,909,500
<b>Total General Fund Requirements</b>	<b>\$ 11,572,632,960</b>	<b>\$ 10,666,640,400</b>	<b>\$ 905,992,560</b>
Less: Overappropriation	(181,200,000)	(181,200,000)	0
<b>Net General Fund Requirements</b>	<b>\$ 11,391,432,960</b>	<b>\$ 10,485,440,400</b>	<b>\$ 905,992,560</b>
<b>Other Programs:</b>			
Capital Outlay Program	\$ 55,450,000	\$ 0	\$ 55,450,000
Capital Outlay Program - Contingency Appropriation	8,500,000	0	8,500,000
Metro Sports Authority Debt Service	3,641,000	3,641,000	0
Personal License Plates Fund Reserves	1,000,000	1,000,000	0
Facilities Revolving Fund - Operations	13,064,800	13,064,800	0
Transfer to Sex Offender Treatment Fund - Correction	143,600	0	143,600
Transfer to TRUST Fund (Title and Registration)	659,575	0	659,575
<b>Total Other Programs</b>	<b>\$ 82,458,975</b>	<b>\$ 17,705,800</b>	<b>\$ 64,753,175</b>
<b>Total Appropriation Requirements</b>	<b>\$ 11,473,891,935</b>	<b>\$ 10,503,146,200</b>	<b>\$ 970,745,735</b>
<b>II. GENERAL FUND REVENUES AND RESERVES</b>			
State Tax Revenue - Department of Revenue	\$ 9,082,800,000	\$ 8,873,200,000	\$ 209,600,000
State Tax Revenue - Other State Revenue	1,606,900,000	1,155,500,000	451,400,000
Miscellaneous Revenue	47,000,000	47,000,000	0
Tobacco MSA Revenue	135,700,000	138,000,000	(2,300,000)
Lottery for Education Account	314,200,000	314,200,000	0
Highway Fund Transfer - Gas Inspection Act	1,100,000	1,100,000	0
Reserve for 2011-2012 Appropriations	371,300,000	0	371,300,000
Transfer to Rainy Day Fund	(27,400,000)	0	(27,400,000)
<b>Other Available Funds:</b>			
Unappropriated Budget Surplus at June 30, 2011	\$ 223,000,000	\$ 0	\$ 223,000,000
Undesignated Fund Balance at June 30, 2011	900,600	0	900,600
Debt Service Fund Transfer at June 30, 2012	94,000,000	0	94,000,000
Mental Health Trust Fund	4,800,000	0	4,800,000
Transfer from Rainy Day Fund	5,000,000	0	5,000,000
<b>Sub-Total Other Available Funds</b>	<b>\$ 327,700,600</b>	<b>\$ 0</b>	<b>\$ 327,700,600</b>
<b>Total General Fund Revenues and Reserves</b>	<b>\$ 11,859,300,600</b>	<b>\$ 10,529,000,000</b>	<b>\$ 1,330,300,600</b>
<b>III. AVAILABLE FUNDS AT JUNE 30, 2012</b>			
Reserve for 2012-2013 Capital Outlay - Higher Ed. / E&CD	\$ 11,100,000	\$ 10,800,000	\$ 300,000
Available Funds for 2012-2013	374,000,000	0	374,000,000
Undesignated Fund Balance	308,665	15,053,800	(14,745,135)
<b>Total Available Funds</b>	<b>\$ 385,408,665</b>	<b>\$ 25,853,800</b>	<b>\$ 359,554,865</b>
Revenue Fluctuation Reserve at June 30, 2011	\$ 283,600,000		
Revenue Fluctuation Reserve at June 30, 2012	\$ 306,000,000		

**General Fund and Education Fund  
Comparison of Appropriation Requirements and State Revenues  
Fiscal Year 2012-2013**

	<u>TOTAL</u>	<u>RECURRING</u>	<u>NON-RECURRING</u>
<b>I. APPROPRIATION REQUIREMENTS</b>			
<b>General Fund Programs:</b>			
<b>Base Budget Requirements</b>	<b>\$ 10,666,574,000</b>	<b>\$ 10,666,574,000</b>	<b>\$ 0</b>
Preliminary Base Adjustments - General Fund	462,395,400	12,585,400	449,810,000
Appropriations for Core Services - General Fund	110,578,000	94,508,200	16,069,800
Base Reductions and Reallocations - General Fund	(153,084,900)	(153,142,400)	57,500
Preliminary Base Adjustments - Dedicated Funds	132,400	132,400	0
Appropriations for Core Services - Dedicated Funds	9,314,200	9,314,200	0
Base Reductions and Reallocations - Dedicated Funds	(10,150,000)	(10,150,000)	0
<b>Base Budget Recommended</b>	<b>\$ 11,085,759,100</b>	<b>\$ 10,619,821,800</b>	<b>\$ 465,937,300</b>
<b>Cost Increases - Budget Recommendations</b>			
All Programs - General Fund	\$ 574,763,900	\$ 504,508,300	\$ 70,255,600
All Programs - Dedicated Funds	8,796,500	8,796,500	0
<b>Total Cost Increases Recommended</b>	<b>\$ 583,560,400</b>	<b>\$ 513,304,800</b>	<b>\$ 70,255,600</b>
<b>Total General Fund Requirements</b>	<b>\$ 11,669,319,500</b>	<b>\$ 11,133,126,600</b>	<b>\$ 536,192,900</b>
Less: Overappropriation	(86,700,000)	(86,700,000)	0
<b>Net General Fund Requirements</b>	<b>\$ 11,582,619,500</b>	<b>\$ 11,046,426,600</b>	<b>\$ 536,192,900</b>
<b>Other Programs:</b>			
Capital Outlay Program	\$ 138,600,000	\$ 0	\$ 138,600,000
Metro Sports Authority Debt Service	4,122,000	4,122,000	0
Personal License Plates Fund Reserves	1,000,000	1,000,000	0
Facilities Revolving Fund - Operations	13,064,800	13,064,800	0
Facilities Revolving Fund - Capital Outlay	125,100,000	0	125,100,000
<b>Total Other Programs</b>	<b>\$ 281,886,800</b>	<b>\$ 18,186,800</b>	<b>\$ 263,700,000</b>
<b>Total Appropriation Requirements</b>	<b>\$ 11,864,506,300</b>	<b>\$ 11,064,613,400</b>	<b>\$ 799,892,900</b>
<b>II. GENERAL FUND REVENUES AND RESERVES</b>			
State Tax Revenue - Department of Revenue	\$ 9,422,900,000	\$ 9,422,900,000 *	\$ 0
State Tax Revenue - Other State Revenue	1,619,000,000	1,169,200,000	449,800,000
Miscellaneous Revenue	47,000,000	47,000,000	0
Tobacco MSA Revenue	135,000,000	135,000,000	0
Lottery for Education Account	310,500,000	310,500,000	0
Highway Fund Transfer - Gas Inspection Act	1,100,000	1,100,000	0
Department of Revenue - Tax Legislation	(6,000,000)	(21,000,000)	15,000,000
Available Funds at June 30, 2012	374,000,000	0	374,000,000
Reserve for 2012-2013 Capital Outlay - Higher Ed. / E&CD	11,100,000	0	11,100,000
Transfer to Rainy Day Fund	(50,000,000)	0	(50,000,000)
Undesignated Fund Balance at June 30, 2012	308,665	0	308,665
<b>Total General Fund Revenues and Reserves</b>	<b>\$ 11,864,908,665</b>	<b>\$ 11,064,700,000</b>	<b>\$ 800,208,665</b>
<b>III. AVAILABLE FUNDS AT JUNE 30, 2013</b>			
Undesignated Fund Balance	\$ 402,365	\$ 86,600	\$ 315,765
<b>Total Available Funds</b>	<b>\$ 402,365</b>	<b>\$ 86,600</b>	<b>\$ 315,765</b>
Revenue Fluctuation Reserve at June 30, 2012	\$ 306,000,000		
Revenue Fluctuation Reserve at June 30, 2013	\$ 356,000,000		

\* Includes \$25,900,000 recurring revenue appropriated for non-recurring programs in 2011-2012.

**Selected State Revenue Adjustments  
Fiscal Year 2012-2013**

**Increase / (Decrease)  
from July 1, 2011, Budgeted Estimates**

	<u>Recurring</u>	<u>Non-Recurring</u>	<u>Earmarked</u>
<b>I. Tax Legislation:</b>			
<b>1. Dept. of Revenue Taxes - 2011 Public Acts:</b>	<b>\$ (2,000,000)</b>	<b>\$ 0</b>	<b>\$ 400,000</b>
* a. 2011 Public Chapter 396 - Hall Income Tax Exemption:			
i. Sales Tax	\$ 100,000	\$ 0	\$ 0
ii. Hall Income Tax	(1,100,000)	0	(600,000)
<b>Sub-Total 2011 Public Chapter 396</b>	<b>\$ (1,000,000)</b>	<b>\$ 0</b>	<b>\$ (600,000)</b>
b. 2011 Public Chapter 438 - Excise Tax Apportionment	(1,000,000)	0	1,000,000
<b>** 2. 2012 Tax Legislation:</b>	<b>(19,000,000)</b>	<b>15,000,000</b>	<b>400,000</b>
*** a. Sales Tax on Grocery Food at 0.2 Reduction from 5.5% to 5.3%	(18,000,000)	0	0
b. Inheritance Tax at \$1.25 M Exemption at 1-1-2013	(15,000,000)	15,000,000	0
c. Franchise and Excise Taxes - Intangible Expense	12,500,000	0	0
d. E-Filing; Alcohol and Tobacco	1,500,000	0	400,000
i. Sales Tax	1,000,000	0	400,000
ii. Excise Tax	100,000	0	0
iii. Business Tax (also \$500,000 local revenue)	400,000	0	0
<b>Total Tax Legislation</b>	<b>\$ (21,000,000)</b>	<b>\$ 15,000,000</b>	<b>\$ 800,000</b>
<b>II. Other State Revenue:</b>			
1. Interest Earnings at \$4 M	\$ (3,000,000)	\$ 0	\$ 0
2. Nursing Home Bed Tax at \$97.6 M	(1,700,000)	0	0
3. Commerce and Insurance - HMO Premium Taxes at \$313 M	4,000,000	0	0
4. Commerce and Insurance - Other Insurance Premium Taxes at 357.9 M	5,000,000	0	0
5. Unclaimed Property at \$31 M	6,000,000	0	0
6. TBI Drug Testing at \$1,482,500	(2,800,000)	0	0
7. Miscellaneous Revenue	(2,000,000)	0	0
<b>Total Other State Revenue</b>	<b>\$ 5,500,000</b>	<b>\$0</b>	<b>\$0</b>
<b>III. Dedicated Taxes - Restore to Earmarked Programs:</b>			
1. Real Estate Transfer Tax - Restore to Land and Soil Funds at \$17 M	(\$8,700,000)	\$0	\$8,650,000
2. Environmental Fees - Restore to Underground Storage Tank Fund	(3,000,000)	0	3,000,000
3. Solid Waste Fees - Restore to Solid Waste Fund	(2,600,000)	0	2,600,000
<b>Sub-Total Dedicated Taxes - Restore to Earmarked Programs</b>	<b>(\$14,300,000)</b>	<b>\$0</b>	<b>\$14,250,000</b>

\* 2011 Public Acts - Adjustments are incorporated in state revenue estimate schedules.

\*\* 2012 Tax Legislation - Adjustments are included in 2012-2013 Budget Overview, entitled "General Fund and Education Fund, Comparison of Appropriation Requirements and State Revenues."

\*\*\* 2012 Tax Legislation - Sales Tax on Grocery Food - Proposed legislation holds cities harmless from loss of revenue resulting from the tax rate reduction.

**Overappropriation Adjustment  
2012-2013 Recommended Budget**

**Increase / (Decrease)**

	<b>Recurring</b>
<b>I. 2011-2012 Budgeted Reversion</b>	<b>\$ 181,200,000</b>
<b>II. 2012-2013:</b>	
1. Less: Preliminary Base Budget Reductions	(300,000)
<b>2. Less: Base Budget Reductions:</b>	
a. Secretary of State - Additional	\$ 528,200
b. Comptroller of the Treasury - Additional	900,000
c. State Treasurer - Additional	17,300
d. State Agencies - Reduce	(1,945,500)
<b>Sub-Total Base Budget Reductions</b>	<b>\$ (500,000)</b>
3. Less: Long-Term Vacancy, Grants, and Professional Services Reduction	(18,600,000)
4. Less: Organizational Staffing Requirements	(15,100,000)
5. Less: Recession Reversion Adjustment Deleted	(60,000,000)
<b>Total 2012-2013 Overappropriation Decrease</b>	<b>\$ (94,500,000)</b>
<b>III. Grand Total 2012-2013 Overappropriation</b>	<b>\$ 86,700,000</b>

Overappropriation is the estimated reversion to the general fund resulting from under-expenditure of state appropriations and over-collection of departmental revenue.

**Department of Transportation**  
**Comparison of Appropriations and Funding Requirements**  
**Fiscal Years 2011-2012 and 2012-2013**

	<u>2011-2012</u>	<u>2012-2013</u>	<u>Difference</u>
<b>I. APPROPRIATION REQUIREMENTS</b>			
<b>ADMINISTRATION</b>	\$ 60,165,900	\$ 68,235,700	\$ 8,069,800
<b>HEADQUARTERS OPERATIONS</b>	22,275,400	28,483,400	6,208,000
<b>FIELD OPERATIONS</b>	44,450,400	54,631,800	10,181,400
<b>GARAGE AND FLEET OPERATIONS</b>	29,351,200	31,075,900	1,724,700
<b>CAPITAL IMPROVEMENTS</b>	6,337,000	14,530,000	8,193,000
<b>HIGHWAY SYSTEM MAINTENANCE</b>	298,198,000	298,208,000	10,000
<b>STATE-FUNDED PROGRAMS</b>			
Betterments	\$ 9,000,000	\$ 3,800,000	\$ (5,200,000)
State Aid	30,622,000	33,621,900	2,999,900
State Industrial Access	18,180,000	8,980,000	(9,200,000)
Local Interstate Connectors	3,000,000	3,000,000	-
<b>Sub-Total State Funded Programs</b>	<b>\$ 60,802,000</b>	<b>\$ 49,401,900</b>	<b>\$ (11,400,100)</b>
<b>FEDERALLY FUNDED PROGRAMS</b>			
Planning and Research	\$ 5,746,000	\$ 5,746,000	\$ -
Interstate System	14,800,000	14,800,000	-
Forest Highways	200,000	200,000	-
Highway Infrastructure	142,143,100	148,095,200	5,952,100
Bridge Replacement	92,900,000	5,400,000	(87,500,000)
Transit	44,931,000	40,492,100	(4,438,900)
Air, Water, and Rail	52,000,000	59,000,000	7,000,000
<b>Sub-Total Federally Funded Programs</b>	<b>\$ 352,720,100</b>	<b>\$ 273,733,300</b>	<b>\$ (78,986,800)</b>
<b>TOTAL APPROPRIATION REQUIREMENTS</b>	<b>\$ 874,300,000</b>	<b>\$ 818,300,000</b>	<b>\$ (56,000,000)</b>
<b>II. STATE FUNDING SOURCES</b>			
Highway User Taxes	\$ 630,200,000	\$ 640,800,000	\$ 10,600,000
Miscellaneous Revenue	21,800,000	22,500,000	700,000
Bonds	74,000,000	80,000,000	6,000,000
Bridge Bonds	87,500,000	-	(87,500,000)
Highway Fund Balance / Reserves	8,800,000	16,000,000	7,200,000
Transportation Equity Fund	52,000,000	59,000,000	7,000,000
<b>TOTAL STATE FUNDING SOURCES</b>	<b>\$ 874,300,000</b>	<b>\$ 818,300,000</b>	<b>\$ (56,000,000)</b>



**Department of Transportation**  
**Comparison of Appropriations by Funding Sources**  
**Fiscal Years 2011-2012 and 2012-2013**

	<u>2011-2012</u>	<u>2012-2013</u>	<u>Difference</u>
<b>I. STATE FUNDS</b>			
Administration	\$ 60,165,900	\$ 68,235,700	\$ 8,069,800
Headquarters Operations	22,275,400	28,483,400	6,208,000
Field Operations	44,450,400	54,631,800	10,181,400
Garage and Fleet Operations	29,351,200	31,075,900	1,724,700
Capital Improvements	6,337,000	8,530,000	2,193,000
Highway System Maintenance	298,198,000	298,208,000	10,000
State-Funded Programs	24,901,000	13,500,900	(11,400,100)
Federally Funded Programs	227,121,100	235,634,300	8,513,200
<b>Total State Funds</b>	<b><u>\$ 712,800,000</u></b>	<b><u>\$ 738,300,000</u></b>	<b><u>\$ 25,500,000</u></b>
<b>II. BOND AUTHORIZATIONS</b>			
Capital Improvements	\$ -	\$ 6,000,000	\$ 6,000,000
State-Funded Programs	35,901,000	35,901,000	0
Federally Funded Programs	125,599,000	38,099,000	(87,500,000)
<b>Total Bond Authorizations</b>	<b><u>\$ 161,500,000</u></b>	<b><u>\$ 80,000,000</u></b>	<b><u>\$ (81,500,000)</u></b>
<b>III. FEDERAL AID</b>			
Federally Funded Programs	\$ 904,031,000	\$ 876,972,900	\$ (27,058,100)
<b>Total Federal Aid</b>	<b><u>\$ 904,031,000</u></b>	<b><u>\$ 876,972,900</u></b>	<b><u>\$ (27,058,100)</u></b>
<b>IV. LOCAL GOVERNMENTS</b>			
Highway System Maintenance	\$ 1,100,000	\$ 1,100,000	\$ -
State-Funded Programs	12,714,000	13,714,000	1,000,000
Federally Funded Programs	24,450,000	27,400,000	2,950,000
<b>Total Local Governments</b>	<b><u>\$ 38,264,000</u></b>	<b><u>\$ 42,214,000</u></b>	<b><u>\$ 3,950,000</u></b>
<b>V. GRAND TOTAL</b>			
Administration	\$ 60,165,900	\$ 68,235,700	\$ 8,069,800
Headquarters Operations	22,275,400	28,483,400	6,208,000
Field Operations	44,450,400	54,631,800	10,181,400
Garage and Fleet Operations	29,351,200	31,075,900	1,724,700
Capital Improvements	6,337,000	14,530,000	8,193,000
Highway System Maintenance	299,298,000	299,308,000	10,000
State-Funded Programs	73,516,000	63,115,900	(10,400,100)
Federally Funded Programs	1,281,201,100	1,178,106,200	(103,094,900)
<b>Grand Total</b>	<b><u>\$ 1,816,595,000</u></b>	<b><u>\$ 1,737,486,900</u></b>	<b><u>\$ (79,108,100)</u></b>

**Department of Transportation**  
**Actual Expenditures by Program and Funding Source**  
**Fiscal Year 2010-2011**

	Federal 2009					Total
	State	Regular Program	U.S. Economic Recovery Act	Total	Other	
Administration	\$ 56,308,400	\$ -	\$ -	\$ -	\$ 868,400	\$ 57,176,800
Headquarters Operations	22,605,100	-	-	-	81,100	22,686,200
Field Operations	47,818,400	-	-	-	402,400	48,220,800
Garage and Fleet Operations	12,575,100	-	-	-	3,376,000	15,951,100
Capital Improvements	2,366,700	-	-	-	-	2,366,700
Highway System Maintenance	261,161,300	600	-	600	1,268,000	262,429,900
<b>STATE-FUNDED PROGRAMS</b>						
Betterments	\$ 4,458,800	\$ -	\$ -	\$ -	\$ 94,700	\$ 4,553,500
State Aid	20,761,100	-	-	-	-	20,761,100
State Industrial Access	17,887,400	-	-	-	1,414,700	19,302,100
Local Interstate Connectors	975,300	-	-	-	1,672,900	2,648,200
<b>Sub-Total State-Funded Programs</b>	<b>\$ 44,082,600</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,182,300</b>	<b>\$ 47,264,900</b>
<b>FEDERALLY FUNDED PROGRAMS</b>						
Planning and Research	\$ 7,512,800	\$ 13,775,100	\$ -	\$ 13,775,100	\$ 95,000	\$ 21,382,900
Interstate System	25,934,400	110,901,700	-	110,901,700	4,041,100	140,877,200
Forest Highways	-	47,100	-	47,100	-	47,100
Highway Infrastructure	275,400,700	499,531,900	175,982,700	675,514,600	28,559,600	979,474,900
Bridge Replacement	46,139,700	101,301,400	-	101,301,400	5,504,100	152,945,200
Transit	40,310,100	15,373,600	4,262,800	19,636,400	-	59,946,500
Air, Water, and Rail	47,459,600	16,399,200	3,755,500	20,154,700	3,683,400	71,297,700
<b>Sub-Total Federally Funded Programs</b>	<b>\$ 442,757,300</b>	<b>\$ 757,330,000</b>	<b>\$ 184,001,000</b>	<b>\$ 941,331,000</b>	<b>\$ 41,883,200</b>	<b>\$ 1,425,971,500</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 889,674,900</b>	<b>\$ 757,330,600</b>	<b>\$ 184,001,000</b>	<b>\$ 941,331,600</b>	<b>\$ 51,061,400</b>	<b>\$ 1,882,067,900</b>
<b>STATE FUNDING SOURCES:</b>						
Highway User Taxes	\$ 721,596,400					
Miscellaneous Revenue	21,211,600					
Highway Fund Balance / Reserves	99,407,300					
Transportation Equity Fund	47,459,600					
<b>TOTAL STATE FUNDING SOURCES</b>	<b>\$ 889,674,900</b>					

**Department of Transportation**  
**Enacted Budget by Program and Funding Source**  
**Fiscal Year 2011-2012**

	Federal 2009					Total
	State	Regular Program	U.S. Economic Recovery Act	Total	Other	
Administration	\$ 60,165,900	\$ -	\$ -	\$ -	\$ -	\$ 60,165,900
Headquarters Operations	22,275,400	-	-	-	-	22,275,400
Field Operations	44,450,400	-	-	-	-	44,450,400
Garage and Fleet Operations	29,351,200	-	-	-	-	29,351,200
Capital Improvements	6,337,000	-	-	-	-	6,337,000
Highway System Maintenance	298,198,000	-	-	-	1,100,000	299,298,000
<b>STATE-FUNDED PROGRAMS</b>						
Betterments	\$ 9,000,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 9,100,000
State Aid	30,622,000	-	-	-	9,414,000	40,036,000
State Industrial Access	18,180,000	-	-	-	200,000	18,380,000
Local Interstate Connectors	3,000,000	-	-	-	3,000,000	6,000,000
<b>Sub-Total State-Funded Programs</b>	<b>\$ 60,802,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,714,000</b>	<b>\$ 73,516,000</b>
<b>FEDERALLY FUNDED PROGRAMS</b>						
Planning and Research	\$ 5,746,000	\$ 14,500,000	\$ -	\$ 14,500,000	\$ -	\$ 20,246,000
Interstate System	14,800,000	162,600,000	-	162,600,000	1,500,000	178,900,000
Forest Highways	200,000	700,000	-	700,000	-	900,000
Highway Infrastructure	142,143,100	549,361,000	-	549,361,000	15,950,000	707,454,100
Bridge Replacement	92,900,000	63,900,000	-	63,900,000	3,500,000	160,300,000
Transit	44,931,000	98,470,000	-	98,470,000	-	143,401,000
Air, Water, and Rail	52,000,000	14,500,000	-	14,500,000	3,500,000	70,000,000
<b>Sub-Total Federally Funded Programs</b>	<b>\$ 352,720,100</b>	<b>\$ 904,031,000</b>	<b>\$ -</b>	<b>\$ 904,031,000</b>	<b>\$ 24,450,000</b>	<b>\$ 1,281,201,100</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 874,300,000</b>	<b>\$ 904,031,000</b>	<b>\$ -</b>	<b>\$ 904,031,000</b>	<b>\$ 38,264,000</b>	<b>\$ 1,816,595,000</b>
<b>STATE FUNDING SOURCES:</b>						
Highway User Taxes	\$ 630,200,000					
Miscellaneous Revenue	21,800,000					
Bond Authorization	74,000,000					
Bridge Bonds	87,500,000					
Highway Fund Balance / Reserves	8,800,000					
Transportation Equity Fund	52,000,000					
<b>TOTAL STATE FUNDING SOURCES</b>	<b>\$ 874,300,000</b>					

**Department of Transportation  
Recommended Budget by Program and Funding Source  
Fiscal Year 2012-2013**

	State	Federal		Total	Other	Total
		Regular Program	U.S. Economic Recovery Act			
Administration	\$ 68,235,700	\$ -	\$ -	\$ -	\$ -	68,235,700
Headquarters Operations	28,483,400	-	-	-	-	28,483,400
Field Operations	54,631,800	-	-	-	-	54,631,800
Garage and Fleet Operations	31,075,900	-	-	-	-	31,075,900
Capital Improvements	14,530,000	-	-	-	-	14,530,000
Highway System Maintenance	298,208,000	-	-	-	1,100,000	299,308,000
<b>STATE-FUNDED PROGRAMS</b>						
Betterments	\$ 3,800,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 3,900,000
State Aid	33,621,900	-	-	-	10,414,000	44,035,900
State Industrial Access	8,980,000	-	-	-	200,000	9,180,000
Local Interstate Connectors	3,000,000	-	-	-	3,000,000	6,000,000
<b>Sub-Total State-Funded Programs</b>	<b>\$ 49,401,900</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,714,000</b>	<b>\$ 63,115,900</b>
<b>FEDERALLY FUNDED PROGRAMS</b>						
Planning and Research	\$ 5,746,000	\$ 14,500,000	\$ -	\$ 14,500,000	-	\$ 20,246,000
Interstate System	14,800,000	162,600,000	-	162,600,000	-	177,400,000
Forest Highways	200,000	700,000	-	700,000	-	900,000
Highway Infrastructure	148,095,200	553,961,000	-	553,961,000	21,000,000	723,056,200
Bridge Replacement	5,400,000	63,900,000	-	63,900,000	2,900,000	72,200,000
Transit	40,492,100	66,811,900	-	66,811,900	-	107,304,000
Air, Water, and Rail	59,000,000	14,500,000	-	14,500,000	3,500,000	77,000,000
<b>Sub-Total Federally Funded Programs</b>	<b>\$ 273,733,300</b>	<b>\$ 876,972,900</b>	<b>\$ -</b>	<b>\$ 876,972,900</b>	<b>\$ 27,400,000</b>	<b>\$ 1,178,106,200</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 818,300,000</b>	<b>\$ 876,972,900</b>	<b>\$ -</b>	<b>\$ 876,972,900</b>	<b>\$ 42,214,000</b>	<b>\$ 1,737,486,900</b>
<b>STATE FUNDING SOURCES:</b>						
Highway User Taxes	\$ 640,800,000					
Miscellaneous Revenue	22,500,000					
Bond Authorization	80,000,000					
Bridge Bonds	-					
Highway Fund Balance / Reserves	16,000,000					
Transportation Equity Fund	59,000,000					
<b>TOTAL STATE FUNDING SOURCES</b>	<b>\$ 818,300,000</b>					

## Comparison of Programs Fiscal Years 2010-2011, 2011-2012, and 2012-2013

Allot. Code	Department	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013	Act. vs. Est. Difference	Est. vs. Rec. Difference
<b>301</b>	<b>Legislature</b>	<b>\$ 35,717,200</b>	<b>\$ 38,928,060</b>	<b>\$ 38,751,100</b>	<b>\$ 3,210,860</b>	<b>\$ (176,960)</b>
	Appropriation	34,603,500	38,790,560	38,613,600	4,187,060	(176,960)
	Current Services and Other Revenue	1,113,700	137,500	137,500	(976,200)	0
<b>301.50</b>	<b>Fiscal Review Committee</b>	<b>\$ 1,344,600</b>	<b>\$ 1,370,000</b>	<b>\$ 1,370,000</b>	<b>\$ 25,400</b>	<b>\$ 0</b>
	Appropriation	1,240,500	1,370,000	1,370,000	129,500	0
	Current Services and Other Revenue	104,100	0	0	(104,100)	0
<b>302</b>	<b>Court System</b>	<b>\$ 122,066,800</b>	<b>\$ 126,774,500</b>	<b>\$ 128,804,400</b>	<b>\$ 4,707,700</b>	<b>\$ 2,029,900</b>
	Appropriation	114,607,000	120,205,600	122,705,800	5,598,600	2,500,200
	Federal	773,800	400,000	400,000	(373,800)	0
	Current Services and Other Revenue	6,686,000	6,168,900	5,698,600	(517,100)	(470,300)
<b>303</b>	<b>Attorney General and Reporter</b>	<b>\$ 30,459,400</b>	<b>\$ 37,417,600</b>	<b>\$ 34,972,000</b>	<b>\$ 6,958,200</b>	<b>\$ (2,445,600)</b>
	Appropriation	20,918,400	24,180,300	23,073,400	3,261,900	(1,106,900)
	Current Services and Other Revenue	9,541,000	13,237,300	11,898,600	3,696,300	(1,338,700)
<b>304</b>	<b>District Attorneys General</b>	<b>\$ 92,027,600</b>	<b>\$ 98,892,200</b>	<b>\$ 98,917,100</b>	<b>\$ 6,864,600</b>	<b>\$ 24,900</b>
	Appropriation	64,469,100	70,810,400	71,713,500	6,341,300	903,100
	Federal	16,900	0	0	(16,900)	0
	Current Services and Other Revenue	27,541,600	28,081,800	27,203,600	540,200	(878,200)
<b>305</b>	<b>Secretary of State</b>	<b>\$ 39,812,800</b>	<b>\$ 69,183,600</b>	<b>\$ 67,744,000</b>	<b>\$ 29,370,800</b>	<b>\$ (1,439,600)</b>
	Appropriation	23,114,900	27,743,200	26,408,300	4,628,300	(1,334,900)
	Federal	5,281,100	30,396,700	30,396,700	25,115,600	0
	Current Services and Other Revenue	11,416,800	11,043,700	10,939,000	(373,100)	(104,700)
<b>306</b>	<b>District Public Defenders</b>	<b>\$ 39,834,000</b>	<b>\$ 43,351,700</b>	<b>\$ 43,970,900</b>	<b>\$ 3,517,700</b>	<b>\$ 619,200</b>
	Appropriation	37,901,600	41,739,800	42,328,000	3,838,200	588,200
	Current Services and Other Revenue	1,932,400	1,611,900	1,642,900	(320,500)	31,000
<b>307</b>	<b>Comptroller of the Treasury</b>	<b>\$ 79,180,100</b>	<b>\$ 98,094,500</b>	<b>\$ 87,649,800</b>	<b>\$ 18,914,400</b>	<b>\$ (10,444,700)</b>
	Appropriation	68,223,700	78,673,500	78,681,400	10,449,800	7,900
	Current Services and Other Revenue	10,956,400	19,421,000	8,968,400	8,464,600	(10,452,600)
<b>308</b>	<b>Post-Conviction Defender</b>	<b>\$ 1,866,300</b>	<b>\$ 2,054,200</b>	<b>\$ 2,126,900</b>	<b>\$ 187,900</b>	<b>\$ 72,700</b>
	Appropriation	1,865,800	2,054,200	2,126,900	188,400	72,700
	Current Services and Other Revenue	500	0	0	(500)	0
<b>309</b>	<b>Treasury Department</b>	<b>\$ 23,572,300</b>	<b>\$ 29,380,600</b>	<b>\$ 30,278,100</b>	<b>\$ 5,808,300</b>	<b>\$ 897,500</b>
	Appropriation	406,000	2,075,300	3,396,600	1,669,300	1,321,300
	Current Services and Other Revenue	23,166,300	27,305,300	26,881,500	4,139,000	(423,800)
<b>313</b>	<b>Claims and Compensation</b>	<b>\$ 91,069,700</b>	<b>\$ 102,433,200</b>	<b>\$ 105,217,900</b>	<b>\$ 11,363,500</b>	<b>\$ 2,784,700</b>
	Appropriation	10,500,000	10,500,000	9,900,000	0	(600,000)
	Federal	5,222,400	5,020,000	6,200,000	(202,400)	1,180,000
	Current Services and Other Revenue	75,347,300	86,913,200	89,117,900	11,565,900	2,204,700

## Comparison of Programs Fiscal Years 2010-2011, 2011-2012, and 2012-2013

Allot. Code	Department	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013	Act. vs. Est. Difference	Est. vs. Rec. Difference
<b>315</b>	<b>Executive Department</b>	<b>\$ 4,157,700</b>	<b>\$ 5,063,400</b>	<b>\$ 4,809,800</b>	<b>\$ 905,700</b>	<b>\$ (253,600)</b>
	Appropriation	4,102,900	5,063,400	4,809,800	960,500	(253,600)
	Current Services and Other Revenue	54,800	0	0	(54,800)	0
<b>316</b>	<b>Commissions</b>	<b>\$ 488,802,400</b>	<b>\$ 387,463,500</b>	<b>\$ 347,700,700</b>	<b>\$ (101,338,900)</b>	<b>\$ (39,762,800)</b>
	Appropriation	34,646,900	37,430,600	36,083,800	2,783,700	(1,346,800)
	Federal	402,751,000	285,829,600	247,244,700	(116,921,400)	(38,584,900)
	Current Services and Other Revenue	51,404,500	64,203,300	64,372,200	12,798,800	168,900
<b>317</b>	<b>Finance and Administration (F&amp;A)</b>	<b>\$ 238,965,300</b>	<b>\$ 251,135,400</b>	<b>\$ 240,429,300</b>	<b>\$ 12,170,100</b>	<b>\$ (10,706,100)</b>
	Appropriation	12,085,000	15,912,200	15,906,700	3,827,200	(5,500)
	Federal	36,155,800	29,712,900	24,921,600	(6,442,900)	(4,791,300)
	Current Services and Other Revenue	190,724,500	205,510,300	199,601,000	14,785,800	(5,909,300)
	<b>Criminal Justice Programs</b> <sup>1</sup>	<b>\$ 37,265,700</b>	<b>\$ 33,896,000</b>	<b>\$ 28,351,500</b>	<b>\$ (3,369,700)</b>	<b>\$ (5,544,500)</b>
	Appropriation	6,068,400	8,263,600	7,401,300	2,195,200	(862,300)
	Federal	30,661,700	25,526,600	20,844,400	(5,135,100)	(4,682,200)
	Current Services and Other Revenue	535,600	105,800	105,800	(429,800)	0
	<b>Other F&amp;A Programs</b> <sup>1</sup>	<b>\$ 201,699,600</b>	<b>\$ 217,239,400</b>	<b>\$ 212,077,800</b>	<b>\$ 15,539,800</b>	<b>\$ (5,161,600)</b>
	Appropriation	6,016,600	7,648,600	8,505,400	1,632,000	856,800
	Federal	5,494,100	4,186,300	4,077,200	(1,307,800)	(109,100)
	Current Services and Other Revenue	190,188,900	205,404,500	199,495,200	15,215,600	(5,909,300)
<b>318</b>	<b>F&amp;A - TennCare</b>	<b>\$ 8,968,011,100</b>	<b>\$ 8,962,737,900</b>	<b>\$ 8,964,833,200</b>	<b>\$ (5,273,200)</b>	<b>\$ 2,095,300</b>
	Appropriation	1,890,075,000	2,819,744,000	2,865,887,100	929,669,000	46,143,100
	Federal	6,391,054,400	5,872,210,500	5,834,662,700	(518,843,900)	(37,547,800)
	Current Services and Other Revenue	686,881,700	270,783,400	264,283,400	(416,098,300)	(6,500,000)
<b>319</b>	<b>Human Resources</b>	<b>\$ 8,057,800</b>	<b>\$ 11,679,700</b>	<b>\$ 11,185,900</b>	<b>\$ 3,621,900</b>	<b>\$ (493,800)</b>
	Appropriation	1,351,100	0	0	(1,351,100)	0
	Current Services and Other Revenue	6,706,700	11,679,700	11,185,900	4,973,000	(493,800)
<b>321</b>	<b>General Services</b>	<b>\$ 101,894,500</b>	<b>\$ 103,260,700</b>	<b>\$ 116,904,500</b>	<b>\$ 1,366,200</b>	<b>\$ 13,643,800</b>
	Appropriation	6,630,700	6,375,700	21,277,400	(255,000)	14,901,700
	Current Services and Other Revenue	95,263,800	96,885,000	95,627,100	1,621,200	(1,257,900)
<b>323</b>	<b>Veterans Affairs</b>	<b>\$ 4,847,900</b>	<b>\$ 5,825,900</b>	<b>\$ 5,783,600</b>	<b>\$ 978,000</b>	<b>\$ (42,300)</b>
	Appropriation	4,272,500	4,806,200	4,763,900	533,700	(42,300)
	Federal	415,200	772,700	772,700	357,500	0
	Current Services and Other Revenue	160,200	247,000	247,000	86,800	0
<b>324</b>	<b>Board of Parole</b>	<b>\$ 2,556,700</b>	<b>\$ 3,114,300</b>	<b>\$ 2,979,400</b>	<b>\$ 557,600</b>	<b>\$ (134,900)</b>
	Appropriation	2,556,700	3,114,300	2,979,400	557,600	(134,900)

## Comparison of Programs Fiscal Years 2010-2011, 2011-2012, and 2012-2013

Allot. Code	Department	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013	Act. vs. Est. Difference	Est. vs. Rec. Difference
<b>325</b>	<b>Agriculture</b>	<b>\$ 81,811,200</b>	<b>\$ 96,993,100</b>	<b>\$ 88,324,200</b>	<b>\$ 15,181,900</b>	<b>\$ (8,668,900)</b>
	Appropriation	60,174,800	69,296,600	67,066,000	9,121,800	(2,230,600)
	Federal	9,976,600	18,372,700	11,119,700	8,396,100	(7,253,000)
	Current Services and Other Revenue	11,659,800	9,323,800	10,138,500	(2,336,000)	814,700
<b>326</b>	<b>Tourist Development</b>	<b>\$ 17,915,300</b>	<b>\$ 20,412,600</b>	<b>\$ 19,922,900</b>	<b>\$ 2,497,300</b>	<b>\$ (489,700)</b>
	Appropriation	10,814,100	12,650,200	11,797,100	1,836,100	(853,100)
	Current Services and Other Revenue	7,101,200	7,762,400	8,125,800	661,200	363,400
<b>327</b>	<b>Environment and Conservation</b>	<b>\$ 346,032,800</b>	<b>\$ 386,834,500</b>	<b>\$ 356,774,000</b>	<b>\$ 40,801,700</b>	<b>\$ (30,060,500)</b>
	Appropriation	158,176,900	180,395,400	175,419,900	22,218,500	(4,975,500)
	Federal	93,362,200	95,043,800	72,698,100	1,681,600	(22,345,700)
	Current Services and Other Revenue	94,493,700	111,395,300	108,656,000	16,901,600	(2,739,300)
<b>328</b>	<b>Wildlife Resources Agency</b>	<b>\$ 73,778,900</b>	<b>\$ 88,756,600</b>	<b>\$ 78,879,700</b>	<b>\$ 14,977,700</b>	<b>\$ (9,876,900)</b>
	Appropriation	42,938,500	49,533,200	50,251,500	6,594,700	718,300
	Federal	22,466,800	27,343,800	21,387,700	4,877,000	(5,956,100)
	Current Services and Other Revenue	8,373,600	11,879,600	7,240,500	3,506,000	(4,639,100)
<b>329</b>	<b>Correction</b>	<b>\$ 738,084,600</b>	<b>\$ 829,179,200</b>	<b>\$ 845,062,700</b>	<b>\$ 91,094,600</b>	<b>\$ 15,883,500</b>
	Appropriation	720,297,500	810,083,400	826,376,800	89,785,900	16,293,400
	Federal	648,600	1,114,500	600,000	465,900	(514,500)
	Current Services and Other Revenue	17,138,500	17,981,300	18,085,900	842,800	104,600
<b>330</b>	<b>Economic and Community Development</b>	<b>\$ 173,391,200</b>	<b>\$ 405,726,700</b>	<b>\$ 156,028,800</b>	<b>\$ 232,335,500</b>	<b>\$ (249,697,900)</b>
	Appropriation	73,302,800	141,858,500	51,592,500	68,555,700	(90,266,000)
	Federal	80,218,300	183,839,500	94,170,300	103,621,200	(89,669,200)
	Current Services and Other Revenue	19,870,100	80,028,700	10,266,000	60,158,600	(69,762,700)
<b>331</b>	<b>Education (K-12)</b>	<b>\$ 5,215,390,500</b>	<b>\$ 5,565,811,300</b>	<b>\$ 5,306,252,800</b>	<b>\$ 350,420,800</b>	<b>\$ (259,558,500)</b>
	Appropriation	3,611,987,100	4,082,862,100	4,175,786,400	470,875,000	92,924,300
	Federal	1,556,578,000	1,412,362,600	1,060,129,800	(144,215,400)	(352,232,800)
	Current Services and Other Revenue	46,825,400	70,586,600	70,336,600	23,761,200	(250,000)
	<b>Lottery-Funded Programs</b>	<b><sup>1</sup> \$ 11,433,500</b>	<b>\$ 13,500,000</b>	<b>\$ 13,500,000</b>	<b>\$ 2,066,500</b>	<b>\$ 0</b>
	Appropriation	11,433,500	13,200,000	12,000,000	1,766,500	(1,200,000)
	Current Services and Other Revenue	0	300,000	1,500,000	300,000	1,200,000
	<b>Other Education (K-12) Programs</b>	<b><sup>1</sup> \$ 5,203,957,000</b>	<b>\$ 5,552,311,300</b>	<b>\$ 5,292,752,800</b>	<b>\$ 348,354,300</b>	<b>\$ (259,558,500)</b>
	Appropriation	3,600,553,600	4,069,662,100	4,163,786,400	469,108,500	94,124,300
	Federal	1,556,578,000	1,412,362,600	1,060,129,800	(144,215,400)	(352,232,800)
	Current Services and Other Revenue	46,825,400	70,286,600	68,836,600	23,461,200	(1,450,000)

## Comparison of Programs

### Fiscal Years 2010-2011, 2011-2012, and 2012-2013

Allot. Code	Department	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013	Act. vs. Est. Difference	Est. vs. Rec. Difference
<b>332</b>	<b>Higher Education</b>	<b>\$ 3,915,718,400</b>	<b>\$ 3,831,600,100</b>	<b>\$ 3,843,907,100</b>	<b>\$ (84,118,300)</b>	<b>\$ 12,307,000</b>
	Appropriation	1,652,562,500	1,406,336,500	1,440,712,100	(246,226,000)	34,375,600
	Federal	238,975,100	272,659,200	258,273,700	33,684,100	(14,385,500)
	Current Services and Other Revenue	644,527,700	661,667,200	653,984,100	17,139,500	(7,683,100)
	Tuition and Student Fees	1,379,653,100	1,490,937,200	1,490,937,200	111,284,100	0
	<b>Lottery for Education Account</b> <sup>1</sup>	<b>\$ 307,192,500</b>	<b>\$ 340,700,000</b>	<b>\$ 330,600,000</b>	<b>\$ 33,507,500</b>	<b>\$ (10,100,000)</b>
	Appropriation	295,700,000	301,000,000	298,500,000	5,300,000	(2,500,000)
	Current Services and Other Revenue	11,492,500	39,700,000	32,100,000	28,207,500	(7,600,000)
	<b>Other Higher Education Programs</b> <sup>1</sup>	<b>\$ 3,608,525,900</b>	<b>\$ 3,490,900,100</b>	<b>\$ 3,513,307,100</b>	<b>\$ (117,625,800)</b>	<b>\$ 22,407,000</b>
	Appropriation	1,356,862,500	1,105,336,500	1,142,212,100	(251,526,000)	36,875,600
	Federal	238,975,100	272,659,200	258,273,700	33,684,100	(14,385,500)
	Current Services and Other Revenue	633,035,200	621,967,200	621,884,100	(11,068,000)	(83,100)
	Tuition and Student Fees	1,379,653,100	1,490,937,200	1,490,937,200	111,284,100	0
<b>335</b>	<b>Commerce and Insurance</b>	<b>\$ 121,797,100</b>	<b>\$ 170,063,600</b>	<b>\$ 168,458,200</b>	<b>\$ 48,266,500</b>	<b>\$ (1,605,400)</b>
	Appropriation	80,944,500	105,543,500	106,818,100	24,599,000	1,274,600
	Federal	636,400	3,334,300	234,000	2,697,900	(3,100,300)
	Current Services and Other Revenue	40,216,200	61,185,800	61,406,100	20,969,600	220,300
<b>336</b>	<b>Financial Institutions</b>	<b>\$ 16,058,200</b>	<b>\$ 16,732,500</b>	<b>\$ 16,835,700</b>	<b>\$ 674,300</b>	<b>\$ 103,200</b>
	Appropriation	6,181,800	8,672,200	8,674,600	2,490,400	2,400
	Current Services and Other Revenue	9,876,400	8,060,300	8,161,100	(1,816,100)	100,800
<b>337</b>	<b>Labor and Workforce Development</b>	<b>\$ 232,262,500</b>	<b>\$ 251,167,100</b>	<b>\$ 269,100,400</b>	<b>\$ 18,904,600</b>	<b>\$ 17,933,300</b>
	Appropriation	32,205,500	44,859,900	41,662,400	12,654,400	(3,197,500)
	Federal	198,530,500	202,073,200	223,204,000	3,542,700	21,130,800
	Current Services and Other Revenue	1,526,500	4,234,000	4,234,000	2,707,500	0
<b>339</b>	<b>Mental Health</b>	<b>\$ 275,943,700</b>	<b>\$ 313,289,400</b>	<b>\$ 287,347,100</b>	<b>\$ 37,345,700</b>	<b>\$ (25,942,300)</b>
	Appropriation	182,434,000	194,472,100	184,544,200	12,038,100	(9,927,900)
	Federal	49,168,400	66,690,800	58,631,100	17,522,400	(8,059,700)
	Current Services and Other Revenue	44,341,300	52,126,500	44,171,800	7,785,200	(7,954,700)
<b>341</b>	<b>Military</b>	<b>\$ 139,478,500</b>	<b>\$ 256,024,100</b>	<b>\$ 116,283,700</b>	<b>\$ 116,545,600</b>	<b>\$ (139,740,400)</b>
	Appropriation	13,391,500	23,959,900	14,855,000	10,568,400	(9,104,900)
	Federal	113,370,100	215,043,600	99,408,100	101,673,500	(115,635,500)
	Current Services and Other Revenue	12,716,900	17,020,600	2,020,600	4,303,700	(15,000,000)
<b>343</b>	<b>Health</b>	<b>\$ 526,337,400</b>	<b>\$ 567,825,700</b>	<b>\$ 549,900,800</b>	<b>\$ 41,488,300</b>	<b>\$ (17,924,900)</b>
	Appropriation	151,337,100	173,248,300	168,831,900	21,911,200	(4,416,400)
	Federal	236,552,800	248,772,500	242,246,100	12,219,700	(6,526,400)
	Current Services and Other Revenue	138,447,500	145,804,900	138,822,800	7,357,400	(6,982,100)
<b>344</b>	<b>Intellectual and Developmental Disabilities</b>	<b>\$ 804,725,600</b>	<b>\$ 501,312,300</b>	<b>\$ 206,515,300</b>	<b>\$ (303,413,300)</b>	<b>\$ (294,797,000)</b>
	Appropriation	63,405,600	27,474,600	24,120,300	(35,931,000)	(3,354,300)
	Federal	1,721,400	1,782,500	1,896,200	61,100	113,700
	Current Services and Other Revenue	739,598,600	472,055,200	180,498,800	(267,543,400)	(291,556,400)



## Comparison of Programs Fiscal Years 2010-2011, 2011-2012, and 2012-2013

Allot. Code	Department	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013	Act. vs. Est. Difference	Est. vs. Rec. Difference
<b>345</b>	<b>Human Services</b>	<b>\$ 3,202,878,300</b>	<b>\$ 3,229,104,100</b>	<b>\$ 3,091,420,400</b>	<b>\$ 26,225,800</b>	<b>\$ (137,683,700)</b>
	Appropriation	141,552,600	177,363,700	171,088,600	35,811,100	(6,275,100)
	Federal	2,921,821,300	2,913,507,800	2,785,106,900	(8,313,500)	(128,400,900)
	Current Services and Other Revenue	139,504,400	138,232,600	135,224,900	(1,271,800)	(3,007,700)
	<b>Temporary Cash Assistance</b> <sup>1</sup>	<b>\$ 130,200,400</b>	<b>\$ 126,712,900</b>	<b>\$ 120,810,400</b>	<b>\$ (3,487,500)</b>	<b>\$ (5,902,500)</b>
	Appropriation	0	20,868,900	19,968,900	20,868,900	(900,000)
	Federal	126,583,200	102,226,800	97,224,300	(24,356,400)	(5,002,500)
	Current Services and Other Revenue	3,617,200	3,617,200	3,617,200	0	0
	<b>Food Stamp Benefits</b> <sup>1</sup>	<b>\$ 2,043,156,300</b>	<b>\$ 2,119,479,800</b>	<b>\$ 2,043,156,300</b>	<b>\$ 76,323,500</b>	<b>\$ (76,323,500)</b>
	Federal	2,043,156,300	2,119,479,800	2,043,156,300	76,323,500	(76,323,500)
	<b>Other Human Services Programs</b> <sup>1</sup>	<b>\$ 1,029,521,600</b>	<b>\$ 982,911,400</b>	<b>\$ 927,453,700</b>	<b>\$ (46,610,200)</b>	<b>\$ (55,457,700)</b>
	Appropriation	141,552,600	156,494,800	151,119,700	14,942,200	(5,375,100)
	Federal	752,081,800	691,801,200	644,726,300	(60,280,600)	(47,074,900)
	Current Services and Other Revenue	135,887,200	134,615,400	131,607,700	(1,271,800)	(3,007,700)
<b>347</b>	<b>Revenue</b>	<b>\$ 106,123,200</b>	<b>\$ 121,983,800</b>	<b>\$ 106,969,800</b>	<b>\$ 15,860,600</b>	<b>\$ (15,014,000)</b>
	Appropriation	80,960,600	96,223,800	82,388,000	15,263,200	(13,835,800)
	Federal	4,000	22,000	22,000	18,000	0
	Current Services and Other Revenue	25,158,600	25,738,000	24,559,800	579,400	(1,178,200)
<b>348</b>	<b>Tennessee Bureau of Investigation</b>	<b>\$ 63,832,300</b>	<b>\$ 68,109,200</b>	<b>\$ 68,749,000</b>	<b>\$ 4,276,900</b>	<b>\$ 639,800</b>
	Appropriation	31,350,400	37,100,200	36,121,200	5,749,800	(979,000)
	Federal	14,462,000	15,350,000	15,020,700	888,000	(329,300)
	Current Services and Other Revenue	18,019,900	15,659,000	17,607,100	(2,360,900)	1,948,100
<b>349</b>	<b>Safety</b>	<b>\$ 169,852,600</b>	<b>\$ 178,276,700</b>	<b>\$ 178,456,400</b>	<b>\$ 8,424,100</b>	<b>\$ 179,700</b>
	Appropriation	121,300,400	119,114,500	112,559,200	(2,185,900)	(6,555,300)
	Federal	3,958,100	9,276,400	9,276,400	5,318,300	0
	Current Services and Other Revenue	44,594,100	49,885,800	56,620,800	5,291,700	6,735,000
<b>350</b>	<b>F&amp;A - Strategic Health-Care Programs</b>	<b>\$ 209,587,000</b>	<b>\$ 297,526,900</b>	<b>\$ 330,279,400</b>	<b>\$ 87,939,900</b>	<b>\$ 32,752,500</b>
	Appropriation	85,242,500	104,830,600	112,779,300	19,588,100	7,948,700
	Federal	118,146,400	172,559,900	186,358,900	54,413,500	13,799,000
	Current Services and Other Revenue	6,198,100	20,136,400	31,141,200	13,938,300	11,004,800
<b>351</b>	<b>Miscellaneous Appropriations</b>	<b>\$ 32,742,200</b>	<b>\$ 75,366,200</b>	<b>\$ 139,085,300</b>	<b>\$ 42,624,000</b>	<b>\$ 63,719,100</b>
	Appropriation	31,829,600	75,366,200	139,085,300	43,536,600	63,719,100
	Current Services and Other Revenue	912,600	0	0	(912,600)	0
<b>353</b>	<b>Emergency and Contingency Fund</b>	<b>\$ 0</b>	<b>\$ 819,300</b>	<b>\$ 819,300</b>	<b>\$ 819,300</b>	<b>\$ 0</b>
	Appropriation	0	819,300	819,300	819,300	0
<b>355</b>	<b>State Building Commission</b>	<b>\$ 205,700</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 194,300</b>	<b>\$ 0</b>
	Appropriation	51,700	250,000	250,000	198,300	0
	Current Services and Other Revenue	154,000	150,000	150,000	(4,000)	0

# Comparison of Programs

## Fiscal Years 2010-2011, 2011-2012, and 2012-2013

Allot. Code	Department	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013	Act. vs. Est. Difference	Est. vs. Rec. Difference
<b>359</b>	<b>Children's Services</b>	<b>\$ 656,777,900</b>	<b>\$ 660,550,600</b>	<b>\$ 624,373,500</b>	<b>\$ 3,772,700</b>	<b>\$ (36,177,100)</b>
	Appropriation	310,041,200	319,729,000	293,694,200	9,687,800	(26,034,800)
	Federal	129,002,700	121,165,700	113,269,900	(7,837,000)	(7,895,800)
	Current Services and Other Revenue	217,734,000	219,655,900	217,409,400	1,921,900	(2,246,500)
	<b>Grand Total - General Fund</b>	<b>\$ 27,494,969,300</b>	<b>\$ 28,312,026,560</b>	<b>\$ 27,184,575,100</b>	<b>\$ 817,057,260</b>	<b>\$ (1,127,451,460)</b>
	Appropriation	9,996,054,500	11,572,632,960	11,669,319,500	1,576,578,460	96,686,540
	Federal	12,631,270,300	12,204,657,200	11,397,652,000	(426,613,100)	(807,005,200)
	Current Services and Other Revenue	3,487,991,400	3,043,799,200	2,626,666,400	(444,192,200)	(417,132,800)
	Tuition and Student Fees	1,379,653,100	1,490,937,200	1,490,937,200	111,284,100	0
<b>400</b>	<b>Transportation</b>	<b>\$ 1,882,067,900</b>	<b>\$ 1,816,595,000</b>	<b>\$ 1,737,486,900</b>	<b>\$ (65,472,900)</b>	<b>\$ (79,108,100)</b>
	Appropriation	889,674,900 <sup>2</sup>	712,800,000	738,300,000	(176,874,900)	25,500,000
	Federal	941,331,600	904,031,000	876,972,900	(37,300,600)	(27,058,100)
	Current Services and Other Revenue	51,061,400	38,264,000	42,214,000	(12,797,400)	3,950,000
	Bonds	0	161,500,000	80,000,000	161,500,000	(81,500,000)
	<b>Debt Service Requirements</b>	<b>\$ 396,736,000</b>	<b>\$ 426,346,400</b>	<b>\$ 436,460,000</b>	<b>\$ 29,610,400</b>	<b>\$ 10,113,600</b>
	Appropriation	396,736,000	426,346,400	436,460,000	29,610,400	10,113,600
	<b>Capital Outlay Program</b>	<b>\$ 391,519,000</b>	<b>\$ 360,997,500</b>	<b>\$ 561,510,000</b>	<b>\$ (30,521,500)</b>	<b>\$ 200,512,500</b>
	Appropriation	326,025,000 <sup>2</sup>	55,450,000	138,600,000	(270,575,000)	83,150,000
	Federal	5,626,000	15,967,500	19,560,000	10,341,500	3,592,500
	Current Services and Other Revenue	59,868,000	35,980,000	102,450,000	(23,888,000)	66,470,000
	Bonds	0	253,600,000	300,900,000	253,600,000	47,300,000
	<b>Facilities Revolving Fund</b>	<b>\$ 137,499,800</b>	<b>\$ 160,741,200</b>	<b>\$ 278,067,000</b>	<b>\$ 23,241,400</b>	<b>\$ 117,325,800</b>
	Appropriation	7,517,200	13,064,800	138,164,800	5,547,600	125,100,000
	Current Services and Other Revenue	129,982,600 <sup>3</sup>	139,776,400	138,902,200	9,793,800	(874,200)
	Bonds	0	7,900,000	1,000,000	7,900,000	(6,900,000)
	<b>Cities &amp; Counties - State Shared Taxes</b>	<b>\$ 820,516,000</b>	<b>\$ 852,600,000</b>	<b>\$ 878,500,000</b>	<b>\$ 32,084,000</b>	<b>\$ 25,900,000</b>
	Appropriation	820,516,000	852,600,000	878,500,000	32,084,000	25,900,000
	<b>Total State Budget - All Programs</b>	<b>\$ 31,123,308,000</b>	<b>\$ 31,929,306,660</b>	<b>\$ 31,076,599,000</b>	<b>\$ 805,998,660</b>	<b>\$ (852,707,660)</b>
	Appropriation	12,436,523,600	13,632,894,160	13,999,344,300	1,196,370,560	366,450,140
	Federal	13,578,227,900	13,124,655,700	12,294,184,900	(453,572,200)	(830,470,800)
	Current Services and Other Revenue	3,728,903,400	3,257,819,600	2,910,232,600	(471,083,800)	(347,587,000)
	Tuition and Student Fees	1,379,653,100	1,490,937,200	1,490,937,200	111,284,100	0
	Bonds	0	423,000,000	381,900,000	423,000,000	(41,100,000)

<sup>1</sup> Included in departmental total.

<sup>2</sup> Transportation and Capital Outlay Program - Actual 2010-2011 includes tax revenue and bonds.

<sup>3</sup> Facilities Revolving Fund - Actual 2010-2011 includes departmental revenue and bonds.

**Supplemental Appropriations  
General and Education Funds  
Fiscal Year 2011-2012**

		<u>2011-2012</u>	<u>Recurring 2012-2013</u>
<b>State Museum</b>			
316.27	Emancipation Proclamation Exhibit - Year 2 of 3	\$ 150,000	\$ -
<b>TennCare</b>			
318.00	<b>Partially Restore 1-1-2012 Reductions:</b>		
	Nursing Homes 4.25% (FY 10 #21 and FY 12 #13) - Restore 1.75%	\$ 3,236,300	\$ 6,480,300
	Managed Care Orgs. Administrative Rates 4.25% (FY 10 #22 and FY 12 #13) - Restore 1.75%	985,500	1,973,400
	Transportation Providers 4.25% (FY 10 #23 and FY 12 #13) - Restore 1.75%	230,900	462,400
	Lab and X-ray Services 4.25% (FY 10 #23 and FY 12 #13) - Restore 1.75%	690,200	1,382,100
	Dental Services 4.25% (FY 10 #24 and FY 12 #13) - Restore 1.75%	432,400	865,800
	ICF- MR Providers 4.25% (FY 10 #25 and FY 12 #13) - Restore 1.75%	295,500	591,600
	PACE (Program of All-Inclusive Care of the Elderly) 4.25% (FY 10 #26 and FY 12 #13) - Restore 1.75%	33,300	66,500
	Home Health Providers 4.25% (Excludes HCBS) (FY 10 #23 and FY 12 #13) - Restore 1.75%	701,200	1,404,000
	Eliminate \$2 Co-Payments for Non-Emergency Transportation Services (FY 11 #3)	646,500	1,294,700
	<b>Sub-Total Partially Restore 1-1-2012 Reductions</b>	<b>\$ 7,251,800</b>	<b>\$ 14,520,800</b>
<b>TennCare for Intellectual and Developmental Disabilities</b>			
318.71	Clover Bottom Developmental Center - Transition Delay	2,107,300	-
	<b>Total TennCare</b>	<b>\$ 9,359,100</b>	<b>\$ 14,520,800</b>
<b>Environment and Conservation</b>			
327.33	Clean Water and Drinking Water State Revolving Fund - Match Federal Grant	2,018,000	1,415,000
<b>Correction</b>			
329.04	State Prosecutions - Local Jail Payments	\$ 31,000,000	\$ 36,000,000
329.00	Prisons - Mental Health Contract Services	912,000	3,515,700
	<b>Sub-Total Department of Correction</b>	<b>\$ 31,912,000</b>	<b>\$ 39,515,700</b>
<b>Economic and Community Development</b>			
330.00	Fast Track Infrastructure and Job Training Assistance	\$ 50,000,000	\$ 10,000,000
330.00	Biodiesel Manufacturers Incentive Fund - Correct 6-30-2011 Closing	199,100	-
330.00	Headquarters Relocation Assistance - TCA 67-4-2109(g)(2)	34,000,000	6,000,000
	<b>Sub-Total Department of Economic and Community Development</b>	<b>\$ 84,199,100</b>	<b>\$ 16,000,000</b>
<b>Education</b>			
331.25	BEP - Salary Average Correction @ \$38,700 - Rounding Error	1,978,900	1,978,900
<b>Commerce and Insurance</b>			
335.01	Administration - Interdepartmental Revenue Loss - Regulatory Boards Indirect Costs	3,382,500	3,382,500
<b>Mental Health</b>			
339.10	Lakeshore Mental Health Institute - Transition - Mental Health Trust Fund	4,800,000	-
<b>Health</b>			
343.05	Bureau of Health Licensure and Regulation - Health-Related Boards Indirect Costs	264,000	264,000
<b>Revenue</b>			
347.21	Tax Refund Interest Expense - Accounting Change	2,500,000	2,500,000
<b>Safety</b>			
349.02	Driver License Issuance - Revocation Revenue Non-Recurring Loss - Administration Fiscal Note Error	6,645,900	-
351.00	<b>Miscellaneous Appropriations:</b>		
	State Agencies - Mileage Rate @ 10-1-2011 - 1¢ Increase @ 47¢ / Mile	\$ 300,000	\$ 411,800
	State Agencies - Postage Rates @ 1-22-2012 (1¢ @ 45¢ First Class)	400,000	800,000
	<b>Sub-Total Miscellaneous Appropriations</b>	<b>\$ 700,000</b>	<b>\$ 1,211,800</b>
<b>Total State Government</b>		<b>\$ 147,909,500</b>	<b>\$ 80,788,700</b>

**Departmental Summary of Continuation and Cost Increase Recommendations  
from State Revenue for Fiscal Year 2012-2013**

Department	2011-2012 Appropriations *		2012-2013 Recommended Appropriations					
	Recurring	Non-Recurring	Base	% Change	Cost Increases	Total	% Change	
Legislature	\$ 38,613,600	\$ 176,960	\$ 38,613,600	0.00%	\$ 0	\$ 38,613,600	-0.46%	
Fiscal Review Committee	1,370,000	0	1,370,000	0.00%	0	1,370,000	0.00%	
Court System	119,586,800	618,800	119,586,800	0.00%	3,119,000	122,705,800	2.08%	
Attorney General and Reporter	23,716,500	463,800	23,066,900	-2.74%	6,500	23,073,400	-4.58%	
District Attorneys General	70,756,800	53,600	70,721,200	-0.05%	992,300	71,713,500	1.28%	
Secretary of State	26,408,300	1,334,900	26,408,300	0.00%	0	26,408,300	-4.81%	
District Public Defenders	41,733,100	6,700	41,733,100	0.00%	594,900	42,328,000	1.41%	
Comptroller of the Treasury	78,681,400	(7,900)	78,681,400	0.00%	0	78,681,400	0.01%	
Post-Conviction Defender	2,054,300	(100)	2,095,800	2.02%	31,100	2,126,900	3.54%	
Treasury Department	1,326,600	748,700	1,244,400	-6.20%	2,152,200	3,396,600	63.67%	
Claims and Compensation	10,500,000	0	9,900,000	-5.71%	0	9,900,000	-5.71%	
Executive Department	5,063,600	(200)	4,809,800	-5.01%	0	4,809,800	-5.01%	
Commissions	34,967,800	2,462,800	35,933,800	2.76%	150,000	36,083,800	-3.60%	
Finance and Administration (F&A)	15,775,100	137,100	14,730,800	-6.62%	1,175,900	15,906,700	-0.03%	
Criminal Justice Programs **	8,125,100	138,500	7,401,300	-8.91%	0	7,401,300	-10.43%	
Other F&A Programs **	7,650,000	(1,400)	7,329,500	-4.19%	1,175,900	8,505,400	11.20%	
F&A - TennCare	2,320,394,000	499,350,000	2,719,775,600	17.21%	146,111,500	2,865,887,100	1.64%	
Human Resources	0	0	0	0.00%	0	0	0.00%	
General Services	6,296,400	79,300	6,158,600	-2.19%	15,118,800	21,277,400	233.73%	
Veterans Affairs	4,763,900	42,300	4,763,900	0.00%	0	4,763,900	-0.88%	
Board of Parole	2,979,400	134,900	2,979,400	0.00%	0	2,979,400	-4.33%	
Agriculture	67,863,000	1,433,600	67,066,000	-1.17%	0	67,066,000	-3.22%	
Tourist Development	6,948,000	5,702,200	8,247,100	18.70%	3,550,000	11,797,100	-6.74%	
Environment and Conservation	167,771,200	12,624,200	168,404,900	0.38%	7,015,000	175,419,900	-2.76%	
Wildlife Resources Agency	48,548,600	984,600	49,099,000	1.13%	1,152,500	50,251,500	1.45%	
Correction	774,173,300	35,910,100	747,686,800	-3.42%	78,690,000	826,376,800	2.01%	
Economic and Community Development	25,413,500	116,445,000	31,592,500	24.31%	20,000,000	51,592,500	-63.63%	
Education (K-12)	4,014,216,500	68,645,600	4,059,663,900	1.13%	116,122,500	4,175,786,400	2.28%	
Lottery-Funded Programs **	13,200,000	0	12,000,000	-9.09%	0	12,000,000	-9.09%	
Other K-12 Education Programs **	4,001,016,500	68,645,600	4,047,663,900	1.17%	116,122,500	4,163,786,400	2.31%	
Higher Education	1,370,571,000	35,765,500	1,359,023,000	-0.84%	81,689,100	1,440,712,100	2.44%	
Lottery for Education Account **	301,000,000	0	298,500,000	-0.83%	0	298,500,000	-0.83%	
Other Higher Education Programs **	1,069,571,000	35,765,500	1,060,523,000	-0.85%	81,689,100	1,142,212,100	3.34%	
Commerce and Insurance	101,884,000	3,659,500	104,566,300	2.63%	2,251,800	106,818,100	1.21%	
Financial Institutions	8,674,600	(2,400)	8,674,600	0.00%	0	8,674,600	0.03%	
Labor and Workforce Development	42,375,600	2,484,300	40,988,900	-3.27%	673,500	41,662,400	-7.13%	
Mental Health	179,125,400	15,346,700	184,544,200	3.03%	0	184,544,200	-5.11%	

**Departmental Summary of Continuation and Cost Increase Recommendations  
from State Revenue for Fiscal Year 2012-2013**

Department	2011-2012 Appropriations *		2012-2013 Recommended Appropriations				
	Recurring	Non-Recurring	Base	% Change	Cost Increases	Total	% Change
Military	12,729,100	11,230,800	14,726,800	15.69%	128,200	14,855,000	-38.00%
Health	158,118,200	15,130,100	160,256,900	1.35%	8,575,000	168,831,900	-2.55%
Intellectual and Developmental Disabilities	19,933,600	7,541,000	24,120,300	21.00%	0	24,120,300	-12.21%
Human Services	168,719,300	8,644,400	171,049,600	1.38%	39,000	171,088,600	-3.54%
Temporary Cash Assistance **	19,968,900	900,000	19,968,900	0.00%	0	19,968,900	-4.31%
Other Human Services Programs **	148,750,400	7,744,400	151,080,700	1.57%	39,000	151,119,700	-3.43%
Revenue	81,851,700	14,372,100	81,795,900	-0.07%	592,100	82,388,000	-14.38%
Tennessee Bureau of Investigation	36,298,400	801,800	36,121,200	-0.49%	0	36,121,200	-2.64%
Safety	112,725,200	6,389,300	110,363,500	-2.10%	2,195,700	112,559,200	-5.50%
F&A - Strategic Health-Care Programs	104,830,900	(300)	103,879,300	-0.91%	8,900,000	112,779,300	7.58%
Miscellaneous Appropriations	53,341,700	22,024,500	58,514,600	9.70%	80,570,700	139,085,300	84.55%
Emergency and Contingency Fund	819,300	0	819,300	0.00%	0	819,300	0.00%
State Building Commission	250,000	0	250,000	0.00%	0	250,000	0.00%
Children's Services	304,470,700	15,258,300	291,731,100	-4.18%	1,963,100	293,694,200	-8.14%
<b>Total General Fund</b>	<b>\$ 10,666,640,400</b>	<b>\$ 905,992,560</b>	<b>\$ 11,085,759,100</b>	<b>3.93%</b>	<b>\$ 583,560,400</b>	<b>\$ 11,669,319,500</b>	<b>0.84%</b>

\* Includes recommended supplemental appropriations in the amount of \$147,909,500. See supplemental appropriation chart.

\*\* These items are included in the departmental totals.

**Departmental Summary of Cost Increases  
Fiscal Year 2012-2013**

Code	Department	Total	Funding		
			Appropriation	Federal	Other
301	Legislature	\$ 0	\$ 0	\$ 0	\$ 0
301.50	Fiscal Review Committee	0	0	0	0
302	Court System	3,119,000	3,119,000	0	0
303	Attorney General and Reporter	6,500	6,500	0	0
304	District Attorneys General	1,255,300	992,300	0	263,000
305	Secretary of State	0	0	0	0
306	District Public Defenders	594,900	594,900	0	0
307	Comptroller of the Treasury	0	0	0	0
308	Post-Conviction Defender	31,100	31,100	0	0
309	Treasury Department	2,277,300	2,152,200	0	125,100
313	Claims and Compensation	0	0	0	0
315	Executive Department	0	0	0	0
316	Commissions	1,344,400	150,000	0	1,194,400
317	Finance and Administration (F&A)	<u>1,175,900</u>	<u>1,175,900</u>	<u>0</u>	<u>0</u>
317.06	Criminal Justice Programs *	0	0	0	0
	Other F&A Programs *	1,175,900	1,175,900	0	0
318	F&A - TennCare	409,451,400	146,111,500	263,339,900	0
319	Human Resources	0	0	0	0
321	General Services	15,321,700	15,118,800	0	202,900
323	Veterans Affairs	0	0	0	0
324	Board of Parole	0	0	0	0
325	Agriculture	0	0	0	0
326	Tourist Development	4,058,400	3,550,000	0	508,400
327	Environment and Conservation	7,015,000	7,015,000	0	0
328	Wildlife Resources Agency	1,152,500	1,152,500	0	0
329	Correction	79,153,500	78,690,000	0	463,500
330	Economic and Community Development	20,000,000	20,000,000	0	0
331	Education (K-12)	<u>116,122,500</u>	<u>116,122,500</u>	<u>0</u>	<u>0</u>
	Lottery-Funded Programs *	0	0	0	0
	Other K-12 Education Programs *	116,122,500	116,122,500	0	0
332	Higher Education	<u>81,689,100</u>	<u>81,689,100</u>	<u>0</u>	<u>0</u>
	Lottery for Education Account *	0	0	0	0
	Other Higher Education Programs *	81,689,100	81,689,100	0	0
335	Commerce and Insurance	10,993,900	2,251,800	0	8,742,100
336	Financial Institutions	0	0	0	0
337	Labor and Workforce Development	50,804,400	673,500	50,130,900	0
339	Mental Health	0	0	0	0
341	Military	554,600	128,200	426,400	0
343	Health	8,575,000	8,575,000	0	0
344	Intellectual and Developmental Disabilities	15,634,000	0	0	15,634,000
345	Human Services	<u>114,800</u>	<u>39,000</u>	<u>75,800</u>	<u>0</u>
345.23	Temporary Cash Assistance *	0	0	0	0
	Other Human Services Programs *	114,800	39,000	75,800	0
347	Revenue	592,100	592,100	0	0
348	Tennessee Bureau of Investigation	3,000,000	0	0	3,000,000
349	Safety	2,195,700	2,195,700	0	0
350	F&A - Strategic Health-Care Programs	34,249,400	8,900,000	25,349,400	0

**Departmental Summary of Cost Increases  
Fiscal Year 2012-2013**

<u>Code</u>	<u>Department</u>	<u>Total</u>	<u>Funding</u>		
			<u>Appropriation</u>	<u>Federal</u>	<u>Other</u>
351	Miscellaneous Appropriations	80,570,700	80,570,700	0	0
359	Children's Services	5,213,900	1,963,100	412,800	2,838,000
<b>Sub-total General Fund</b>		<b>\$ 956,267,000</b>	<b>\$ 583,560,400</b>	<b>\$ 339,735,200</b>	<b>\$ 32,971,400</b>
400	Transportation	0	0	0	0
<b>Total All Funds</b>		<b>\$ 956,267,000</b>	<b>\$ 583,560,400</b>	<b>\$ 339,735,200</b>	<b>\$ 32,971,400</b>

\* These items are included in the departmental totals.

**Lottery for Education Account**  
**Summary of Appropriation Requirements, Revenues, and Reserves**  
**Fiscal Years 2010-2011 Through 2015-2016**  
**(Millions)**

	Actual 2010-2011	Revised <sup>1</sup> 2011-2012	Recommended 2012-2013	Projected		
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
<b>1. Appropriation Requirements:</b>						
Higher Education Scholarships	\$ 304.3	\$ 336.9	\$ 326.8	\$ 316.7	\$ 317.5	\$ 318.3
Administration and Other	2.9	3.8	3.8	3.8	3.8	3.8
<b>Total Appropriation Requirements</b>	<b>\$ 307.2</b>	<b>\$ 340.7</b>	<b>\$ 330.6</b>	<b>\$ 320.5</b>	<b>\$ 321.3</b>	<b>\$ 322.1</b>
<b>2. Current Revenue:</b>						
Net Education Lottery Proceeds	\$ 281.8	\$ 288.0	\$ 292.0	\$ 295.0	\$ 298.0	\$ 301.0
Lottery for Education Account - Interest	18.4	16.1	6.5	5.8	5.3	5.1
<b>Total Current Revenue</b>	<b>\$ 300.2</b>	<b>\$ 304.1</b>	<b>\$ 298.5</b>	<b>\$ 300.8</b>	<b>\$ 303.3</b>	<b>\$ 306.1</b>
<b>3. Net Available Current Revenue</b>	<b>\$ (7.0)</b>	<b>\$ (36.6)</b>	<b>\$ (32.1)</b>	<b>\$ (19.7)</b>	<b>\$ (18.0)</b>	<b>\$ (16.0)</b>
<b>4. Lottery for Education Reserve at June 30:</b>						
General Shortfall Reserve	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0
Lottery for Education Account	315.8	279.2	247.1	227.4	209.4	193.4
<b>Total Reserve at June 30</b>	<b>\$ 365.8</b>	<b>\$ 329.2</b>	<b>\$ 297.1</b>	<b>\$ 277.4</b>	<b>\$ 259.4</b>	<b>\$ 243.4</b>

(Dollars)

<b>5. Scholarship Award Levels:</b>						
HOPE 4-Year Colleges	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
HOPE 2-Year Colleges	2,000	2,000	2,000	2,000	2,000	2,000
Wilder-Naifeh Technical Skills Grants	2,000	2,000	2,000	2,000	2,000	2,000

**Scholarship Award Recipients** - 2010-2011 actual - 105,400; 2011-2012 revised estimate - 110,400; and 2012-13 recommended estimate - 110,500.

<sup>1</sup> Revised 2011-2012 column reflects mid-year revised revenue estimate.



**Lottery-Funded Education Programs**  
**Comparison of Appropriation Requirements and State Revenues**  
**Fiscal Years 2010-2011 Through 2015-2016**

	<b>Actual</b>	<b>2011-2012<sup>1</sup></b>		<b>Recommended</b>	<b>Projected</b>		
	<b>2010-2011</b>	<b>Budgeted</b>	<b>Revised</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>2015-2016</b>
<b>I. Appropriation Requirements</b>							
Higher Education Scholarships Base	\$ 304,263,463	\$ 315,900,000	\$ 315,900,000	\$ 316,107,100	\$ 317,007,100	\$ 317,807,100	\$ 318,607,100
2011 PC 437 - Summer School & 120 Hr. Cap	-	19,900,000	19,900,000	10,500,000	(500,000)	(500,000)	(500,000)
2011 PC 427 - Medical Disability Eligibility	-	1,100,000	1,100,000	120,900	120,900	120,900	120,900
2011 PC 488 - Move on When Ready Act	-	-	-	72,000	72,000	72,000	72,000
Tenn. Higher Education Commission <sup>2</sup>	-	521,400	521,400	521,400	521,400	521,400	521,400
Tenn. Student Assistance Corp. <sup>2</sup>	2,929,029	2,437,400	2,437,400	2,437,400	2,437,400	2,437,400	2,437,400
Education - E-Transcripts for THEC <sup>2</sup>	-	808,100	808,100	808,100	808,100	808,100	808,100
Education - Lottery Scholarship Day <sup>2</sup>	-	23,000	23,000	23,000	23,000	23,000	23,000
Rounding / Reconciling	-	10,100	10,100	10,100	10,100	10,100	10,100
<b>Sub-Total Lottery for Education Acct.</b>	<b>\$ 307,192,492</b>	<b>\$ 340,700,000</b>	<b>\$ 340,700,000</b>	<b>\$ 330,600,000</b>	<b>\$ 320,500,000</b>	<b>\$ 321,300,000</b>	<b>\$ 322,100,000</b>
After-School Programs	11,433,698	13,500,000	13,500,000	13,500,000	13,500,000	14,000,000	14,000,000
<b>Total Appropriation Requirements</b>	<b>\$ 318,626,190</b>	<b>\$ 354,200,000</b>	<b>\$ 354,200,000</b>	<b>\$ 344,100,000</b>	<b>\$ 334,000,000</b>	<b>\$ 335,300,000</b>	<b>\$ 336,100,000</b>
<b>II. Available Revenues and Reserves</b>							
Net Education Lottery Proceeds	\$ 281,846,000	\$ 286,000,000	\$ 288,000,000	\$ 292,000,000	\$ 295,000,000	\$ 298,000,000	\$ 301,000,000
Lottery for Education Account - Interest	18,405,582	15,000,000	16,100,000	6,500,000	5,800,000	5,300,000	5,100,000
Unclaimed Prizes (After-School Programs)	11,644,000	13,000,000	12,000,000	12,000,000	13,000,000	13,000,000	14,000,000
After-School Programs - Interest Earnings	36,125	200,000	-	-	100,000	100,000	100,000
General Shortfall Reserve at prior 6-30	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Lottery for Education Account at prior 6-30	322,788,821	315,847,911	315,847,911	279,247,911	247,147,911	227,447,911	209,447,911
Unclaimed Prizes at prior 6-30	17,969,115	18,215,542	18,215,542	16,715,542	15,215,542	14,815,542	13,915,542
<b>Total Available Revenues and Reserves</b>	<b>\$ 702,689,643</b>	<b>\$ 698,263,453</b>	<b>\$ 700,163,453</b>	<b>\$ 656,463,453</b>	<b>\$ 626,263,453</b>	<b>\$ 608,663,453</b>	<b>\$ 593,563,453</b>
<b>III. Available Funds at June 30</b>							
General Shortfall Reserve	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000
Lottery for Education Account	315,847,911	276,147,911	279,247,911	247,147,911	227,447,911	209,447,911	193,447,911
After-School Programs Reserve	18,215,542	17,915,542	16,715,542	15,215,542	14,815,542	13,915,542	14,015,542
<b>Total Available Funds at June 30</b>	<b>\$ 384,063,453</b>	<b>\$ 344,063,453</b>	<b>\$ 345,963,453</b>	<b>\$ 312,363,453</b>	<b>\$ 292,263,453</b>	<b>\$ 273,363,453</b>	<b>\$ 257,463,453</b>

<sup>1</sup> 2011-2012 - Budgeted column reflects budgeted appropriations and revenue estimate. Revised column reflects mid-year revised revenue estimate.

<sup>2</sup> Estimated in departmental revenues of affected agencies.

## Departmental Comparison of Recurring Appropriations from State Revenues, 2011-2012 and Base Budget 2012-2013

Program	2011-2012	Base Budget 2012-2013	Increase/ (Decrease)	% Chg
301.00 Legislature	\$ 38,613,600	\$ 38,613,600	\$ -	0.0%
301.50 Fiscal Review Committee	1,370,000	1,370,000	-	0.0%
302.00 Court System	119,586,800	119,586,800	-	0.0%
303.00 Attorney General and Reporter	23,716,500	23,066,900	(649,600)	(2.7%)
304.00 District Attorneys General	70,756,800	70,721,200	(35,600)	(0.1%)
305.00 Secretary of State	26,408,300	26,408,300	-	0.0%
306.00 District Public Defenders	41,733,100	41,733,100	-	0.0%
307.00 Comptroller of the Treasury	78,681,400	78,681,400	-	0.0%
308.00 Post-Conviction Defender	2,054,300	2,095,800	41,500	2.0%
309.00 Treasury Department	1,326,600	1,244,400	(82,200)	(6.2%)
313.00 Claims and Compensation	10,500,000	9,900,000	(600,000)	(5.7%)
315.00 Executive Department	5,063,600	4,809,800	(253,800)	(5.0%)
316.00 Commissions	34,967,800	35,933,800	966,000	2.8%
317.00 Finance and Administration (F&A)	\$ 15,775,100	\$ 14,730,800	\$ (1,044,300)	(6.6%)
Criminal Justice Programs	8,125,100	7,401,300	(723,800)	(8.9%)
Other F&A Programs	7,650,000	7,329,500	(320,500)	(4.2%)
318.00 F&A - TennCare	2,320,394,000	2,269,975,600	(50,418,400)	(2.2%)
319.00 Human Resources	-	-	-	0.0%
321.00 General Services	6,296,400	6,158,600	(137,800)	(2.2%)
323.00 Veterans Affairs	4,763,900	4,763,900	-	0.0%
324.00 Board of Parole	2,979,400	2,979,400	-	0.0%
325.00 Agriculture	67,863,000	67,066,000	(797,000)	(1.2%)
326.00 Tourist Development	6,948,000	8,247,100	1,299,100	18.7%
327.00 Environment and Conservation	167,771,200	168,404,900	633,700	0.4%
328.00 Wildlife Resources Agency	48,548,600	49,099,000	550,400	1.1%
329.00 Correction	774,173,300	747,686,800	(26,486,500)	(3.4%)
330.00 Economic and Community Development	25,413,500	31,592,500	6,179,000	24.3%
331.00 Education (K-12)	\$ 4,014,216,500	\$ 4,049,272,700	\$ 35,056,200	0.9%
Lottery-Funded Programs	13,200,000	12,000,000	(1,200,000)	(9.1%)
Other K-12 Education Programs	4,001,016,500	4,037,272,700	36,256,200	0.9%
332.00 Higher Education	\$ 1,370,571,000	\$ 1,357,410,000	\$ (13,161,000)	(1.0%)
Lottery-Funded Programs	301,000,000	298,500,000	(2,500,000)	(0.8%)
Other Higher Education Programs	1,069,571,000	1,058,910,000	(10,661,000)	(1.0%)

## Departmental Comparison of Recurring Appropriations from State Revenues, 2011-2012 and Base Budget 2012-2013

Program	2011-2012	Base Budget 2012-2013	Increase/ (Decrease)	% Chg
335.00 Commerce and Insurance	101,884,000	104,566,300	2,682,300	2.6%
336.00 Financial Institutions	8,674,600	8,674,600	-	0.0%
337.00 Labor and Workforce Development	42,375,600	40,838,900	(1,536,700)	(3.6%)
339.00 Mental Health	179,125,400	184,544,200	5,418,800	3.0%
341.00 Military	12,729,100	14,726,800	1,997,700	15.7%
343.00 Health	158,118,200	160,256,900	2,138,700	1.4%
344.00 Intellectual and Developmental Disabilities	19,933,600	24,120,300	4,186,700	21.0%
345.00 Human Services	\$ 168,719,300	\$ 169,634,000	\$ 914,700	0.5%
Temporary Cash Assistance	19,968,900	19,968,900	-	0.0%
Other Human Services Programs	148,750,400	149,665,100	914,700	0.6%
347.00 Revenue	81,851,700	81,738,400	(113,300)	(0.1%)
348.00 Tennessee Bureau of Investigation	36,298,400	36,121,200	(177,200)	(0.5%)
349.00 Safety	112,725,200	110,363,500	(2,361,700)	(2.1%)
350.00 F&A - Strategic Health-Care Programs	104,830,900	103,879,300	(951,600)	(0.9%)
351.00 Miscellaneous Appropriations	53,341,700	56,004,600	2,662,900	5.0%
353.00 Emergency and Contingency Fund	819,300	819,300	-	0.0%
355.00 State Building Commission	250,000	250,000	-	0.0%
359.00 Children's Services	304,470,700	291,731,100	(12,739,600)	(4.2%)
<b>Total General Fund</b>	<b>\$ 10,666,640,400</b>	<b>\$ 10,619,821,800</b>	<b>\$ (46,818,600)</b>	<b>(0.4%)</b>

## Departmental Comparison of Appropriations from State Revenues, Recurring and Non-Recurring, for Fiscal Years 2011-2012 and 2012-2013

Program	2011-2012 Appropriation		2012-2013 Base Recommended			2012-2013 Cost Increases		2012-2013 Total Recommended				
	Recurring	Non-Recurring	Recurring	Pct. Chg.	Non-Recurring	Recurring	Non-Recurring	Recurring	Pct. Chg.	Non-Recurring	Total	Pct. Chg.
Legislature	\$ 38,613,600	\$ 176,960	\$ 38,613,600	0.0%	\$ -	\$ -	\$ -	\$ 38,613,600	0.0%	\$ -	\$ 38,613,600	(0.5%)
Fiscal Review Committee	1,370,000	-	1,370,000	0.0%	-	-	-	1,370,000	0.0%	-	1,370,000	0.0%
Court System	119,586,800	618,800	119,586,800	0.0%	-	3,119,000	-	122,705,800	2.6%	-	122,705,800	2.1%
Attorney General and Reporter	23,716,500	463,800	23,066,900	(2.7%)	-	6,500	-	23,073,400	(2.7%)	-	23,073,400	(4.6%)
District Attorneys General	70,756,800	53,600	70,721,200	(0.1%)	-	992,300	-	71,713,500	1.4%	-	71,713,500	1.3%
Secretary of State	26,408,300	1,334,900	26,408,300	0.0%	-	-	-	26,408,300	0.0%	-	26,408,300	(4.8%)
District Public Defenders	41,733,100	6,700	41,733,100	0.0%	-	594,900	-	42,328,000	1.4%	-	42,328,000	1.4%
Comptroller of the Treasury	78,681,400	(7,900)	78,681,400	0.0%	-	-	-	78,681,400	0.0%	-	78,681,400	0.0%
Post-Conviction Defender	2,054,300	(100)	2,095,800	2.0%	-	31,100	-	2,126,900	3.5%	-	2,126,900	3.5%
Treasury Department	1,326,600	748,700	1,244,400	(6.2%)	-	416,400	1,735,800	1,660,800	25.2%	1,735,800	3,396,600	63.7%
Claims and Compensation	10,500,000	-	9,900,000	(5.7%)	-	-	-	9,900,000	(5.7%)	-	9,900,000	(5.7%)
Executive Department	5,063,600	(200)	4,809,800	(5.0%)	-	-	-	4,809,800	(5.0%)	-	4,809,800	(5.0%)
Commissions	34,967,800	2,462,800	35,933,800	2.8%	-	-	150,000	35,933,800	2.8%	150,000	36,083,800	(3.6%)
Finance and Administration (F&A)	\$ 15,775,100	\$ 137,100	\$ 14,730,800	(6.6%)	\$ -	\$ 1,175,900	\$ -	\$ 15,906,700	0.8%	\$ -	\$ 15,906,700	(0.0%)
Criminal Justice Programs	8,125,100	138,500	7,401,300	(8.9%)	-	-	-	7,401,300	(8.9%)	-	7,401,300	(10.4%)
Other F&A Programs	7,650,000	(1,400)	7,329,500	(4.2%)	-	1,175,900	-	8,505,400	11.2%	-	8,505,400	11.2%
F&A - TennCare	2,320,394,000	499,350,000	2,269,975,600	(2.2%)	449,800,000	116,283,300	29,828,200	2,386,258,900	2.8%	479,628,200	2,865,887,100	1.6%
Human Resources	-	-	-	0.0%	-	-	-	-	0.0%	-	-	0.0%
General Services	6,296,400	79,300	6,158,600	(2.2%)	-	1,604,500	13,514,300	7,763,100	23.3%	13,514,300	21,277,400	233.7%
Veterans Affairs	4,763,900	42,300	4,763,900	0.0%	-	-	-	4,763,900	0.0%	-	4,763,900	(0.9%)
Board of Parole	2,979,400	134,900	2,979,400	0.0%	-	-	-	2,979,400	0.0%	-	2,979,400	(4.3%)
Agriculture	67,863,000	1,433,600	67,066,000	(1.2%)	-	-	-	67,066,000	(1.2%)	-	67,066,000	(3.2%)
Tourist Development	6,948,000	5,702,200	8,247,100	18.7%	-	3,500,000	50,000	11,747,100	69.1%	50,000	11,797,100	(6.7%)
Environment and Conservation	167,771,200	12,624,200	168,404,900	0.4%	-	7,015,000	-	175,419,900	4.6%	-	175,419,900	(2.8%)
Wildlife Resources Agency	48,548,600	984,600	49,099,000	1.1%	-	1,152,500	-	50,251,500	3.5%	-	50,251,500	1.5%
Correction	774,173,300	35,910,100	747,686,800	(3.4%)	-	76,790,200	1,899,800	824,477,000	6.5%	1,899,800	826,376,800	2.0%
Economic and Community Development	25,413,500	116,445,000	31,592,500	24.3%	-	10,000,000	10,000,000	41,592,500	63.7%	10,000,000	51,592,500	(63.6%)
Education (K-12)	\$ 4,014,216,500	\$ 68,645,600	\$ 4,049,272,700	0.9%	\$ 10,391,200	\$ 115,122,500	\$ 1,000,000	\$ 4,164,395,200	3.7%	\$ 11,391,200	\$ 4,175,786,400	2.3%
Lottery-Funded Programs	13,200,000	-	12,000,000	(9.1%)	-	-	-	12,000,000	(9.1%)	-	12,000,000	(9.1%)

**Departmental Comparison of Appropriations from State Revenues,  
Recurring and Non-Recurring, for Fiscal Years 2011-2012 and 2012-2013**

Program	2011-2012 Appropriation		2012-2013 Base Recommended			2012-2013 Cost Increases		2012-2013 Total Recommended				
	Recurring	Non-Recurring	Recurring	Pct. Chg.	Non-Recurring	Recurring	Non-Recurring	Recurring	Pct. Chg.	Non-Recurring	Total	Pct. Chg.
Other K-12 Education Programs	4,001,016,500	68,645,600	4,037,272,700	0.9%	10,391,200	115,122,500	1,000,000	4,152,395,200	3.8%	11,391,200	4,163,786,400	2.3%
Higher Education	\$ 1,370,571,000	\$ 35,765,500	\$ 1,357,410,000	(1.0%)	\$ 1,613,000	\$ 67,689,100	\$ 14,000,000	\$ 1,425,099,100	4.0%	\$ 15,613,000	\$ 1,440,712,100	2.4%
Lottery-Funded Programs	301,000,000	-	298,500,000	(0.8%)	-	-	-	298,500,000	(0.8%)	-	298,500,000	(0.8%)
Other Higher Education Programs	1,069,571,000	35,765,500	1,058,910,000	(1.0%)	1,613,000	67,689,100	14,000,000	1,126,599,100	5.3%	15,613,000	1,142,212,100	3.3%
Commerce and Insurance	101,884,000	3,659,500	104,566,300	2.6%	-	2,251,800	-	106,818,100	4.8%	-	106,818,100	1.2%
Financial Institutions	8,674,600	(2,400)	8,674,600	0.0%	-	-	-	8,674,600	0.0%	-	8,674,600	0.0%
Labor and Workforce Development	42,375,600	2,484,300	40,838,900	(3.6%)	150,000	280,000	393,500	41,118,900	(3.0%)	543,500	41,662,400	(7.1%)
Mental Health	179,125,400	15,346,700	184,544,200	3.0%	-	-	-	184,544,200	3.0%	-	184,544,200	(5.1%)
Military	12,729,100	11,230,800	14,726,800	15.7%	-	128,200	-	14,855,000	16.7%	-	14,855,000	(38.0%)
Health	158,118,200	15,130,100	160,256,900	1.4%	-	8,500,000	75,000	168,756,900	6.7%	75,000	168,831,900	(2.6%)
Intellectual and Developmental Disabilities	19,933,600	7,541,000	24,120,300	21.0%	-	-	-	24,120,300	21.0%	-	24,120,300	(12.2%)
Human Services	\$ 168,719,300	\$ 8,644,400	\$ 169,634,000	0.5%	\$ 1,415,600	\$ 39,000	\$ -	\$ 169,673,000	0.6%	\$ 1,415,600	\$ 171,088,600	(3.5%)
Temporary Cash Assistance	19,968,900	900,000	19,968,900	0.0%	-	-	-	19,968,900	0.0%	-	19,968,900	(4.3%)
Other Human Services Programs	148,750,400	7,744,400	149,665,100	0.6%	1,415,600	39,000	-	149,704,100	0.6%	1,415,600	151,119,700	(3.4%)
Revenue	81,851,700	14,372,100	81,738,400	(0.1%)	57,500	292,100	300,000	82,030,500	0.2%	357,500	82,388,000	(14.4%)
Tennessee Bureau of Investigation	36,298,400	801,800	36,121,200	(0.5%)	-	-	-	36,121,200	(0.5%)	-	36,121,200	(2.6%)
Safety	112,725,200	6,389,300	110,363,500	(2.1%)	-	2,195,700	-	112,559,200	(0.2%)	-	112,559,200	(5.5%)
F&A - Strategic Health-Care Programs	104,830,900	(300)	103,879,300	(0.9%)	-	8,900,000	-	112,779,300	7.6%	-	112,779,300	7.6%
Miscellaneous Appropriations	53,341,700	22,024,500	56,004,600	5.0%	2,510,000	83,261,700	(2,691,000)	139,266,300	161.1%	(181,000)	139,085,300	84.6%
Emergency and Contingency Fund	819,300	-	819,300	0.0%	-	-	-	819,300	0.0%	-	819,300	0.0%
State Building Commission	250,000	-	250,000	0.0%	-	-	-	250,000	0.0%	-	250,000	0.0%
Children's Services	304,470,700	15,258,300	291,731,100	(4.2%)	-	1,963,100	-	293,694,200	(3.5%)	-	293,694,200	(8.1%)
<b>Total General Fund</b>	<b>\$ 10,666,640,400</b>	<b>\$ 905,992,560</b>	<b>\$10,619,821,800</b>	<b>(0.4%)</b>	<b>\$ 465,937,300</b>	<b>\$ 513,304,800</b>	<b>\$ 70,255,600</b>	<b>\$11,133,126,600</b>	<b>4.4%</b>	<b>\$ 536,192,900</b>	<b>\$ 11,669,319,500</b>	<b>0.8%</b>

## Funding Summary All Programs

	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013
<b>GENERAL FUND AND EDUCATION FUND</b>			
Expenditures			
Payroll	\$ 2,382,515,800	\$ 2,596,637,200	\$ 2,549,261,500
Operational	25,112,453,500	25,715,389,360	24,635,313,600
<b>TOTAL</b>	<b>\$ 27,494,969,300</b>	<b>\$ 28,312,026,560</b>	<b>\$ 27,184,575,100</b>
Funding			
State *	\$ 9,996,054,500	\$ 11,572,632,960	\$ 11,669,319,500
Federal	12,631,270,300	12,204,657,200	11,397,652,000
Other	3,487,991,400	3,043,799,200	2,626,666,400
Tuition and Fees	1,379,653,100	1,490,937,200	1,490,937,200
<b>DEPARTMENT OF TRANSPORTATION</b>			
Expenditures			
Payroll	\$ 225,146,000	\$ 254,917,900	\$ 265,819,900
Operational	1,656,921,900	1,561,677,100	1,471,667,000
<b>TOTAL</b>	<b>\$ 1,882,067,900</b>	<b>\$ 1,816,595,000</b>	<b>\$ 1,737,486,900</b>
Funding			
State	\$ 889,674,900	\$ 874,300,000	\$ 818,300,000
Federal	941,331,600	904,031,000	876,972,900
Other	51,061,400	38,264,000	42,214,000
<b>GRAND TOTAL - ALL PROGRAMS</b>			
Expenditures			
Payroll	\$ 2,607,661,800	\$ 2,851,555,100	\$ 2,815,081,400
Operational	26,769,375,400	27,277,066,460	26,106,980,600
<b>TOTAL</b>	<b>\$ 29,377,037,200</b>	<b>\$ 30,128,621,560</b>	<b>\$ 28,922,062,000</b>
Funding			
State *	\$ 10,885,729,400	\$ 12,446,932,960	\$ 12,487,619,500
Federal	13,572,601,900	13,108,688,200	12,274,624,900
Other	3,539,052,800	3,082,063,200	2,668,880,400
Tuition and Fees	1,379,653,100	1,490,937,200	1,490,937,200

\* State appropriation includes the following from Lottery for Education sources:

\$ 307,133,500	\$ 314,200,000	\$ 310,500,000
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## Comparison of Authorized Positions State Agencies and Higher Education

	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>Change From Current Year</u>
<b>I. STATE AGENCIES *</b>				
<b>General Fund</b>	<b>46,196</b>	<b>45,072</b>	<b>43,906</b>	<b>(1,166)</b>
Full-time	43,979	42,897	41,820	(1,077)
Part-time	1,619	1,577	1,530	(47)
Seasonal	598	598	556	(42)
<b>Department of Transportation</b>	<b>4,668</b>	<b>4,663</b>	<b>4,663</b>	<b>0</b>
Full-time	4,663	4,658	4,658	0
Part-time	5	5	5	0
Seasonal	0	0	0	0
<b>Total State Agencies</b>	<b>50,864</b>	<b>49,735</b>	<b>48,569</b>	<b>(1,166)</b>
Full-time	48,642	47,555	46,478	(1,077)
Part-time	1,624	1,582	1,535	(47)
Seasonal	598	598	556	(42)
<b>II. HIGHER EDUCATION</b>				
<b>Total Positions</b>	<b>23,814</b>	<b>24,003</b>	<b>24,003</b>	<b>0</b>
Full-time Equivalent (UT and TBR)				
Administrative	1,269	1,189	1,189	0
Professional	5,131	5,334	5,334	0
Faculty	9,049	9,176	9,176	0
Clerical and Support	8,351	8,290	8,290	0
Foreign Language Institute (FT)	14	14	14	0
<b>III. TOTAL STATE AGENCIES AND HIGHER EDUCATION</b>				
<b>Total Positions</b>	<b>74,678</b>	<b>73,738</b>	<b>72,572</b>	<b>(1,166)</b>
Full-time **	72,456	71,558	70,481	(1,077)
Part-time	1,624	1,582	1,535	(47)
Seasonal	598	598	556	(42)

\* Includes Tennessee Higher Education Commission (THEC) and Tennessee Student Assistance Corporation (TSAC).

\*\* Full-time includes Higher Education's full-time personnel.

**Fiscal Year 2012-2013  
Authorized Positions Change  
Recommended 2012-2013 Change from Estimated 2011-2012  
Increase / (Decrease)**

	<u>Full-Time</u>	<u>Part-Time</u>	<u>Seasonal</u>	<u>Total</u>
<b>I. Total Recommended</b>	<u>(1,077)</u>	<u>(47)</u>	<u>(42)</u>	<u>(1,166)</u>
<b>II. Base Budget</b>	<u>(1,549)</u>	<u>(47)</u>	<u>(42)</u>	<u>(1,638)</u>
a. 2012-2013 Elimination of Long-Term Vacant Positions	(761)	(38)	(36)	(835)
b. 2012-2013 Base Reduction Plans	(248)	(1)	-	(249)
c. 2012-2013 Reallocations - Mental Health - Lakeshore	(308)	-	-	(308)
d. 2012-2013 Reallocations - Department of Correction	(9)	-	-	(9)
e. 2012-2013 Various Agencies - Miscellaneous Adjustments	(60)	(1)	-	(61)
f. 2011-2012 Core Services Positions Not Retained	(98)	-	-	(98)
g. 2011-2012 Non-recurring Appropriations:	<u>(65)</u>	<u>(7)</u>	<u>(6)</u>	<u>(78)</u>
Children and Youth - Position Funded Through 12/31/11	(1)	-	-	(1)
Economic and Community Development - Smart Growth	(7)	-	-	(7)
Environment and Conservation - Golf Course Operations	(9)	(5)	(6)	(20)
Health - Expired Federal Grants	(16)	-	-	(16)
TennCare - ARRA-Funded Health Information Technology Grant	(10)	-	-	(10)
Various Agencies - Expired Federal Criminal Justice Grants	(22)	(2)	-	(24)
<b>III. Agency Requests</b>	<u>472</u>	<u>-</u>	<u>-</u>	<u>472</u>
Correction - Southeastern Regional Facility Expansion	442	-	-	442
Finance and Administration - Business Solutions Delivery	8	-	-	8
General Services - Real Estate Asset Management Support Staff	1	-	-	1
Intellectual and Developmental Disabilities - Facility Licensure	1	-	-	1
Labor & Workforce Development - Unemployment Benefits System	10	-	-	10
Tourist Development - Welcome Centers	10	-	-	10



## Full-Time Employees Overlapped Over 90 Days

Agency	Number
301.00 Legislature	38
302.00 Court System	8
303.00 Attorney General and Reporter	1
304.00 District Attorneys General Conference	3
305.00 Secretary of State	2
307.00 Comptroller of the Treasury	2
309.00 Treasury Department	2
315.00 Executive Department	3
316.08 Tennessee Rehabilitative Initiative in Correction (TRICOR)	3
316.12 Advisory Commission on Intergovernmental Relations	1
316.27 State Museum	1
317.00 Finance and Administration	2
318.00 TennCare	3
321.00 General Services	3
324.00 Board of Parole	4
325.00 Agriculture	3
327.00 Environment and Conservation	7
329.00 Correction	21
330.00 Economic and Community Development	3
331.00 Education (K-12)	11
332.00 Higher Education - State Administered Programs	1
337.00 Labor and Workforce Development	4
339.00 Mental Health	6
341.00 Military	3
343.00 Health	2
344.00 Intellectual and Developmental Disabilities	35
345.00 Human Services	34
347.00 Revenue	1
348.00 Tennessee Bureau of Investigation	2
349.00 Safety	6
359.00 Children's Services	9
<b>Total</b>	<b>224</b>

Based on Edison extract of full-time employees overlapped greater than ninety days as of 1/18/2012.

**Comparison of Core Services Appropriations and Positions  
from Recurring and Non-Recurring Funds  
2011-2012 Estimated and 2012-2013 Base Recommended**

		2011-2012 Enacted		2012-2013 Recommended						Change	
		Non-Recurring		Positions		General Fund Appropriation		Dedicated	Total		
Pos	Appropriation	Rec	NR	Recurring	Non-Recurring	Appropriation	Appropriation	Appropriation	Pos	Appropriation	
302.00	Court System	12	\$ 585,100	5	0	\$ 0	\$ 0	\$ 0	\$ 0	(7)	\$ (585,100)
303.00	Attorney General and Reporter	0	464,500	0	0	0	0	0	0	0	(464,500)
305.00	Secretary of State	19	1,332,200	0	0	0	0	0	0	(19)	(1,332,200)
316.01	Commission on Children and Youth	0	18,000	0	0	0	0	0	0	0	(18,000)
316.02	Commission on Aging and Disability	0	1,209,500	0	0	1,209,500	0	0	1,209,500	0	0
316.25	Arts Commission	0	674,900	0	0	374,900	0	300,000	674,900	0	0
316.27	State Museum	0	334,900	0	0	267,400	0	0	267,400	0	(67,500)
317.00	Finance and Administration	0	138,600	0	0	138,600	0	0	138,600	0	0
318.00	TennCare	0	426,200	0	0	137,500	0	0	137,500	0	(288,700)
323.00	Veterans Affairs	1	41,200	0	0	0	0	0	0	(1)	(41,200)
325.00	Agriculture	11	1,452,400	9	0	0	0	1,301,700	1,301,700	(2)	(150,700)
326.00	Tourist Development	0	1,995,100	0	0	1,646,600	0	0	1,646,600	0	(348,500)
327.00	Environment and Conservation	62	8,831,100	38	0	209,300	0	6,806,200	7,015,500	(24)	(1,815,600)
328.00	Tennessee Wildlife Resources Agency	0	906,300	0	0	0	0	906,300	906,300	0	0
330.00	Economic and Community Development	4	1,188,100	0	0	229,200	0	0	229,200	(4)	(958,900)
331.00	Education (K-12)	17	63,591,400	1	16	38,059,500	10,391,200	0	48,450,700	0	(15,140,700)
332.00	Higher Education - State Admin. Programs	0	3,200,000	0	0	3,200,000	0	0	3,200,000	0	0
332.10	University of Tennessee System	0	2,838,100	0	0	2,093,100	745,000	0	2,838,100	0	0
332.60	State Univ. and Comm. College System	0	4,328,500	0	0	3,460,500	868,000	0	4,328,500	0	0
335.00	Commerce and Insurance	3	238,000	0	0	0	0	0	0	(3)	(238,000)
337.00	Labor and Workforce Development	0	300,000	0	0	0	150,000	0	150,000	0	(150,000)
339.00	Mental Health	0	10,567,600	0	0	7,418,800	0	0	7,418,800	0	(3,148,800)
341.00	Military	0	248,500	0	0	248,500	0	0	248,500	0	0
343.00	Health	1	13,593,000	0	0	9,837,600	0	0	9,837,600	(1)	(3,755,400)
344.00	Intellectual and Developmental Disabilities	0	7,181,500	0	0	4,500,000	0	0	4,500,000	0	(2,681,500)
345.00	Human Services	0	9,019,800	0	0	6,514,800	1,415,600	0	7,930,400	0	(1,089,400)
351.00	Miscellaneous Appropriations	0	9,697,000	0	0	7,197,000	2,500,000	0	9,697,000	0	0
359.00	Children's Services	37	15,598,500	0	0	7,765,400	0	0	7,765,400	(37)	(7,833,100)
<b>Total</b>		<b>167</b>	<b>\$ 160,000,000</b>	<b>53</b>	<b>16</b>	<b>\$ 94,508,200</b>	<b>\$ 16,069,800</b>	<b>\$ 9,314,200</b>	<b>\$ 119,892,200</b>	<b>(98)</b>	<b>\$ (40,107,800)</b>

**Combining Statement of Base Budget Reductions  
General Fund State Appropriations  
Fiscal Year 2012-2013  
Increase / (Decrease)**

Program	Base Reduction		Vacancy Reduction	Preliminary Reductions	Total Reduction	Recurring
	Recurring	Non-Recurring	Recurring	Recurring		
301.00 Legislature	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
301.50 Fiscal Review Committee	-	-	-	-	-	-
302.00 Court System	-	-	-	-	-	-
303.00 Attorney General and Reporter	-	-	(715,600)	-	(715,600)	(715,600)
304.00 District Attorneys General	-	-	(35,600)	-	(35,600)	(35,600)
305.00 Secretary of State	-	-	-	-	-	-
306.00 District Public Defenders	-	-	-	-	-	-
307.00 Comptroller of the Treasury	-	-	-	-	-	-
308.00 Post-Conviction Defender	-	-	-	-	-	-
309.00 Treasury Department	-	-	-	(82,200)	(82,200)	(82,200)
<b>Sub-Total Non-Executive</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (751,200)</b>	<b>\$ (82,200)</b>	<b>\$ (833,400)</b>	<b>\$ (833,400)</b>
315.00 Executive Department	\$ (253,800)	\$ -	\$ -	\$ -	\$ (253,800)	\$ (253,800)
316.01 Children and Youth Commission	(74,500)	-	(38,600)	-	(113,100)	(113,100)
316.02 Aging and Disability Commission	-	-	(16,000)	-	(16,000)	(16,000)
316.03 Alcoholic Beverage Commission	(19,500)	-	(31,300)	(276,000)	(326,800)	(326,800)
316.04 Human Rights Commission	(65,200)	-	-	-	(65,200)	(65,200)
316.07 Health Services and Development Agency	(57,000)	-	-	-	(57,000)	(57,000)
316.11 Tennessee Regulatory Authority	-	-	-	-	-	-
316.12 TACIR	(11,500)	-	-	-	(11,500)	(11,500)
316.25 Arts Commission	-	-	-	-	-	-
316.27 State Museum	-	-	(186,700)	-	(186,700)	(186,700)
317.00 Finance and Administration	(399,100)	-	(582,400)	-	(981,500)	(981,500)
318.00 TennCare Programs	\$ (46,044,200)	\$ -	\$ (589,300)	\$ -	\$ (46,633,500)	\$ (46,633,500)
TennCare for Children's Services	(1,083,700)	-	(738,500)	-	(1,822,200)	(1,822,200)
TennCare for Intellectual Disabilities	(672,900)	-	(241,700)	-	(914,600)	(914,600)
TennCare for Health	(169,700)	-	(11,800)	-	(181,500)	(181,500)
TennCare for Human Services	-	-	(806,500)	-	(806,500)	(806,500)
TennCare for Commerce and Insurance	(65,500)	-	(42,100)	-	(107,600)	(107,600)
TennCare for F&A Office of Inspector General	-	-	(118,800)	-	(118,800)	(118,800)
<b>318.00 Sub-total TennCare Programs</b>	<b>\$ (48,036,000)</b>	<b>\$ -</b>	<b>\$ (2,548,700)</b>	<b>\$ -</b>	<b>\$ (50,584,700)</b>	<b>\$ (50,584,700)</b>
319.00 Human Resources	-	-	-	-	-	-
321.00 General Services	(74,800)	-	(63,000)	-	(137,800)	(137,800)
323.00 Veterans Affairs	-	-	-	-	-	-
324.00 Board of Parole	-	-	-	-	-	-
325.00 Agriculture	(1,804,800)	-	(293,900)	-	(2,098,700)	(2,098,700)
326.00 Tourist Development	(347,500)	-	-	-	(347,500)	(347,500)
327.00 Environment and Conservation	(2,003,700)	-	(450,300)	-	(2,454,000)	(2,454,000)
328.00 Tennessee Wildlife Resources Agency	-	-	-	-	-	-
329.00 Correction	(903,100)	-	(1,202,900)	(24,492,500)	(26,598,500)	(26,598,500)
330.00 Economic and Community Development	-	-	(50,200)	-	(50,200)	(50,200)
331.00 Education (K-12)	(3,775,700)	-	(827,600)	-	(4,603,300)	(4,603,300)
332.00 Higher Ed. State-Administered Programs	\$ (242,800)	\$ -	\$ -	\$ -	\$ (242,800)	\$ (242,800)
332.10 University of Tennessee System	(7,063,800)	-	-	-	(7,063,800)	(7,063,800)
332.60 State Univ. and Comm. College System	(12,108,000)	-	-	-	(12,108,000)	(12,108,000)
<b>Sub-Total Higher Education</b>	<b>\$ (19,414,600)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (19,414,600)</b>	<b>\$ (19,414,600)</b>
335.00 Commerce and Insurance	(350,500)	-	(91,600)	-	(442,100)	(442,100)
336.00 Financial Institutions	-	-	-	-	-	-
337.00 Labor and Workforce Development	(1,086,500)	-	(450,200)	-	(1,536,700)	(1,536,700)
339.00 Mental Health	(2,000,000)	-	-	-	(2,000,000)	(2,000,000)
341.00 Military	(136,000)	-	(114,800)	-	(250,800)	(250,800)
343.00 Health	(2,317,200)	-	(5,186,800)	-	(7,504,000)	(7,504,000)
344.00 Intellectual and Developmental Disabilities	(204,900)	-	(79,600)	-	(284,500)	(284,500)
345.00 Human Services	(3,876,500)	-	(1,723,600)	-	(5,600,100)	(5,600,100)
347.00 Revenue	(2,323,700)	57,500	(182,700)	-	(2,448,900)	(2,506,400)
348.00 Tennessee Bureau of Investigation	-	-	(177,200)	-	(177,200)	(177,200)
349.00 Safety	(1,955,200)	-	(406,500)	-	(2,361,700)	(2,361,700)
350.00 Strategic Health-Care Programs	(942,500)	-	(9,100)	-	(951,600)	(951,600)
351.00 Miscellaneous Appropriations	-	-	-	-	-	-
359.00 Children's Services	(17,292,300)	-	(3,100,700)	-	(20,393,000)	(20,393,000)
<b>Sub-Total Executive</b>	<b>\$ (109,726,100)</b>	<b>\$ 57,500</b>	<b>\$ (17,814,400)</b>	<b>\$ (24,768,500)</b>	<b>\$ (152,251,500)</b>	<b>\$ (152,309,000)</b>
<b>Total Reductions - Budget File</b>	<b>\$ (109,726,100)</b>	<b>\$ 57,500</b>	<b>\$ (18,565,600)</b>	<b>\$ (24,850,700)</b>	<b>\$ (153,084,900)</b>	<b>\$ (153,142,400)</b>
<b>Overappropriation:</b>						
305.00 Secretary of State at Additional 2%	(528,200)	-	-	-	(528,200)	(528,200)
307.00 Comptroller of the Treasury at Additional 2%	(900,000)	-	-	-	(900,000)	(900,000)
309.00 State Treasurer at Additional 2%	(17,300)	-	-	-	(17,300)	(17,300)
316.03 Alcoholic Beverage Commission - Reduce	-	-	-	300,000	300,000	300,000
300.00 State Agencies - Reduce	1,945,500	-	18,600,000	-	20,545,500	20,545,500
<b>Sub-total Overappropriation</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ 18,600,000</b>	<b>\$ 300,000</b>	<b>\$ 19,400,000</b>	<b>\$ 19,400,000</b>
<b>Total Reductions</b>	<b>\$ (109,226,100)</b>	<b>\$ 57,500</b>	<b>\$ 34,400</b>	<b>\$ (24,550,700)</b>	<b>\$ (133,684,900)</b>	<b>\$ (133,742,400)</b>

\* Vacancy Reduction - Includes abolishment of long-term vacant positions and reduction of excess funds for grants and professional services.

**Departmental Comparison of 2011-2012 Recurring Appropriations, 2012-2013 Discretionary Base,  
and 2012-2013 Base Budget Reductions (State Appropriation)**

Program	2011-2012 Recurring Appropriation	2012-2013								
		General Fund				Non- Recurring	Dedicated Funds	Net Reduction	Pct. Of 2011-12	Pct. Of 2012-13
		Discretionary Base	Recurring Reduction	Pct. Of 2011-12	Pct. Of 2012-13					
301.00 Legislature	\$ 38,613,600	\$ 30,000,500	\$ -	0.0%	0.0%	\$ -	\$ -	\$ -	0.0%	0.0%
301.50 Fiscal Review Committee	1,370,000	1,370,000	-	0.0%	0.0%	-	-	-	0.0%	0.0%
302.00 Court System	119,586,800	28,906,500	-	0.0%	0.0%	-	-	-	0.0%	0.0%
303.00 Attorney General and Reporter	23,716,500	20,676,200	-	0.0%	0.0%	-	-	-	0.0%	0.0%
304.00 District Attorneys General	70,756,800	64,030,300	-	0.0%	0.0%	-	-	-	0.0%	0.0%
305.00 Secretary of State	26,408,300	26,408,300	-	0.0%	0.0%	-	-	-	0.0%	0.0%
306.00 District Public Defenders	41,733,100	36,067,800	-	0.0%	0.0%	-	-	-	0.0%	0.0%
307.00 Comptroller of the Treasury	78,681,400	44,998,900	-	0.0%	0.0%	-	-	-	0.0%	0.0%
308.00 Post-Conviction Defender	2,054,300	-	-	0.0%	-	-	-	-	0.0%	-
309.00 Treasury Department	1,326,600	863,100	-	0.0%	0.0%	-	-	-	0.0%	0.0%
313.00 Claims and Compensation	10,500,000	-	-	0.0%	-	-	-	-	0.0%	-
<b>Sub-Total Non-Executive</b>	<b>\$ 414,747,400</b>	<b>\$ 253,321,600</b>	<b>\$ -</b>	<b>0.0%</b>	<b>0.0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>0.0%</b>
315.00 Executive Department	\$ 5,063,600	\$ 5,063,600	\$ (253,800)	(5.0%)	(5.0%)	\$ -	\$ -	\$ (253,800)	(5.0%)	(5.0%)
316.01 Children and Youth	2,101,000	2,101,000	(74,500)	(3.5%)	(3.5%)	-	-	(74,500)	(3.5%)	(3.5%)
316.02 Aging and Disability	12,492,100	12,492,100	-	0.0%	0.0%	-	-	-	0.0%	0.0%
316.03 Alcoholic Beverage Commission	391,700	391,700	(19,500)	(5.0%)	(5.0%)	-	-	(19,500)	(5.0%)	(5.0%)
316.04 Human Rights Commission	1,717,400	1,717,400	(65,200)	(3.8%)	(3.8%)	-	-	(65,200)	(3.8%)	(3.8%)
316.07 Health Services and Development Agency	1,136,700	1,136,700	(57,000)	(5.0%)	(5.0%)	-	-	(57,000)	(5.0%)	(5.0%)
316.11 Tennessee Regulatory Authority	7,789,900	-	-	0.0%	-	-	(389,500)	(389,500)	(5.0%)	-
316.12 TACIR	234,700	234,700	(11,500)	(4.9%)	(4.9%)	-	-	(11,500)	(4.9%)	(4.9%)
316.25 Arts Commission	5,710,700	1,323,500	-	0.0%	0.0%	-	-	-	0.0%	0.0%
316.27 State Museum	3,393,600	3,373,600	-	0.0%	0.0%	-	-	-	0.0%	0.0%
317.00 Finance and Administration	15,775,100	12,929,900	(399,100)	(2.5%)	(3.1%)	-	-	(399,100)	(2.5%)	(3.1%)
318.00 TennCare Programs	\$ 1,932,816,900	\$ 1,932,816,900	\$ (46,044,200)	(2.4%)	(2.4%)	\$ -	\$ -	\$ (46,044,200)	(2.4%)	(2.4%)
TennCare for Children's Services	70,378,200	70,378,200	(1,083,700)	(1.5%)	(1.5%)	-	-	(1,083,700)	(1.5%)	(1.5%)
TennCare for Intellectual Disabilities	260,635,900	260,664,700	(672,900)	(0.3%)	(0.3%)	-	-	(672,900)	(0.3%)	(0.3%)
TennCare for Health	16,451,200	16,451,200	(169,700)	(1.0%)	(1.0%)	-	-	(169,700)	(1.0%)	(1.0%)
TennCare for Human Services	36,702,500	36,702,500	-	0.0%	0.0%	-	-	-	0.0%	0.0%
TennCare for Commerce and Insurance	1,310,900	1,310,900	(65,500)	(5.0%)	(5.0%)	-	-	(65,500)	(5.0%)	(5.0%)
TennCare for Office of Inspector General	2,098,400	2,098,400	-	0.0%	0.0%	-	-	-	0.0%	0.0%
Sub-total TennCare Programs	<b>\$ 2,320,394,000</b>	<b>\$ 2,320,422,800</b>	<b>\$ (48,036,000)</b>	<b>(2.1%)</b>	<b>(2.1%)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (48,036,000)</b>	<b>(2.1%)</b>	<b>(2.1%)</b>
319.00 Human Resources	-	-	-	0.0%	-	-	-	-	0.0%	-
321.00 General Services	6,296,400	4,971,400	(74,800)	(1.2%)	(1.5%)	-	-	(74,800)	(1.2%)	(1.5%)
323.00 Veterans Affairs	4,763,900	4,763,900	-	0.0%	0.0%	-	-	-	0.0%	0.0%
324.00 Board of Parole	2,979,400	2,979,400	-	0.0%	0.0%	-	-	-	0.0%	0.0%
325.00 Agriculture	67,863,000	38,216,100	(1,804,800)	(2.7%)	(4.7%)	-	-	(1,804,800)	(2.7%)	(4.7%)
326.00 Tourist Development	6,948,000	6,948,000	(347,500)	(5.0%)	(5.0%)	-	-	(347,500)	(5.0%)	(5.0%)

**Departmental Comparison of 2011-2012 Recurring Appropriations, 2012-2013 Discretionary Base,  
and 2012-2013 Base Budget Reductions (State Appropriation)**

Program	2011-2012 Recurring Appropriation	2012-2013								
		General Fund				Non- Recurring	Dedicated Funds	Net Reduction	Pct. Of 2011-12	Pct. Of 2012-13
		Discretionary Base	Recurring Reduction	Pct. Of 2011-12	Pct. Of 2012-13					
327.00 Environment and Conservation	167,771,200	79,042,800	(2,003,700)	(1.2%)	(2.5%)	-	-	(2,003,700)	(1.2%)	(2.5%)
328.00 TWRA	48,548,600	-	-	0.0%	-	-	-	-	0.0%	-
329.00 Correction	774,173,300	719,096,100	(903,100)	(0.1%)	(0.1%)	-	-	(903,100)	(0.1%)	(0.1%)
330.00 Economic and Community Development	25,413,500	25,413,500	-	0.0%	0.0%	-	-	-	0.0%	0.0%
331.00 Education (K-12)	4,014,216,500	111,214,600	(3,775,700)	(0.1%)	(3.4%)	-	-	(3,775,700)	(0.1%)	(3.4%)
332.00 Higher Education State-Admin. Programs	\$ 375,671,300	\$ 26,916,000	\$ (242,800)	(0.1%)	(0.9%)	\$ -	\$ -	\$ (242,800)	(0.1%)	(0.9%)
332.10 University of Tennessee System	412,806,000	414,540,500	(7,063,800)	(1.7%)	(1.7%)	-	-	(7,063,800)	(1.7%)	(1.7%)
332.60 State Univ. and Comm. College System	582,093,700	580,359,200	(12,108,000)	(2.1%)	(2.1%)	-	-	(12,108,000)	(2.1%)	(2.1%)
Sub-Total Higher Education	<u>\$ 1,370,571,000</u>	<u>\$ 1,021,815,700</u>	<u>\$ (19,414,600)</u>	<u>(1.4%)</u>	<u>(1.9%)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,414,600)</u>	<u>(1.4%)</u>	<u>(1.9%)</u>
335.00 Commerce and Insurance	101,884,000	7,921,300	(350,500)	(0.3%)	(4.4%)	-	-	(350,500)	(0.3%)	(4.4%)
336.00 Financial Institutions	8,674,600	-	-	0.0%	-	-	-	-	0.0%	-
337.00 Labor and Workforce Development	42,375,600	21,733,900	(1,086,500)	(2.6%)	(5.0%)	-	-	(1,086,500)	(2.6%)	(5.0%)
339.00 Mental Health	179,125,400	172,590,700	(2,000,000)	(1.1%)	(1.2%)	-	-	(2,000,000)	(1.1%)	(1.2%)
341.00 Military	12,729,100	12,729,100	(136,000)	(1.1%)	(1.1%)	-	-	(136,000)	(1.1%)	(1.1%)
343.00 Health	158,118,200	119,448,400	(2,317,200)	(1.5%)	(1.9%)	-	-	(2,317,200)	(1.5%)	(1.9%)
344.00 Intellectual and Developmental Disabilities	19,933,600	19,904,800	(204,900)	(1.0%)	(1.0%)	-	-	(204,900)	(1.0%)	(1.0%)
345.00 Human Services	168,719,300	77,525,300	(3,876,500)	(2.3%)	(5.0%)	-	-	(3,876,500)	(2.3%)	(5.0%)
347.00 Revenue	81,851,700	71,262,100	(2,323,700)	(2.8%)	(3.3%)	57,500	-	(2,266,200)	(2.8%)	(3.2%)
348.00 Tennessee Bureau of Investigation	36,298,400	30,536,500	-	0.0%	0.0%	-	-	-	0.0%	0.0%
349.00 Safety	112,725,200	111,972,900	(1,955,200)	(1.7%)	(1.7%)	-	-	(1,955,200)	(1.7%)	(1.7%)
350.00 Strategic Health-Care Programs	104,830,900	18,851,400	(942,500)	(0.9%)	(5.0%)	-	-	(942,500)	(0.9%)	(5.0%)
351.00 Miscellaneous Appropriations	53,341,700	-	-	0.0%	-	-	-	-	0.0%	-
353.00 Emergency and Contingency	819,300	-	-	0.0%	-	-	-	-	0.0%	-
355.00 State Building Commission	250,000	-	-	0.0%	-	-	-	-	0.0%	-
359.00 Children's Services	304,470,700	292,259,000	(17,292,300)	(5.7%)	(5.9%)	-	-	(17,292,300)	(5.7%)	(5.9%)
<b>Sub-Total Executive</b>	<u><b>\$ 10,251,893,000</b></u>	<u><b>\$ 5,332,383,900</b></u>	<u><b>\$ (109,726,100)</b></u>	<u><b>(1.1%)</b></u>	<u><b>(2.1%)</b></u>	<u><b>\$ 57,500</b></u>	<u><b>\$ (389,500)</b></u>	<u><b>\$ (110,058,100)</b></u>	<u><b>(1.1%)</b></u>	<u><b>(2.1%)</b></u>
<b>Total</b>	<u><b>\$ 10,666,640,400</b></u>	<u><b>\$ 5,585,705,500</b></u>	<u><b>\$ (109,726,100)</b></u>	<u><b>(1.0%)</b></u>	<u><b>(2.0%)</b></u>	<u><b>\$ 57,500</b></u>	<u><b>\$ (389,500)</b></u>	<u><b>\$ (110,058,100)</b></u>	<u><b>(1.0%)</b></u>	<u><b>(2.0%)</b></u>
<b>Overappropriation :</b>										
305.00 Secretary of State @ Additional 2%	-	-	(528,200)	-	-	-	-	(528,200)	-	-
307.00 Comptroller @ Additional 2%	-	-	(900,000)	-	-	-	-	(900,000)	-	-
309.00 State Treasurer @ Additional 2%	-	-	(17,300)	-	-	-	-	(17,300)	-	-
300.00 State Agencies - Reduce	-	-	1,945,500	-	-	-	-	1,945,500	-	-
<b>Sub-Total Overappropriation</b>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 500,000</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 500,000</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>
<b>Total Reductions</b>	<u><b>\$ 10,666,640,400</b></u>	<u><b>\$ 5,585,705,500</b></u>	<u><b>\$ (109,226,100)</b></u>	<u><b>(1.0%)</b></u>	<u><b>(2.0%)</b></u>	<u><b>\$ 57,500</b></u>	<u><b>\$ (389,500)</b></u>	<u><b>\$ (109,558,100)</b></u>	<u><b>(1.0%)</b></u>	<u><b>(2.0%)</b></u>

**Base Budget Reduction  
of Vacant Positions, Grants, and Professional Services  
Fiscal Year 2012-2013**

Department	State Appropriation							Positions		
	General Fund		Dedicated	Total	Federal	Other	Total	Filled	Vacant	Total
	Recurring	Non-Recurring								
303.00 Attorney General and Reporter	(715,600)	-	-	(715,600)	-	(1,239,100)	(1,954,700)	0	(29)	(29)
304.00 District Attorneys General Conference	(35,600)	-	-	(35,600)	-	(35,300)	(70,900)	0	(2)	(2)
316.01 Commission on Children and Youth	(38,600)	-	-	(38,600)	-	-	(38,600)	0	(1)	(1)
316.02 Commission on Aging and Disability	(16,000)	-	-	(16,000)	(32,000)	-	(48,000)	0	0	0
316.03 Alcoholic Beverage Commission	(31,300)	-	-	(31,300)	-	-	(31,300)	0	(1)	(1)
316.08 TRICOR	-	-	-	-	-	(1,800,700)	(1,800,700)	0	(50)	(50)
316.27 State Museum	(186,700)	-	-	(186,700)	-	-	(186,700)	0	(4)	(4)
317.00 Finance and Administration	(582,400)	-	136,000	(446,400)	(109,600)	(275,500)	(831,500)	0	(6)	(6)
318.00 TennCare	(2,548,700)	-	-	(2,548,700)	(3,094,700)	-	(5,643,400)	0	(27)	(27)
319.00 Human Resources	-	-	-	-	-	(270,400)	(270,400)	0	(7)	(7)
321.00 General Services	(63,000)	-	-	(63,000)	-	(365,600)	(428,600)	(7)	(2)	(9)
325.00 Agriculture	(293,900)	-	-	(293,900)	-	(148,600)	(442,500)	0	(18)	(18)
327.00 Environment and Conservation	(450,300)	-	(2,209,600)	(2,659,900)	(353,200)	(2,267,200)	(5,280,300)	0	(149)	(149)
328.00 Tennessee Wildlife Resources Agency	-	-	(77,300)	(77,300)	-	-	(77,300)	0	(2)	(2)
329.00 Correction	(1,202,900)	-	-	(1,202,900)	-	-	(1,202,900)	0	(49)	(49)
330.00 Economic and Community Development	(50,200)	-	-	(50,200)	-	-	(50,200)	0	(1)	(1)
331.00 Education (K-12)	(827,600)	-	-	(827,600)	-	-	(827,600)	0	(70)	(70)
332.00 Higher Education - State Admin. Programs	-	-	-	-	(200,900)	(51,700)	(252,600)	(5)	0	(5)
335.00 Commerce and Insurance	(91,600)	-	(169,700)	(261,300)	-	(565,300)	(826,600)	0	(58)	(58)
337.00 Labor and Workforce Development	(450,200)	-	-	(450,200)	(397,800)	-	(848,000)	0	(16)	(16)
339.00 Mental Health	-	-	-	-	-	(112,100)	(112,100)	0	(7)	(7)
341.00 Military	(114,800)	-	-	(114,800)	(1,064,800)	-	(1,179,600)	0	(33)	(33)
343.00 Health	(5,186,800)	-	(442,100)	(5,628,900)	(2,206,100)	(1,714,600)	(9,549,600)	0	(135)	(135)
344.00 Intellectual and Developmental Disabilities	(79,600)	-	-	(79,600)	-	(581,200)	(660,800)	0	(11)	(11)
345.00 Human Services	(1,723,600)	-	-	(1,723,600)	(909,900)	(1,629,600)	(4,263,100)	0	(12)	(12)
347.00 Revenue	(182,700)	-	(106,900)	(289,600)	-	-	(289,600)	0	(5)	(5)
348.00 Tennessee Bureau of Investigation	(177,200)	-	-	(177,200)	-	(54,000)	(231,200)	0	0	0
349.00 Safety	(406,500)	-	-	(406,500)	-	-	(406,500)	0	(10)	(10)
350.00 Strategic Health-Care Programs	(9,100)	-	-	(9,100)	-	(9,100)	(18,200)	0	(1)	(1)
359.00 Children's Services	(3,100,700)	-	-	(3,100,700)	(937,000)	(1,969,300)	(6,007,000)	0	(117)	(117)
<b>Total</b>	<b>(18,565,600)</b>	<b>-</b>	<b>(2,869,600)</b>	<b>(21,435,200)</b>	<b>(9,306,000)</b>	<b>(13,089,300)</b>	<b>(43,830,500)</b>	<b>(12)</b>	<b>(823)</b>	<b>(835)</b>

**Preliminary Base Budget Reductions  
Fiscal Year 2012-2013**

**(Savings) / Cost**

	General Fund		Dedicated Funds	Total
	Recurring	Non-Recurring		
<b>Treasury</b>				
309.01 State Treasurer - Agency Request	\$ (82,200)	\$ -	\$ -	\$ (82,200)
<b>Criminal Injuries Compensation</b>				
313.03 Criminal Injuries Compensation - Revenue Increase	-	-	(600,000)	(600,000)
<b>Alcoholic Beverage Commission</b>				
316.03 Departmental Revenue Increase	(276,000)	-	-	(276,000)
<b>State Museum</b>				
316.27 State Museum - License Plate Revenue Sunset	-	-	(20,000)	(20,000)
<b>Finance and Administration</b>				
317.06 Criminal Justice Programs - Revenue Reconciliation	-	-	(337,400)	(337,400)
<b>Environment and Conservation</b>				
327.23 Used Oil Collection Program - Revenue Reconciliation	\$ -	\$ -	\$ (226,800)	\$ (226,800)
327.28 Dry Cleaners Environmental Response Fund - Revenue Reconciliation	-	-	(622,900)	(622,900)
327.43 Environmental Protection Fund - Revenue Reconciliation	-	-	(1,000,000)	(1,000,000)
<b>Sub-Total Environment and Conservation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,849,700)</b>	<b>\$ (1,849,700)</b>
<b>Wildlife Resources Agency</b>				
328.01 Wildlife Resources Agency - Agency Request	\$ -	\$ -	\$ (437,300)	\$ (437,300)
328.02 Boating Safety - Agency Request	-	-	158,700	158,700
<b>Sub-Total Wildlife Resources Agency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (278,600)</b>	<b>\$ (278,600)</b>
<b>Correction</b>				
329.99 Sentencing Act of 1985 - For Bledsoe Prison Expansion	(24,492,500)	-	-	(24,492,500)
<b>Education</b>				
331.19 After-School Programs - Unclaimed Prizes - Revenue Reconciliation	-	-	(1,200,000)	(1,200,000)
<b>Higher Education</b>				
332.19 Lottery for Education Account - Revenue Reconciliation	-	-	(2,500,000)	(2,500,000)
<b>Commerce and Insurance</b>				
335.21 Athletic Commission - Revenue Reconciliation	-	-	(88,400)	(88,400)
<b>Health</b>				
343.06 Trauma System Fund @ \$9 M - Revenue Reconciliation	-	-	(16,800)	(16,800)
<b>Total Preliminary Base Budget Reductions - Budget File</b>	<b>\$ (24,850,700)</b>	<b>\$ -</b>	<b>\$ (6,890,900)</b>	<b>\$ (31,741,600)</b>
<b>Overappropriation Decrease:</b>				
316.03 Alcoholic Beverage Commission	300,000	-	-	300,000
<b>Grand Total</b>	<b>\$ (24,550,700)</b>	<b>\$ -</b>	<b>\$ (6,890,900)</b>	<b>\$ (31,441,600)</b>

**Base Budget Reallocations  
General Fund  
Fiscal Year 2012-2013  
Increase / (Decrease)**

**I. Mental Health**

1. Lakeshore Mental Health Institute (minus 375 FT)	\$ (20,523,600)
2. Community Alcohol and Drug Abuse Services	1,525,100
3. Community Mental Health Services	15,857,300
4. Middle Tennessee Mental Health Institute (67 FT)	3,141,200
<b>Sub-Total Mental Health</b>	<b>\$ -</b>

**II. Correction**

1. Prisons - Abolish 9 vacant FT mental health positions	\$ (403,700)
2. Prisons - Mental health contract services	403,700
<b>Sub-Total Correction</b>	<b>\$ -</b>

**III. Education**

1. State Special Schools - Base Payroll Adjustment	\$ (108,200)
2. State Special Schools - Teacher Training and Experience Adjustment	108,200
<b>Sub-Total Education</b>	<b>\$ -</b>

**IV. Total Reallocations**

**\$ -**



**Preliminary Base Budget Adjustments**  
**Fiscal Year 2012-2013**  
**(Savings) / Cost**

	General Fund		Dedicated Funds	Total
	Recurring	Non-Recurring		
<b>Attorney General</b>				
303.01 Attorney General (1 FT) - Litigation Settlements - False Claims Act	\$ -	\$ -	\$ 132,400	132,400
<b>Post-Conviction Defender</b>				
308.00 Office of Post-Conviction Defender - Insurance Benefits	41,500	-	-	41,500
<b>TennCare</b>				
318.66 Medical Services - FY 10 & FY 11 Reduction Restored	\$ -	\$ 197,320,600	\$ -	\$ 197,320,600
318.70 Supplemental Payments - FY 10 & FY 11 Reduction Restored	-	240,459,100	-	240,459,100
318.72 Medicare Services - FY 10 & FY 11 Reduction Restored	-	12,020,300	-	12,020,300
<b>Sub-Total TennCare</b>	<b>\$ -</b>	<b>\$ 449,800,000</b>	<b>\$ -</b>	<b>\$ 449,800,000</b>
<b>Environment and Conservation</b>				
327.12 State Parks - Cummins Falls - 2 FT Rangers	131,500	-	-	131,500
<b>Economic and Community Development</b>				
330.20 Headquarters Relocation Assistance - TCA 67-4-2109(g)(2) - Acctg. Change	6,000,000	-	-	6,000,000
<b>Education</b>				
331.25 BEP 2.0 - Stability Baseline Change	2,800,000	-	-	2,800,000
<b>Commerce and Insurance</b>				
335.01 Admin. - Interdepartmental Revenue Loss - Regulatory Boards Indirect Costs	3,382,500	-	-	3,382,500
<b>Military</b>				
341.09 Disaster Relief Grants @ \$4 M Recurring	2,000,000	-	-	2,000,000
<b>Health</b>				
343.05 Bureau of Health Licensure & Regulation - Health-Related Boards Indirect Costs	264,000	-	-	264,000
<b>Revenue</b>				
347.21 Tax Refund Interest Expense - TCA 67-1-801(b)(1) - Accounting Change	2,500,000	-	-	2,500,000
<b>Miscellaneous Appropriations</b>				
<b>Base Budget Reduction and Adjustment:</b>				
351.00 State Agencies - Mileage Rate - 1¢ Increase @ 47¢ / Mile	\$ 411,800	\$ -	\$ -	\$ 411,800
351.00 State Agencies - Postage Rates - 1¢ @ 45¢ First Class (\$0.5 M), Shipping	800,000	-	-	800,000
351.00 Am. Battle Monuments Comm. - TN WWI Monuments in France - Maintenance @ \$3,500 Recurring	1,500	10,000	-	11,500
351.00 Intergovernmental Conference Dues	9,700	-	-	9,700
351.00 Various Items - Base Reduction	(5,757,100)	-	-	(5,757,100)
<b>Sub-Total Miscellaneous Appropriations</b>	<b>\$ (4,534,100)</b>	<b>\$ 10,000</b>	<b>\$ -</b>	<b>\$ (4,524,100)</b>
<b>Total - Budget File</b>	<b>\$ 12,585,400</b>	<b>\$ 449,810,000</b>	<b>\$ 132,400</b>	<b>\$ 462,527,800</b>

**Base Appropriations Preserved  
by Proposed Legislation  
Hospital Coverage Assessment  
Fiscal Year 2012-2013**

Legislation is proposed to continue the hospital coverage assessment for one year. An estimated \$449.8 million is raised by this legislation. The following base appropriations are preserved by this revenue proposal. Failure to enact this legislation will result in the following base budget reductions.

	<u>State</u>	<u>Federal</u>	<u>Total</u>
<b>FY 2009-2010 Base Reductions Restored:</b>			
Essential Access Hospital Payments	\$ 33,812,000	\$ 66,188,000	\$ 100,000,000
Graduate Medical Education	16,906,000	33,094,000	50,000,000
Critical Access Hospital Payments	3,381,200	6,618,800	10,000,000
Medicare Part A Reimbursement	12,020,300	23,530,100	35,550,400
Provider Reimbursement and Co-Pay	66,531,600	130,237,500	196,769,100
<b>Sub-Total</b>	<b><u>\$ 132,651,100</u></b>	<b><u>\$ 259,668,400</u></b>	<b><u>\$ 392,319,500</u></b>
<b>FY 2010-2011 Base Reductions Restored:</b>			
Hospital Reimbursement Ceiling	\$ 23,655,100	\$ 46,305,500	\$ 69,960,600
In-Patient Services	47,581,500	93,142,200	140,723,700
Lab and X-Ray Procedures	28,376,000	55,546,900	83,922,900
Therapies	4,664,500	9,131,000	13,795,500
Out-Patient Services	11,151,700	21,829,900	32,981,600
Office Visits	15,360,200	30,068,000	45,428,200
<b>Sub-Total</b>	<b><u>\$ 130,789,000</u></b>	<b><u>\$ 256,023,500</u></b>	<b><u>\$ 386,812,500</u></b>
<b>Other Appropriations:</b>			
Disproportionate Share Hospital Payments	\$ 27,395,500	\$ 53,627,500	\$ 81,023,000
Additional Cost-Based Reimbursement for Critical Access	6,000,000	-	6,000,000
Hospital Payments - Unreimbursed Costs	152,964,400	299,432,400	452,396,800
<b>Sub-Total</b>	<b><u>\$ 186,359,900</u></b>	<b><u>\$ 353,059,900</u></b>	<b><u>\$ 539,419,800</u></b>
<b>Grand Total</b>	<b><u>\$ 449,800,000</u></b>	<b><u>\$ 868,751,800</u></b>	<b><u>\$ 1,318,551,800</u></b>

**TennCare Program**  
**Non-Recurring Appropriations from the Hospital Coverage Assessment**  
**Estimated 2011-2012 and Base 2012-2013**

Red. Number	Description	Fiscal Year 2011-2012			Fiscal Year 2012-2013		
		State <sup>1</sup>	Federal	Total	State <sup>1</sup>	Federal	Total
<b>A. FY 2009-2010 Base Reductions Restored:</b>							
8	Medically Needy Category	\$ 11,051,000	\$ 21,676,300	\$ 32,727,300	\$ -	\$ -	\$ -
12	Essential Access Hospital Payments	33,767,000	66,233,000	100,000,000	33,812,000	66,188,000	100,000,000
13	Graduate Medical Education	16,883,500	33,116,500	50,000,000	16,906,000	33,094,000	50,000,000
15	Critical Access Hospital Payments	3,376,700	6,623,300	10,000,000	3,381,200	6,618,800	10,000,000
20	Medicare Part A Reimbursement	12,004,300	23,546,100	35,550,400	12,020,300	23,530,100	35,550,400
23	Provider Reimbursement and Co-Pay	62,848,200	123,274,900	186,123,100	66,531,600	130,237,500	196,769,100
	<b>Sub-Total</b>	<b>\$ 139,930,700</b>	<b>\$ 274,470,100</b>	<b>\$ 414,400,800</b>	<b>\$ 132,651,100</b>	<b>\$ 259,668,400</b>	<b>\$ 392,319,500</b>
<b>B. FY 2010-2011 Base Reductions Restored:</b>							
10	Hospital Reimbursement Ceiling	\$ 22,477,200	\$ 44,088,500	\$ 66,565,700	\$ 23,655,100	\$ 46,305,500	\$ 69,960,600
16	In-Patient Services	45,734,500	89,707,000	135,441,500	47,581,500	93,142,200	140,723,700
17	Lab and X-Ray Procedures	27,274,600	53,498,200	80,772,800	28,376,000	55,546,900	83,922,900
18	Therapies	4,483,400	8,794,200	13,277,600	4,664,500	9,131,000	13,795,500
19	Out-Patient Services	10,321,500	20,245,400	30,566,900	11,151,700	21,829,900	32,981,600
24	Office Visits	14,349,700	28,146,400	42,496,100	15,360,200	30,068,000	45,428,200
	<b>Sub-Total</b>	<b>\$ 124,640,900</b>	<b>\$ 244,479,700</b>	<b>\$ 369,120,600</b>	<b>\$ 130,789,000</b>	<b>\$ 256,023,500</b>	<b>\$ 386,812,500</b>
	<b>Sub-Total - Reductions Restored</b>	<b>\$ 264,571,600</b>	<b>\$ 518,949,800</b>	<b>\$ 783,521,400</b>	<b>\$ 263,440,100</b>	<b>\$ 515,691,900</b>	<b>\$ 779,132,000</b>
<b>C. Other Appropriations:</b>							
	Disproportionate Share Hospital Payments <sup>2</sup>	\$ 27,359,000	\$ 53,664,000	\$ 81,023,000	\$ 27,395,500	\$ 53,627,500	\$ 81,023,000
	Add'l. Cost-Based Reimb. for Crit. Access <sup>2</sup>	6,000,000	-	6,000,000	6,000,000	-	6,000,000
	Hospital Payments - Unreimb. Costs	151,869,400	297,930,700	449,800,100	152,964,400	299,432,400	452,396,800
	<b>Sub-Total</b>	<b>\$ 185,228,400</b>	<b>\$ 351,594,700</b>	<b>\$ 536,823,100</b>	<b>\$ 186,359,900</b>	<b>\$ 353,059,900</b>	<b>\$ 539,419,800</b>
	<b>Total Expenditures</b>	<b>\$ 449,800,000</b>	<b>\$ 870,544,500</b>	<b>\$ 1,320,344,500</b>	<b>\$ 449,800,000</b>	<b>\$ 868,751,800</b>	<b>\$ 1,318,551,800</b>
	<b>D. State Revenue:</b>	<b>\$ 449,800,000</b>			<b>\$ 449,800,000</b>		

<sup>1</sup> Recurring state dollar matching percentages: 33.767% in fiscal 2011-2012; 33.812% in fiscal 2012-2013.

<sup>2</sup> Items previously funded from TennCare Reserve.

**2012 Administration Legislation with Fiscal Impact  
General Fund and Education Fund  
Fiscal Year 2012-2013**

	State Appropriation		Departmental Revenue	Total	Positions
	General Fund				
	Recurring	Non-Recurring			
<b>I. Cost Change - Cost / (Savings):</b>					
<b>A. Base Reduction:</b>					
1. <b>Correction</b> - Probation and Parole Supervision - (Savings)	\$ (714,800)	\$ -	\$ -	\$ (714,800)	-
2. <b>Revenue</b> - E-Filing; Alcohol and Tobacco (Abolish 4 FT)	(538,000)	57,000	-	(481,000)	(4)
<b>Sub-Total Base Reduction (A) - Cost / (Savings)</b>	<b>\$ (1,252,800)</b>	<b>\$ 57,000</b>	<b>\$ -</b>	<b>\$ (1,195,800)</b>	<b>(4)</b>
<b>B. Cost Increase - Cost / (Savings):</b>					
1. <b>C&amp;I</b> - Law Enforcement Officer Death Benefit - Eligibility Standards	\$ 25,000	\$ -	\$ -	\$ 25,000	-
2. <b>Education - Teacher Salary and Class Size:</b>					
Average Teacher Salary - Cost	\$ 189,224,000	\$ -	\$ -	\$ 189,224,000	-
Class Size - (Savings)	(188,429,000)	-	-	(188,429,000)	-
<b>Sub-Total Education - Cost</b>	<b>\$ 795,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 795,000</b>	<b>-</b>
3. <b>Developmental Center Licensing - Transfer to DIDD:</b>					
a. <b>Mental Health:</b>					
Reorganization - Transfer to DIDD	-	-	(663,500)	(663,500)	(3)
b. <b>Intellectual and Developmental Disabilities:</b>					
Reorganization - Transfer from Mental Health	\$ -	\$ -	\$ 663,500	\$ 663,500	3
Cost Increase - Additional Staff (1 FT)	-	-	77,900	77,900	1
<b>Sub-Total Intellectual and Developmental Disabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 741,400</b>	<b>\$ 741,400</b>	<b>4</b>
<b>Sub-Total - Developmental Center Licensing - Cost</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 77,900</b>	<b>\$ 77,900</b>	<b>1</b>
4. <b>Correction - Public Safety Bills:</b>					
a. <b>Sentencing Act of 1985 - Incarceration Cost:</b>					
Gang Violence	\$ 4,764,400	\$ -	\$ -	\$ 4,764,400	-
Gun Violence	266,100	-	-	266,100	-
Prescription Drugs	28,300	-	-	28,300	-
Repeat Domestic Violence	868,200	-	-	868,200	-
<b>Sub-Total Sentencing Act of 1985 - Incarceration Cost</b>	<b>\$ 5,927,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,927,000</b>	<b>-</b>
b. <b>State Share of Local Cost</b> - Repeat Domestic Violence	780,000	-	-	780,000	-
<b>Total Dept. of Correction - Cost</b>	<b>\$ 6,707,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,707,000</b>	<b>-</b>
5. <b>Revenue</b> - Sales Tax on Grocery Food; Inheritance Tax Exemption	-	300,000	-	300,000	-
<b>Total Cost Increase (B) - Cost</b>	<b>\$ 7,527,000</b>	<b>\$ 300,000</b>	<b>\$ 77,900</b>	<b>\$ 7,904,900</b>	<b>1</b>
<b>C. Core Services:</b>					
1. <b>Children's Services</b> - Transitioning Youth Empowerment Act	369,000	-	500,000	869,000	-
<b>Grand Total Cost Change (I: A+B+C) - Cost</b>	<b>\$ 6,643,200</b>	<b>\$ 357,000</b>	<b>\$ 577,900</b>	<b>\$ 7,578,100</b>	<b>(3)</b>
<b>II. 2012 Tax Adjustments - Increase / (Decrease):</b>					
Sales Tax on Grocery Food at 0.2 Reduction from 5.5% to 5.3%	\$ (18,000,000)	\$ -	\$ -	\$ (18,000,000)	-
Inheritance Tax at \$1.25 M Exemption at 1-1-2013	(15,000,000)	15,000,000	-	-	-
F&E Intangible Expense	12,500,000	-	-	12,500,000	-
E-Filing; Alcohol and Tobacco	1,500,000	-	-	1,500,000	-
<b>Total 2012 Tax Adjustments (II) - Increase / (Decrease)</b>	<b>\$ (19,000,000)</b>	<b>\$ 15,000,000</b>	<b>\$ -</b>	<b>\$ (4,000,000)</b>	<b>-</b>
<b>Net Fiscal Impact (I+II) - (Cost) / Savings</b>	<b>\$ (25,643,200)</b>	<b>\$ 14,643,000</b>	<b>\$ (577,900)</b>	<b>\$ (11,578,100)</b>	<b>(3)</b>

**2008-2009 Through 2011-2012  
U. S. Economic Recovery Act  
State Fiscal Stabilization Funds  
Federal Revenue Estimates**

	<u>Total</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>
<b>I. State Fiscal Stabilization:</b>					
1. Education	\$ 775,135,000	\$ 21,854,700	\$ 322,358,500	\$ 416,736,600	\$ 14,185,200
(a) Higher Education - Restore to 2007-08 Level	247,427,700	3,854,700	149,958,500	79,429,300 <sup>1</sup>	14,185,200 <sup>1</sup>
(b) K-12 Education - Basic Education Program	527,707,300	18,000,000	172,400,000	337,307,300	-
2. General Purpose - Restore Base Reductions	\$ 170,243,100	\$ -	\$ 90,331,100	\$ 46,300,000	\$ 33,612,000
(a) K-12 Education	109,770,600	-	39,412,700	37,445,900	32,912,000
(b) Health Department	13,563,900	-	4,009,800	8,854,100	700,000
(c) Correction Department	46,908,600	-	46,908,600	-	-
<b>3. Total State Fiscal Stabilization</b>	<b><u>\$ 945,378,100</u></b>	<b><u>\$ 21,854,700</u></b>	<b><u>\$ 412,689,600</u></b>	<b><u>\$ 463,036,600</u></b>	<b><u>\$ 47,797,200</u></b>

<sup>1</sup> FY 2010-2011 and FY 2011-2012 include unexpended balance from previous years.

There are no U.S. State Fiscal Stabilization funds budgeted in FY 2012-2013.

**2008-2009 Through 2013-2014  
2009 and 2010 U.S. Economic Recovery Acts  
Tennessee Allocations for Selected Grant Programs**

	<u>Multi-Year Total</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011 *</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>
<b>State Fiscal Stabilization:</b>							
Education	\$ 775,135,000	\$ 21,854,700	\$ 322,358,500	\$ 416,736,600	\$ 14,185,200	\$ -	\$ -
General Purpose	170,243,100	-	90,331,100	46,300,000	33,612,000	-	-
<b>Sub-Total State Fiscal Stabilization</b>	<b>\$ 945,378,100</b>	<b>\$ 21,854,700</b>	<b>\$ 412,689,600</b>	<b>\$ 463,036,600</b>	<b>\$ 47,797,200</b>	<b>\$ -</b>	<b>\$ -</b>
<b>318.00 TennCare</b>							
Medicaid - Enhanced Federal Match - Budgeted Estimate (BE)	1,580,487,600	316,000,000	719,599,600	544,888,000	-	-	-
<b>359.00 Children's Services</b>							
Foster Care and Adoption - Enhanced Federal Match - BE	11,312,300	3,500,000	4,400,000	3,412,300	-	-	-
<b>Total Fiscal Stabilization, TennCare, and Children's Services</b>	<b>\$ 2,537,178,000</b>	<b>\$ 341,354,700</b>	<b>\$ 1,136,689,200</b>	<b>\$ 1,011,336,900</b>	<b>\$ 47,797,200</b>	<b>\$ -</b>	<b>\$ -</b>
<b>331.00 Education (K-12)</b>							
Elementary and Secondary Education Act (ESEA) Title I							
Grants to LEAs	\$ 194,108,000	\$ 27,100	\$ 84,928,300	\$ 83,726,200	\$ 25,426,400	\$ -	\$ -
School Improvement	57,510,300	-	-	2,541,700	54,968,600	-	-
<b>Sub-Total - ESEA Title I</b>	<b>\$ 251,618,300</b>	<b>\$ 27,100</b>	<b>\$ 84,928,300</b>	<b>\$ 86,267,900</b>	<b>\$ 80,395,000</b>	<b>\$ -</b>	<b>\$ -</b>
Individuals with Disabilities Education Act (IDEA):							
IDEA - Part B - Special Education	\$ 229,613,400	\$ 3,423,700	\$ 104,404,700	\$ 86,490,900	\$ 35,294,100	\$ -	\$ -
IDEA - Part B - Special Education - Preschool	7,345,900	17,600	2,709,600	3,031,900	1,586,800	-	-
IDEA - Part C - Early Intervention	9,205,000	5,200	1,523,500	2,298,600	5,377,700	-	-
<b>Sub-Total IDEA</b>	<b>\$ 246,164,300</b>	<b>\$ 3,446,500</b>	<b>\$ 108,637,800</b>	<b>\$ 91,821,400</b>	<b>\$ 42,258,600</b>	<b>\$ -</b>	<b>\$ -</b>
Education Technology	12,292,400	-	4,648,900	4,593,300	3,050,200	-	-
Education for the Homeless	1,011,200	-	467,800	145,700	397,700	-	-
School Lunch Equipment	2,275,800	-	2,094,600	181,200	-	-	-
Ground Source Heat Pumps	4,255,400	-	-	44,300	4,211,100	-	-
State Incentive Grant - Race to the Top	500,741,200	-	-	51,402,600	195,707,500	124,253,400	129,377,700
Teacher Incentive Fund	15,260,700	-	-	-	15,260,700	-	-
Early Childhood Advisory Council (from TennCare and Health)	2,418,400	-	-	-	1,461,200	957,200	-
Investing in Innovation	2,058,900	-	-	-	2,058,900	-	-
2010 Education Jobs Fund Act	195,881,400	-	-	83,441,800	112,439,600	-	-
<b>Total Education</b>	<b>\$ 1,233,978,000</b>	<b>\$ 3,473,600</b>	<b>\$ 200,777,400</b>	<b>\$ 317,898,200</b>	<b>\$ 457,240,500</b>	<b>\$ 125,210,600</b>	<b>\$ 129,377,700</b>
<b>309.00 Treasury Dept.</b>							
Crime Victims Compensation	1,472,800	1,472,800	-	-	-	-	-

\* FY 2010-2011 includes unexpended federal funds from fiscal year 2009-2010 that have been carried over in addition to 2010-2011 revenue estimates.

\*\* Health - FQHC - Federally-qualified health center.

**2008-2009 Through 2013-2014  
2009 and 2010 U.S. Economic Recovery Acts  
Tennessee Allocations for Selected Grant Programs**

	<u>Multi-Year Total</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011 *</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>
<b>316.02 Commission on Aging and Disability</b>							
Elderly Nutrition	\$ 2,178,500	\$ -	\$ 1,353,200	\$ 825,300	\$ -	\$ -	\$ -
Chronic Disease Self-Management	800,000	-	-	405,600	394,400	-	-
<b>Sub-Total Commission on Aging and Disability</b>	<b>\$ 2,978,500</b>	<b>\$ -</b>	<b>\$ 1,353,200</b>	<b>\$ 1,230,900</b>	<b>\$ 394,400</b>	<b>\$ -</b>	<b>\$ -</b>
<b>316.11 Tennessee Regulatory Authority</b>							
Energy Conservation	644,400	-	41,400	181,500	421,500	-	-
<b>316.20 Tennessee Housing Development Agency</b>							
HOME Investment Partnership Program (HUD estimate)	\$ 39,032,500	\$ -	\$ 7,448,000	\$ 27,657,700	\$ 3,926,800	\$ -	\$ -
Grants to States In Lieu of Low Income Tax Credit	156,135,200	-	31,260,800	102,133,900	22,740,500	-	-
Homelessness Prevention (HUD estimate) - State	13,467,400	-	3,213,700	7,065,700	3,188,000	-	-
<b>Sub-Total THDA</b>	<b>\$ 208,635,100</b>	<b>\$ -</b>	<b>\$ 41,922,500</b>	<b>\$ 136,857,300</b>	<b>\$ 29,855,300</b>	<b>\$ -</b>	<b>\$ -</b>
<b>316.25 Arts Commission</b>							
National Endowment for the Arts (NEA)	321,800	-	279,100	42,700	-	-	-
<b>317.00 Finance and Administration</b>							
Byrne Justice Assistance Grant	30,827,700	-	14,742,500	11,920,200	4,165,000	-	-
Crime Victims Assistance	911,000	-	391,600	169,400	350,000	-	-
Violence Against Women	2,765,300	-	1,216,400	1,378,900	170,000	-	-
Americorps	422,800	-	312,400	110,400	-	-	-
Volunteer Tennessee	600,000	-	425,600	174,400	-	-	-
<b>Sub-Total Finance and Administration</b>	<b>\$ 35,526,800</b>	<b>\$ -</b>	<b>\$ 17,088,500</b>	<b>\$ 13,753,300</b>	<b>\$ 4,685,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>318.00 TennCare</b>							
Health Information and Technology	\$ 12,169,000	\$ -	\$ 1,369,000	\$ 1,172,800	\$ 4,227,200	\$ 2,700,000	\$ 2,700,000
Electronic Health Records	240,000,000	-	-	1,904,000	118,096,000	60,000,000	60,000,000
<b>Sub-Total TennCare</b>	<b>\$ 252,169,000</b>	<b>\$ -</b>	<b>\$ 1,369,000</b>	<b>\$ 3,076,800</b>	<b>\$ 122,323,200</b>	<b>\$ 62,700,000</b>	<b>\$ 62,700,000</b>
<b>325.00 Agriculture</b>							
Temporary Emergency Food Assistance Program (TEFAP)	\$ 1,771,600	\$ -	\$ 551,400	\$ 1,220,200	\$ -	\$ -	\$ -
Partners for Fish and Wildlife	250,000	-	-	187,000	63,000	-	-
<b>Sub-Total Agriculture</b>	<b>\$ 2,021,600</b>	<b>\$ -</b>	<b>\$ 551,400</b>	<b>\$ 1,407,200</b>	<b>\$ 63,000</b>	<b>\$ -</b>	<b>\$ -</b>

\* FY 2010-2011 includes unexpended federal funds from fiscal year 2009-2010 that have been carried over in addition to 2010-2011 revenue estimates.

\*\* Health - FQHC - Federally-qualified health center.

**2008-2009 Through 2013-2014  
2009 and 2010 U.S. Economic Recovery Acts  
Tennessee Allocations for Selected Grant Programs**

	<u>Multi-Year Total</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011 *</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>
<b>327.00 Environment and Conservation</b>							
Clean Water State Revolving Fund	\$ 56,930,300	\$ -	\$ 5,041,200	\$ 37,233,700	\$ 14,655,400	\$ -	\$ -
Drinking Water State Revolving Fund	20,238,000	-	3,718,600	11,508,200	5,011,200	-	-
Underground Storage Tank Fund	5,042,000	-	1,504,200	1,776,300	1,761,500	-	-
Diesel Emission Reduction	1,700,000	-	15,200	1,684,800	-	-	-
Water Quality Management	575,100	-	11,000	287,200	276,900	-	-
<b>Sub-Total Environment and Conservation</b>	<b>\$ 84,485,400</b>	<b>\$ -</b>	<b>\$ 10,290,200</b>	<b>\$ 52,490,200</b>	<b>\$ 21,705,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>330.00 Economic and Community Development</b>							
Community Development Block Grant (CDBG) - Non-Entitlement	\$ 7,095,600	\$ -	\$ 1,466,900	\$ 4,716,700	\$ 912,000	\$ -	\$ -
State Energy Program	62,482,000	-	891,100	56,138,000	5,452,900	-	-
Energy Efficiency and Conservation Block Grant	13,818,200	-	77,100	2,633,300	11,107,800	-	-
Energy Star Rebate Program	5,963,000	-	-	3,504,000	2,459,000	-	-
Rural Business Enterprise Grant	100,000	-	-	19,300	80,700	-	-
Energy Assurance Capabilities and Planning	770,200	-	-	800	769,400	-	-
<b>Sub-Total Economic and Community Development</b>	<b>\$ 90,229,000</b>	<b>\$ -</b>	<b>\$ 2,435,100</b>	<b>\$ 67,012,100</b>	<b>\$ 20,781,800</b>	<b>\$ -</b>	<b>\$ -</b>
<b>337.00 Labor and Workforce Development</b>							
Workforce Investment Act - Adult	\$ 10,835,900	\$ 1,260,600	\$ 7,906,700	\$ 1,550,500	\$ 118,100	\$ -	\$ -
Workforce Investment Act - Youth	25,099,100	9,260,000	14,070,800	1,419,500	348,800	-	-
Dislocated Workers	28,372,200	1,744,400	17,917,100	8,152,300	558,400	-	-
Unemployment Insurance - State Administration Grants	10,129,100	-	-	-	10,129,100	-	-
Employment Service	7,426,000	50,800	2,712,500	4,421,100	241,600	-	-
Community Service for Older Americans	484,100	23,100	375,900	85,100	-	-	-
On the Job Training	1,170,700	-	-	282,700	888,000	-	-
<b>Sub-Total Labor and Workforce Development</b>	<b>\$ 83,517,100</b>	<b>\$ 12,338,900</b>	<b>\$ 42,983,000</b>	<b>\$ 15,911,200</b>	<b>\$ 12,284,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>341.00 Military</b>							
Armories Maintenance	720,000	-	720,000	-	-	-	-

\* FY 2010-2011 includes unexpended federal funds from fiscal year 2009-2010 that have been carried over in addition to 2010-2011 revenue estimates.

\*\* Health - FQHC - Federally-qualified health center.



**2008-2009 Through 2013-2014  
2009 and 2010 U.S. Economic Recovery Acts  
Tennessee Allocations for Selected Grant Programs**

	<u>Multi-Year Total</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011 *</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>
<b>343.00 Health</b>							
** Healthy Communities - FQHC Modernization - State Centers in Putnam and Stewart Counties	\$ 787,000	\$ -	\$ 205,400	\$ 332,900	\$ 248,700	\$ -	\$ -
Federally Qualified Health Centers	1,760,500	-	1,659,700	62,100	38,700	-	-
Immunization	2,950,800	-	2,950,800	-	-	-	-
Healthcare Associated Infections (Infrastructure)	1,744,400	-	160,300	477,100	1,107,000	-	-
Healthcare Associated Infections (Surveillance and Prevention)	388,600	-	49,700	134,200	204,700	-	-
High Priority Vaccine - Preventable Disease	110,200	-	15,500	66,900	27,800	-	-
Vaccine Studies	684,500	-	82,700	220,900	380,900	-	-
Women, Infants and Children - Technology Projects	481,700	-	-	35,900	445,800	-	-
Primary Care Recruitment and Retention	137,700	-	29,900	56,400	51,400	-	-
Healthy Communities - Preschool Nutrition	921,500	-	12,500	205,000	704,000	-	-
Healthy Communities - Smoking Cessation	1,002,200	-	23,900	207,200	771,100	-	-
Behavioral Risk Factor Surveillance System	150,000	-	-	48,800	101,200	-	-
<b>Sub-Total Health</b>	<b>\$ 11,119,100</b>	<b>\$ -</b>	<b>\$ 5,190,400</b>	<b>\$ 1,847,400</b>	<b>\$ 4,081,300</b>	<b>\$ -</b>	<b>\$ -</b>
<b>345.00 Human Services</b>							
Food Stamp Benefits	\$ 468,479,100	\$ 49,001,900	\$ 132,738,600	\$ 244,858,800	\$ 41,879,800	\$ -	\$ -
Food Stamp Administration	9,064,500	2,101,100	6,963,400	-	-	-	-
Temporary Assistance for Needy Families	119,702,200	-	84,970,000	34,732,200	-	-	-
Weatherization	102,460,000	-	44,664,700	42,939,100	14,856,200	-	-
Child Care and Development Block Grant	41,932,000	5,000,000	36,148,700	783,300	-	-	-
Community Services Block Grant (CSBG)	19,699,000	-	17,040,200	2,658,800	-	-	-
Vocational Rehabilitation	12,178,000	-	12,178,000	-	-	-	-
Vocational Rehabilitation - Independent Living	273,000	-	27,500	187,700	57,800	-	-
Vocational Rehabilitation - Older Blind Individuals	738,600	-	418,500	259,500	60,600	-	-
<b>Sub-Total Human Services</b>	<b>\$ 774,526,400</b>	<b>\$ 56,103,000</b>	<b>\$ 335,149,600</b>	<b>\$ 326,419,400</b>	<b>\$ 56,854,400</b>	<b>\$ -</b>	<b>\$ -</b>
<b>350.00 Strategic Health-Care Programs</b>							
Health Information Technology	\$ 11,664,600	\$ -	\$ 70,500	\$ 933,700	\$ 10,660,400	\$ -	\$ -
<b>Total General Fund</b>	<b>\$ 5,331,187,600</b>	<b>\$ 414,743,000</b>	<b>\$ 1,796,910,500</b>	<b>\$ 1,950,398,800</b>	<b>\$ 789,147,000</b>	<b>\$ 187,910,600</b>	<b>\$ 192,077,700</b>

\* FY 2010-2011 includes unexpended federal funds from fiscal year 2009-2010 that have been carried over in addition to 2010-2011 revenue estimates.

\*\* Health - FQHC - Federally-qualified health center.

**2008-2009 Through 2013-2014  
2009 and 2010 U.S. Economic Recovery Acts  
Tennessee Allocations for Selected Grant Programs**

	<u>Multi-Year Total</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011 *</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>
<b>400.00 Transportation</b>							
Highways and Bridges	\$ 572,701,000	\$ 7,593,600	\$ 291,893,800	\$ 174,237,400	\$ 98,976,200	\$ -	\$ -
Fixed Guideway Modernization	-	-	-	-	-	-	-
Mass Transit Capital Grants	21,168,800	-	11,253,700	4,262,800	5,652,300	-	-
Airport Improvement Program	4,568,400	-	723,100	3,755,500	89,800	-	-
Diesel Emission Reduction	2,000,000	-	-	612,400	1,387,600	-	-
Civil Rights on the Job Training	800,000	-	150,200	464,900	184,900	-	-
Cumberland City Ferry	3,000,000	-	-	668,000	2,332,000	-	-
Appalachian Regional Short-Line Rail Project	2,800,000	-	-	-	2,800,000	-	-
Crescent Corridor Freight Rail Project	52,500,000	-	-	-	52,500,000	-	-
<b>Sub-Total Transportation</b>	<b><u>\$ 659,538,200</u></b>	<b><u>\$ 7,593,600</u></b>	<b><u>\$ 304,020,800</u></b>	<b><u>\$ 184,001,000</u></b>	<b><u>\$ 163,922,800</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b>Total Operating Budget</b>	<b><u>\$ 5,990,725,800</u></b>	<b><u>\$ 422,336,600</u></b>	<b><u>\$ 2,100,931,300</u></b>	<b><u>\$ 2,134,399,800</u></b>	<b><u>\$ 953,069,800</u></b>	<b><u>\$ 187,910,600</u></b>	<b><u>\$ 192,077,700</u></b>
Unemployment - \$25 per Week Benefit Increase	\$ 293,065,500	\$ 68,065,500	\$ 215,000,000	\$ 10,000,000	\$ -	\$ -	\$ -
Unemployment Trust Fund	141,000,000	-	141,000,000	-	-	-	-
<b>Grand Total State Programs</b>	<b><u>\$ 6,424,791,300</u></b>	<b><u>\$ 490,402,100</u></b>	<b><u>\$ 2,456,931,300</u></b>	<b><u>\$ 2,144,399,800</u></b>	<b><u>\$ 953,069,800</u></b>	<b><u>\$ 187,910,600</u></b>	<b><u>\$ 192,077,700</u></b>
<b>Federal Grants Directly to Local Governments, Non-Profits, and Higher Education:</b>							
Byrne Justice Assistance	\$ 19,342,400						
Internet Crimes Against Children	749,000						
Public Housing Capital Fund	80,304,000						
Community Development Block Grant (CDBG) - Entitlement	6,167,500						
Homelessness Prevention (HUD estimate) - 4 Urban Cities	6,827,400						
Head Start	12,181,000						
Work Study - Higher Education	3,490,400						
FEMA - Emergency Food and Shelter	2,126,000						
<b>Total Federal Grants Directly</b>	<b><u>\$ 131,187,700</u></b>						
<b>Grand Total</b>	<b><u>\$ 6,555,979,000</u></b>						

Source: Federal Funds Information for States, a joint service of the National Governors Association and the National Conference of State Legislatures, and federal and state agencies. Medicaid and Title IV-E (foster care and adoption assistance) estimates by Tenn. Budget Office and TennCare Bureau.

\* FY 2010-2011 includes unexpended federal funds from fiscal year 2009-2010 that have been carried over in addition to 2010-2011 revenue estimates.

\*\* Health - FQHC - Federally-qualified health center.

**Department of Education  
Multi-Year Program Estimate  
U.S. Economic Recovery  
Race to the Top**

<b>Components</b>	<b>TOTAL</b>	<b>2010-2011 Estimated</b>	<b>2011-2012 Estimated</b>	<b>2012-2013 Estimated</b>	<b>2013-2014 Estimated</b>
	<b>\$ 500,741,200</b>	<b>\$ 51,402,600</b>	<b>\$ 195,707,500</b>	<b>\$ 124,253,400</b>	<b>\$ 129,377,700</b>
1. Implementation Costs	3,591,600	769,600	1,191,200	806,200	824,600
2. Standards and Assessments	11,259,200	53,600	7,884,600	1,658,800	1,662,200
3. Data Systems	23,139,500	449,000	13,764,500	8,130,500	795,500
4. Teachers and Leaders	86,497,200	9,123,200	40,605,000	20,001,000	16,768,000
5. School Turnaround	105,177,700	1,236,900	35,995,700	26,139,000	41,806,100
6. Competitive Priorities	20,705,400	143,700	10,707,800	4,925,200	4,928,700
7. Subgrants to LEAs *	250,370,600	39,626,600	85,558,700	62,592,700	62,592,600

\* Subgrants to local education agencies (LEAs) will be distributed based on their relative shares of funding under ESEA Title I for fiscal year 2009. LEAs must spend these funds in accordance with Tennessee's Race to the Top plan and the scope of work described in the agreement between the state and the LEA.

As of June 30, 2011, the state had expended a total of \$51,402,600 and obligated an additional \$40,466,000 for Year 1 in grants and contracts. Of the \$40.5 million in obligations outstanding for Year 1, LEA scopes of work account for \$23 million. The remaining \$17.5 million is obligated through grants or contracts from state agencies and has not yet been invoiced by contractors. These funds are being reallocated into FY 2011-2012 through an amendment with U.S. Department of Education.

# Federal Aid Trends and Federal Mandate Costs

Recommended Budget, Fiscal Year 2012 – 2013

Since fiscal year 1979-80, federal aid to Tennessee excluding Food Stamps, Medicaid, and Temporary Assistance to Needy Families (TANF) grants, formerly Aid to Families with Dependent Children (AFDC), has declined from 27 cents of every dollar in the state budget to 22 cents in 2012-2013. If the state were still receiving 27 cents of every budgeted dollar as federal aid, an additional \$984.3 million would be available in federal funds.

In constant (2012-2013) dollars, federal aid has increased by 101.2 percent, or \$2.2 billion, from 1979-80 to 2012-2013 for state programs other than Food Stamps, Medicaid, and TANF/AFDC grants.

Figure 1 and Table 1 show the constant (2012-2013) dollar trend in federal aid in the state budget since 1979-80 for all programs, including transportation. Amounts for fiscal years 1979-80 through 2010-2011 are based on actual federal aid collections; amounts

for 2011-2012 through 2012-2013 are based on estimates included in the recommended state budget.

Current dollars have been converted to real (constant) dollars using the gross domestic product implicit price deflator, as reported by the University of Tennessee, Center for Business and Economic Research.

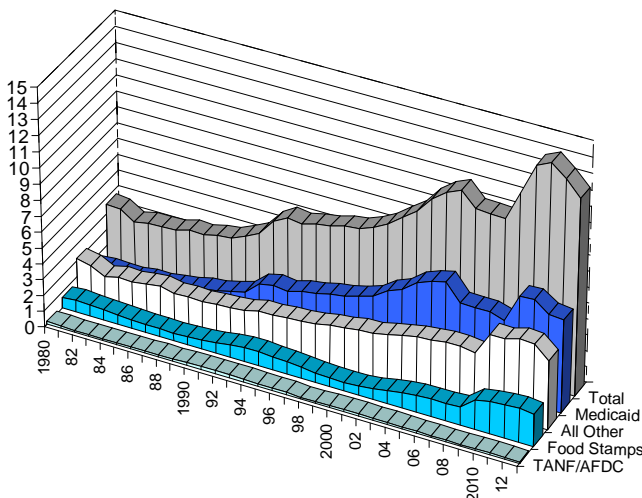
The decline in federal aid in the early 1980s (Figure 1) reflects the elimination of federal revenue sharing for states, new federal restrictions on eligibility for the TANF/AFDC program, and the consolidation of several federal grant programs into block grants at reduced levels.

From 1988-89 to 2012-2013, all the programs have had real growth, except the TANF/AFDC program, which is the result of key decisions by Congress. In the late 1980s, Congress moved to relax the earlier federal deficit-control statutes, which had

restrained the growth of domestic discretionary programs during the 1980s. In addition, the U.S. economic recovery program was enacted in February 2009, which increased federal aid for Tennessee’s operating budget by \$6.0 billion over four fiscal years, from 2008-2009 through 2012-2013. Tennessee will receive an estimated \$380 million in economic recovery act funding during fiscal years 2012-2013 and 2013-2014.

Figure 1 shows that total federal aid will decline by an inflation adjusted \$966 million in 2012-2013. Funding for Medicaid and all

Figure 1  
**Federal Aid Trend in State Programs**  
FY 1980 through FY 2013  
in Billions of Constant (2012-2013) Dollars



other federal aid programs will decline in 2012-2013. This is primarily the result of decreased funding received through the federal economic recovery act, a decrease in

above the rate of inflation. However, from fiscal year 2004-2005 through fiscal year 2008-2009, federal Medicaid funds declined by over \$1.3 billion. This is because of state

cost-containment reforms, federal actions on the Medicare drug program, and a decrease in the Medicaid match rate resulting from national and state personal income growth. Medicaid funds increased an inflation adjusted \$1.8 billion from fiscal year 2008-2009 to fiscal year 2009-2010.

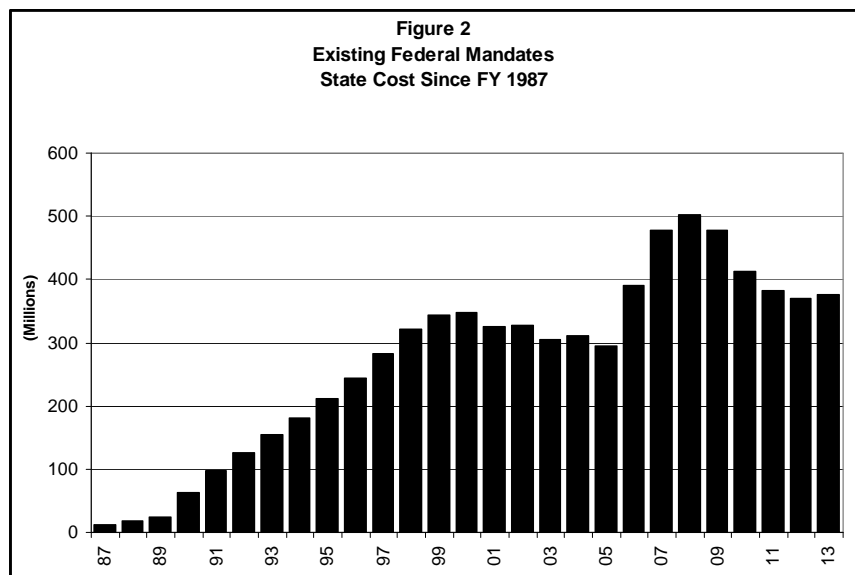
	1979-80	1988-89	2011-2012	1980-2013	% Increase	
					Annual Average	
					1980-2013	1989-2013
<b>Total Aid</b>	<b>\$ 3,627.1</b>	<b>\$ 3,762.3</b>	<b>\$ 12,294.2</b>	<b>239.0%</b>	<b>3.8%</b>	<b>5.1%</b>
Medicaid	661.8	1,380.6	5,834.7	781.6%	6.8%	6.2%
Food Stamp Coupons	661.5	515.1	2,043.2	208.9%	3.5%	5.9%
TANF/AFDC	156.7	150.6	97.2	-37.9%	-1.4%	-1.8%
All Other	2,147.1	1,716.0	4,319.1	101.2%	2.1%	3.9%

the Medicaid federal match rate, and a loss of one-time disaster assistance received in 2011-2012 for May 2010 flood relief. The decline in federal funding for TANF/AFDC in 2012-2013 is because of the expiration of TANF supplemental grants.

This additional funding is the result of an increase in the Medicaid match rate approved by the Centers for Medicare and Medicaid Services and an additional match rate adjustment included in the U.S. economic recovery act. However, because the additional Recovery Act funding for Medicaid ended on June 30, 2011, federal funding for Medicaid will decline by \$644 million from 2010-2011 to 2011-2012 and an additional \$98 million from 2011-2012 to 2012-2013. Although total federal aid has increased in constant dollars by 239 percent from 1979-80 to 2012-2013, the 781.6 percent real growth in the Medicaid program is accompanied by real growth of only 101.2 percent in federal aid for all other state

As shown in Figure 1, not until 1992-93 does "all other" federal aid, excluding Medicaid, TANF/AFDC grants, and Food Stamps, return to the real-dollar level available to the state in 1979-80. Reflecting recent domestic initiatives, the growth rate for this federal aid category had steadily increased through 2007-2008, in spite of federal budget-balancing efforts, and then spiked sharply upward through 2010-2011 because of the economic recovery aid. In 2012-2013, all other federal aid, excluding Food Stamps, Medicaid, and TANF/AFDC, shows a 15.0 percent constant-dollar decrease compared with 2011-2012. This is because of a decrease in non-recurring economic recovery aid.

Over the 33-year period, Medicaid, the major federal entitlement program in the state budget, has had real growth well



programs, excluding Food Stamps and TANF/AFDC. A constant dollar increase of 208.9 percent in federal aid for the Food Stamps program since 1979-80 is related to recent trends in caseload and inflation and additional funding received as a result of the U.S. economic recovery act. TANF/AFDC had a constant dollar decrease of 37.9 percent, primarily as a result of the expiration of the state's Families First waiver and the ending of economic recovery act programs.

Over the 33 years, as shown in Table 1, real growth for all federal aid to state programs has averaged 3.8 percent per year. This growth above the rate of inflation has been led by the 6.8 percent annual-average real growth in the Medicaid program; Food Stamps increased 3.5 percent; all other federal aid, 2.1 percent; and TANF/AFDC decreased by 1.4 percent on an annual-average basis.

Over the last 24 years of the period, from 1988-89 through 2012-2013, real growth in total federal aid has increased above the longer-term growth rates. Total federal aid to state programs has grown at a 24-year annual-average rate of 5.1 percent. Real growth in this period has averaged 6.2 percent per year for Medicaid, 5.9 percent in Food Stamps, and TANF/AFDC decreased by 1.8 percent. All other federal aid has grown at a real-dollar rate of 3.9 percent per year.

The 2012-2013 decrease in the Medicaid match rate will result in increased state costs for federal mandates (Figure 2). Medicaid accounts for 70.8 percent of the \$375.5 million state mandate cost in the 2012-2013 fiscal year. The longer-term federal funding for mandated Medicaid expansions is accompanied by significant state costs, which are identified in detail below.

While federal aid as a percentage of discretionary program funding has declined in the state budget since 1979-80, federal legislation in the late 1980s, early 1990s, and mid-2000s has imposed increasingly costly mandates on state government. By fiscal year 2012-2013, provisions imposed since 1986-87 will cost \$375.5 million per

year in recurring state appropriations from general fund tax sources. The cumulative state cost in 2010-2011 is \$382.6 million and in 2011-2012 is \$371.5 million. Figure 2 illustrates the annual recurring state cost, from general fund tax sources, of new federal mandates beginning in fiscal year 1986-87.

Costly major Medicaid mandates imposed since 1986-87 (Figure 3) are expanded services under the 1988 catastrophic health care law; coverage of children aged one through 18 under 1989 and 1990 laws; payment of premiums and deductibles for poor Medicare clients under a 1990 law; Medicare premium increases beginning in 2002-2003; Medicare cost sharing affecting the state beginning in 2005-2006; the application of existing

Figure 3  
**Medicaid Mandates**

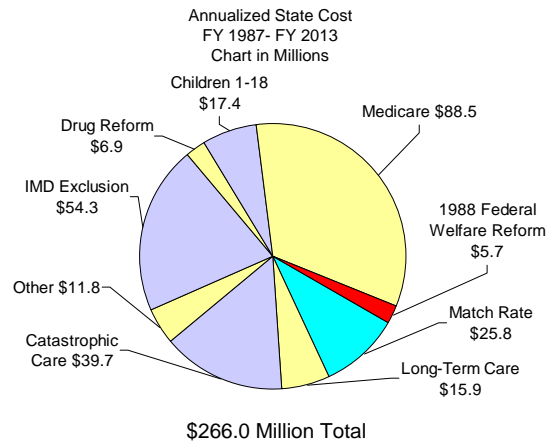
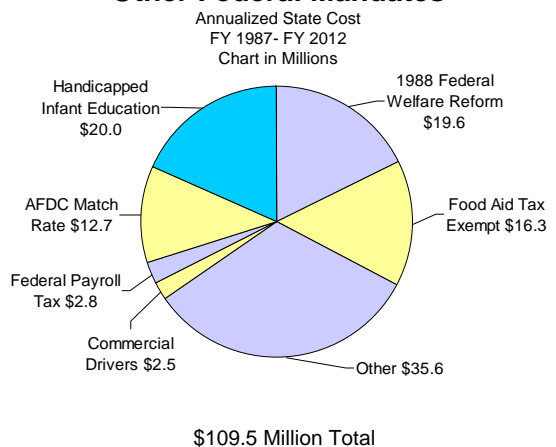


Figure 4  
**Other Federal Mandates**



Medicaid long-term care eligibility criteria under the 2010 U.S. health reform law; Medicare drug formulary changes affecting state intellectual disabilities facilities; increases in the state Medicaid match rate as personal income increases; expansion of Medicaid eligibility under the 1988 federal welfare reform law; drug purchasing reform under a 1990 law; and the loss of federal funds matching institute for the mentally diseased (IMD) expenditures for acute inpatients aged 21 to 64. Other Medicaid mandates include the 1988 nursing home reform initiative and the expansion of the child disability standard under the 1990 "Zebley" court ruling on supplemental security income regulations; and increase in the minimum wage for the nursing home program under a 1989 law.

Major federal mandates imposed in other programs since fiscal year 1986-87 (Figure 4) include expansion of AFDC eligibility and support services under the

1988 federal welfare reform law; exemption from the sales tax of food stamps and supplemental foods for women, infants, and children; increases in the state match rate for the former AFDC program; intervention services for handicapped infants and toddlers and academic testing in the K-12 education system; extensions of federal social security and Medicare payroll taxes under the 1990 federal budget act; national standards under the commercial drivers license law; and other items of lesser fiscal impact affecting several state agencies.

For purposes of this analysis, the term "federal mandates" is limited to provisions of federal law or regulation which require state government implementation, without option to the state. This includes mandatory new programs, changes in existing federal programs, and increases in state financial participation in jointly funded federal programs resulting from decreases in federal match rates.

# Tennessee Economic Overview

Recommended Budget, Fiscal Year 2012 – 2013

*Tennessee's fiscal environment depends on economic conditions that influence both the expenditure and revenue sides of the state budget. The Center for Business and Economic Research at the University of Tennessee prepared this summary of current economic conditions and expectations for short-term economic growth in Tennessee and the nation. For additional information, see the most recent edition of "An Economic Report to the Governor of the State of Tennessee."*

There was considerable optimism at the opening of 2011 with expectations of strong economic growth for the year. These expectations were dashed by a series of events beginning with the earthquake and tsunami in Japan which had global implications for the transportation equipment supply chain. Other events over the course of the year — including the ongoing European sovereign debt crisis — together conspired to produce only weak economic growth for the nation and Tennessee. However, as the year came to a close there were more and more signs of an economy that was showing stronger growth tendencies. Unemployment rates were drifting down, housing sales showed some upward movement from their trough and automobile sales began a meaningful rebound. Building on this momentum, the economic climate is expected to show slow and steady improvement in 2012 and 2013. This growth will help restore state tax collections and reduce some of the pressures on the expenditure side of the budget. The discussion that follows provides additional background on current economic conditions and the economic outlook for the state and nation to help frame the state's fiscal outlook for the upcoming fiscal year.

For more information on the economic outlook for the U.S and Tennessee, see *An Annual Report to the Governor of the State of Tennessee*.

## **Recent Economic Conditions**

The national economy closed out 2011 with 3.4 percent growth in Gross Domestic Product (GDP) in the fourth quarter, the best showing of the year.

Other goods news included the December unemployment rate which dipped to 8.5 percent from 8.7 percent in the previous month, the creation of 200,000 jobs and a rise in consumer

confidence. There was also improvement in home sales in the final quarter of the year. While the gains were meager, this may nonetheless signal the long-awaited turnaround in the single-family housing market. The domestic economic gains were realized despite global weaknesses centered around the Eurozone.

The Tennessee economy also enjoyed some important improvements as the year came to a close. November's employment report showed the state unemployment rate falling to 9.1 percent compared to 9.4 percent a year earlier. The number of people holding a job increased and the number of people unemployed and actively seeking employment fell for the month. On a year-over-year basis, nonfarm employment was up 1.3 percent and manufacturing jobs advanced 1.8 percent. On a quarterly basis expectations call for year-over-year job growth of 1.4 percent in the fourth quarter of 2011. If realized, this would be the strongest showing dating back to before the onset of the Great Recession. These figures are especially encouraging in light of the 5.6 percent and 0.3 percent job setbacks seen in 2009 and 2010.

## **Short-Term Economic Outlook**

The Great Recession technically came to a close in the summer of 2009. This represented the *trough* of the longest and deepest recession in modern history. Post-recession growth has been anemic because of the depth of the recession and its roots in the financial and housing markets. Domestic financial markets have now stabilized as has the residential housing market. The economy is now poised to begin its recovery in earnest. External forces, most notably the debt crisis in Europe, will continue to weigh heavily on the economy through 2012. But there appears to be sufficient momentum to keep the domestic economy on course and support modest, steady growth for the next two years.

Inflation-adjusted GDP is expected to grow 2.0 percent this year compared to 1.8 percent growth for 2011. Consumer spending on durable goods (especially automobiles), business investment in computer hardware, software and equipment, and residential fixed investment and housing starts will be prime contributors to



economic growth. Exports will remain reasonably strong with growth of 4.0 percent, but below par because of weak global economic growth prospects. Retrenchment in government spending and anemic business investment in structures will be drags on growth. Payroll employment should advance 1.2 percent, the best performance since 2006. The nation's unemployment rate should fall to an annualized rate of 8.8 percent for the year. Economic growth in 2013 is expected to be marginally better than 2012, with GDP growing 2.4 percent and payroll employment advancing 1.6 percent.

Tennessee will ride on the coattails of stronger nationwide growth over the short-term

outlook horizon. Nonfarm employment should be up 1.3 percent in 2012 and 1.6 percent in 2013, improving on the 1.0 percent rate of growth seen in 2011. Notably, the state's manufacturing sector will see job growth of 1.5 percent in 2012 with growth decelerating to 1.2 percent in the following year. Durable goods manufacturing will enjoy especially strong near-term growth in part because of the rebound in automotive parts manufacture and automobile assembly. The state unemployment rate will drift down over the course of 2012 and 2013. On a fiscal year basis, personal income should be up 4.3 percent in 2011-2012 and up 4.9 percent in 2012-2013.

*Article provided by the Center for Business and Economic Research, University of Tennessee at Knoxville.*

# Tennessee Characteristics

## Population<sup>1</sup>

	<u>2000</u>	<u>2005</u>	<u>2010</u>
Total Population (April 1, July 1, April 1)	5,689,283	5,995,748	6,346,105

## Population by Grand Division

East Tennessee	2,108,135	2,212,065	2,327,544
Middle Tennessee	2,081,346	2,260,137	2,455,911
West Tennessee	1,499,802	1,523,546	1,562,650

## Metropolitan Statistical Area Population

Chattanooga, TN-GA	<u>476,531</u>	<u>502,842</u>	<u>528,143</u>
Tennessee Portion	347,042	364,149	378,812
Georgia Portion	129,489	138,693	149,331
Clarksville, TN-KY	<u>232,000</u>	<u>251,845</u>	<u>273,949</u>
Tennessee Portion	147,138	160,659	185,655
Kentucky Portion	84,862	91,186	88,294
Cleveland, TN	104,015	108,013	115,788
Jackson, TN	107,377	110,772	115,425
Johnson City, TN	181,607	188,888	198,716
Kingsport-Bristol, TN - Bristol, VA	<u>298,484</u>	<u>300,078</u>	<u>309,544</u>
Tennessee Portion	206,611	207,941	213,656
Virginia Portion	91,873	92,137	95,888
Knoxville, TN	616,079	658,316	698,030
Memphis, TN-MS-AR	<u>1,205,204</u>	<u>1,261,429</u>	<u>1,316,100</u>
Tennessee Portion	977,549	1,001,613	1,027,138
Arkansas Portion	50,866	51,471	50,902
Mississippi Portion	176,789	208,345	238,060
Morristown, TN	123,081	130,104	136,608
Nashville-Davidson - Murfreesboro - Franklin, TN	1,311,789	1,450,538	1,589,934
Total Tennessee Metropolitan Statistical Area Population	4,122,288	4,380,993	4,659,762
Total Tennessee Non-Metropolitan Population	1,566,995	1,614,755	1,686,343

## Demographic Characteristics<sup>1</sup>

### Percent of Population by Age Group

Under Age 5	6.6%	6.7%	6.4%
Age 5 to 17	18.0%	17.1%	17.1%
Age 18 to 24	9.6%	9.0%	9.6%
Age 25 to 64	53.4%	55.0%	53.4%
Age 65 and Older	12.4%	12.2%	13.5%

### Percent of Population by Race

White	80.2%	79.6%	77.5%
Black or African American	16.4%	16.4%	16.7%
American Indian and Alaska Native	0.3%	0.3%	0.3%
Asian and Pacific Islander	1.0%	1.3%	1.5%
Other	2.1%	2.4%	4.0%

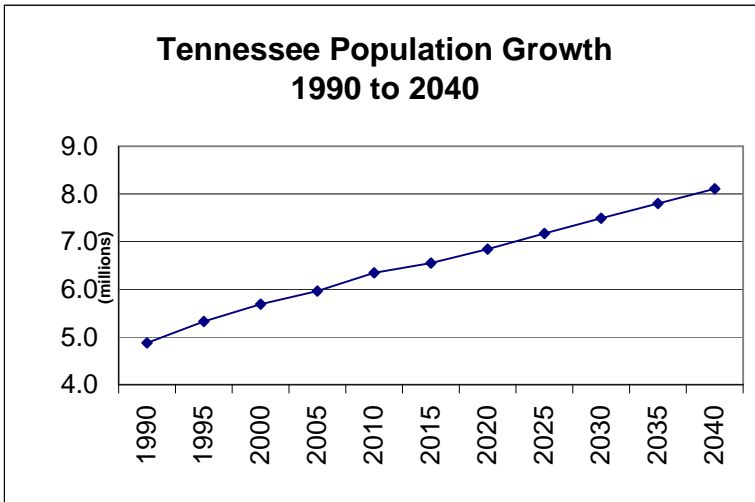
### Hispanic Population (Percent of Total Population)

2.2%	3.0%	4.6%
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### Place of Birth of Tennessee Residents (April 1, July 1, July 1)

Born in Tennessee	64.7%	62.5%	61.0%
Born in Another State	31.9%	33.1%	33.7%
Born Outside the United States	0.6%	0.6%	0.8%
Born in a Foreign County	2.8%	3.8%	4.5%
Naturalized Citizen	0.9%	1.2%	1.5%
Not a Citizen	1.9%	2.6%	3.0%

## Tennessee Population 1990 to 2040<sup>2</sup>



Year	Population
1990	4,877,203
1995	5,326,936
2000	5,689,283
2005	5,962,959
2010	6,346,105
2015	6,550,864
2020	6,841,868
2025	7,170,238
2030	7,489,809
2035	7,798,948
2040	8,106,583

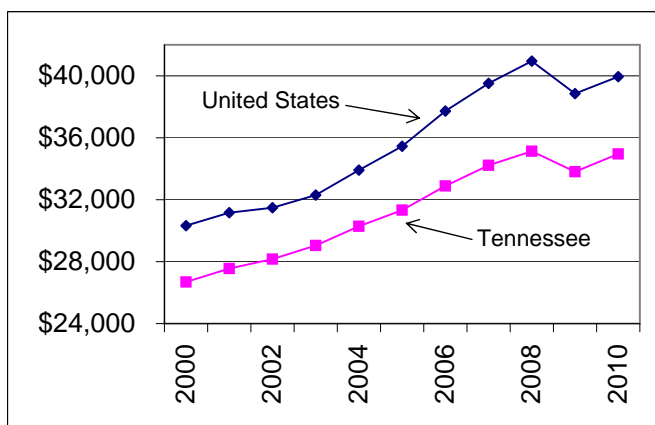
### Education Characteristics

	1999-2000	2004-2005	2009-2010
<b>Public School Enrollment and Expenditures<sup>3</sup></b>			
Total Number of Public Schools	1,611	1,693	1,746
Total K-12 Public School Average Daily Attendance (ADA)	842,733	867,134	894,764
Total Operating Expenditures (in thousands)	\$ 4,885,072	\$ 6,387,036	\$ 7,849,989
Public School Per Pupil Expenditures (based on ADA)	\$ 5,794	\$ 7,366	\$ 8,773
	<b>2000</b>	<b>2005</b>	<b>2010</b>
<b>Educational Attainment<sup>4</sup></b>			
Population 25 Years and Over			
Less Than 9th Grade	9.6%	7.0%	6.3%
9th to 12th Grade, No Diploma	14.5%	11.8%	10.1%
High school Graduate (includes equivalency)	31.6%	34.5%	33.5%
Some College, No Degree	20.0%	19.3%	20.8%
Associate Degree	4.7%	5.6%	6.2%
Bachelor's Degree	12.8%	14.1%	14.6%
Graduate or Professional Degree	6.8%	7.7%	8.5%
Percent High School Graduate or Higher			
United States	80.4%	84.2%	85.6%
Tennessee	75.9%	81.2%	83.6%
Percent Bachelor's Degree or Higher			
United States	24.4%	27.2%	28.2%
Tennessee	19.6%	21.8%	23.1%

### Income and Poverty<sup>5</sup>

	2000	2005	2010
Tennessee's Per Capita Income as a Percent of the U.S.	88.0%	88.4%	87.5%
Tennessee's Rank in U.S. by Per Capita Income	35	37	37

## Tennessee and United States Per Capita Income <sup>5</sup>



Year	United States	Tennessee
2000	\$ 30,319	\$ 26,689
2001	31,157	27,551
2002	31,481	28,162
2003	32,295	29,041
2004	33,909	30,285
2005	35,452	31,327
2006	37,725	32,885
2007	39,506	34,221
2008	40,947	35,126
2009	38,846	33,802
2010	39,945	34,955

Percent Change 2000-2010	United States	Tennessee
	31.7%	31.0%

### Percent of Population Below Poverty <sup>6</sup>

	1999	2005	2010
United States	12.4%	13.3%	15.3%
Tennessee	13.5%	15.5%	17.7%

## Tennessee Gross Domestic Product <sup>7</sup>

	2000	2005	2010
<b>Gross Domestic Product - Percent by Industry</b>			
Private industries	89.0%	88.5%	87.9%
Agriculture, Forestry, Fishing, and Hunting	0.6%	0.6%	0.6%
Mining	0.3%	0.2%	0.1%
Utilities	0.6%	0.6%	0.7%
Construction	4.8%	4.1%	2.9%
Manufacturing	18.5%	17.5%	15.6%
Durable Goods	10.6%	10.9%	9.1%
Nondurable Goods	7.9%	6.6%	6.5%
Wholesale Trade	7.1%	6.7%	6.3%
Retail Trade	8.4%	8.1%	7.6%
Transportation and Warehousing, Excluding Postal Service	5.1%	5.2%	4.7%
Information	2.7%	3.3%	3.2%
Finance and Insurance	6.0%	6.0%	6.7%
Real Estate and Rental and Leasing	10.3%	9.5%	10.2%
Professional and Technical Services	4.5%	5.3%	5.9%
Management of Companies and Enterprises	0.9%	0.9%	1.2%
Administrative and Waste Services	3.8%	4.1%	4.2%
Educational Services	0.8%	1.0%	1.0%
Health Care and Social Assistance	7.2%	8.0%	9.9%
Arts, Entertainment, and Recreation	0.9%	1.0%	1.0%
Accommodation and Food Services	3.3%	3.4%	3.1%
Other Services, Except Government	3.2%	3.0%	2.8%
Government	11.0%	11.5%	12.1%
<b>Gross Domestic Product (millions)</b>			
United States	\$ 9,884,171	\$ 12,554,538	\$ 14,551,782
Tennessee	\$ 177,582	\$ 224,522	\$ 254,806
Tennessee as a Percent of U.S.	1.80%	1.79%	1.75%
Tennessee's Rank in U.S.	20	18	20

## Civilian Labor Force <sup>8</sup>

	2000	2005	2010
<b>Civilian Labor Force</b>	2,871,500	2,942,300	3,056,700
Employment	2,756,500	2,778,500	2,759,200
Unemployment	115,000	163,800	297,500
Unemployment Rate	4.0%	5.6%	9.7%

## Employment by Industry <sup>8</sup>

	2000	2005	2010
<b>Non-Farm Employment - Percent by Industry</b>			
Goods Producing	22.7%	19.5%	15.4%
Natural Resources, Mining, & Construction	4.8%	4.6%	4.0%
Manufacturing	17.9%	14.9%	11.4%
Durable Goods	11.0%	9.3%	6.7%
Non-Durable Goods	6.9%	5.6%	4.7%
Service Providing	77.3%	80.5%	84.6%
Trade, Transportation, & Utilities	21.5%	21.8%	21.2%
Wholesale Trade	4.8%	4.8%	4.5%
Retail Trade	11.6%	11.8%	11.7%
Transportation, Warehousing, & Utilities	5.1%	5.2%	5.0%
Information	2.0%	1.8%	1.7%
Financial Activities	5.1%	5.2%	5.3%
Professional & Business Services	11.0%	11.4%	11.7%
Educational & Health Services	10.2%	12.0%	14.3%
Leisure & Hospitality	8.6%	9.5%	10.0%
Other Services	4.3%	3.7%	3.9%
Government	14.6%	15.1%	16.5%
Federal	2.0%	1.8%	2.0%
State & Local	12.6%	13.3%	14.5%

## Physical Characteristics <sup>9</sup>

Total Area	42,145 Square Miles
Land Area	41,235 Square Miles
Water Area	910 Square Miles
Highest Elevation (Clingmans Dome)	6,643 Feet

<sup>1</sup> Source: U.S. Bureau of the Census, April 1 data from the 2000 and 2010 Census. July 1 data from the 2005 and 2010 American Community Survey.

<sup>2</sup> Source: U.S. Bureau of the Census for 1990, 1995, 2000, 2005 and 2010; University of Tennessee, Center for Business and Economic Research for 2015 through 2040.

<sup>3</sup> Source: Tennessee Department of Education, *Annual Statistical Report*.

<sup>4</sup> Source: U.S. Bureau of the Census, American Community Survey.

<sup>5</sup> Source: U.S. Bureau of Economic Analysis.

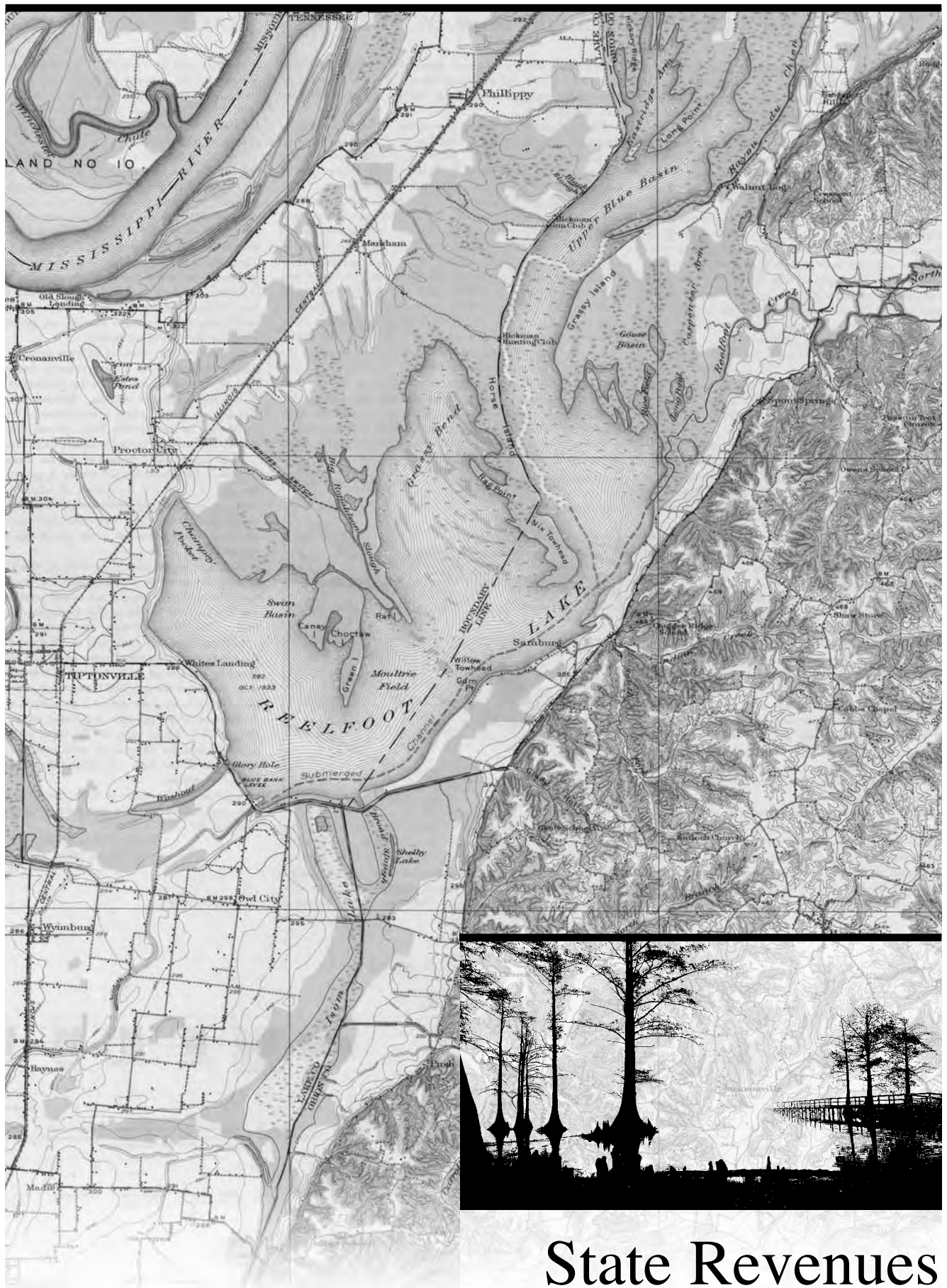
<sup>6</sup> Source: U.S. Bureau of the Census, 2000 Census, and 2005 and 2010 American Community Survey.

<sup>7</sup> Source: U.S. Bureau of Economic Analysis.

<sup>8</sup> Source: Tennessee Department of Labor and Work Force Development.

<sup>9</sup> Source: U.S. Bureau of the Census, *Statistical Abstract of the United States*.





# State Revenues





# State Revenues



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# State Tax Revenues

## Introduction

Recommended Budget, Fiscal Year 2012-2013

The revenues necessary to finance state government are collected from a variety of sources. The primary source of funding for state expenditures is appropriation from general revenues. General revenues are proceeds from taxes, licenses, fees, fines, forfeitures, and other imposts laid specifically by law.

The revenue estimating process generally starts twelve months before a fiscal year begins. Revenue collections are tracked on a monthly basis, and this information, along with specific long-run forecasts of individual sectors of the economy, is used to form the basis for the next fiscal year's estimated revenue collections.

Preliminary estimates are supplied to the Department of Finance and Administration in mid-summer by the Department of Revenue and the University of Tennessee Center for Business and Economic Research. Tax estimates are recalculated in October and November and refined in December and January for inclusion in the Governor's Budget Document.

Sales tax estimates are based on estimated retail sales activity, which is provided by the Center for Business and Economic Research. Corporate excise tax estimates are made as late as possible in the year to take advantage of the latest available corporate profit forecasts for the nation and the October state tax returns filed with the Department of Revenue, which provide information useful in projecting quarterly estimated corporate tax payments through the next year.

Estimates for selective excise taxes are commonly based on long-run consumption trends for the selectively-taxed items: cigarettes, gasoline, beer, and alcoholic beverages. Long-run trend analysis is also used as a basis for projecting corporate excise and franchise tax collections and Tennessee Valley Authority in lieu of tax payments.

Motor vehicle fuel (primarily diesel fuel) taxes and motor vehicle registration fees are

estimated conservatively, given their sensitivity to business cycles (especially the truck-related components of both taxes).

The revenue estimating process in Tennessee incorporates the "Good Practices in Revenue Estimating" endorsed by the National Association of State Budget Officers and the Federation of Tax Administrators. This requires using national and state economic forecasts, developing an official revenue estimate, monitoring and monthly reporting on revenue collections, and revising estimates when appropriate.

Tennessee Code Annotated (TCA) 9-4-5104, 5105, 5106, and 5202 specify the manner in which tax revenue estimates are prepared and transmitted to the General Assembly in the Budget Document.

The Commissioner of Finance and Administration prepares revenue estimates based on advice from economists, his own staff, the Department of Revenue, and the State Funding Board. The Funding Board, which is composed of the Governor, the Commissioner of Finance and Administration, the Comptroller, the State Treasurer, and the Secretary of State, is assisted in preparing its range of revenue growth estimates by economists from the state's universities, the executive director of the Fiscal Review Committee, and staff of the Department of Finance and Administration, Department of Revenue, and the Treasurer's Office. The Funding Board prepares and recommends a range of revenue growth estimates using the information provided by the economists, the executive director of the Fiscal Review Committee, and staff.

The Funding Board's review and recommendations concern only the taxes collected by the Department of Revenue. The growth estimates provide a basis for the tax revenue estimates that are used in preparing the Budget. However, recommendation of revenue estimates in the Budget is the responsibility of the Governor and Commissioner of Finance and Administration.

The State Funding Board's most recent letter

notifying the Governor and the chairmen of the Senate and House Finance, Ways and Means committees of its revenue growth estimates is included in the following subsection entitled “State Funding Board, Range of Tax Revenue Estimates.” This letter states the economic assumptions affecting the Funding Board’s recommendations. A more detailed economic overview is presented in the “Budget Overview” section of the Budget Document.

The tax revenue estimates recommended in the Budget Document are shown in a following subsection entitled “Comparison Statement of State Revenues.” These taxes include not only the taxes collected by the Department of Revenue (the major taxes), but also those collected and deposited to the General Fund by some other line agencies in conjunction with carrying out their programs. In the revenue estimate charts, the latter are shown by collecting agency and are subtotaled as “other state revenue.”

Following the chart comparing taxes for the three fiscal years, three charts are included to show the collections distributed by fund. The funds on the distribution charts, for Budget Document presentation, are General Fund, Education (Trust) Fund, Highway (Transportation) Fund, Debt Service Fund, and Cities and Counties (Local Government) Fund. (For information about the inclusion of certain Special Revenue Fund taxes and fees in the General Fund estimates, see the “Basis of Budgeting and Accounting” subsection entitled “Budget Process and History.”)

Following the four tax revenue estimate charts is a chart detailing the revenues of regulatory boards, with the collections and estimates listed by board. This is a supporting schedule to the “Comparison Statement of State Revenues” charts, on which single lines for regulatory board fees appear.

In addition to the general revenues detailed in this section, other revenues are collected by

departments, institutions, and agencies and are appropriated directly to them. These are called departmental revenues. In the Budget Document, these departmental revenues are estimated by program and are shown as federal revenue, other revenue (or, sometimes, current services and other revenue), and tuition and fees. The term “other revenue” includes interdepartmental revenue, current services revenue, non-governmental revenue, and revenue from cities and counties. These various departmental revenues consist of earnings and charges for goods and services; student tuition and fees in the higher education system; and donations, contributions, and grants-in-aid from the federal government, political subdivisions, foundations, corporations, and individuals. In a few cases, the other departmental revenues also include reserves from revolving funds or from the unencumbered balance and capital outlay (major maintenance) reserves, in instances in which specific legal authority to carry such funds forward exists. The departmental revenues are reflected in each department’s budget as operating revenue.

Information presented in the subsection entitled “Revenue Sources and Basis of Apportionment” outlines the general tax revenues by collecting agency, along with TCA citations on the rate and source of the revenue and the basis of apportionment among funds and agencies, based on current law.

The tax revenue estimates proposed in this Budget are provided in the following subsection entitled “Comparison Statement of State Revenues.” The distribution of taxes among the funds on these charts is as provided by law as it existed last year for 2010-2011 actual revenue and as it exists currently for 2011-2012 and 2012-2013 estimates.

Following that subsection is a subsection detailing so-called tax expenditures, which reports on major tax exemptions provided by law.

# **Comparison Statement of State Revenues**

**Estimated  
July 1, 2010 – June 30, 2013**

**Comparison Statement of State Revenues**  
**Actual and Estimated July 1, 2010 - June 30, 2013**

**SOURCE OF REVENUE**

Department of Revenue	Actual 2010-2011	Estimated 2011-2012	Estimated 2012-2013	Percent Required
Sales and Use Tax	\$ 6,493,952,000	\$ 6,797,000,000	\$ 7,069,100,000	4.00%
Gasoline Tax	624,276,300	619,600,000	622,100,000	0.40%
Motor Fuel Tax	158,409,300	163,000,000	169,100,000	3.74%
Gasoline Inspection Tax	63,698,200	64,400,000	65,000,000	0.93%
Motor Vehicle Registration Tax	243,312,600	252,200,000	257,300,000	2.02%
Income Tax	184,114,000	197,000,000	215,000,000	9.14%
Privilege Tax	225,869,200	237,200,000	240,300,000	1.31%
Gross Receipts Tax - TVA	320,959,900	345,000,000	351,900,000	2.00%
Gross Receipts Tax - Other	19,170,900	28,100,000	28,100,000	0.00%
Beer Tax	17,995,900	18,000,000	18,400,000	2.22%
Alcoholic Beverage Tax	47,569,100	50,000,000	52,000,000	4.00%
Franchise Tax	467,289,700	661,900,000	689,100,000	4.11%
Excise Tax	1,112,885,000	990,800,000	1,031,600,000	4.12%
Inheritance and Estate Tax	111,618,300	100,200,000	98,600,000	-1.60%
Tobacco Tax	289,695,000	286,800,000	286,800,000	0.00%
Motor Vehicle Title Fees	11,052,400	11,500,000	11,800,000	2.61%
Mixed Drink Tax	57,569,300	61,000,000	64,000,000	4.92%
Business Tax	121,900,400	129,200,000	134,400,000	4.02%
Severance Tax	2,171,800	2,200,000	2,200,000	0.00%
Coin-operated Amusement Tax	250,500	300,000	300,000	0.00%
Unauthorized Substance Tax	(457,600)	0	0	NA
<b>Sub-Total Department of Revenue</b>	<b>\$ 10,573,302,200</b>	<b>\$ 11,015,400,000</b>	<b>\$ 11,407,100,000</b>	<b>3.56%</b>
<b>Other State Revenue</b>				
Dept. of Commerce and Insurance	\$ 723,003,100	\$ 672,600,000	\$ 672,600,000	0.00%
E-911 Emergency Communications	59,465,100	61,100,000	63,100,000	3.27%
Dept. of Financial Institutions	6,021,000	8,700,000	8,700,000	0.00%
Wildlife Resources Agency	43,268,100	48,000,000	48,700,000	1.46%
Dept. of Agriculture	7,767,300	7,000,000	8,300,000	18.57%
Regulatory Board Fees	38,321,900	36,900,000	36,600,000	-0.81%
Tennessee Regulatory Authority	7,509,600	7,800,000	7,400,000	-5.13%
Secretary of State	32,329,900	31,000,000	31,000,000	0.00%
Dept. of Safety	33,008,900	34,800,000	34,800,000	0.00%
Dept. of Revenue	7,196,600	6,200,000	6,200,000	0.00%
State Treasurer	3,936,400	4,000,000	4,000,000	0.00%
Dept. of Education	1,446,400	1,700,000	1,700,000	0.00%
Dept. of Health	11,795,800	14,300,000	14,300,000	0.00%
Dept. of Environment and Conservation	55,988,800	72,800,000	77,900,000	7.01%
Miscellaneous Revenue	81,665,700	52,900,000	56,600,000	6.99%
Nursing Home Tax	97,544,700	97,300,000	97,300,000	0.00%
Hospital Coverage Assessment	349,301,400	449,800,000	449,800,000	0.00%
<b>Sub-Total Other State Revenue</b>	<b>\$ 1,559,570,700</b>	<b>\$ 1,606,900,000</b>	<b>\$ 1,619,000,000</b>	<b>0.75%</b>
<b>Total State Revenue</b>	<b>\$ 12,132,872,900</b>	<b>\$ 12,622,300,000</b>	<b>\$ 13,026,100,000</b>	<b>3.20%</b>

**Distribution of Actual Revenue by Fund  
Fiscal Year 2010-2011**

**SOURCE OF REVENUE**

Department of Revenue	Total Revenue	General Fund	Education Fund	Highway Fund	Debt Service Fund	Cities & Counties *
Sales and Use Tax *	\$ 6,493,952,000	\$2,380,812,400	\$3,731,556,000	\$ 66,983,600	\$ 46,027,300	\$ 268,572,700
Gasoline Tax	624,276,300	9,740,900	0	267,539,700	108,200,000	238,795,700
Motor Fuel Tax	158,409,300	2,998,300	0	113,683,700	0	41,727,300
Gasoline Inspection Tax	63,698,200	18,513,600	0	33,167,600	0	12,017,000
Motor Vehicle Registration Tax	243,312,600	42,897,000	90,600	200,325,000	0	0
Income Tax	184,114,000	123,426,200	0	0	0	60,687,800
Privilege Tax	225,869,200	220,484,200	128,300	0	0	5,256,700
Gross Receipts Tax - TVA	320,959,900	178,104,300	0	0	0	142,855,600
Gross Receipts Tax - Other	19,170,900	16,704,100	0	2,466,800	0	0
Beer Tax	17,995,900	12,157,900	0	2,280,500	0	3,557,500
Alcoholic Beverage Tax	47,569,100	39,400,300	0	0	0	8,168,800
Franchise Tax	467,289,700	449,289,700	0	0	18,000,000	0
Excise Tax	1,112,885,000	897,614,900	0	0	205,972,700	9,297,400
Inheritance and Estate Tax	111,618,300	111,618,300	0	0	0	0
Tobacco Tax	289,695,000	19,628,400	270,066,600	0	0	0
Motor Vehicle Title Fees	11,052,400	8,352,400	0	0	2,700,000	0
Mixed Drink Tax	57,569,300	0	29,129,900	0	0	28,439,400
Business Tax	121,900,400	121,900,400	0	0	0	0
Severance Tax	2,171,800	1,031,700	0	0	0	1,140,100
Coin-operated Amusement Tax	250,500	250,500	0	0	0	0
Unauthorized Substance Tax	(457,600)	(457,600)	0	0	0	0
<b>Sub-Total Department of Revenue</b>	<b>\$ 10,573,302,200</b>	<b>\$4,654,467,900</b>	<b>\$4,030,971,400</b>	<b>\$ 686,446,900</b>	<b>\$ 380,900,000</b>	<b>\$ 820,516,000</b>
<b>Other State Revenue</b>						
Dept. of Commerce and Insurance	\$ 723,003,100	\$ 723,003,100	\$ 0	\$ 0	\$ 0	\$ 0
E-911 Emergency Communications	59,465,100	59,465,100	0	0	0	0
Dept. of Financial Institutions	6,021,000	6,021,000	0	0	0	0
Wildlife Resources Agency	43,268,100	43,268,100	0	0	0	0
Dept. of Agriculture	7,767,300	7,767,300	0	0	0	0
Regulatory Board Fees	38,321,900	38,321,900	0	0	0	0
Tennessee Regulatory Authority	7,509,600	7,509,600	0	0	0	0
Secretary of State	32,329,900	32,329,900	0	0	0	0
Dept. of Safety	33,008,900	33,008,900	0	0	0	0
Dept. of Revenue	7,196,600	7,196,600	0	0	0	0
State Treasurer	3,936,400	3,936,400	0	0	0	0
Dept. of Education	1,446,400	0	1,446,400	0	0	0
Dept. of Health	11,795,800	11,795,800	0	0	0	0
Dept. of Environment and Conservation	55,988,800	55,988,800	0	0	0	0
Miscellaneous Revenue	81,665,700	81,665,700	0	0	0	0
Nursing Home Tax	97,544,700	97,544,700	0	0	0	0
Hospital Coverage Assessment	349,301,400	349,301,400	0	0	0	0
<b>Sub-Total Other State Revenue</b>	<b>\$ 1,559,570,700</b>	<b>\$1,558,124,300</b>	<b>\$ 1,446,400</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total State Revenue</b>	<b>\$ 12,132,872,900</b>	<b>\$6,212,592,200</b>	<b>\$4,032,417,800</b>	<b>\$ 686,446,900</b>	<b>\$ 380,900,000</b>	<b>\$ 820,516,000</b>

\* Sales and Use Tax - Amount apportioned above from general fund share into cities and counties state shared taxes:

County Revenue Partnership Fund	\$	0	\$	(400,000)	\$	400,000
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**Distribution of Revised Estimated Revenue by Fund  
Fiscal Year 2011-2012**

**SOURCE OF REVENUE**

Department of Revenue	Total Revenue	General Fund	Education Fund	Highway Fund	Debt Service Fund	Cities & Counties *
Sales and Use Tax *	\$ 6,797,000,000	\$2,502,600,000	\$3,905,700,000	\$ 59,000,000	\$ 48,100,000	\$ 281,600,000
Gasoline Tax	619,600,000	9,700,000	0	265,900,000	107,000,000	237,000,000
Motor Fuel Tax	163,000,000	3,100,000	0	117,000,000	0	42,900,000
Gasoline Inspection Tax	64,400,000	18,800,000	0	33,600,000	0	12,000,000
Motor Vehicle Registration Tax	252,200,000	44,300,000	100,000	207,800,000	0	0
Income Tax	197,000,000	132,100,000	0	0	0	64,900,000
Privilege Tax	237,200,000	231,800,000	100,000	0	0	5,300,000
Gross Receipts Tax - TVA	345,000,000	189,500,000	0	0	0	155,500,000
Gross Receipts Tax - Other	28,100,000	24,500,000	0	3,600,000	0	0
Beer Tax	18,000,000	12,100,000	0	2,300,000	0	3,600,000
Alcoholic Beverage Tax	50,000,000	41,400,000	0	0	0	8,600,000
Franchise Tax	661,900,000	643,900,000	0	0	18,000,000	0
Excise Tax	990,800,000	766,300,000	0	0	215,000,000	9,500,000
Inheritance and Estate Tax	100,200,000	100,200,000	0	0	0	0
Tobacco Tax	286,800,000	21,800,000	265,000,000	0	0	0
Motor Vehicle Title Fees	11,500,000	8,800,000	0	0	2,700,000	0
Mixed Drink Tax	61,000,000	0	30,500,000	0	0	30,500,000
Business Tax	129,200,000	129,200,000	0	0	0	0
Severance Tax	2,200,000	1,000,000	0	0	0	1,200,000
Coin-operated Amusement Tax	300,000	300,000	0	0	0	0
Unauthorized Substance Tax	0	0	0	0	0	0
<b>Sub-Total Department of Revenue</b>	<b>\$ 11,015,400,000</b>	<b>\$4,881,400,000</b>	<b>\$4,201,400,000</b>	<b>\$ 689,200,000</b>	<b>\$ 390,800,000</b>	<b>\$ 852,600,000</b>
<b>Other State Revenue</b>						
Dept. of Commerce and Insurance	\$ 672,600,000	\$ 672,600,000	\$ 0	\$ 0	\$ 0	\$ 0
E-911 Emergency Communications	61,100,000	61,100,000	0	0	0	0
Dept. of Financial Institutions	8,700,000	8,700,000	0	0	0	0
Wildlife Resources Agency	48,000,000	48,000,000	0	0	0	0
Dept. of Agriculture	7,000,000	7,000,000	0	0	0	0
Regulatory Board Fees	36,900,000	36,900,000	0	0	0	0
Tennessee Regulatory Authority	7,800,000	7,800,000	0	0	0	0
Secretary of State	31,000,000	31,000,000	0	0	0	0
Dept. of Safety	34,800,000	34,800,000	0	0	0	0
Dept. of Revenue	6,200,000	6,200,000	0	0	0	0
State Treasurer	4,000,000	4,000,000	0	0	0	0
Dept. of Education	1,700,000	0	1,700,000	0	0	0
Dept. of Health	14,300,000	14,300,000	0	0	0	0
Dept. of Environment and Conservation	72,800,000	72,800,000	0	0	0	0
Miscellaneous Revenue	52,900,000	52,900,000	0	0	0	0
Nursing Home Tax	97,300,000	97,300,000	0	0	0	0
Hospital Coverage Assessment	449,800,000	449,800,000	0	0	0	0
<b>Sub-Total Other State Revenue</b>	<b>\$ 1,606,900,000</b>	<b>\$1,605,200,000</b>	<b>\$ 1,700,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total State Revenue</b>	<b>\$ 12,622,300,000</b>	<b>\$6,486,600,000</b>	<b>\$4,203,100,000</b>	<b>\$ 689,200,000</b>	<b>\$ 390,800,000</b>	<b>\$ 852,600,000</b>

\* Sales and Use Tax - Amount apportioned above from general fund share into cities and counties state shared taxes:

County Revenue Partnership Fund	\$	0	\$ (400,000)	\$	400,000
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**Distribution of Estimated Revenue by Fund  
Fiscal Year 2012-2013**

**SOURCE OF REVENUE**

Department of Revenue	Total Revenue	General Fund	Education Fund	Highway Fund	Debt Service Fund	Cities & Counties *
Sales and Use Tax *	\$ 7,069,100,000	2,605,400,000	\$4,062,000,000	\$ 59,000,000	\$ 50,100,000	\$ 292,600,000
Gasoline Tax	622,100,000	9,700,000	0	267,400,000	107,000,000	238,000,000
Motor Fuel Tax	169,100,000	3,200,000	0	121,400,000	0	44,500,000
Gasoline Inspection Tax	65,000,000	19,000,000	0	34,000,000	0	12,000,000
Motor Vehicle Registration Tax	257,300,000	45,100,000	100,000	212,100,000	0	0
Income Tax	215,000,000	144,200,000	0	0	0	70,800,000
Privilege Tax	240,300,000	234,900,000	100,000	0	0	5,300,000
Gross Receipts Tax - TVA	351,900,000	192,800,000	0	0	0	159,100,000
Gross Receipts Tax - Other	28,100,000	24,500,000	0	3,600,000	0	0
Beer Tax	18,400,000	12,500,000	0	2,300,000	0	3,600,000
Alcoholic Beverage Tax	52,000,000	43,100,000	0	0	0	8,900,000
Franchise Tax	689,100,000	671,100,000	0	0	18,000,000	0
Excise Tax	1,031,600,000	793,000,000	0	0	228,100,000	10,500,000
Inheritance and Estate Tax	98,600,000	98,600,000	0	0	0	0
Tobacco Tax	286,800,000	21,800,000	265,000,000	0	0	0
Motor Vehicle Title Fees	11,800,000	9,100,000	0	0	2,700,000	0
Mixed Drink Tax	64,000,000	0	32,000,000	0	0	32,000,000
Business Tax	134,400,000	134,400,000	0	0	0	0
Severance Tax	2,200,000	1,000,000	0	0	0	1,200,000
Coin-operated Amusement Tax	300,000	300,000	0	0	0	0
Unauthorized Substance Tax	0	0	0	0	0	0
<b>Sub-Total Department of Revenue</b>	<b>\$ 11,407,100,000</b>	<b>\$5,063,700,000</b>	<b>\$4,359,200,000</b>	<b>\$ 699,800,000</b>	<b>\$ 405,900,000</b>	<b>\$ 878,500,000</b>
<b>Other State Revenue</b>						
Dept. of Commerce and Insurance	\$ 672,600,000	\$ 672,600,000	\$ 0	\$ 0	\$ 0	\$ 0
E-911 Emergency Communications	63,100,000	63,100,000	0	0	0	0
Dept. of Financial Institutions	8,700,000	8,700,000	0	0	0	0
Wildlife Resources Agency	48,700,000	48,700,000	0	0	0	0
Dept. of Agriculture	8,300,000	8,300,000	0	0	0	0
Regulatory Board Fees	36,600,000	36,600,000	0	0	0	0
Tennessee Regulatory Authority	7,400,000	7,400,000	0	0	0	0
Secretary of State	31,000,000	31,000,000	0	0	0	0
Dept. of Safety	34,800,000	34,800,000	0	0	0	0
Dept. of Revenue	6,200,000	6,200,000	0	0	0	0
State Treasurer	4,000,000	4,000,000	0	0	0	0
Dept. of Education	1,700,000	0	1,700,000	0	0	0
Dept. of Health	14,300,000	14,300,000	0	0	0	0
Dept. of Environment and Conservation	77,900,000	77,900,000	0	0	0	0
Miscellaneous Revenue	56,600,000	56,600,000	0	0	0	0
Nursing Home Tax	97,300,000	97,300,000	0	0	0	0
Hospital Coverage Assessment	449,800,000	449,800,000	0	0	0	0
<b>Sub-Total Other State Revenue</b>	<b>\$ 1,619,000,000</b>	<b>\$1,617,300,000</b>	<b>\$ 1,700,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total State Revenue</b>	<b>\$ 13,026,100,000</b>	<b>\$6,681,000,000</b>	<b>\$4,360,900,000</b>	<b>\$ 699,800,000</b>	<b>\$ 405,900,000</b>	<b>\$ 878,500,000</b>

\* Sales and Use Tax - Amount apportioned from general fund share into cities and counties state shared taxes:

County Revenue Partnership Fund	\$	0	\$ (400,000)	\$	400,000
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**Statement of Adjustments to Tax Estimates,  
Department of Revenue Taxes  
2011-2012 and 2012-2013**

**Increase / (Decrease)**

	Total	General Fund and Education Fund	Highway Fund	Debt Service Fund	Cities and Counties
<b>I. FY 2011-2012</b>					
Budgeted Estimate at July 1, 2011	\$10,797,900,000	\$ 8,873,200,000	\$ 682,200,000	\$ 390,800,000	\$ 851,700,000
Base Estimate Increase at Mid-Year	217,500,000	209,600,000	7,000,000	-	900,000
<b>Revised Estimate 2011-2012</b>	<b>\$11,015,400,000</b>	<b>\$ 9,082,800,000</b>	<b>\$ 689,200,000</b>	<b>\$ 390,800,000</b>	<b>\$ 852,600,000</b>
<b>II. FY 2012-2013</b>					
2011-2012 Budgeted Estimate	\$10,797,900,000	\$ 8,873,200,000	\$ 682,200,000	\$ 390,800,000	\$ 851,700,000
Revenue Base Increase	217,500,000	209,600,000	7,000,000	-	900,000
2012-2013 Revenue Growth	402,000,000	365,900,000	10,600,000	-	25,500,000
<b>Revised Estimate 2012-2013</b>	<b>\$11,417,400,000</b>	<b>\$ 9,448,700,000</b>	<b>\$ 699,800,000</b>	<b>\$ 390,800,000</b>	<b>\$ 878,100,000</b>
<b>Adjustments:</b>					
Debt Service	\$ -	\$ (15,100,000)	\$ -	\$ 15,100,000	\$ -
* Real Estate Transfer Tax (Privilege Tax)	(8,700,000)	(8,700,000)	-	-	-
2011 Public Chapter 396:					
Sales Tax	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
Hall Income Tax	(1,700,000)	(1,100,000)	-	-	(600,000)
<b>Sub-Total 2011 Public Chapter 396</b>	<b>\$ (1,600,000)</b>	<b>\$ (1,000,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (600,000)</b>
2011 Public Chapter 438 - Excise Tax	-	(1,000,000)	-	-	1,000,000
<b>2012-2013 Budget Document Estimate</b>	<b>\$11,407,100,000</b>	<b>\$ 9,422,900,000</b>	<b>\$ 699,800,000</b>	<b>\$ 405,900,000</b>	<b>\$ 878,500,000</b>

\* 2012-2013 Real Estate Transfer Tax - \$8.7 million is transferred into Other State Revenue Estimates of three agencies for a total estimate of \$17 million for the four land acquisition and soil conservation programs, in accordance with the tax diversion law, which expires at June 30, 2012.

**Comparative Statement of Revenues of Regulatory Boards  
Actual and Estimated July 1, 2010 - June 30, 2013  
To Support Statement of State Revenues**

<b>SOURCE OF REVENUE</b>	<b>Actual 2010-2011</b>	<b>Estimated 2011-2012</b>	<b>Estimated 2012-2013</b>
State Board of Accountancy	\$ 1,120,900	\$ 1,607,500	\$ 1,607,500
State Board of Examiners for Architects and Engineers	1,501,100	2,161,300	2,161,300
Tennessee Auctioneer Commission	243,300	357,400	357,400
Board of Barber Examiners	401,600	525,400	525,400
Tennessee Collection Service Board	393,200	655,400	655,400
Licensing Contractors, Home Improvement, and Interior Designers	2,760,900	2,531,600	2,531,500
State Board of Cosmetology	1,656,400	1,762,500	1,762,500
Board of Funeral Directors and Embalmers	511,700	832,400	832,400
Board of Examiners for Land Surveyors	35,400	290,100	290,100
Board of Alarm Contractors	779,600	773,700	773,700
Private Investigators Licensing and Regulation	208,800	316,700	316,700
Private Protective Services Licensing and Regulation	1,153,500	1,181,200	981,200
Board of Polygraph Examiners	200	0	0
Real Estate Appraiser Commission	603,800	714,400	714,400
Registration of Geologists	146,300	123,400	123,400
Tennessee Real Estate Commission	2,224,600	3,046,700	3,046,700
Tennessee Motor Vehicle Commission	1,849,900	1,341,600	1,342,400
Massage Licensure Board	671,600	627,800	639,800
Employee Leasing	124,000	0	0
Race Track Licensing	2,600	10,600	10,600
Locksmith Licensing Board	85,100	51,100	51,100
Private Probation Registration	138,100	53,800	53,800
Home Inspectors License	50,400	69,300	69,300
Scrap Metal Dealers Registration	132,000	73,200	73,200
<b>Sub-Total: Commerce and Insurance</b>	<b>\$ 16,795,000</b>	<b>\$ 19,107,100</b>	<b>\$ 18,919,800</b>
Board of Chiropractic Examiners	\$ 233,600	\$ 214,500	\$ 212,900
Board of Dentistry	1,578,100	1,301,200	1,286,000
Board of Dietitian / Nutritionist Examiners	72,600	58,900	57,500
Board of Dispensing Opticians	126,000	89,700	88,900
State Board of Electrolysis Examiners	20,400	16,700	16,600
Council for Licensing Hearing Instrument Specialists	50,800	44,000	43,900
Board of Social Worker Certification and Licensure	573,500	237,500	231,600
Board of Medical Examiners	3,018,300	2,527,500	2,503,800
Tennessee Medical Laboratory Board	668,100	597,600	591,100
Board of Nursing and Certified Medication Aide Licensure	6,174,700	4,180,600	4,055,400
Board of Examiners for Nursing Home Administrators	98,000	77,400	76,600
Board of Occupational and Physical Therapy Examiners	387,000	387,000	376,800
State Board of Athletic Trainers	59,700	47,200	46,500
Board of Respiratory Care	366,400	266,400	261,900
State Board of Optometry	203,100	175,800	174,600
Board of Osteopathic Examination	237,400	223,100	222,100
Board of Pharmacy	1,931,600	1,713,800	1,683,600
Board of Registration for Podiatry	75,500	96,300	95,600
Board of Cert. for Prof. Counselors, and Marital and Family Therapists	226,700	162,700	160,800
Board of Examiners in Psychology	307,000	268,200	266,300
Board for Communication Disorders and Sciences	127,500	92,300	90,000
Committee on Physician Assistants	178,800	131,900	130,700
Board of Veterinary Medical Examiners	516,900	466,000	462,700
Alcohol and Drug Abuse Counselors	79,500	75,000	74,600
Board of Midwifery	17,000	14,100	14,000
Board of Acupuncture	37,400	33,000	32,900
Board of Clinical Perfusionists	19,100	24,200	24,100
Reflexologist License	15,000	10,600	10,500
Polysomnographic Professional Standards Board	16,900	42,800	42,300
Certified Medication Aide Licensure	0	0	0
<b>Sub-Total: Health</b>	<b>\$ 17,416,600</b>	<b>\$ 13,576,000</b>	<b>\$ 13,334,300</b>
State Regulatory Fee	\$ 2,431,300	\$ 2,400,000	\$ 2,500,000
State Board of Law Examiners	747,800	718,000	718,600
Health Services Development Agency	928,200	1,136,600	1,079,700
Adjustment	(18,900)	(37,700)	47,600
<b>Total Regulatory Boards</b>	<b>\$ 38,300,000</b>	<b>\$ 36,900,000</b>	<b>\$ 36,600,000</b>



# Tax Expenditures

Recommended Budget, Fiscal Year 2012-2013

Tennessee Code Annotated 9-4-5115 requires the Department of Finance and Administration to report annually to the Finance, Ways and Means Committees of the House and the Senate on two areas of government finance: 1) tax exemptions; and 2) vendor compensation for the collection of the sales tax. This section of the Budget Document is intended to fulfill that statutory obligation.

Under the law, the tax expenditure report is required to "...identify all exemptions, to the extent that it is practical, and estimate the amount of revenue which would have been collected by the state in the fiscal year commencing on July 1 next succeeding such report had each exemption not existed." The report on vendor compensation is required to show the amount paid to vendors for the collection of the sales tax. No format or reporting period is specified. Both reports are to be made no later than February 1 of each year.

Vendors compensation for collection of the sales tax was repealed, effective July 1, 2000, by Public Acts of 2000, chapter 983. Thus, no report is made on vendors compensation.

## Tax Exemptions

It is not possible to estimate the amount of revenue lost for each of the tax exemptions found in the Tennessee code. For example, since 1947, the list of non-profit institutions that are exempt from the sales tax has grown dramatically. Such institutions are allowed to

buy tangible goods and certain services tax free. Retailers and sellers require proof of exemption and keep records of exempt sales; but tax returns filed with the Department of Revenue do not show detailed statistics on exempt sales by type of exempt entity. Such data is only available in the records of the thousands of individual retailers and vendors who sell directly to the public. Therefore, the tax exemptions listed in the present report consist only of those that can be estimated with a reasonable degree of accuracy.

The fiscal impact of Tennessee's major tax exemptions is presented in tabular form in Tables 1-A and 1-B. Estimates of revenue loss are provided for FY 2012-2013. Table 1-A presents revenue foregone on services not currently taxed. These services represent activities that were not included in the original tax base. Table 1-B presents revenue foregone due to specific exemptions in the existing sales tax law. For each item in this table, the exemption is briefly described and the specific authorization of the Tennessee code is cited.

It is difficult to estimate the true cost of tax exemptions for two reasons. First, each exemption is considered separately, without regard to how it overlaps with other provisions of the tax code. Summing tax exemptions may result in double-counting in cases where exemptions overlap. Secondly, the estimates of revenue loss provided in the tables do not generally take into account the impact of a change in a particular tax provision on taxpayer behavior which impacts other taxes (the estimates do not reflect secondary or feedback effects).

**Major Tax Exemptions from the Sales and Use Tax  
Currently Untaxed Services: Table 1-A**

<b>Service/Product Area Exempted</b>	<b>FY 2012-2013 Estimated Loss</b>	
	<b>State</b>	<b>Local *</b>
<b>Administrative and Support Services</b>	<b>\$ 362,700,000</b>	<b>\$ 124,400,000</b>
Collection Agencies and Credit Bureaus	31,700,000	10,900,000
Employment Services	188,200,000	64,500,000
Investigation and Security Services	55,700,000	19,100,000
Mail, Document Reproduction, and Call Centers	19,800,000	6,800,000
Services to Buildings and Dwellings	67,300,000	23,100,000
<b>Construction Services</b>	<b>\$ 685,600,000</b>	<b>\$ 235,100,000</b>
Construction of Buildings	218,600,000	75,000,000
Heavy and Civil Engineering Construction	62,900,000	21,600,000
Specialty Trade Contractors	404,100,000	138,500,000
<b>Educational Services</b>	<b>\$ 30,400,000</b>	<b>\$ 10,500,000</b>
Educational Services (For-profit)	26,400,000	9,100,000
Educational Services (Non-profit)	4,000,000	1,400,000
<b>Finance, Insurance, and Real Estate</b>	<b>\$ 239,600,000</b>	<b>\$ 82,100,000</b>
Investment Banking, Securities Brokerage, and Related	96,600,000	33,100,000
Insurance Agents and Related	10,300,000	3,500,000
Real Estate Agents and Brokers	132,700,000	45,500,000
<b>Health Care and Social Services (For-profit)</b>	<b>\$ 838,400,000</b>	<b>\$ 287,500,000</b>
Physicians and Dentists	458,600,000	157,200,000
Other Health Practitioners	56,500,000	19,400,000
Hospitals	110,000,000	37,700,000
Nursing and Residential Care Facilities	99,100,000	34,000,000
Outpatient Care Centers	34,300,000	11,800,000
Medical and Diagnostic Laboratories	31,500,000	10,800,000
Other Selected Health Services	16,000,000	5,500,000
Social and Community Services	32,400,000	11,100,000
<b>Health Care and Social Services (Non-profit)</b>	<b>\$ 484,000,000</b>	<b>\$ 166,000,000</b>
Hospitals	402,700,000	138,100,000
Nursing and Residential Care Facilities	28,800,000	9,900,000
Outpatient Care Centers	20,700,000	7,100,000
Other Selected Health Services	6,800,000	2,300,000
Social and Community Services	25,000,000	8,600,000
<b>Information Services</b>	<b>\$ 66,700,000</b>	<b>\$ 27,200,000</b>
Data Processing Services	29,500,000	10,100,000
Movie Production and Sound Recording Studios	10,400,000	3,600,000
Cable TV Subscriptions (exempt amount)	14,700,000	9,300,000
Newspaper Subscriptions and Sales	12,100,000	4,200,000
<b>Media Advertising Sales</b>	<b>\$ 118,600,000</b>	<b>\$ 40,700,000</b>
Newspaper Advertising	34,900,000	12,000,000
Radio Advertising	27,700,000	9,500,000
Television Advertising (Broadcast and Cable)	56,000,000	19,200,000
<b>Personal Services</b>	<b>\$ 102,800,000</b>	<b>\$ 35,200,000</b>
Coin-operated Laundry	2,000,000	700,000
Death Care Services	13,800,000	4,700,000
Diet and Weight Loss	1,600,000	500,000
Hair, Nail, and Skin Care Services	42,000,000	14,400,000
Non-profit Amusement and Membership Organizations	43,400,000	14,900,000
<b>Professional and Technical Services</b>	<b>\$ 663,000,000</b>	<b>\$ 227,300,000</b>
Accounting, Tax Return Preparation, and Payroll	92,400,000	31,700,000
Advertising and Public Relations	38,600,000	13,200,000
Architectural Services	28,100,000	9,600,000
Engineering Services	103,700,000	35,600,000
All other Architectural, Engineering, and Related	20,200,000	6,900,000
Specialized Design Services	15,600,000	5,400,000
Computer Systems Design and Related Services	51,300,000	17,600,000
Legal Services (profit and non-profit)	166,900,000	57,200,000
Management, Scientific, and Technical Consulting	120,100,000	41,200,000
Scientific Research and Development (profit and non-profit)	26,100,000	8,900,000
<b>Transportation Services (Local Trucking only)</b>	<b>\$ 58,400,000</b>	<b>\$ 20,000,000</b>
Truck Transportation (Local)	58,400,000	20,000,000
<b>Total Revenue Loss</b>	<b>\$ 3,650,200,000</b>	<b>\$ 1,256,000,000</b>

\* Local revenue loss calculated based on an average local sales tax rate of 2.40%.

Source: Tennessee Department of Revenue

**Major Tax Exemptions  
From Current Tax Base: Table 1-B**

Tennessee Code Annotated	Tax Source and Description of the Exemption	FY 2012-2013 Estimated Loss	
		State	Local
	<b>Sales and Use Tax</b>	<b>\$ 2,907,600,000</b>	<b>\$ 942,500,000</b>
67-6-329(a)(1)	Gasoline	644,800,000	221,100,000
67-6-329(a)(2)	Motor vehicle fuel (diesel fuel)	250,500,000	85,900,000
67-6-217	Aviation fuel (reduced rate)	38,900,000	37,300,000
67-6-207(a)(9)	Gasoline/diesel fuel for agriculture	12,300,000	4,200,000
67-6-314, 320	Prescription drugs, insulin, and related	459,200,000	157,500,000
67-6-319	Prescription drug samples	55,800,000	19,100,000
67-6-334	Energy fuels sold for residential use	328,400,000	112,600,000
67-6-206(b)(1-2), 702(b)	Energy and water sales to manufacturers (reduced rate)	192,100,000	83,800,000
67-6-206(b)(2-8)	Energy and water sales to manufacturers for direct processing (exempt)	56,300,000	19,300,000
67-6-102(47), 206(a), 207, 702(b)	Industrial and farm machinery and equipment	196,900,000	40,100,000
67-6-228(a)	Food sales (reduced rate)	131,400,000	2,200,000
67-6-329(a)(13)	Packaging sold for resale or use	113,100,000	38,800,000
67-6-329(a)(3), (18)	School books and lunches	23,800,000	8,200,000
67-6-330(a)(4-5)	Membership dues of civic organizations & business assoc.	15,500,000	5,300,000
67-6-316	Prescription eyewear and optical goods	15,700,000	5,400,000
67-6-103(f), 226, 714	Cable television (exempt portion)	14,700,000	9,300,000
67-6-329(a)(10)	Newspaper periodical sales	11,800,000	4,100,000
67-6-303	Motor vehicles sold to active-duty or non-resident military personnel	6,900,000	500,000
67-6-216	Non-material cost of manufactured homes (reduced rate)	4,200,000	-
67-6-336	Used factory-manufactured structures	1,200,000	-
67-6-219, 702(e)	Sales to common carriers (reduced rate)	7,600,000	3,000,000
67-6-330(a)(17)	Physical fitness facility fees	6,500,000	2,200,000
67-6-313(g), 321	Railroad rolling stock, materials, and repairs	5,000,000	1,100,000
67-6-309(a)	Film and transcription rentals	4,400,000	1,500,000
67-6-102(47)(H)(i)	Certain warehouse equipment	4,400,000	800,000
67-6-207(a)(10-17)	Fertilizers, pesticides, seeds, and related items to nurseries	3,300,000	1,100,000
67-6-329(a)(6)	Magazines and books - printers' nexus	2,900,000	1,000,000
	All other remaining exemptions	300,000,000	77,100,000
	<b>Corporate Franchise and Excise Tax</b>	<b>\$ 236,000,000</b>	<b>\$ -</b>
67-4-2109	Jobs credit (Franchise and Excise)	25,600,000	NA
67-4-2108	Cap on value of inventories (Franchise)	23,100,000	NA
67-4-2009	Industrial machinery credit (Excise)	33,300,000	NA
67-4-2012, 2111	Double-weighted sales factor (Franchise and Excise)	145,000,000	NA
67-4-2009, 2112	Hospital company tax credit (Franchise and Excise)	9,000,000	NA
	<b>Motor Vehicle Registration Fees</b>	<b>\$ 4,600,000</b>	<b>\$ -</b>
55-4-223	Government vehicles	1,600,000	NA
55-4-228(d)(1)(a)	Enlisted members of the Tennessee National Guard	100,000	NA
55-4-235, 236, 237	Former POWs, Medal of Honor recipients, and disabled veterans	500,000	NA
55-4-113(6)	Special zone tags - Class 1	500,000	NA
55-4-113(6), 124	Special zone tags - Class 2	1,700,000	NA
55-21-103(a)(1)	Disabled driver plate fee	100,000	NA
55-21-103(b)(2)	Disabled driver placard fees	100,000	NA
	<b>Gross Receipts Taxes</b>	<b>\$ 242,900,000</b>	<b>\$ -</b>
67-4-405(b)	Gas, Water, and Electric Companies - Govt. operations exempt	235,200,000	NA
67-4-405(d)	Gas, Water, and Electric Companies - Franchise and excise tax credit	4,200,000	NA
67-4-405(e)	Gas, Water, and Electric Companies - \$5,000 exemption	100,000	NA
67-4-402	Bottlers - Franchise and excise tax credit	3,400,000	NA
	<b>Miscellaneous Taxes</b>	<b>\$ 252,400,000</b>	<b>\$ -</b>
67-8-316(b)	Standard Exemption on the inheritance and gift tax	174,500,000	NA
67-8-315(a)(6)	Marital Deduction on the inheritance and gift tax	59,400,000	NA
67-2-104(a)	Standard Exemption on the income tax	18,000,000	NA
67-4-409(b)(4)	Mortgage Tax - \$2,000 exemption	500,000	NA
	<b>Total Revenue Loss</b>	<b>\$ 3,643,500,000</b>	<b>\$ 942,500,000</b>

Source: Tennessee Department of Revenue





# **Revenue Sources and Basis of Apportionment**

**Department of Revenue**

**SALES AND**

**USE TAX**.....7.0% is the general rate that applies to the gross proceeds derived from the retail sale or use of tangible personal property and specific services. A one-half of one percent portion of the gross tax is earmarked solely for the Education Fund and the remaining 6.5% portion is distributed to various funds (TCA 67-6-201 through 67-6-205, 67-6-212, 67-6-213, and 67-6-220). The sales tax rate is 5.5% for the retail sale of food and food ingredients for human consumption (TCA 67-6-228). Also, rates varying from 1% to 8.25% apply to other items and services including the following: 7% for merchandise purchased from any vending machine (TCA 67-6-102(a)(28)(I)); 1.5% for energy fuels used by manufacturers and nurserymen, and 1% for water used by manufacturers (TCA 67-6-206(b) and 67-6-218); 3.5% for manufactured homes (TCA 67-6-216); 4.5% for aviation fuel (TCA 67-6-217); 3.75% for common carriers (TCA 67-6-219); 7.5% for interstate telecommunication services sold to businesses (TCA 67-6-221); 8.25% for video programming services (between \$15 and \$27.50) and satellite TV services (TCA 67-6-226 and 67-6-227). An additional tax of 2.75% is imposed on the amount for single article sales of personal property in excess of \$1,600 but less than or equal to \$3,200 (TCA 67-6-202(a)).

General Fund.....100% of the 1.0% increase in the general rate enacted in 2002 and 100% of the additional tax imposed on single article sales. 29.0246% of the remaining 5.5% after the allocation to the Transportation Equity Trust Fund, less amounts paid to premier resorts (TCA 67-6-103(b)) and less an amount allocated to the County Revenue Partnership Fund in the general appropriations act (TCA 67-6-103(k)). Also, amounts from video programming services in excess of \$15 but less than \$27.50 (TCA 67-6-103(f) and 67-6-226); and from interstate telecommunication services sold to businesses (TCA 67-6-221(b)). In addition, amounts from the tax on

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interstate telecommunication services sold to businesses are earmarked to the Telecommunication Ad Valorem Tax Reduction Fund (TCA 67-6-103(a) and 67-6-221(b)).

Administration.....	0.3674% of the remaining 5.5% after the allocation to the Transportation Equity Trust Fund (TCA 67-6-103).
Education Fund .....	65.0970% of the remaining 5.5% after the allocation to the Transportation Equity Trust Fund, and 100% of one-half of one percent of the gross tax (TCA 67-6-103 and 49-3-357). Also, amounts from interstate telecommunication services sold to businesses (TCA 67-6-221(b)).
Highway Fund.....	An amount equivalent to tax collections from air, rail, and barge fuel sales is earmarked for the Transportation Equity Trust Fund (TCA 67-6-103(b)).
Debt Service Fund.....	0.9185% of the remaining 5.5% after the allocation to the Transportation Equity Trust Fund, or whatever amount is necessary to meet debt service requirements (TCA 67-6-103 and 9-9-106, and Section 1 of the general appropriations bill).
Municipalities.....	4.5925% of the remaining 5.5% after the allocation to the Transportation Equity Trust Fund, less the MTAS grant (0.95% of the amount from the preceding calculation during FY 1998-99 and 1.0% thereafter) to the University of Tennessee. Premier resorts receive a portion of the tax collected by dealers within their boundaries. The collective amount distributed to premier resorts is limited to the amount distributed in the 1999-2000 fiscal year (TCA 67-6-103). A share of the tax on interstate telecommunication services sold to businesses is allocated to cities and counties and distributed based on population (TCA 67-6-221 (b)).

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Counties.....	A share of the tax on interstate telecommunication services sold to businesses is allocated to cities and counties and distributed based on population (TCA 67-6-221(b)). In addition, a share of General Fund sales tax revenue allocated in the general appropriations act to the County Revenue Partnership Fund. Revenues in the fund are distributed monthly based on population (TCA 67-6-103(k)).
<b>GASOLINE TAX</b> .....	\$0.20 on each gallon of gasoline sold, stored, or distributed in the state (TCA 67-3-201 and 60-4-102).
General Fund .....	Approximately 1.6% (TCA 67-3-901).
Highway Fund .....	Approximately 60.2%, less an amount to the Debt Service Fund (TCA 67-3-901).
Debt Service Fund .....	Amount required from Highway Fund apportionment (TCA 9-9-103 and 67-3-901).
Cities .....	Approximately 12.7% based on population (TCA 54-4-203 and 67-3-901).
Counties.....	Approximately 25.5% based ¼ on population, ¼ on area, and ½ divided equally (TCA 54-4-103 and 67-3-901).
<b>MOTOR FUEL TAX</b> ....	\$0.17 on each gallon of diesel fuel and all fuel other than gasoline, except dyed fuel under IRS rules (TCA 67-3-202); a prepaid annual agricultural diesel tax ranging from \$56 to \$159, based on registered gross weight (TCA 67-3-1309); \$0.13 on each gallon of compressed natural gas used for motor vehicles on public highways (TCA 67-3-1113); \$0.14 on each gallon of liquefied gas used for motor vehicles on public highways (TCA 67-3-1102); and an annual vehicle tax on liquefied gas users ranging from \$70 to \$114, based on registered gross vehicle weight (TCA 67-3-1106).
General Fund .....	Approximately 1.9% (TCA 67-3-905, 67-3-908, and 67-3-901(k)).

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Highway Fund.....	Approximately 71.8%, less an amount to the Debt Service Fund and less 2% to the General Fund (TCA 67-3-905, 67-3-908, and 67-3-901 (k)).
Debt Service Fund.....	Amount required from Highway Fund apportionment (TCA 9-9-105, 9-9-106, 67-3-905, and 67-3-908).
Cities .....	Approximately 8.8% based on population (TCA 54-4-203, 67-3-905, and 67-3-908).
Counties.....	Approximately 17.5% based $\frac{1}{4}$ on population, $\frac{1}{4}$ on area, and $\frac{1}{2}$ divided equally (TCA 54-4-103, 67-3-905, and 67-3-908).

**GASOLINE  
INSPECTION TAX  
(SPECIAL  
PETROLEUM  
PRODUCTS AND  
EXPORT TAX) .....**

\$0.01 for each gallon of gasoline and most other volatile fuels sold, used, or stored (TCA 67-3-203); an additional \$0.004 per gallon for the environmental assurance fee (TCA 67-3-204 and 68-215-110); and an export fee of 1/20 of one cent on fuels subject to the special petroleum products tax (TCA 67-3-205).

General Fund.....	2% of the balance remaining after the local government apportionment of the \$0.01 per gallon tax and the export fee (TCA 67-3-906). The environmental assurance fee is earmarked for the Petroleum Underground Storage Tank Fund (TCA 68-215-110).
Highway Fund.....	98% of the balance remaining after the local government apportionment of the \$0.01 per gallon tax and the export fee (TCA 67-3-906).
Debt Service Fund.....	Amount required from General Fund and Highway Fund apportionments (TCA 9-9-103).
Cities and Counties.....	\$12,017,000 allocated to a local government fund. From the fund, \$381,583 is distributed monthly to counties based on population earmarked for county roads; and \$619,833 is distributed monthly to cities based on population earmarked for city roads. From the city share, \$10,000 per month

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is allocated to the University of Tennessee Center for Government Training (TCA 67-3-906).

**MOTOR VEHICLE**

**REGISTRATION**.....Fees received from registration and licensing of motor vehicles. Rates are based on classification of vehicles (TCA 55-4-103 and 55-4-111 through 55-4-113, 55-4-115, 55-4-132 and Title 55, Chapter 4, Part 2).

General Fund.....100% of the revenues from the 2002 increase in commercial vehicle registration fees. 2% of the balance of registration fee revenue (TCA 55-6-107) after the allocation of \$2.75 per vehicle plate to the General Fund (TCA 55-4-103), of which \$1 from non-freight registration is earmarked for police pay supplement (TCA 55-4-111); and after an additional \$2 per motorcycle plate to the General Fund, earmarked for the motorcycle rider safety fund (TCA 55-51-104); except for special license plates, for which all revenue above the expense incurred in designing, manufacturing and marketing such plates is allocated in the following manner: personalized plates – 100% to the Arts Commission (TCA 55-4-214); personalized trailer plates – 100% to the Trailer License Plate Fund (TCA 55-4-214); specialty earmarked plates – 50% to the nonprofit organization, state agency or fund earmarked and 40% to the Arts Commission (55-4-215); cultural plates – 80% to the Arts Commission (55-4-216). A \$1 registration and renewal fee is earmarked to the Dept. of Revenue for funding the acquisition, updating, and operation of a computerized titling and registration system (TCA 55-4-132). All penalties and fines, except only 20% of overweight-truck fines, earmarked for administration (TCA 55-6-107); less an amount required for debt service (TCA 55-6-107 and 9-9-103). Also, an amount is allocated from the Highway Fund for motor vehicle registration plates in the annual appropriations bill (TCA 55-6-107(a)).

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Highway Fund.....After allocation of 100% of the revenues from the 2002 commercial vehicle registration fee increase to the General Fund, 98% of the balance of registration fee revenue (TCA 55-6-107) after the allocation of \$2.75 per vehicle plate, an additional \$2 per motorcycle plate, and an amount sufficient to fund the cost of issuing motor vehicle registration plates to the General Fund; 10% of the revenue from specialty earmarked plates (TCA 55-4-215) and 20% of the revenue from cultural plates (TCA 55-4-216); and 80% of overweight-truck fines (TCA 55-6-107), and less an allocation to the General Fund for motor vehicle registration plates (TCA 55-6-107(a)).

Debt Service Fund .....Amount required from General Fund and Highway Fund apportionment (TCA 55-6-107 and 9-9-103).

**INCOME TAX**.....6% on incomes from dividends on stocks or interest on certain bonds (TCA 67-2-102).

General Fund.....5/8 of revenue and an administrative expense of 10% of the first \$200,000 and 5% of the remainder of the tax (TCA 67-2-117 through 67-2-119).

Cities and Counties.....3/8 of revenue to the local governments by situs, less the General Fund administrative apportionment (TCA 67-2-117 and 67-2-119).

**PRIVILEGE TAX**.....Various taxes on litigation in the courts, domestic protection civil penalties (\$50), sex offender tax (maximum \$3,000), drug treatment offenders (\$75), realty transfer tax (37 cents per \$100 of consideration or property value), mortgage recordation tax (11.5 cents per \$100 of principal indebtedness), tire tax (\$1.35 per tire sold), occupational tax (\$400 on certain occupations), \$2,500 tax per player per regular season game in the state (\$7,500 per year cap on certain professional sports team players) on all National Basketball Association (NBA) and National Hockey League (NHL) players on a team roster for more than 10 days, \$15 marriage license fee, plus a \$62.50 marriage license fee for couples not completing

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**Rate and Source**

**Basis of Apportionment**

a premarital preparation course, a packaged automotive oil fee (2 cents per quart), and a 3% surcharge tax on certain rental motor vehicles, blood alcohol testing fee (\$250 per conviction), an additional \$250 fee per conviction, or granting of pretrial diversion, for violation of any drug law, a \$40 ignition interlock fee upon conviction of driving under the influence of alcohol or drugs, a \$13.75 fee upon forfeiture of a cash bond or other surety entered as a result of a municipal traffic citation, a \$12 fee per bail bond, a maximum fine of \$200 for persons convicted of either assault, aggravated assault, or domestic assault, a maximum fine of \$5,000 for assault, \$15,000 for aggravated assault on a law enforcement officer. The tire tax, automotive oil fee, and a portion of the litigation taxes are reported under the "Other State Revenue" section of the revenue statement (TCA 16-15-5007, 16-22-109, 36-3-610, 36-6-413, 38-6-103, 39-13-101, 39-13-102, 39-13-111, 39-13-709, 39-17-420, 16-22-109, 55-10-403, 55-10-419, 67-4-409, 67-4-411, 67-4-602, 40-24-107, 67-4-1603, 67-4-1701 through 67-4-1703, 67-4-1901, 68-211-1006, 67-4-803, and 67-4-804).

General Fund..... 100% less certain litigation taxes earmarked for various retirement funds. Portions of litigation taxes are earmarked for the Corrections Institute, driver education and highway safety, criminal injuries compensation, victims of crime assistance, State Court Clerks Conference, General Sessions Judges Conference staffing expenses of the state administrative director of the courts, indigent defense attorneys' compensation, civil legal representation of indigents, drug court treatment programs, electronic fingerprint imaging systems for local law enforcement agencies, and the Statewide Automated Victim Information and Notification System Fund. The state's 95% share of the sex offender tax is earmarked for treatment programs. Civil penalties from violation of domestic protection orders are earmarked for domestic violence community education. Until June 30, 2012, the realty transfer tax designated for the 1986 Wetland



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and Classification****Rate and Source****Basis of Apportionment**

Acquisition Fund, Local Parks Acquisition Fund, State Lands Acquisition Fund, and Agricultural Resources Conservation Fund is allocated to the General Fund unless allocated to the other funds in the annual appropriations act (TCA 16-15-5007, 36-3-610(b) and (c), 36-3-616, 39-13-709, 40-24-107, 67-4-409, 67-4-602, 67-4-606, 67-4-1701, and 67-4-1905). In addition, portions of the proceeds of the sale of various contraband items seized under alcoholic beverage laws are reported under the privilege tax and earmarked for criminal injuries compensation. These proceeds are explained below under the alcoholic beverage tax (TCA 40-24-107). From the automobile rental surcharge \$1.5 million is earmarked for the Department of Safety to train, equip, and pay members of the Tennessee highway patrol (TCA 67-4-1905). Of the bail bond tax, 96% is earmarked for the civil legal representation of low-income persons as determined by the Tennessee Supreme Court and 4% is earmarked for development costs and continuing education for bail bonding agents (TCA 67-4-806). Revenue from the assault fines is directed to fund family violence shelters and services (TCA 39-13-101, 39-13-102, and 39-13-111). \$60 of the \$62.50 marriage license fee is earmarked for various departments and organizations concerned with family and children's issues (TCA 36-6-413). Of the \$75 fee for violators of the 2003 Drug Court Treatment Act, \$5 is earmarked for the drug court treatment program resources fund, and \$70 is deposited into dedicated county funds for the creation and maintenance of drug court treatment programs (TCA 16-22-101 – 114). All of the \$250 blood alcohol testing fee is earmarked for the Tennessee Bureau of Investigation Toxicology Unit Testing Fund (TCA 55-10-419) and all of the \$250 fee per conviction for violating drug laws is earmarked for the TBI drug chemistry unit, drug testing fund (TCA 39-17-420). Of the \$40 ignition interlock fee, \$30.50 is allocated to the interlock assistance fund; \$4.50 to the Tennessee Hospital Association; \$1.25 to the Department of Mental Health,

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alcohol and drug addiction treatment fund; \$1.25 to the Department of Finance and Administration, Office of Criminal Justice Programs for funding grant awards to local law enforcement agencies; \$1.25 to the Department of Safety; and \$1.25 to the Department of Finance and Administration, Office of Criminal Justice Programs for funding grant awards to qualifying halfway houses who assist drug and alcohol offenders. Any surplus in the interlock assistance fund beginning fiscal year 2013-2014 will be allocated as follows: 60% to the Tennessee Hospital Association; 20% to the Department of Mental Health, alcohol and drug addiction treatment fund; and 20% to the Department of Finance and Administration, Office of Criminal Justice Programs (TCA 55-10-403). The \$13.75 cash bond forfeiture fee is allocated to the general fund (TCA 38-6-103(f)).

Cities ..... 100% of the privilege tax on NBA and NHL players. Allocation is based on the location of where the games are played (TCA 67-4-1703).

**GROSS RECEIPTS**

**TAX** ..... Taxes levied principally on the gross receipts of certain types of businesses operating in the state. The main sources are taxes on the following portions of gross receipts: 1.9% on soft-drink bottlers, 3% on gross receipts over \$5,000 of intrastate water and electric power distribution companies, 1.5% on manufactured or natural gas intrastate distributors, 15% on mixing bars and clubs, 5% of covered electric current sales of non-TVA entities (TCA 67-4-3101), and an in lieu of tax payment by the Tennessee Valley Authority (TVA) (TCA 67-4-402, 67-4-405, 67-4-406, 67-4-410, and 16 USC 831(l)); and a \$10 per year firearms dealer permit fee (TCA 39-17-1316).

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General Fund .....	79% of bottlers' gross receipts tax, plus 2% of gross highway litter amount from the Highway Fund, 100% of various other gross receipts taxes, and TVA in lieu of tax payments equal to FY 1977-78 payments and 48.5% of any TVA payments received by the state which exceed the amount paid in FY 1977-78, less approximately \$4.1 million distributed to local governments and 48.5% of non-TVA entities tax payments (TCA 67-9-101 through 67-9-103, and 67-4-402, and 67-4-3101).
Highway Fund .....	Approximately 21% of the bottlers' gross receipts tax is earmarked for litter control, less 2% to the general fund (TCA 67-4-402).
Cities and Counties.....	51.5% of the TVA in lieu of tax payments which exceed state receipts in FY 1977-78, of which approximately 65.9% is designated for counties based ½ on population and ½ on area, 28.3% for municipalities based on population, and 5.8% for impacted local areas affected by TVA construction, plus an amount equal to that received by local governments in FY 1977-78 (\$4.1 million). Portions of this share are earmarked for TACIR and, under some circumstances, for the County Technical Assistance Service (CTAS) and additional funds for TACIR. With no local areas impacted by TVA construction, the 5.8% impact fund is allocated as follows: 30% to CTAS, 40% to TACIR, and 30% is returned to be included in the amount distributed to cities and counties. Any funds remaining after other allocations provided for in TCA 67-9-102 are allocated to any regional development authorities created by TCA 64-5-201 that have acquired a former nuclear site from TVA (TCA 67-9-101 through 67-9-103). Non-TVA entity tax proceeds are to be distributed in a like manner as TVA proceeds (TCA 67-4-3101).

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**Basis of Apportionment**

**BEER EXCISE**

**TAX** .....Registration fees imposed on beer wholesalers (\$20) and manufacturers (\$40); a privilege tax of \$4.29 per 31-gallon barrel of beer manufactured or sold in the state (TCA 57-5-102 and 57-5-201).

General Fund .....67.1% of privilege tax collections (4% of total tax earmarked for administration and 0.41% for alcohol and drug treatment programs); 100% of registration fees (earmarked 50% for the Department of Revenue and 50% for Highway Patrol) (TCA 57-5-102, 57-5-202, and 57-5-205).

Highway Fund .....12.8% of privilege tax collections for litter control (TCA 57-5-201).

Counties.....10.05% of privilege tax collections distributed to counties equally (TCA 57-5-205).

Municipalities .....10.05% of privilege tax collections distributed to cities based on population (TCA 57-5-205).

**ALCOHOLIC  
BEVERAGE**

**TAX** .....\$1.21 per gallon on wine and \$4.40 per gallon on spirits (TCA 57-3-302).

General Fund .....82.5% of distilled spirit and wine gallonage taxes, calculated on the total collections less 4 cents per liter of spirit tax (TCA 57-3-306); and the following shares of proceeds from sales of seized items, all earmarked for criminal injuries compensation and reported under the privilege tax collections (TCA 40-24-107): 100% from liquor seized by state agents (TCA 57-9-115); 50% from vehicles, aircraft, and boats seized by local law enforcement officers (TCA 57-9-201); and 50% from other contraband goods seized, less 15% retained for administration as departmental current services revenue by the Department of General Services (TCA 57-9-205, 12-2-207, and 12-2-209). In addition, 10% of proceeds of sale of liquor seized by local officers is retained for administration as departmental revenue by the Department of General

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		Services (TCA 57-9-115, 12-2-207 and 12-2-209).
Counties.....		\$.04 per liter of spirit tax, earmarked for any county in which a distillery is located, plus 17.5% of the balance of spirit and wine gallonage taxes, less \$192,000 earmarked for CTAS. In counties of 250,000 or more population, 30% of their allocation is paid by the county to cities of 150,000 or more population (TCA 57-3-306). Also, 50% of the proceeds of sale of contraband goods, less 15% retained as departmental revenue by the Department of General Services (TCA 57-9-205, 12-2-207, and 12-2-209).
Cities and Counties.....		90% of the proceeds of sale of liquor seized by local law enforcement officers, earmarked to city or county employing officer (TCA 57-9-115), and 50% of proceeds of sale of vehicles, aircraft, and boats seized by local officers, earmarked to city or county employing officer (TCA 57-9-201).
<b>FRANCHISE TAX</b> .....	\$ .25 on each \$100 of stock surplus or undivided profits of entities for the privilege of doing business within the state. The tax applies to business entities that enjoy some form of limited liability protection. The minimum tax is \$100 (TCA 67-4-2105 through 67-4-2109).	
General Fund.....		100% less an amount to the Debt Service Fund (TCA 67-4-2120).
Debt Service Fund .....		Amount required from General Fund apportionment (TCA 9-9-103).
<b>EXCISE TAX</b> .....	6.5% of net earnings of all business conducted for a profit in this state. The tax applies to business entities that enjoy some form of limited liability protection. Current year losses may be carried forward as many as 15 years in computing net earnings subject to tax (TCA 67-4-2006 and 67-4-2007).	
General Fund.....		Remaining balance after cities, counties, and Debt Service Fund distribution (TCA 67-4-2017).

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

Debt Service Fund ..... Amount required from General Fund apportionment (TCA 9-9-103).

Cities and Counties..... An amount based on bank earnings is distributed based on situs in lieu of intangible personal property taxes on banks and banking associations (TCA 67-4-2017).

**INHERITANCE,  
ESTATE, AND  
GIFT TAX .....**

The inheritance tax ranges from a rate of 5.5% on the value of net taxable estates of at least \$40,000 to a rate of \$30,200 plus 9.5% of the value in excess of \$1,000,000. Gifts are taxed at rates ranging from 5.5% on gifts up to \$40,000 to 9.5% on the excess over \$440,000 for Class A beneficiaries and from 6.5% on gifts up to \$50,000 to 16% on the excess over \$200,000 for Class B beneficiaries. The gift tax exemption per donee allowed for Class A is \$10,000; but given that the Class A standard exemption allowable for gifts will increase each year by the same amount as the increase in the annual exclusion for the federal gift tax, the per donee exclusion is \$13,000 for Class A. Class B donees are allowed an annual class exemption of \$5,000 or a \$3,000 per donee exclusion. (TCA 67-8-101 through 67-8-106, 67-8-204, 67-8-303, 67-8-314, and 67-8-316).

General Fund..... 100% (TCA 67-8-210 and 67-8-415).

**TOBACCO TAX.....**\$.031 per cigarette or \$.62 per package of 20; \$.0005 per cigarette pack enforcement fee; 6.6% of wholesale price on other tobacco products; license fees of \$100 to \$200 per location for manufacturing distributors, tobacco manufacturer's warehouses, wholesale dealers and jobbers and tobacco distributors; a \$25 fee for replacing a lost or destroyed license; proceeds from the sale of confiscated goods; and penalties of \$100 to \$5,000 for violations of the Unfair Cigarette Sales Law (TCA 67-4-1002 through 67-4-1005, 67-4-1015, 67-4-1020, and 47-25-311).

General Fund..... Approximately 7.6%. From the pre-2007 tax about, .06% of the \$.01 tax

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

per cigarette (\$.20 per package of 20) (4% of taxes from tobacco other than cigarettes and proceeds from sale of confiscated tobacco products and 100% of the \$.0005 per pack enforcement fee, all earmarked for administration). From the 2007 cigarette tax increase of \$.021 per cigarette tax (\$.42 package of 20), \$.001 per cigarette (\$.02 per package) is earmarked for the Trauma System Fund and \$21 million annually is earmarked for the Department of Agriculture (except that in 2010-2011, \$11 million was earmarked for the Education Fund) (TCA 67-4-1025).

Education Fund ..... Approximately 92.4%. From the pre-2007 tax, about 99.4% of the \$.01 tax per cigarette (\$.20 per package of 20) (includes 100% of cigarette taxes earmarked for grades 1-12). From the 2007 cigarette tax increase of \$.02 per cigarette (\$.40 per package of 20), 100% of the tax less \$21 million to the Department of Agriculture (except that in 2010-2011, \$11 million was earmarked for the Education Fund), 100% of license fees and penalties; and 96% of the 6% tax rate on other tobacco products and of proceeds from the sale of confiscated tobacco products (TCA 67-4-1025 and 49-3-357).

**MOTOR VEHICLE**

**TITLE FEES** .....\$5.50 certificate of title fee and other fees received for the issuance of motor vehicle titles and noting of liens (TCA 55-6-101).

General Fund ..... Approximately 77.1% (including 50 cents of the \$5.50 fee, earmarked for enforcement action against odometer fraud; and a portion of \$1.50 of the \$5.00 fee in excess of debt service requirements, earmarked for State Parks capital projects) (TCA 55-6-101 and 55-6-103).

Debt Service Fund ..... Approximately 22.9% (including \$1.50 of the \$5.50 fee, earmarked for debt service on a State Parks bond issue) (TCA 55-6-101).

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**MIXED DRINK**

**TAX** .....A license tax of \$150 to \$2,000 for the privilege of selling alcoholic beverages for consumption on premises plus a \$300 application fee and a 15% gross receipts tax on sales (TCA 57-4-301).

Education Fund .....50% of the 15% gross receipts tax (TCA 57-4-306 and 49-3-357).

Cities and Counties.....50% of the 15% gross receipts tax, of which one-half is earmarked for education and one half is distributed to the city or county based on situs (TCA 57-4-306).

**BUSINESS TAX** .....Tax administered by the Department of Revenue and imposed principally by local units of government on certain businesses, vocations, and operations carried on within the state. Cities and counties receive the following as local taxes: (a) \$7.00 per return to the city or county distributed, based on location of the business; (b) 5% of the remaining tax proceeds, distributed to the county clerk or city official, also based on location of the business; (c) 57% of the funds remaining after distribution of both the \$7.00 per return and 5% shares; (d) less 1.125% to the state for administration. The state retains the following: (a) 43% of revenue remaining after distribution to cities and counties; (b) 1.125% for administration; and (c) 100% of taxes, interest, and penalties assessed as a result of an audit. (TCA 67-4-701, 67-4-703 through 67-4-705, 67-4-707 through 67-4-710, and 67-4-714 through 67-4-724).

General Fund ..... 100% (TCA 67-4-724 and 67-4-725).

**CRUDE OIL AND  
NATURAL GAS**

**SEVERANCE TAX** .....3% of the sales price of severed oil and natural gas in the state (TCA 60-1-301).

General Fund ..... 2/3 of tax (TCA 60-1-301).

Counties..... 1/3 of tax distributed to county of severance (TCA 60-1-301).



**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**COAL**

**SEVERANCE TAX** .....\$0.50 per ton of severed coal in the state during FY 2010 and FY 2011, \$0.75 per ton during FY 2012 and FY 2013, and \$1.00 per ton during FY 2014 and thereafter (TCA 67-7-103 and 67-7-104).

General Fund ..... 1.125% of the tax plus an amount during FY 2010 and FY 2011 sufficient to recover necessary administrative expenses associated with computer programming or software changes and decreased revenue resulting from changes in distribution of coal severance tax revenue (TCA 67-7-110).

Counties ..... Approximately 98.875% of the tax distributed to county of severance, of which 50% is earmarked for the county educational system and 50% is earmarked for highway and stream cleaning (TCA 67-7-110).

**COIN-OPERATED**

**AMUSEMENT**

**MACHINE TAX** .....\$10 per bona fide coin-operated amusement machine offered for commercial use and play by the public. Also, an annual master license tax is levied on machine owners ranging from \$500 to \$2,000 depending on the number of machines owned and offered for use (TCA 67-4-2204 and 67-4-2205).

General Fund ..... 100%.

**UNAUTHORIZED**

**SUBSTANCE TAX** .....NOTE: The Tennessee Supreme Court ruled in July 2009 that the Unauthorized Substance Tax is unconstitutional. However, 2010 Public Chapter 962 reestablished the tax as a tax on merchants, peddlers, or privileges as authorized by the Tennessee Constitution. Negative collections are shown for this tax in the 2009-2010 fiscal year to reflect taxpayer refunds. The tax is imposed on various substances of any merchant who possesses unauthorized substances upon which the tax has not been paid as evidenced by a stamp available from the Tennessee Department of Revenue.

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

Unauthorized substances include marijuana, cocaine, crack, methamphetamine, etc., as well as untaxed liquors and spirits and "low-value-street drugs." The tax rate varies by the type and quantity of unauthorized substance (TCA 67-4-2803 and TCA 67-4-2805 through 67-4-2807).

General Fund.....	100% of voluntarily paid amounts. For all other proceeds, the Department of Revenue retains tax proceeds sufficient to cover the costs of storing and disposing of assets seized in payment and the costs due to implementation and enforcement of the tax. Of the remaining amount, 25% is allocated to the General Fund. The remaining 75% is allocated to the state or local law enforcement agencies conducting the investigation that led to a tax assessment (TCA 67-4-2809).
Cities and Counties.....	That portion of the 75% of tax proceeds returned to city and county law enforcement agencies conducting investigations leading to a tax assessment (TCA 67-4-2809).

**Department of Commerce and Insurance**

**INSURANCE**

**COMPANY**

**PREMIUM TAX.....**Life, accident, and health companies are taxed at a rate of 1.75% on gross premiums received; health maintenance organizations and prepaid limited health service organizations are taxed 5.5% of the gross amount of all dollars collected from an enrollee or on an enrollee's behalf. Companies writing fire insurance and lines of business having fire coverage as a part of the risk rate pay a 0.75% tax on that portion of the premium applicable to fire risk. All other companies pay a tax rate of 2.5% on gross premiums paid by or for policyholders residing in this state or on property located in the state, except captive insurance companies, which are taxed at various rates on premiums collected and reinsurance assumed. The minimum aggregate tax on captive insurance companies is \$5,000 and the maximum

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

is 100,000. The premiums charged for surplus lines insurance are subject to a gross premium tax of 5%. Companies writing workers' compensation insurance are taxed 4.0% on gross premiums collected for workers' compensation insurance, plus a surcharge of 0.4% on gross premiums. Other revenues collected include regulatory fees for Limited Capital Credit Reinsurers, renewal fees for Fraternal Benefit Societies, insurance agent fees, examination fees, certificates of qualifications, broker fees, certificates of authority fees, utilization review fees, and other miscellaneous fees (TCA 56-4-101, 56-4-106, 56-4-203, 56-4-205, 56-4-206, 56-4-208, 56-4-218, and other provisions of Title 56, Chapter 4, Part 2; Title 56, Chapter 6, Part 1; 56-13-114, 56-14-113; 56-21-111; 56-24-104; 56-25-1603; 56-32-224, and 56-51-152).

General Fund..... 100%. (Premium taxes paid by captive insurance companies under TCA 56-13-114 are held by the Department of Commerce and Insurance as expendable receipts for administering the captive insurance law.)

**WORKERS'**

**COMPENSATION** .....4% on gross premiums collected. Up to 50% of the gross premium tax is earmarked for the Second Injury Fund. In addition, a 0.4% surcharge on gross premiums is levied, which is earmarked for administration of the Tennessee Occupational Safety and Health Act (TCA 50-6-401 and 56-4-207).

General Fund..... 100% (TCA 8-22-118).

**HEALTH CLUBS'**

**CERTIFICATES OF**

**REGISTRATION**.....Fees for issuance of certificates of authority (TCA 47-18-302).

General Fund..... 100%.

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**911 EMERGENCY  
COMMUNICATIONS**

**FUND** .....Monthly fee of \$1.00 charged to all users and subscribers of non-wireline service including but not limited to commercial mobile radio service (cellular phone) that is capable of connecting users to public safety answering points. Collected funds are used to support uniform statewide 911 service, to implement, operate, maintain, and enhance E-911 service through funding distributed to the State's emergency communications districts, and for deployment of 911 service for new communication technologies. Non-wireline service providers may retain up to 3% of the fees collected for administrative expenses (TCA 7-86-108, 7-86-303, and 7-86-306).

General Fund .....100% (earmarked for the 911 Emergency Communications Fund) (TCA 7-86-303(d)).

**Department of Financial Institutions**

**FINANCIAL**

**INSTITUTIONS** .....Annual banking fee received from state-chartered banks on a pro rata basis based on assets, not to exceed the annualized fee that a state bank would pay if it were a national bank of equivalent asset size, except that banks are required to pay a minimum of \$5,000 (TCA 45-1-118).

General Fund .....100% (earmarked for the Department of Financial Institutions) (TCA 45-1-118 (d)(1)).

**Wildlife Resources Agency**

**WILDLIFE**

**RESOURCES** .....Fees received from the sale of hunting and fishing licenses, stamp tax on shells, permits, metallic cartridges, fines, private lake operations, and minnow dealers (TCA 70-2-201 through 70-2-222 and 70-3-101).

General Fund .....100% (earmarked exclusively for Wildlife Resources Agency) (TCA 70-1-401).

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**BOATING SAFETY**.....Fees received for the registration of propelled vessels for a one-, two-, or three-year period; and a portion of the tax on marine fuel (TCA 69-9-207 and 67-3-901(g)).

General Fund ..... 100% (earmarked for administration of the Boating Safety program) (TCA 67-3-901(g), 69-9-207, and 69-9-208).

**Department of Agriculture**

**AGRICULTURAL  
REGULATORY**

**FUND** .....Fees from plant and insect pest control industry license, registration, certification, and charter applications and from sample analyses, civil penalties, and damages (TCA 43-1-701, 703, and 704).

General Fund ..... 100% (earmarked for Regulatory Services programs) (TCA 43-1-701 and 43-1-703).

**FERTILIZER**

**INSPECTION** .....Fee based on \$0.20 per ton for all commercial fertilizer (TCA 43-11-106).

General Fund ..... 100%.

**FEED**

**INSPECTION** .....A \$50 license application fee for each commercial feed manufacturer, distributor, or guarantor. Also, fee based on \$0.10 per ton for all commercial feeds manufactured in excess of 500 tons (TCA 44-6-104 and 44-6-109).

General Fund ..... 100% (earmarked for administrative expenses) (TCA 43-1-109).

**RETAIL FOOD  
STORE  
INSPECTION ACT**

**OF 1986** .....Fee based on types of food sold and seating capacity (TCA 53-8-214).

General Fund ..... 100%.

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**Regulatory Board Fees**

**REGULATORY**

**BOARDS** .....Fees received from the issuance of licenses and permits to engage in certain professions, from licensing of health care facilities, and gross receipts taxes collected from professional boxing matches (TCA 4-3-1011, 4-3-1304, 4-29-121, Title 55, Chapter 17, Titles 46, 62, and 63, 68-11-216, 68-29-113, and other provisions of Title 68).

General Fund ..... 100%.

**Tennessee Regulatory Authority**

**PUBLIC**

**UTILITIES**.....Fees for applicable holders of certificates of public convenience and necessity. Annual fees for inspection, control, and supervision of utilities and their rates. For those telecommunications public utilities that have, as of July 1, 2009, over 1 million telephone access lines in the state and elect to operate under market regulation, the fee due shall be \$3.00 per \$1,000 for such gross receipts over \$5,000 up to \$1 million. The fee for gross receipts over \$1 million is \$2.73 per \$1,000. The minimum fee is \$100. For all other telecommunications public utilities, the fee due and payable on April 1, 2010, and each April 1 thereafter is based on the gross receipts of each public utility in excess of \$5,000 annually as follows: \$4.25 per \$1,000 for the first \$1 million or less of such gross receipts over \$5,000. The fee for gross receipts over \$1 million is \$3.25 per \$1,000, with a minimum fee of \$100. A \$10 annual registration fee for each privately-owned public pay phone is also collected (TCA 65-4-301 through 65-4-308).

General Fund ..... 100% (earmarked for Tennessee Regulatory Authority) (TCA 65-4-307).

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**UNIVERSAL**

**SERVICE**.....Fees as required by TRA to ensure the availability of affordable residential basic, local exchange telephone service. Fees are required by TRA as necessary to support universal service and fund administration of the mechanism (TCA 65-5-207).

General Fund.....100% (earmarked for Tennessee Regulatory Authority) (TCA 65-4-307 and 64-4-120).

**TELEMARKETING**.....A fee of \$500 per year for access to a database of telephone numbers of residential subscribers who object to receiving telephone solicitations. The Authority may also impose a civil penalty up to a maximum of \$2,000 for each violation of state laws regulating telephone solicitation (65-4-405).

General Fund.....100% (earmarked for Tennessee Regulatory Authority) (TCA 65-4-405).

**UNSOLICITED**

**FACSIMILES**.....Civil penalties up to a maximum of \$2,000 for each violation of state laws regulating unsolicited facsimiles (TCA 65-4-504).

General Fund.....100% (earmarked for Tennessee Regulatory Authority) (TCA 65-4-504).

**TDAP  
DISTRIBUTION**

**PROGRAM**.....Fees paid by telecommunication service providers with annual Tennessee intrastate gross receipts in excess of \$5,000,000. Fees assessed are not to exceed \$750,000 per year in total for the establishment of a fund for support of the telecommunications assistive device distribution program (TDAP). The reserve fund for the program shall not exceed \$1 million. (65-21-115).

General Fund.....100% (earmarked for TDAP program of Tennessee Regulatory Authority) (TCA 65-21-115).

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**GAS SAFETY**

**INSPECTION** .....Annual fee for the inspection and supervision of safety standards to all gas distribution systems (not applicable to gas companies subject to TCA 65-4-301). Fees based on number of meters on a declining scale (\$0.65 down to \$0.35 per meter). Minimum fee, \$100 (TCA 65-28-110(c)). Also, any person who violates state laws or regulations issued by the Tennessee Regulatory Authority concerning gas safety inspections is subject to a civil penalty not to exceed \$10,000 for each violation for each day that such violation persists, up to a maximum civil penalty of \$500,000 (TCA 65-28-108).

General Fund ..... 100% (earmarked for Tennessee Regulatory Authority) (TCA 65-4-307).

**COMPETITIVE**

**CABLE AND**

**VIDEO SERVICES** .....An application fee for a state-issued certificate of franchise authority or to amend a previously issued certificate. The fees, which are based on the population of the proposed service area, range from \$500 to \$15,000. In addition, each holder of a state-issued certificate is required to pay an annual fee. The total of the annual fees collected from all certificate holders shall not exceed \$107,000 (TCA 7-59-305). Also, holders of state-issued certificates may be assessed a civil penalty for violating the provisions of the Competitive Cable and Video Services Act (TCA 7-59-312).

General Fund ..... 100% (earmarked for Tennessee Regulatory Authority) (TCA 7-59-Part 3) (Civil penalties are earmarked for the Broadband Deployment Fund) (TCA 7-59-312).

**MISCELLANEOUS** .....A \$25.00 fee per party for filing a petition with the TRA, and fees for copies of records (TCA 65-2-103 and 65-1-212). Penalties of \$50 for each day of any violation or failure by public utilities to comply with Tennessee Regulatory Authority orders, judgments, findings, rules, or requirements (TCA 65-4-120).



**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

General Fund ..... 100% (earmarked for Tennessee  
Regulatory Authority) (TCA 65-4-  
307).

**Secretary of State**

**FEES AND TAXES** ..... All fees and taxes received from  
notary certifications, foreign  
characters, trademarks, construction  
service provider workers'  
compensation exemption registrations,  
and miscellaneous (TCA 3-17-104, 47-  
25-517, and 50-6-912).

General Fund ..... 100% (TCA 8-22-118). Construction  
service provider workers'  
compensation exemption registration  
fees are earmarked for the Employee  
Misclassification Education and  
Enforcement Fund administered by the  
Department of Labor and Workforce  
Development (TCA 50-6-913).

**Department of Safety**

**CLASSIFIED  
DRIVER'S  
LICENSES** ..... Fees received from five-year driver's  
license: Class A (Commercial) - \$40;  
Classes B and C (Commercial) - \$35;  
Class D (Operator) - \$17.50; duplicate  
licenses - \$6 first duplication, \$10 for  
second and subsequent duplications  
during a regular renewal cycle (TCA  
55-50-323).

General Fund ..... 100%.

**FINES AND  
PENALTIES** ..... All fines, fees, and forfeitures received  
from motor vehicle violations (TCA  
55-7-206, 55-9-603, 55-10-303, 55-12-  
129, and 55-50-604).

General Fund ..... 100% (TCA 4-7-107, 55-7-206, and  
55-9-603).

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**LITIGATION**

**PRIVILEGE TAX**.....A 25% share of 4.4430% of the proceeds of litigation taxes allocated to driver education and highway safety promotion (TCA 67-4-602 and 67-4-606).

General Fund .....100% (earmarked for driver education in public schools and for highway safety promotion) (TCA 67-4-606).

**Department of Revenue**

**MOTOR**

**CARRIERS** .....Annual fees for inspection, control, supervision, and safety of motor carriers. A fee of 2.5% of vehicle registration fees paid by motor vehicles (TCA 55-4-113(b) and 65-15-116); and an \$8 annual fee per vehicle also is paid under the federal single state registration plan. Motor carriers and contract haulers must pay a \$50 application fee (TCA 65-15-109).

General Fund .....100% (earmarked for motor vehicle safety enforcement) (TCA 55-4-113(b) and 65-15-116).

**State Treasurer**

**INTEREST**

**EARNED**.....Interest received on state funds deposited in commercial banks and credited on a daily basis (TCA 9-4-106).

General Fund .....100%.

**Department of Education**

**LITIGATION**

**PRIVILEGE TAX**.....A 75% share of 4.4430% of the proceeds of litigation taxes allocated for driver education and promotion of safe highways and an additional 2.7747% share of the litigation tax proceeds (TCA 67-4-606).

Education Fund .....100% (earmarked for driver education in public schools) (TCA 67-4-606).

**Department of Health**

**HOTEL, B & B,  
RESTAURANT,  
SWIMMING  
POOL, AND CAMP  
INSPECTION .....**

Fees from annual permits. Rates for hotels and restaurants, based on maximum occupancy, are a maximum fee of \$650 for hotels and \$360 for food service establishments. Other fees include: \$100 for auxiliary food service operations; \$30 for temporary food service establishments; a maximum fee of \$80 for child care center food service establishments based on the number of seats; a flat fee of \$140 is assessed for each bed and breakfast establishment; \$340 for each public swimming pool; a flat fee of \$80 for day and primitive camps, a maximum fee of \$150 for resident camps based on the number of sleepers; a maximum fee of \$310 for travel camps based on the number of sites; and \$80 for school service establishments (TCA 68-14-312 through 68-14-316, 68-14-511, 68-14-512, and 68-110-103).

General Fund ..... 100%.

**TATTOO  
PARLORS AND  
ARTISTS .....**

Fees received from the issuance of certificates to operate a tattoo studio and from the issuance of licenses to engage in the practice of tattooing (TCA 62-38-202, 204, and 205).

General Fund ..... 100%.

**CHILD SAFETY.....**Fines up to \$50 imposed for violations of the Child Passenger Restraint Law for children under 4 years of age or between 4 and 8 years of age and measuring less than 5 feet in height; fines up to \$50 imposed for violation of mandatory use of a passenger restraint system for children between 9 and 12 years of age or any child through 12 years of age measuring 5 feet or more in height, or any child 13 through 15 years of age (TCA 55-9-602 and 40-35-111).

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

General Fund ..... For violations involving children under 4 years of age or between 4 and 8 years of age and measuring less than 5 feet in height, 100% of the \$50 fine for any offense (earmarked to Child Safety Fund for formula distribution to those entities best suited for child passenger safety system distribution). For violations involving children between 9 and 15 years of age, \$10 of the \$50 fine for a first offense. The remaining \$40 is earmarked to the Child Safety Fund. For second and subsequent violations, 100% of the \$50 fine is earmarked to the Child Safety Fund. (TCA 55-9-602).

**NURSING HOME**

**CIVIL PENALTIES** ..... Fees from civil penalties assessed on nursing homes, based upon the type of violation (TCA 68-11-811).

General Fund ..... 100% (earmarked for resident protection activities) (TCA 68-11-827).

**TRAUMATIC  
BRAIN INJURY**

**FUND** ..... Fines and penalties levied for motor vehicle violations in addition to those fines and penalties levied in Title 55 Chapters 8, 10, and 50 for speeding, reckless driving, driving with an invalid license, driving under the influence, accidents involving death or personal injury, and drag racing. (TCA 68-55-301 through 68-55-306).

General Fund ..... 100% (earmarked for the Traumatic Brain Injury Fund) (TCA 68-55-301 through 68-55-306).

**COMMERCIAL  
BREEDER**

**LICENSING** ..... Licensing fee to engage in commercial breeding of cats and dogs, and civil penalties for Commercial Breeder Act violations (TCA 44-17-Part 7).

General Fund ..... 100% (earmarked for the Commercial Breeder Act enforcement and recovery account) (TCA 44-17-715).

**DOG AND CAT**

**DEALERS** ..... Licensing fee based on type of facility and volume of animal transactions (TCA 44-17-104(b)).

General Fund ..... 100%.

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**Department of Environment and Conservation**

**TENNESSEE  
ENVIRONMENTAL  
PROTECTION**

**FUND** .....Fees from environmental permits, inspections, damages, and fines (TCA Title 60, Parts 1, 2, and 5; Title 68, Chapter 131, Part 4, Chapter 201, Part 1; Chapter 202, Parts 2 and 5; Chapter 203; Chapter 211, Part 1; Chapter 212, Part 1; and Chapter 221, Parts 4, 7, 9 and 10; and Title 69, Chapters 3 and 11).

General Fund.....100% (earmarked for the programs generating the fees) (TCA 68-203-101 and citations above).

**SOLID WASTE  
MANAGEMENT**

**FUND** .....Fees from a surcharge on each ton of municipal solid waste received at all Class 1 solid waste disposal facilities or incinerators of \$.90 per ton. Also, the \$1.35 pre-disposal fee collected from retailers by the Department of Revenue for each new tire sold in Tennessee (TCA 68-211-835 and 67-4-1603).

General Fund.....100% (earmarked for the Solid Waste Assistance Program) (TCA 68-211-835).

**DRYCLEANER  
ENVIRONMENTAL  
RESPONSE FUND**

.....Various fees from drycleaning facilities, including annual site registration fees of up to \$1,500, annual wholesale distributor registration fees of \$5,500 per in-state facility, and drycleaning solvent surcharges of \$10 per gallon of non-aqueous solvent and \$1 per gallon of light non-aqueous solvent purchased by a drycleaner (TCA 68-217-105 through 68-217-106).

General Fund.....100% (earmarked for the Drycleaners Environmental Response Program) (TCA 68-217-103).

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

**OIL AND GAS**

**REGULATION**.....All funds received as payment for penalties assessed by the Oil and Gas Board (TCA 60-1-404).

General Fund.....100% (earmarked for the Oil and Gas Reclamation Program) (TCA 60-1-404).

**AUTOMOTIVE**

**OIL FEE**.....Two cents per quart fee on the sale of packaged automotive oil, less a distributor handling deduction of 2%, up to \$50 per report. This fee is collected from the distributors by the Department of Revenue (TCA 68-211-1006 and 68-211-1010).

General Fund.....100% (earmarked for the Used Oil Collection Program) (TCA 68-211-1004 - 1006).

**Nursing Home Tax**

**NURSING HOME**

**TAX** .....Annual tax assessed at \$2,225 per licensed nursing home bed excluding those certified as ICF/MR beds (TCA 68-11-216(c)(1) through (12)).

General Fund.....100%.

**INTERMEDIATE  
CARE FACILITIES  
FOR THE  
MENTALLY  
RETARDED  
(ICF/MR) GROSS**

**RECEIPTS TAX**.....A five and one-half percent (5.5%) monthly gross receipts tax on revenue generated from ICF/MR certified beds (TCA 68-11-830(d)(2)).

General Fund.....100% (TCA 68-11-830(d)(5)).

**Annual Hospital Coverage Assessment**

**ANNUAL  
HOSPITAL  
COVERAGE**

**ASSESSMENT** .....Annual assessment, payable in quarterly installments, equal to 4.52% of a covered hospital's net patient revenue as shown in its 2008 Medicare Cost Report. Also, a \$500 per day penalty for failure to pay a quarterly installment. Authorization for the

**Collecting Agency  
and Classification**

**Rate and Source**

**Basis of Apportionment**

Annual Hospital Coverage Assessment  
expires on June 30, 2012 (TCA 71-5-  
1002 and 71-5-1004).

General Fund..... 100% (earmarked for the Maintenance  
of Coverage Trust Fund TCA 71-5-  
2005).

**Department of Transportation**

**RAILROADS**.....Annual fees for inspection, control,  
and supervision of the business,  
service, and safety of railroads. Fees  
figured at \$.04 per 1,000 ton miles.  
Minimum fee, \$100 (TCA 65-3-201).  
DOT collects these fees as  
miscellaneous revenue.

Transportation Fund..... 100% (earmarked for Department of  
Transportation) (TCA 65-3-202).





# **State Funding Board**

## **Range of Tax Revenue Estimates**





STATE OF TENNESSEE  
COMPTROLLER OF THE TREASURY

State Capitol  
Nashville, Tennessee 37243-9034  
(615) 741-2501

Justin P. Wilson  
Comptroller

December 20, 2011

**Memorandum**

TO: Governor Bill Haslam

Chairman Randy McNally  
Senate Finance, Ways, & Means Committee

Chairman Charles Sargent  
House Finance, Ways, & Means Committee

FROM: Justin P. Wilson, Comptroller of the Treasury

Tre Hargett, Secretary of State

David H. Lillard Jr., State Treasurer

Mark A. Emkes, Commissioner  
Department of Finance & Administration

SUBJECT: Revenue Estimates for FY 2011-12 and FY 2012-13

The State Funding Board met on December 9, 2011 and December 14, 2011, to hear updated presentations on the State's near-term economic outlook for the fiscal years 2011-12 and 2012-13. The Board reconvened on December 19, 2011, to discuss the revenue projections.

**Total State Taxes and General Fund Revenue Estimates**

The Board is charged, in Tennessee Code Annotated Section 9-4-5202(e), with the responsibility of developing consensus ranges of state revenue growth. In doing so, the Board evaluates and interprets economic data and revenue forecasts supplied by various economists as well as persons acquainted with the Tennessee revenue system. This is a revenue estimation process and not a budgeting process. The Board does not take into consideration the State's fiscal situation when developing its consensus ranges of revenue growth; however, the Board does strive to have the highest degree of confidence in the

State's ability to achieve such growth. Fiscal considerations properly belong with those who set the State's budget - the Administration that recommends appropriation levels based upon its assessment of revenue growth and the General Assembly that adopts a *de facto* revenue estimate through its final action on the appropriations bill.

The Board heard testimony regarding the economy from Dr. Albert DePrince of Middle Tennessee State University; Mr. Robert Currey of the Fiscal Review Committee; Commissioner Richard Roberts of the Tennessee Department of Revenue; and Dr. William Fox of The University of Tennessee. The state tax revenue estimates provided by each of the presenters are summarized in two attachments to this memorandum.

The Board additionally heard commentary from Mr. Lee Jones, Regional Executive with the Federal Reserve Bank of Atlanta. It should be noted that this commentator did not provide specific revenue estimates, but provided his insight on the national, regional and state economies.

The consensus of the presenters is that the economy remains in recovery and will continue to improve into 2013, but at a modest rate. The presenters and commentator acknowledged that while the national and state economies continue to experience positive growth, until such time as the unemployment rate and the housing market show significant improvement, the economy will not return to pre-recession levels of performance. The presenters and commentator also noted that while inflation has remained low with regard to most commodities, the impact of inflation on food and energy prices is anticipated to level off in the coming months.

Both the presenters and commentator noted that there continues to be growth in the national economy, as well as the economy in Tennessee. The unemployment rates are decreasing both in Tennessee and on the national level; however the unemployment rate in Tennessee still remains high at over 9.0%. It was noted that the decline in the unemployment rate in Tennessee can be attributed to several factors which include the addition of new jobs to the labor market, the increased number of retirements, and the fact that many unemployed individuals have become discouraged and are no longer participating in the labor market. While a number of the presenters and the commentator acknowledged the decline in the number of unemployment claims being filed and the decline in the duration of unemployment, they also noted that due to the high level of jobs lost in Tennessee during the recession, it will likely be four to five years before employment returns to the level it was at prior to the recession.

The housing market remains weak. Due to the significant rate of mortgage delinquency experienced during the recession, the housing market is saturated with existing single family homes. There is little incentive to build new homes until the market absorbs the homes that are currently available. Additionally, applications for building permits and new home sales remain at historical lows. New and existing home prices are beginning to improve, but at a much slower rate than they declined. The unemployment rate and the

depressed level of housing starts continue to be major contributors to Tennessee's current economic condition.

Consumer confidence and consumer spending continue to show improvement despite the unemployment level. An indicator of this can be found in a decline in the personal savings rate from 6.0% at the height of the recession to the current rate of 3.8%. Pent-up demand may also be part of the reason for consumers spending more of their disposable income. This willingness to spend disposable income has contributed to retail sales rising to 7.3% higher than it was last fiscal year at this same time.

Sales of light vehicles continue to experience positive growth, but the level of sales is still lower than it was prior to the recession. Manufacturing, construction, and professional and business services employment continue to expand. It was noted however that while these areas of employment are growing, a significant part of the growth can be attributed to employment through temporary services. Business investment remains strong in Tennessee. Several of the presenters commented that business investment has been and continues to be key to the economic recovery in Tennessee. More corporations are purchasing new technologies for business investment purposes and as a result sales tax collections are being positively impacted. However, these new technologies are also allowing businesses to be more productive with fewer employees, which directly impacts the unemployment rate.

Though the Board acknowledged that tax collections, especially sales tax collection, have performed better than expected in recent months, several members expressed concern about the sustainability of these increased collections. A number of the presenters and the commentator cautioned that it will be difficult to sustain the level of retail sales and sales tax collection growth that been experienced in Tennessee fiscal year-to-date due to the level of unemployment, the decline in the personal savings rate, and the fact that any future growth will be measured off a higher base. Several presenters and the commentator also expressed concerns about the economic conditions in Europe and how the European economy could impact the economy in the U.S. and Tennessee. The presenters also noted that the manner in which Congress decides to address the budget deficit, the proposed payroll tax extension and the extension of unemployment compensation benefits could also have a significant impact on the U.S. and Tennessee economies.

The Board developed the following summarized consensus revenue estimates expressed in ranges of growth rates in State taxes.

	FY 2011-12		FY 2012-13	
	Low	High	Low	High
Total State Taxes	3.90%	4.21%	3.40%	3.65%
General Fund Only	4.20%	4.58%	3.75%	4.03%

While it is difficult to precisely predict revenue ranges, the Board believes that these ranges are reasonable and appropriate for use in State budgeting. These ranges are based on statutory tax provisions enacted through the 2011 session of the General Assembly.

#### Net Lottery Proceeds Revenue Estimates and Long-Term Funding Needs Estimates

The State Funding Board also received presentations regarding the Tennessee Education Lottery (TEL). Legislation in 2003 created the Tennessee Education Lottery Corporation (TELC) (Tennessee Code Annotated Sections 4-51-101 et seq.) Tennessee Code Annotated Section 4-51-111(c) requires the Board to establish a projected revenue range for the “Net Lottery Proceeds” [defined in Section 4-51-102(14)] for the remainder of the current fiscal year and for the four succeeding fiscal years.

Mr. Robert Currey, Chief Economist with the Fiscal Review Committee (FRC) presented to the Board the FRC’s lottery projections. Mr. Currey observed that sales of lottery tickets year-to-date for this fiscal year have increased by over 6.0% from the same time period in fiscal year 2011. He revised his estimated forecast for fiscal year 2011-12, to reflect slight growth in Net Lottery Proceeds. Mr. Currey estimated that Net Lottery Proceeds available for deposit into the Lottery Education Account for fiscal years 2011-12 and 2012-13 will be 25.3% and 25.2% of total net revenue, respectively. Due to the high level of uncertainty, Mr. Currey projected the growth in annual sales and Net Lottery Proceeds for fiscal years 2013-14 through 2015-16 to be 2.5% and 0.75% respectively.

Ms. Rebecca Hargrove, Chief Executive Officer, and Mr. Andy Davis, Chief Financial and Technology Officer, both of the TELC, also presented their estimate of total and Net Lottery Proceeds for the current fiscal year and four succeeding fiscal years. TELC projected 1% growth in Net Lottery Proceeds and 3% growth in annual sales for fiscal years 2011-12 through 2015-16. Both Ms. Hargrove and Mr. Davis reviewed significant factors impacting TELC estimates. Ms. Hargrove commented that sales year-to-date this fiscal year have increased by approximately 6.6% from the same time period in fiscal year 2011. Additionally, lottery revenues in Tennessee are growing faster than revenues throughout the remainder of the industry. Ms. Hargrove and several members of the Board engaged in significant discussion regarding the ability of TELC to leverage prize payout amounts in a manner that ensures that Net Lottery Proceeds will be maximized. Mr. Davis commented that instant games account for approximately 80% of sales in the current fiscal year and that growth continues to be driven by higher price point games. Mr. Davis also commented that it is anticipated that there will be a \$300 million Powerball jackpot and a \$300 million MEGA MILLIONS jackpot before the end of fiscal year 2012.

Tennessee Code Annotated Section 4-51-111(c)(2)(A)(ii) requires the Board with the assistance of the Tennessee Student Assistance Corporation (TSAC) to project long-term funding needs of the lottery scholarship and grant programs. These projections are to be

done to determine if adjustments to lottery scholarship and grant programs are needed to prevent the funding for these programs from exceeding Net Lottery Proceeds. For this purpose, the Board heard from Dr. Thomas Sanford, Director of Research of the Tennessee Higher Education Commission (THEC), and from Mr. Tim Phelps, Associate Executive Director for Grants and Scholarship Programs of TSAC.

They presented an increased projection for fiscal year 2011-12, which estimates 110,400 awards, with a projected cost of \$336.9 million. Furthermore, Mr. Phelps presented estimates for fiscal year 2012-13 of 110,500 awards, with a projected cost of \$326.8 million. Additionally, it is estimated that there will be 110,600 awards in fiscal year 2013-14, with a projected cost of \$316.7 million, 110,900 awards in fiscal year 2014-15, with projected cost of \$317.5 million, and 111,200 awards in 2015-16, with a projected cost of \$318.3 million. These awards include all lottery-funded scholarship programs as authorized through the 2011 session of the General Assembly, including Hope Scholarship, General Assembly Merit Scholarship, ASPIRE Award, HOPE Access Grant, Wilder-Naifeh Technical Skills Grant, Nontraditional Student Grant, Foster Child Tuition Grant, Dual Enrollment Grant, Math & Science Teacher Loan Forgiveness Program, Helping Heroes Grant, the Rural Health Loan Forgiveness Program and Tennessee Student Assistance Award.

The estimates provided by each of the presenters are summarized in an attachment to this memorandum. Consensus was reached on the following estimates of the range for Net Lottery Proceeds to be deposited in the Lottery for Education Account and used for the various statutory purposes.

Net Lottery Proceeds	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16
Low	\$283,000,000	\$286,000,000	\$288,000,000	\$290,000,000	\$292,000,000
High	\$288,000,000	\$292,000,000	\$295,000,000	\$298,000,000	\$301,000,000

The State Funding Board considered the joint projections for lottery scholarship and grant program funding needs provided by THEC and TSAC and accepted their recommended projections. These estimates and projections assume no new legislative changes regarding the TELC and its authority or to the scholarship and grant programs.

Attached is a copy of the letter from the Department of Education requesting \$23,000 from net lottery proceeds pursuant to Tennessee Code Annotated Section 4-51-11(c)(2)(B) which states:

Before December 15, 2003, and before December 15 in each succeeding year, appropriate state agencies shall submit to the funding board and to the governor their recommendations for other educational programs and purposes consistent with article XI, Section 5 of the Tennessee Constitution based on the difference between the funding board's projections and recommendations for the lottery scholarship program based on

the report submitted pursuant to subdivision (c)(2)(A). In no event shall such recommendations exceed the projections of the funding board for a specific fiscal year.

Each of us stands ready to discuss this report further at your convenience.

Attachments

Revenue Estimates (2)  
Lottery Estimates  
TSAC/THEC Report  
Letter from Dept. of Education

cc. The Honorable Ron Ramsey  
The Honorable Beth Harwell







**Net Lottery Proceeds Estimates**  
**Actual 2010-2011 and Estimated 2011-2012 Through 2015-2016**  
**December 2011**

	<b>2010-2011 Actual</b>	<b>2011-2012 Revised</b>	<b>%</b>	<b>2012-2013 Estimated</b>	<b>%</b>	<b>2013-2014 Estimated</b>	<b>%</b>	<b>2014-2015 Estimated</b>	<b>%</b>	<b>2015-2016 Estimated</b>	<b>%</b>
<b>Lottery Corporation</b>											
Low	281,846,000	282,561,000	0.25%	285,000,000	0.86%	288,000,000	1.05%	291,000,000	1.04%	294,000,000	1.03%
High	281,846,000	288,161,000	2.24%	291,000,000	0.99%	294,000,000	1.03%	297,000,000	1.02%	300,000,000	1.01%
<b>Fiscal Review Staff</b>											
Low	281,846,000	283,200,000	0.48%	287,700,000	1.59%						
Mean	281,846,000	287,400,000	1.97%	291,600,000	1.46%	293,787,000	0.75%	295,990,000	0.75%	298,210,000	0.75%
High	281,846,000	291,600,000	3.46%	295,500,000	1.34%						
<b>Recommended Range</b>											
Low	<b>281,846,000</b>	<b>283,000,000</b>	<b>0.41%</b>	<b>286,000,000</b>	<b>1.06%</b>	<b>288,000,000</b>	<b>0.70%</b>	<b>290,000,000</b>	<b>0.69%</b>	<b>292,000,000</b>	<b>0.69%</b>
High	<b>281,846,000</b>	<b>288,000,000</b>	<b>2.18%</b>	<b>292,000,000</b>	<b>1.39%</b>	<b>295,000,000</b>	<b>1.03%</b>	<b>298,000,000</b>	<b>1.02%</b>	<b>301,000,000</b>	<b>1.01%</b>



STATE OF TENNESSEE  
**TENNESSEE STUDENT ASSISTANCE CORPORATION**

SUITE 1510, PARKWAY TOWERS  
404 JAMES ROBERTSON PARKWAY  
NASHVILLE, TENNESSEE 37243-0820  
(615)741-1346 • 1-800-342-1663 • FAX (615)741-6101  
[www.TN.gov/collegepays](http://www.TN.gov/collegepays)

December 9, 2011

**MEMORANDUM**

**TO:** State Funding Board

**FROM:** Tim Phelps, Tennessee Student Assistance Corporation  
Dr. Thomas Sanford, Tennessee Higher Education Commission

**SUBJECT:** Tennessee Education Lottery Scholarship Program Projections

Pursuant to T.C.A 4-51-111(c)(2)(A)(ii), the Tennessee Higher Education Commission (THEC) and Tennessee Student Assistance Corporation (TSAC) have collaborated with the University of Tennessee Center for Business and Economic Research (CBER) to project expenditures in lottery scholarship and grant programs through the 2013-14 academic year. Projections for the 2014-15 and 2015-16 academic years have been made by THEC and TSAC staff.

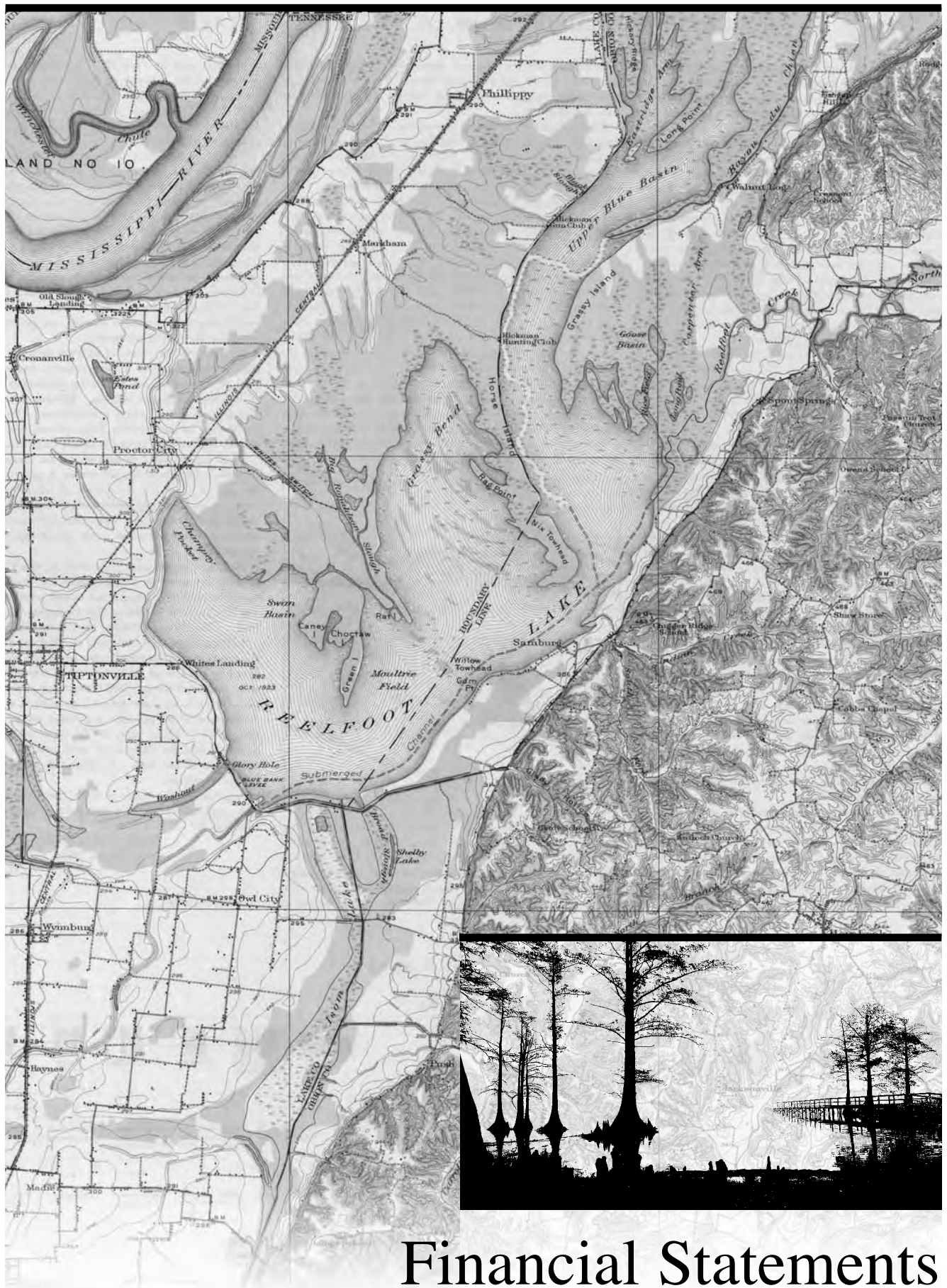
The figures below incorporate data for all lottery-funded programs, including the HOPE Scholarship, General Assembly Merit Scholarship, ASPIRE award, HOPE Access Grant, Wilder-Naifeh Technical Skills Grant, Nontraditional Student Grant, Dual Enrollment Grant, Helping Heroes Grant, Foster Child Tuition Grant, Rural Health Loan Forgiveness Program, Math & Science Teacher Loan Forgiveness Program, and recurring supplemental funding for the Tennessee Student Assistance Award.

Fiscal Year	Total TELS Expenditures*	Recipients
2010-11 actual	\$304.4M	105,400
2011-12 estimated	\$336.9M	110,400
2012-13 estimated	\$326.8M	110,500
2013-14 estimated	\$316.7M	110,600
2014-15 estimated	\$317.5M	110,900
2015-16 estimated	\$318.3M	111,200

\*Does not include administrative costs of \$3.8M.

These projections are based on the size of the annual high school graduating class, the scholarship take-up rate of eligible students, and the renewal rate of recipients and legislation passed during the 2011 legislative session. If further structural changes are made to the program, these projected expenditures may change.

Please let us know if you have questions or need anything further.



# Financial Statements



# Financial Statements



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**General Fund  
Comparative Balance Sheet  
June 30, 2010, and June 30, 2011**

	<b>June 30, 2010</b>	<b>June 30, 2011</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 1,199,295,000	\$ 1,111,882,000
Receivables, net	2,095,775,000	1,555,902,000
Due from Other Funds	250,679,000	275,943,000
Due from Component Units	347,000	30,823,000
Inventories, at Cost	13,488,000	13,838,000
Prepayments	7,000	10,000
Deferred Charges	3,277,000	1,712,000
Loans Receivable, net	70,000	3,294,000
Leases Receivable	1,289,000	1,289,000
	<b>\$ 3,564,227,000</b>	<b>\$ 2,994,693,000</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities:</b>		
Accounts Payable and Accruals	\$ 1,227,788,000	\$ 578,226,000
Due to Other Funds	10,898,000	10,552,000
Due to Component Units	2,037,000	2,199,000
Deferred Revenue	366,797,000	311,590,000
Advance from Other Governments	89,296,000	48,874,000
Other	419,000	513,000
	<b>\$ 1,697,235,000</b>	<b>\$ 951,954,000</b>
<b>Fund Balance:</b>		
Nonspendable - Inventories	\$ 13,488,000	\$ 13,838,000
Nonspendable - Accounts Receivable	5,640,000	5,505,000
Restricted	107,118,000	100,942,000
Committed	150,166,000	235,301,000
Assigned - Appropriations for 2010-2011	239,400,000	0
Assigned - Appropriations for 2011-2012	0	371,300,000
Assigned - Other Reserves	896,231,000	808,352,000
Unassigned - Revenue Fluctuation Reserve	453,100,000	283,600,000
Unassigned - Reserve for Future Requirements	0	223,000,000
Unassigned - Fund Balance	1,849,000	901,000
	<b>\$ 1,866,992,000</b>	<b>\$ 2,042,739,000</b>
<b>Total Fund Balance</b>	<b>\$ 1,866,992,000</b>	<b>\$ 2,042,739,000</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 3,564,227,000</b>	<b>\$ 2,994,693,000</b>



**Education Fund**  
**Comparative Balance Sheet**  
**June 30, 2010, and June 30, 2011**

	<b>June 30, 2010</b>	<b>June 30, 2011</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 8,000	\$ 9,000
Investments	387,348,000	369,749,000
Receivables, net	609,157,000	514,762,000
Due from Other Funds	105,000	301,000
Due from Component Units	85,524,000	82,200,000
Inventories	78,000	77,000
	<b>\$ 1,082,220,000</b>	<b>\$ 967,098,000</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities:</b>		
Accounts Payable and Accruals	\$ 178,136,000	\$ 66,894,000
Due to Other Funds	234,797,000	270,196,000
Due to Component Units	22,756,000	15,989,000
Deferred Revenue	99,003,000	80,711,000
Advance from Other Governments	2,480,000	518,000
	<b>\$ 537,172,000</b>	<b>\$ 434,308,000</b>
<b>Fund Balance:</b>		
Nonspendable - Inventories	\$ 78,000	\$ 77,000
Restricted - Lottery Scholarships	401,957,000	390,208,000
Restricted - Energy Efficient Schools	86,656,000	66,241,000
Restricted - After School Program	17,969,000	18,215,000
Committed	254,000	3,962,000
Assigned	38,134,000	54,087,000
	<b>\$ 545,048,000</b>	<b>\$ 532,790,000</b>
	<b>\$ 1,082,220,000</b>	<b>\$ 967,098,000</b>
	<b>\$ 1,082,220,000</b>	<b>\$ 967,098,000</b>

**Highway Fund  
Comparative Balance Sheet  
June 30, 2010, and June 30, 2011**

	<u>June 30, 2010</u>	<u>June 30, 2011</u>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 292,817,000	\$ 318,370,000
Receivables, net	314,296,000	338,128,000
Inventories, at Cost	8,407,000	8,929,000
Loans Receivable, net	<u>2,091,000</u>	<u>1,935,000</u>
<b>Total Assets</b>	<b><u>\$ 617,611,000</u></b>	<b><u>\$ 667,362,000</u></b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities:</b>		
Accounts Payable and Accruals	\$ 100,934,000	\$ 97,906,000
Due to Other Funds	811,000	887,000
Deferred Revenue	10,271,000	126,726,000
Advance from Other Governments	0	17,961,000
Other	<u>2,285,000</u>	<u>2,031,000</u>
<b>Total Liabilities</b>	<b><u>\$ 114,301,000</u></b>	<b><u>\$ 245,511,000</u></b>
<b>Fund Balances:</b>		
Nonspendable - Inventories	\$ 8,407,000	\$ 8,929,000
Restricted	174,757,000	153,547,000
Committed	109,912,000	114,327,000
Assigned	<u>210,234,000</u>	<u>145,048,000</u>
<b>Total Fund Balance</b>	<b><u>\$ 503,310,000</u></b>	<b><u>\$ 421,851,000</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 617,611,000</u></b>	<b><u>\$ 667,362,000</u></b>

# Debt Management

Recommended Budget, Fiscal Year 2012-2013

The State Funding Board is empowered as the sole governing body over the issuance of general obligation debt for Tennessee. It was created by the 45th General Assembly through passage of Public Chapter 126, Public Acts of 1887, codified as Title 9, Chapter 9, Section 101 of the Tennessee Code.

By statute, the state's full faith and credit, as well as specific tax revenues are pledged for the payment of principal and interest on state bonds. Additionally, the law covenants that such pledged revenues shall not be less than 150 percent of the amount necessary to service the state's outstanding debt and any debt proposed to be issued.

For the fiscal year ending June 30, 2011 the debt limit calculation produced a maximum annual debt service debt limit of \$516,354,400. The annual debt service requirement on the state's outstanding debt, authorized but unissued debt, and proposed bond authorizations in the fiscal year 2012-2013 budget total \$334,860,000, well below the maximum statutory debt limitation. The statutory debt limitation, therefore, provides for a substantial amount of additional debt capacity.

Over the years, Tennessee has consistently maintained a relatively low debt burden. This has been accomplished through the use of sound, prudent, and conservative debt management practices adopted by the executive and legislative branches of government, with concurrence of the State Funding Board. Such practices include funding a portion of the state's capital program with surplus cash, cancellation of bond authorizations in lieu of issuing debt, creating and maintaining a "Rainy Day Fund" to offset unanticipated revenue shortfalls, and the adoption of state statutes designed to control the issuance of excessive debt. The state continues to maintain a relative low debt burden, and access to the capital markets remains strong.

Tennessee's commitment to conservative and prudent debt management is widely recognized by the nation's leading debt-rating

agencies. Current ratings on the state's general obligation long-term debt are: Fitch AAA, Standard and Poor's AA+, and Moody's Investor Service Aaa.

In the first six months of this fiscal year, the state sold \$463,800,000 in general obligation bonds. Included with this sale was \$8.0 million in Facility Revolving Fund bonds. As of June 30, 2011, Tennessee's total general obligation bonded indebtedness was \$1,470,285,000, excluding the Facilities Revolving Fund. This debt was issued entirely for institutional and building construction.

The first session of the 107th General Assembly approved new G.O. bond authorizations in the amount of \$529,400,000. Of this amount, institutional and building bonds accounted for \$95,600,000, highway and bridge bonds \$161,500,000, \$7,900,000 in Facilities Revolving Fund bonds, and \$264,400,000 in economic development capital grants.

The state's practice of using cash flow to finance road projects in lieu of issuing debt has been one of the key factors in Tennessee's ability to secure and retain very high bond ratings. Consistent with this long-standing policy, the Funding Board cancelled \$101.6 million in highway bond authorizations, \$36.4 million in economic development capital grants, and \$1.4 million in institutional and building construction bonds during the first six months of this fiscal period.

The increase in bond authorization coupled with the Funding Board's action on bond cancellations reduced the category of authorized but unissued bonds to \$1,618,386,200, which includes \$503.1 million in capital construction bonds, \$106.5 million in FRF bonds, and \$953.7 million in highway fund authorizations.

The recommended 2012-2013 Capital Budget is funded from proposed bond authorizations in the amount of \$300.9 million, \$138.6 million from surplus cash, and \$122.0 million from federal funds and other sources.

**Debt Service Fund**  
**Statement of Revenues, Expenditures, and Requirements**  
**July 1, 2010 - June 30, 2013**

	<b>Actual 2010-2011</b>	<b>Estimated 2011-2012</b>	<b>Estimated 2012-2013</b>
<b>Unreserved Fund Balance, July 1</b>	<b>\$ 6,715,000.00</b>	<b>\$ 9,736,000.00</b>	<b>\$ 15,574,000.00</b>
<b>Tax Revenues:</b>			
Sales Tax	\$ 46,017,500.00	\$ 48,100,000.00	\$ 50,100,000.00
Gasoline Tax	108,200,000.00	107,000,000.00	107,000,000.00
Franchise Tax	18,000,000.00	18,000,000.00	18,000,000.00
Excise Tax	205,982,500.00	215,000,000.00	228,100,000.00
Motor Vehicle Title Fees	2,700,000.00	2,700,000.00	2,700,000.00
<b>Total Tax Revenues</b>	<b>\$ 380,900,000.00</b>	<b>\$ 390,800,000.00</b>	<b>\$ 405,900,000.00</b>
<b>Other Revenues:</b>			
Sports Authority	\$ 3,643,300.00	\$ 3,641,000.00	\$ 4,122,000.00
Motlow State - Smyrna Center	128,900.00	125,000.00	121,000.00
University of Memphis - Land Bank	191,000.00	0.00	717,000.00
Middle Tennessee State University - Farm Project	2,859,600.00	0.00	0.00
State Technology Centers	0.00	0.00	3,740,000.00
State Veterans' Homes - Refinancing	583,000.00	571,000.00	560,000.00
Premium on Bond Sales	11,132,100.00	37,047,430.10	0.00
Net Refunding Bond Premium	319,700.00	0.00	0.00
Federal Highway Bridge Funds (80% Match)	0.00	0.00	21,600,000.00
<b>Total Other Revenues</b>	<b>\$ 18,857,600.00</b>	<b>\$ 41,384,430.10</b>	<b>\$ 30,860,000.00</b>
<b>Total Available Funds</b>	<b>\$ 406,472,600.00</b>	<b>\$ 441,920,430.10</b>	<b>\$ 452,334,000.00</b>
<b>Appropriations, Transfers, and Fund Balance</b>			
<b>Debt Service Appropriations for:</b>			
Outstanding Bonds @ July 1	\$ 177,783,000.00	\$ 182,015,000.00	\$ 177,610,000.00
Bond Sale - October 2010	2,445,100.00	0.00	0.00
Bond Sale - October 2011	0.00	6,784,000.00	40,800,000.00
Capital Outlay - Unissued Bonds (\$503,142,000)	0.00	0.00	55,350,000.00
Proposed Capital Outlay Bonds (\$300,900,000)	0.00	0.00	33,100,000.00
Highway Bridges - Unissued Bonds (\$262,500,000)	0.00	0.00	27,000,000.00
Short Term Interest	502,200.00	500,000.00	0.00
Debt Issuance Expense	4,363,500.00	3,599,959.47	1,000,000.00
<b>Total Debt Service Appropriations</b>	<b>\$ 185,093,800.00</b>	<b>\$ 192,898,959.47</b>	<b>\$ 334,860,000.00</b>
<b>Transfers to Other Funds:</b>			
Highway Fund	\$ 104,600,000.00	\$ 101,600,000.00	\$ 101,600,000.00
General Fund	91,400,000.00	94,000,000.00	0.00
Capital Projects Fund - Geier Desegregation Settlement	1,300,000.00	0.00	0.00
Capital Projects - West TN Mega-site	1,400,000.00	1,400,000.00	0.00
Capital Projects Fund - State Board of Regents	3,311,163.17	0.00	0.00
Capital Projects Fund - Premium on Bond Sales	9,631,000.00	36,447,470.63	0.00
<b>Total Transfers to Other Funds</b>	<b>\$ 211,642,163.17</b>	<b>\$ 233,447,470.63</b>	<b>\$ 101,600,000.00</b>
<b>Total Appropriations and Transfers</b>	<b>\$ 396,735,963.17</b>	<b>\$ 426,346,430.10</b>	<b>\$ 436,460,000.00</b>
<b>Unreserved Fund Balance, June 30</b>			
Net Receivables	\$ 3,825,600.00	\$ 4,000,000.00	\$ 4,300,000.00
Highway Bridge Bonds - Debt Service	5,400,000.00	10,800,000.00	10,800,000.00
Cash and Cash Equivalents	511,036.83	774,000.00	774,000.00
<b>Total Unreserved Fund Balance, June 30</b>	<b>\$ 9,736,636.83</b>	<b>\$ 15,574,000.00</b>	<b>\$ 15,874,000.00</b>

**Debt Service Fund  
Comparative Balance Sheet  
June 30, 2010, and June 30, 2011**

	<b>June 30, 2010</b>	<b>June 30, 2011</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 3,094,000	\$ 5,911,000
Taxes Receivable	5,342,000	5,060,000
Loans Receivable	12,779,000	10,288,000
<b>Total Assets</b>	<b>\$ 21,215,000</b>	<b>\$ 21,259,000</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities:</b>		
Payables and Accruals	\$ 541,000	\$ 342,000
Deferred Revenue	13,959,000	11,181,000
<b>Total Liabilities</b>	<b>\$ 14,500,000</b>	<b>\$ 11,523,000</b>
<b>Fund Balance:</b>		
Highway Bridge Bonds - Debt Service	\$ 1,800,000	\$ 5,400,000
Unreserved	4,915,000	4,336,000
<b>Total Fund Balance</b>	<b>\$ 6,715,000</b>	<b>\$ 9,736,000</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 21,215,000</b>	<b>\$ 21,259,000</b>

**Bond Fund**  
**Statement of Bonds Authorized and Unissued**  
**June 30, 2010 - June 30, 2012**

Year	Authority	Description	June 30, 2010	June 30, 2011	June 30, 2012 *
1994	Chapter 1010	Facilities Revolving Fund	\$ 510,000.00	\$ 0.00	\$ 0.00
1996	Chapter 945	State Parks	77,365.99	77,365.99	77,365.99
1996	Chapter 952	Capital Outlay	608,922.36	608,922.36	512,587.21
1996	Chapter 952	Data Processing Equipment	20,000,000.00	20,000,000.00	20,000,000.00
1997	Chapter 535	Capital Outlay	1,289,088.70	1,289,088.70	1,272,316.75
1998	Chapter 1103	Capital Outlay	500,813.64	500,813.64	500,813.64
1998	Chapter 1103	Facilities Revolving Fund	74,840.70	74,840.70	0.00
1999	Chapter 401	Capital Outlay	758,214.73	758,214.73	758,214.73
1999	Chapter 401	Facilities Revolving Fund	740,085.41	740,085.41	0.00
2000	Chapter 984	Capital Outlay	1,864,234.78	1,864,234.78	1,839,676.39
2000	Chapter 984	Facilities Revolving Fund	35,440.03	35,440.03	0.00
2001	Chapter 462	Capital Outlay	1,279,591.08	1,279,591.08	633,774.34
2001	Chapter 462	Facilities Revolving Fund	28,172,794.85	28,172,794.85	26,771,538.06
2002	Chapter 852	Higher Education - Geier Settlement	1,300,000.00	0.00	0.00
2002	Chapter 852	Capital Outlay	1,301,109.30	1,301,109.30	642,388.93
2002	Chapter 852	Facilities Revolving Fund	2,421,701.98	2,421,701.98	2,421,701.98
2002	Chapter 852	Highway Construction	77,000,000.00	0.00	0.00
2003	Chapter 296	Capital Outlay	745,917.88	709,890.16	296,877.22
2003	Chapter 296	Highway Construction	74,000,000.00	74,000,000.00	0.00
2003	Chapter 313	State Veterans' Homes - Refinancing	180,302.03	180,302.03	0.00
2003	Chapter 338	Capital Outlay	3,000,000.00	3,000,000.00	3,000,000.00
2003	Chapter 338	Facilities Revolving Fund	600,000.00	600,000.00	0.00
2004	Chapter 958	Capital Outlay	46,993,973.16	15,727,748.55	14,028,810.17
2004	Chapter 958	Facilities Revolving Fund	3,240,429.29	745,259.54	745,259.54
2004	Chapter 958	Highway Construction	74,000,000.00	74,000,000.00	74,000,000.00
2005	Chapter 501	Capital Outlay	18,382,666.97	6,159,553.69	3,307,605.96
2005	Chapter 501	Facilities Revolving Fund	3,240,451.44	3,240,451.44	3,122,451.44
2005	Chapter 501	Highway Construction	76,000,000.00	76,000,000.00	76,000,000.00
2005	Chapter 502	Higher Education	29,923,545.01	29,923,545.01	23,665,882.78
2006	Chapter 962	Capital Outlay	167,764,061.91	137,350,530.74	73,342,745.41
2006	Chapter 962	Facilities Revolving Fund	14,791,719.57	9,784,043.46	8,403,368.64
2006	Chapter 962	ERP Software	39,419,930.67	35,039,930.67	35,039,930.67
2006	Chapter 962	Highway Construction	83,500,000.00	83,500,000.00	83,500,000.00
2007	Chapter 591	Capital Outlay	104,519,708.78	73,152,645.88	50,117,112.09
2007	Chapter 591	Higher Education - Board of Regents	10,700,000.00	6,522,227.00	6,522,227.00
2007	Chapter 591	Facilities Revolving Fund	41,090,556.30	21,557,114.80	19,825,337.48
2007	Chapter 591	Highway Construction	83,800,000.00	83,800,000.00	83,800,000.00
2008	Chapter 1119	Higher Education	5,720,000.00	5,307,507.78	2,600,994.77
2008	Chapter 1193	Highway Construction - State Route 840	110,400,000.00	82,800,000.00	55,200,000.00
2008	Chapter 1202	Capital Outlay	29,700,000.00	29,700,000.00	24,700,000.00
2008	Chapter 1202	Facilities Revolving Fund	23,250,000.00	20,524,277.49	19,824,982.42
2008	Chapter 1202	Highway Construction	87,700,000.00	87,700,000.00	87,700,000.00
2009	Chapter 3 ES	Capital Outlay - E&CD Grants	119,159,000.00	63,431,785.63	4,920,600.71
2009	Chapter 552	Capital Outlay	194,500,000.00	187,852,676.14	139,255,669.65
2009	Chapter 552	Capital Outlay - E&CD Grants	56,900,000.00	56,900,000.00	1,953,224.83
2009	Chapter 552	Facilities Revolving Fund	3,300,000.00	2,300,000.00	1,089,343.81
2009	Chapter 552	Highway Construction	80,000,000.00	80,000,000.00	80,000,000.00
2009	Chapter 552	Highway Construction - Bridges	87,500,000.00	87,500,000.00	87,500,000.00
2010	Chapter 1109	Capital Outlay	13,200,000.00	13,200,000.00	13,200,000.00
2010	Chapter 1109	Facilities Revolving Fund	16,400,000.00	16,400,000.00	16,400,000.00
2010	Chapter 1109	Highway Construction	77,000,000.00	77,000,000.00	77,000,000.00
2010	Chapter 1109	Highway Construction - Bridges	87,500,000.00	87,500,000.00	87,500,000.00
2011	Chapter 277	Capital Outlay - E&CD Grants	0.00	106,400,000.00	32,393,420.32
2011	Chapter 470	Capital Outlay	0.00	61,600,000.00	61,600,000.00
2011	Chapter 470	Capital Outlay - Board of Regents	0.00	34,000,000.00	34,000,000.00
2011	Chapter 470	Capital Outlay - E&CD Grants	0.00	8,000,000.00	8,000,000.00
2011	Chapter 470	Facilities Revolving Fund	0.00	7,900,000.00	7,900,000.00
2011	Chapter 470	Highway Construction	0.00	74,000,000.00	74,000,000.00
2011	Chapter 470	Highway Construction - Bridges	0.00	87,500,000.00	87,500,000.00
2011	Chapter 472	Capital Outlay - E&CD Grants	0.00	150,000,000.00	0.00
<b>Total Bonds Authorized and Unissued</b>			<b>\$ 2,006,056,466.56</b>	<b>\$ 2,221,633,693.56</b>	<b>1,618,386,222.93</b>
<b>Summary by Purpose:</b>					
	Capital Outlay		\$ 810,368,516.32	\$ 996,797,753.19	\$ 503,142,308.89
	Facilities Revolving Fund		137,868,019.57	114,496,009.70	106,503,983.37
	Highway Construction		713,000,000.00	710,000,000.00	636,000,000.00
	Highway Construction - State Route 840		110,400,000.00	82,800,000.00	55,200,000.00
	Highway Construction - Bridges		175,000,000.00	262,500,000.00	262,500,000.00
	Data Processing Equipment		20,000,000.00	20,000,000.00	20,000,000.00
	ERP Software		39,419,930.67	35,039,930.67	35,039,930.67
<b>Total Bonds Authorized and Unissued</b>			<b>\$ 2,006,056,466.56</b>	<b>\$ 2,221,633,693.56</b>	<b>\$ 1,618,386,222.93</b>

\* This column reflects bonds sold and cancelled in the current fiscal year.

**Bond Fund**  
**Statement of Bonds Sold**  
**July 1, 2009 - June 30, 2012**

<u>Year</u>	<u>Authority</u>	<u>Description</u>	<u>July 1, 2009 - June 30, 2010</u>	<u>July 1, 2010 - June 30, 2011</u>	<u>July 1, 2011 - June 30, 2012 *</u>
1994	Chapter 1010	Facilities Revolving Fund	\$ 0.00	\$ 510,000.00	\$ 0.00
1996	Chapter 952	Capital Outlay	332,294.27	0.00	96,335.15
1997	Chapter 535	Capital Outlay	35,966.52	0.00	16,771.95
1998	Chapter 1103	Capital Outlay	121,506.98	0.00	0.00
1998	Chapter 1103	Facilities Revolving Fund	0.00	0.00	74,840.70
1999	Chapter 401	Capital Outlay	634,725.29	0.00	0.00
1999	Chapter 401	Facilities Revolving Fund	0.00	0.00	740,085.41
2000	Chapter 984	Capital Outlay	376,722.39	0.00	24,558.39
2000	Chapter 984	Facilities Revolving Fund	0.00	0.00	35,440.03
2001	Chapter 462	Capital Outlay	1,546,096.13	0.00	645,816.74
2001	Chapter 462	Facilities Revolving Fund	0.00	0.00	1,401,256.79
2002	Chapter 852	Capital Outlay	839,861.08	0.00	658,720.37
2002	Chapter 852	Facilities Revolving Fund	678,298.02	0.00	0.00
2003	Chapter 296	Capital Outlay	1,321,241.55	36,027.72	413,012.94
2003	Chapter 313	State Veterans' Homes - Refinancing	9,905.00	0.00	180,302.03
2003	Chapter 338	Facilities Revolving Fund	0.00	0.00	600,000.00
2004	Chapter 941	Higher Education	1,352,050.01	0.00	0.00
2004	Chapter 958	Capital Outlay	32,369,621.15	31,266,224.61	1,698,938.38
2004	Chapter 958	Facilities Revolving Fund	5,216,167.70	2,495,169.75	0.00
2005	Chapter 501	Capital Outlay	87,383,465.48	12,223,113.28	2,851,947.73
2005	Chapter 501	Facilities Revolving Fund	8,635.57	0.00	118,000.00
2005	Chapter 502	Higher Education	4,605,821.14	0.00	6,257,662.23
2006	Chapter 962	Capital Outlay	44,832,725.40	30,413,531.17	64,007,785.33
2006	Chapter 962	Facilities Revolving Fund	5,555,842.18	5,007,676.11	1,380,674.82
2007	Chapter 591	Capital Outlay	29,331,797.27	31,367,062.90	23,035,533.79
2007	Chapter 591	Facilities Revolving Fund	19,177,256.87	18,704,441.50	1,731,777.32
2008	Chapter 1119	Higher Education	0.00	412,492.22	2,706,513.01
2008	Chapter 1202	Capital Outlay	0.00	0.00	5,000,000.00
2008	Chapter 1202	Facilities Revolving Fund	0.00	2,725,722.51	699,295.07
2009	Chapter 3 ES	Capital Outlay - E&CD Grants	0.00	46,096,214.37	53,817,393.97
2009	Chapter 552	Capital Outlay	10,000,000.00	5,247,323.86	47,197,006.49
2009	Chapter 552	Capital Outlay - E&CD Grants	0.00	0.00	46,946,775.17
2009	Chapter 552	Facilities Revolving Fund	0.00	0.00	1,210,656.19
2011	Chapter 277	Capital Outlay - E&CD Grants	0.00	0.00	50,252,900.00
2011	Chapter 472	Capital Outlay - E&CD Grants	0.00	0.00	150,000,000.00
<b>Total Bonds Sold</b>			<b><u>\$ 245,730,000.00</u></b>	<b><u>\$ 186,505,000.00</u></b>	<b><u>\$ 463,800,000.00</u></b>
<b>Summary by Purpose:</b>					
		Capital Outlay	\$ 215,093,799.66	\$ 157,061,990.13	\$ 455,807,973.67
		Facilities Revolving Fund	30,636,200.34	29,443,009.87	7,992,026.33
		<b>Total Bonds Sold</b>	<b><u>\$ 245,730,000.00</u></b>	<b><u>\$ 186,505,000.00</u></b>	<b><u>\$ 463,800,000.00</u></b>

\* This column reflects bonds sold in the current fiscal year.

**Bond Fund**  
**Statement of Appropriations in Lieu of Issuing Bonds**  
**July 1, 2009 - June 30, 2012**

<b>Year</b>	<b>Authority</b>	<b>Description</b>	<b>July 1, 2009 - June 30, 2010</b>	<b>July 1, 2010 - June 30, 2011</b>	<b>July 1, 2011 - June 30, 2012 *</b>
2001	Chapter 462	Highway Construction	\$ 80,000,000.00	\$ 0.00	\$ 0.00
2002	Chapter 852	Higher Education - Geier Settlement	1,300,000.00	1,300,000.00	0.00
2002	Chapter 852	Highway Construction	0.00	77,000,000.00	0.00
2003	Chapter 296	Highway Construction	0.00	0.00	74,000,000.00
2004	Chapter 958	Facilities Revolving Fund	64,779.32	0.00	0.00
2004	Chapter 958	Equipment Revolving Fund	2,607,154.98	0.00	0.00
2004	Chapter 958	Highway Construction	1,000,000.00	0.00	0.00
2005	Chapter 502	Higher Education	4,942,337.77	0.00	0.00
2006	Chapter 962	Capital Outlay	15,085,776.56	0.00	0.00
2006	Chapter 962	Enterprise Resource Planning Software	4,380,069.33	4,380,000.00	0.00
2007	Chapter 591	Capital Outlay	57,662.23	0.00	0.00
2007	Chapter 591	Higher Education - Board of Regents - MTSU	0.00	2,833,390.17	0.00
2007	Chapter 591	Higher Education - Board of Regents - Univ. of Memphis	0.00	477,773.00	0.00
2007	Chapter 591	Facilities Revolving Fund	41,930.67	829,000.00	0.00
2008	Chapter 1193	Highway Construction - State Route 840	27,600,000.00	27,600,000.00	27,600,000.00
2009	Chapter 3 ES	Capital Outlay - E&CD Grants	0.00	9,631,000.00	4,693,790.95
2009	Chapter 552	Capital Outlay	6,400,000.00	1,400,000.00	1,400,000.00
2009	Chapter 552	Capital Outlay - E&CD Grants	0.00	0.00	8,000,000.00
2009	Chapter 552	Facilities Revolving Fund	0.00	1,000,000.00	0.00
2011	Chapter 277	Capital Outlay - E&CD Grants	0.00	0.00	23,753,679.68
<b>Total Appropriations in Lieu of Issuing Bonds</b>			<b><u>\$ 143,479,710.86</u></b>	<b><u>\$ 126,451,163.17</u></b>	<b><u>\$ 139,447,470.63</u></b>
<b>Summary by Purpose:</b>					
		Capital Outlay	\$ 27,785,776.56	\$ 15,642,163.17	\$ 37,847,470.63
		Facilities Revolving Fund	106,709.99	1,829,000.00	0.00
		Highway Construction	81,000,000.00	77,000,000.00	74,000,000.00
		Highway Construction - State Route 840	27,600,000.00	27,600,000.00	27,600,000.00
		Enterprise Resource Planning Software	4,380,069.33	4,380,000.00	0.00
		Equipment Revolving Fund	2,607,154.98	0.00	0.00
<b>Total Appropriations in Lieu of Issuing Bonds</b>			<b><u>\$ 143,479,710.86</u></b>	<b><u>\$ 126,451,163.17</u></b>	<b><u>\$ 139,447,470.63</u></b>

\* This column reflects bonds cancelled in the current fiscal year.

Note: Chapter 1109, Public Acts of 2010 (Section 10) repealed the following bond authorization:

2004 Chapter 958 Equipment Revolving Fund \$ 1,358,860.34

Chapter 1108, Public Acts of 2010 (Section 6, Item 10) repealed the following bond authorization:

2003 Chapter 313 State Veterans' Homes \$ 11,000,697.97

State Funding Board resolution adopted June 30, 2011 repealed the following bond authorization:

2007 Chapter 591 Higher Education - Board of Regents - MTSU \$ 866,609.83

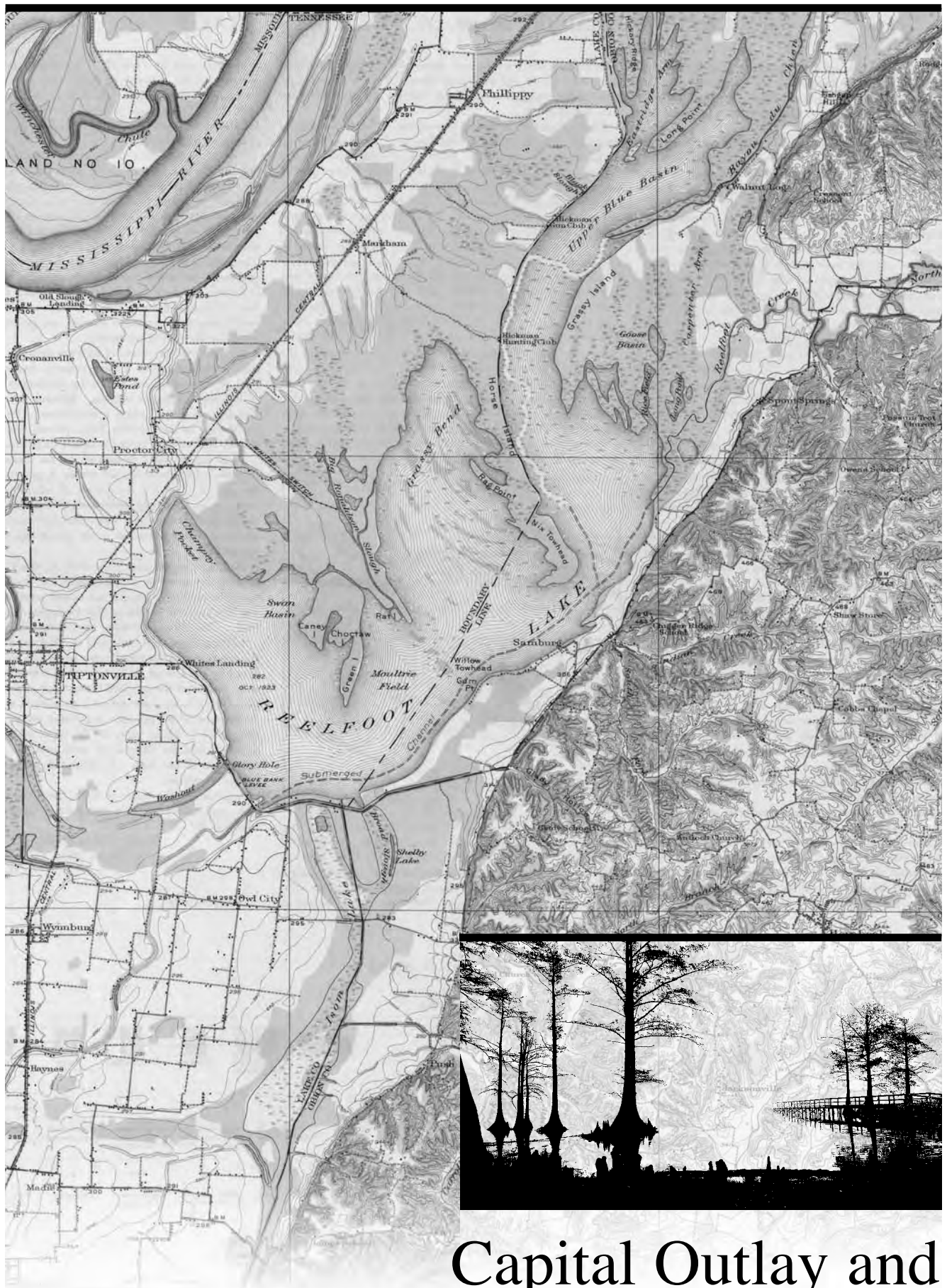


**Bond Fund**  
**Statement of Bonded Indebtedness**  
**Principal and Interest on Bonded Debt**  
**June 30, 2011**

<u>Fiscal Year</u>	<u>Outstanding Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011 - 2012	\$ 115,936,000	\$ 66,079,000	\$ 182,015,000
2012 - 2013	116,945,000	60,665,000	177,610,000
2013 - 2014	110,849,000	55,477,000	166,326,000
2014 - 2015	106,323,000	50,085,000	156,408,000
2015 - 2016	102,102,000	45,146,000	147,248,000
2016 - 2017	97,675,000	40,468,000	138,143,000
2017 - 2018	90,702,000	35,917,000	126,619,000
2018 - 2019	83,013,000	31,996,000	115,009,000
2019 - 2020	80,200,000	28,260,000	108,460,000
2020 - 2021	73,565,000	24,779,000	98,344,000
2021 - 2022	73,515,000	21,546,000	95,061,000
2022 - 2023	66,292,000	18,392,000	84,684,000
2023 - 2024	66,255,000	15,395,000	81,650,000
2024 - 2025	58,370,000	12,610,000	70,980,000
2025 - 2026	58,545,000	9,883,000	68,428,000
2026 - 2027	53,100,000	7,332,000	60,432,000
2027 - 2028	48,477,000	4,926,000	53,403,000
2028 - 2029	42,452,000	2,858,000	45,310,000
2029 - 2030	18,116,000	1,073,000	19,189,000
2030 - 2031	7,853,000	285,000	8,138,000
<b>Total</b>	<b><u>\$ 1,470,285,000</u></b>	<b><u>\$ 533,172,000</u></b>	<b><u>\$ 2,003,457,000</u></b>

NOTE: The statement excludes bonds for the State Facilities Revolving Fund. Debt service for the bonds is appropriated to the Facilities Revolving Fund and is expended in the fund. At June 30, 2011, outstanding principal was \$204,830,000 and interest was \$68,448,000.





# Capital Outlay and Facilities Program



# Capital Outlay and Facilities Program

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# Capital Budget

## Recommended Budget, Fiscal Year 2012-2013

The Capital Budget process begins with the receipt of departmental and agency capital maintenance and improvement requests. The various agencies and departments annually submit their capital requests in priority order to the Division of Budget in the Department of Finance and Administration.

Upon receipt of the capital budget requests, three phases of review are undertaken by the Department of General Services Real Estate Asset Management division and the Department of Finance and Administration Division of Budget. The initial phase allows for an understanding of the need by the Real Estate Asset Management and Budget review teams. Phase two is built upon the technical requirements of the capital request, involving on-site visits by the review teams. The final phase involves financial review. The projects are analyzed for funding requirements and consistency with program goals and are reviewed within projected availability of funds in the budget for the requested fiscal year. If funds are deemed to be insufficient, individual projects may be deferred to be included in future budgets or rejected.

The Administration intends for the needs of departmental programs to be the impetus for all capital outlay requirements. Facilities funded through the capital budget process should support program and service requirements. Therefore, funding of projects is analyzed on priority of fiscal support for individual existing and new programs. The goal is to find the best mix of new capital outlay and facility maintenance in order to sustain and implement programs and services.

The management of facilities should be flexible enough to adjust to changing programs through renovation of existing assets. Attempts are made to minimize operational costs and future capital expenditures through better design and more flexible layouts, as has been done in the state's new prisons. In the event that a capital project creates the need for additional operational funding, the operating costs are identified during the capital budget review and further reviewed in

the development of the budget in the year when the new space is expected to be occupied.

Improvements to real property funded by public or private funds must be approved by the State Building Commission, comprised of seven ex-officio members: the Governor, the Secretary of State, the Comptroller of the Treasury, the Commissioner of Finance and Administration, the Treasurer, and the Speakers of the Senate and House of Representatives. The State Building Commission, in addition to supervising improvements to real property, oversees leases by state agencies and the demolition of structures located on state property.

The capital items presented in this document as recommendations to the General Assembly consist of projects meeting the requirements and policy guidelines of the State Building Commission. The capital project recommendations are itemized by department.

Capital maintenance projects are defined as major, non-routine repairs and replacements unrelated to new construction and costing \$100,000 or more. Maintenance projects costing less than this amount are addressed within the departments' operational budget major maintenance programs. Capital maintenance projects include items that appreciably extend the life of the facility, such as alterations to rectify code deficiencies, modifications to improve utility systems, repaving, roof repairs, exterior fencing and lighting, and repair projects that restore a facility to its former condition and do not result in changes in facility use. Funding for these projects is included in the amount allocated to the Department of Finance and Administration, and projects are selected for completion according to the review process outlined above.

Capital improvement projects are defined as those providing new facilities or materially extending the useful life and improving or changing the function of an existing facility. These projects include facility renovation, new construction, new utility or service systems, land with or without buildings, appurtenances, site improvements or permanent betterments, and

initial equipment to furnish and operate a new or improved facility which require the assistance of a design professional or cost \$100,000 or more.

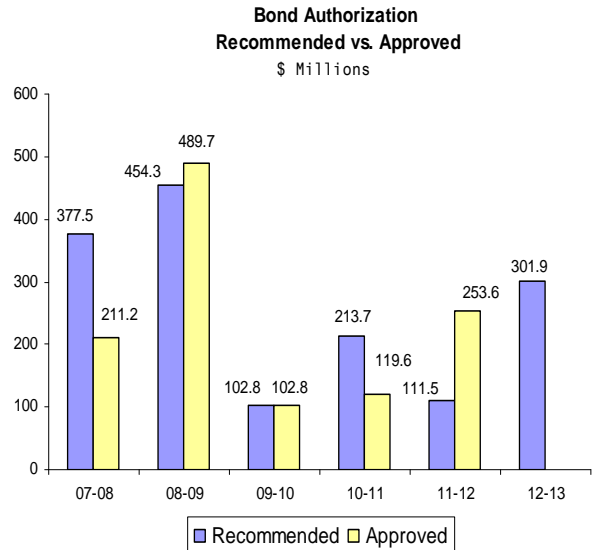
The 2012-2013 capital outlay budget recommends \$561,510,000 divided between capital improvement projects and capital maintenance requests. The recommendation includes \$335,345,000 for higher education projects and \$80 million to complete the statewide interoperable communications system upgrade, \$25 million for development of the West TN Mega-site property in Haywood County, and various upgrades to the state's veterans cemeteries and state parks.

**Capital Improvement Projects** — Capital improvement projects recommended for fiscal year 2011-2012 total \$425,985,000, including \$101,595,000 from state appropriations; and \$236,600,000 from bonds. Other funding sources account for the remainder of the total amount. Projects from dedicated sources of revenue are also recommended for the Tennessee Department of Transportation and Tennessee Wildlife Resources Agency in the amount of \$12,950,000.

**Capital Maintenance** — Capital maintenance projects are recommended at a level of \$135,525,000. A state appropriation of \$37,005,000 is requested. Other funding sources account for the remainder of the total amount. These projects focus on maintaining current facilities, primarily through repair and renovation of roofing, mechanical, and electrical systems. Funding is also included to bring state facilities in line with federal standards for underground storage tanks, asbestos, and citizens with disabilities. The Tennessee Board of Regents and the University of Tennessee are also funded for modifications to assist in compliance with the Americans with Disabilities Act.

**New Bond Authorizations** — The Capital Budget includes a proposed bond authorization of \$300,900,000. This includes \$196,950,000 for higher education projects, \$14 million for economic development projects, \$3.1 million for a new veteran's community living center in

Bradley County, and \$86,850,000 million to renovate and update facilities. Total capital maintenance, capital improvements, and Facilities Revolving Fund requests will require bond authorizations totaling \$301.9 million. The chart below compares the bond authorizations recommended with those approved by the General Assembly during the past several years.



**Facilities Revolving Fund** — Capital funding in the amount of \$134,580,000 is recommended for capital maintenance and capital improvement projects. A general fund state appropriation of \$125.1 million, bonds in the amount of \$1 million and \$8,460,000 in departmental funds combine to equal the total recommended amount. These projects are listed in the Facilities Revolving Fund section, which follows the Capital Budget section of this document.

**Operating Costs** — Included within this section is an estimate of the first-year operating costs resulting from proposed new construction. Differences in operating costs can be the result of efficiencies from better designs and energy systems or program requirements. Renovation projects, that do not have an impact on operating efficiencies, are considered to be cost neutral. Only those projects that will have increases or decreases in operating costs from the current budget are included in the schedule.

**Proposed Capital Appropriations  
from Bonds, Current Funds and Other Revenues  
Fiscal Year 2012-2013**

	<u>COUNTY</u>	<u>TOTAL</u>	<u>STATE</u>	<u>BONDS</u>	<u>FEDERAL</u>	<u>OTHER</u>
<b>Correction</b>						
Maintenance	Statewide	\$ 24,450,000	\$ 0	\$ 0	\$ 0	\$ 24,450,000
Command & Technology Center	Davidson	8,600,000	0	0	0	8,600,000
<b>Sub-Total Correction</b>		<b>\$ 33,050,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 33,050,000</b>
<b>Children's Services</b>						
Maintenance	Statewide	\$ 1,560,000	\$ 640,000	\$ 0	\$ 0	\$ 920,000
<b>Commerce and Insurance</b>						
Maintenance	Statewide	\$ 220,000	\$ 0	\$ 0	\$ 0	\$ 220,000
TLETA Generator Installation	Davidson	400,000	400,000	0	0	0
<b>Sub-Total Commerce and Insurance</b>		<b>\$ 620,000</b>	<b>\$ 400,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 220,000</b>
<b>Education</b>						
Maintenance	Statewide	\$ 4,530,000	\$ 1,130,000	\$ 2,800,000	\$ 0	\$ 600,000
TN School for Blind New Parking Lot	Davidson	470,000	470,000	0	0	0
<b>Sub-Total Education</b>		<b>\$ 5,000,000</b>	<b>\$ 1,600,000</b>	<b>\$ 2,800,000</b>	<b>\$ 0</b>	<b>\$ 600,000</b>
<b>Economic and Community Development</b>						
West TN Mega-site Site Development Phase 2	Haywood	\$ 25,000,000	\$ 11,000,000	\$ 14,000,000	\$ 0	\$ 0
<b>Environment and Conservation</b>						
Maintenance	Statewide	\$ 17,440,000	\$ 9,130,000	\$ 3,750,000	\$ 0	\$ 4,560,000
Fall Creek Falls SP Irrigation & Restrooms Upgrades	Van Buren	2,250,000	2,250,000	0	0	0
Fall Creek Falls SP Old Inn RNOV & Upgrade	Van Buren	7,560,000	860,000	6,700,000	0	0
Bledsoe Creek SP New Visitors Center	Sumner	800,000	200,000	600,000	0	0
State Parks Small Projects	Statewide	500,000	500,000	0	0	0
<b>Sub-Total Environment and Conservation</b>		<b>\$ 28,550,000</b>	<b>\$ 12,940,000</b>	<b>\$ 11,050,000</b>	<b>\$ 0</b>	<b>\$ 4,560,000</b>
<b>Finance and Administration</b>						
State Architect Consultants	Statewide	\$ 575,000	\$ 575,000	\$ 0	\$ 0	\$ 0
<b>General Services</b>						
Statewide Maintenance	Statewide	\$ 7,330,000	\$ 6,430,000	\$ 0	\$ 0	\$ 900,000
Bradley Co. Veterans Community Living Ctr.	Bradley	23,220,000	0	3,100,000	13,040,000	7,080,000
Shelby Farms Park Conservancy - Grant	Shelby	5,000,000	5,000,000	0	0	0
Blount Mansion Association - Grant	Knox	500,000	500,000	0	0	0
Capital Improvements Master Plan Phase 2	Statewide	1,000,000	1,000,000	0	0	0
<b>Sub-Total General Services</b>		<b>\$ 37,050,000</b>	<b>\$ 12,930,000</b>	<b>\$ 3,100,000</b>	<b>\$ 13,040,000</b>	<b>\$ 7,980,000</b>
<b>Intellectual and Developmental Disabilities</b>						
Maintenance	Statewide	\$ 3,750,000	\$ 2,100,000	\$ 1,650,000	\$ 0	\$ 0
Greene Valley Admin. Bldg. Back-up Chiller	Greene	600,000	150,000	450,000	0	0
Clover Bottom Harold Jordan Ctr. Renovation	Davidson	1,000,000	500,000	500,000	0	0
<b>Sub-Total Intellectual and Developmental Disabilities</b>		<b>\$ 5,350,000</b>	<b>\$ 2,750,000</b>	<b>\$ 2,600,000</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Mental Health</b>						
Maintenance	Statewide	\$ 520,000	\$ 120,000	\$ 400,000	\$ 0	\$ 0
<b>Military</b>						
Maintenance	Statewide	\$ 3,540,000	\$ 1,770,000	\$ 0	\$ 1,770,000	\$ 0
<b>Safety</b>						
Interoperable Comm. System Upgrade Phase 2	Statewide	\$ 80,000,000	\$ 10,000,000	\$ 70,000,000	\$ 0	\$ 0



**Proposed Capital Appropriations  
from Bonds, Current Funds and Other Revenues  
Fiscal Year 2012-2013**

	<u>COUNTY</u>	<u>TOTAL</u>	<u>STATE</u>	<u>BONDS</u>	<u>FEDERAL</u>	<u>OTHER</u>
<b>Veterans Affairs</b>						
West TN Cemetery Enhancements	Shelby	\$ 2,700,000	\$ 300,000	\$ 0	\$ 2,400,000	\$ 0
Middle TN Cemetery Enhancements	Davidson	2,000,000	200,000	0	1,800,000	0
East TN Cemetery Enhancements	Knox	650,000	100,000	0	550,000	0
<b>Sub-Total Veterans Affairs</b>		<b>\$ 5,350,000</b>	<b>\$ 600,000</b>	<b>\$ 0</b>	<b>\$ 4,750,000</b>	<b>\$ 0</b>
<b>Tennessee Board of Regents</b>						
Maintenance	Statewide	\$ 39,930,000	\$ 10,230,000	\$ 29,300,000	\$ 0	\$ 400,000
MTSU Science Facilities Improvement	Rutherford	126,650,000	38,700,000	69,200,000	0	18,750,000
Nashville St. CC Academic & Support Bldg. Planning	Davidson	1,100,000	0	0	0	1,100,000
Northeast St. CC Technical Education Cpx. Planning	Sullivan	810,000	0	0	0	810,000
UoM Biochemistry and Biology Facility Planning	Shelby	1,200,000	0	0	0	1,200,000
Volunteer State CC Humanities Building Planning	Sumner	1,500,000	0	0	0	1,500,000
Columbia State CC Williamson Co. Ctr. Planning	Williamson	1,800,000	0	0	0	1,800,000
<b>Sub-Total Tennessee Board of Regents</b>		<b>\$ 172,990,000</b>	<b>\$ 48,930,000</b>	<b>\$ 98,500,000</b>	<b>\$ 0</b>	<b>\$ 25,560,000</b>
<b>University of Tennessee</b>						
Maintenance	Statewide	\$ 32,255,000	\$ 5,455,000	\$ 26,400,000	\$ 0	\$ 400,000
UTK Strong Hall Science Laboratory Facilities	Knox	94,000,000	20,200,000	55,050,000	0	18,750,000
UTHSC Multidisciplinary Simulation Center	Shelby	24,100,000	4,690,000	17,000,000	0	2,410,000
UTHSC Buildings Demolition	Shelby	4,000,000	4,000,000	0	0	0
UTHSC Classroom and Laboratory Bldg. Planning	Shelby	2,000,000	0	0	0	2,000,000
UTC Life Sciences Laboratory Facility Planning	Hamilton	3,000,000	0	0	0	3,000,000
UTK Academic and Instructional Center Planning	Knox	3,000,000	0	0	0	3,000,000
<b>Sub-Total University of Tennessee</b>		<b>\$ 162,355,000</b>	<b>\$ 34,345,000</b>	<b>\$ 98,450,000</b>	<b>\$ 0</b>	<b>\$ 29,560,000</b>
<b>Grand Total</b>		<b>\$ 561,510,000</b>	<b>\$ 138,600,000</b>	<b>\$ 300,900,000</b>	<b>\$ 19,560,000</b>	<b>\$ 102,450,000</b>
<b>Sub-Total Higher Education</b>		<b>\$ 335,345,000</b>	<b>\$ 83,275,000</b>	<b>\$ 196,950,000</b>	<b>\$ 0</b>	<b>\$ 55,120,000</b>
<b>Sub-Total Other</b>		<b>\$ 226,165,000</b>	<b>\$ 55,325,000</b>	<b>\$ 103,950,000</b>	<b>\$ 19,560,000</b>	<b>\$ 47,330,000</b>

**Proposed Capital Maintenance Appropriations  
from Bonds, Current Funds and Other Revenues  
Fiscal Year 2012-2013**

	COUNTY	TOTAL	STATE	BONDS	FEDERAL	OTHER
<b>Correction</b>						
Turney Center Warehouse/Freezer Renovation	Hickman	\$ 1,100,000	\$ 0	\$ 0	\$ 0	\$ 1,100,000
Tilt-Up Panel Repairs	Statewide	6,500,000	0	0	0	6,500,000
Various Facilities Upgrade Security Electronics P 2	Area wide	6,100,000	0	0	0	6,100,000
West TN State Prison Reroof Various Bldgs. Site 3	Lauderdale	6,350,000	0	0	0	6,350,000
Various Facilities Upgrade Locking Systems Phase 2	Area wide	2,500,000	0	0	0	2,500,000
Wayne County Boot Camp Reroof Min. Security Bldg.	Wayne	1,100,000	0	0	0	1,100,000
Northwest Correctional Cpx Freezer & Cooler Upgrade	Lake	800,000	0	0	0	800,000
<b>Sub-Total Correction</b>		<b>\$ 24,450,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 24,450,000</b>
<b>Children's Services</b>						
Woodland Hills YDC Maintenance Buildings Repairs	Davidson	\$ 390,000	\$ 190,000	\$ 0	\$ 0	\$ 200,000
Wilder YDC Warehouse/Training Building Repairs	Fayette	320,000	120,000	0	0	200,000
Wilder YDC Generator Replacement	Fayette	220,000	0	0	0	220,000
Woodland Hills YDC Generator Replacement	Davidson	630,000	330,000	0	0	300,000
<b>Sub-Total Children's Services</b>		<b>\$ 1,560,000</b>	<b>\$ 640,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 920,000</b>
<b>Commerce and Insurance</b>						
TN Fire Academy Parking and Asphalt Sealing	Bedford	\$ 220,000	\$ 0	\$ 0	\$ 0	\$ 220,000
<b>Sub-Total Commerce and Insurance</b>		<b>\$ 220,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 220,000</b>
<b>Education</b>						
TN School for the Deaf Storm Water Drainage Repairs	Knox	\$ 1,160,000	\$ 360,000	\$ 800,000	\$ 0	\$ 0
Alvin York HVAC Upgrades Science & JROTC Bldgs	Fentress	730,000	130,000	0	0	600,000
TN School for Blind (TSB) Replace Geothermal HVAC	Davidson	2,300,000	300,000	2,000,000	0	0
TSB Asbestos Removal & Flooring Upgrades	Davidson	340,000	340,000	0	0	0
<b>Sub-Total Education</b>		<b>\$ 4,530,000</b>	<b>\$ 1,130,000</b>	<b>\$ 2,800,000</b>	<b>\$ 0</b>	<b>\$ 600,000</b>
<b>Environment and Conservation</b>						
Fall Creek Falls SP Village Green Buildings RNOV	Van Buren	\$ 2,000,000	\$ 300,000	\$ 0	\$ 0	\$ 1,700,000
Harrison Bay SP Campground Upgrades Phase 1	Hamilton	2,250,000	250,000	2,000,000	0	0
Standing Stone SP Dam Repairs	Overton	670,000	0	0	0	670,000
Montgomery Bell SP Lake Woodhaven Dam Repairs	Dickson	350,000	0	0	0	350,000
Pickwick Landing SP Pier "D" Upgrades	Hardin	940,000	0	0	0	940,000
Rock Island SP Campground Upgrades	White	1,270,000	270,000	1,000,000	0	0
Cumberland Mtn. SP Campsite Electrical Upgrades	Cumberland	920,000	170,000	750,000	0	0
Davy Crockett Birthplace SP Upgrade Campground	Greene	1,100,000	1,100,000	0	0	0
Henry Horton SP Campground Upgrades	Marshall	1,090,000	1,090,000	0	0	0
Fall Creek Falls SP Upgrade Landside Cabins	Van Buren	690,000	690,000	0	0	0
Edgar Evins SP Campground Upgrades	DeKalb	1,600,000	1,600,000	0	0	0
Roan Mountain SP Campground Upgrades	Carter	1,260,000	1,260,000	0	0	0
Panther Creek SP Campground Upgrades	Hamblen	1,000,000	1,000,000	0	0	0
Rocky Mount State Historic Site Roof Replacements	Sullivan	300,000	300,000	0	0	0
Hawthorne Hill Historic House Restoration	Sumner	900,000	0	0	0	900,000
Sabine Hill Historic House Restoration	Carter	1,100,000	1,100,000	0	0	0
<b>Sub-Total Environment and Conservation</b>		<b>\$ 17,440,000</b>	<b>\$ 9,130,000</b>	<b>\$ 3,750,000</b>	<b>\$ 0</b>	<b>\$ 4,560,000</b>
<b>General Services</b>						
Emergency Maintenance and Contingency Funds	Statewide	\$ 2,630,000	\$ 2,630,000	\$ 0	\$ 0	\$ 0
ADA Compliance	Statewide	800,000	400,000	0	0	400,000
Management Support Services	Statewide	1,000,000	1,000,000	0	0	0
Environmental Consultants	Statewide	1,000,000	1,000,000	0	0	0
State Owned Buildings OSHA Compliance	Statewide	800,000	800,000	0	0	0
Signage Improvements	Statewide	500,000	0	0	0	500,000
TPAC Annual Maintenance Grant	Davidson	300,000	300,000	0	0	0
National Civil Rights Museum Maintenance Grant	Shelby	300,000	300,000	0	0	0
<b>Sub-Total General Services</b>		<b>\$ 7,330,000</b>	<b>\$ 6,430,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 900,000</b>

**Proposed Capital Maintenance Appropriations  
from Bonds, Current Funds and Other Revenues  
Fiscal Year 2012-2013**

	COUNTY	TOTAL	STATE	BONDS	FEDERAL	OTHER
<b>Intellectual and Developmental Disabilities</b>						
Greene Valley Admin. Bldg. Switchgear Replacements	Greene	\$ 200,000	\$ 200,000	\$ 0	\$ 0	\$ 0
Clover Bottom Dev. Ctr. Essential Maintenance	Davidson	1,000,000	1,000,000	0	0	0
Greene Valley Water Plant Chiller Replacement	Greene	700,000	150,000	550,000	0	0
Arlington Service Complex Interior Updates	Shelby	1,000,000	200,000	800,000	0	0
Ruilman Center Updates	Wilson	200,000	200,000	0	0	0
422 Hennings Lane Exterior Updates	Weakley	450,000	150,000	300,000	0	0
221 Foxwood Lane Updates	Davidson	200,000	200,000	0	0	0
<b>Sub-Total Intellectual and Developmental Disabilities</b>		<b>\$ 3,750,000</b>	<b>\$ 2,100,000</b>	<b>\$ 1,650,000</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Mental Health</b>						
Moccasin Bend MHI Hot Water Boilers Replacement	Hamilton	\$ 520,000	\$ 120,000	\$ 400,000	\$ 0	\$ 0
<b>Sub-Total Mental Health</b>		<b>\$ 520,000</b>	<b>\$ 120,000</b>	<b>\$ 400,000</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Military Department</b>						
Cleveland Readiness Ctr. Reroof & Facility Update	Bradley	\$ 590,000	\$ 295,000	\$ 0	\$ 295,000	\$ 0
Union City Readiness Ctr. HVAC & Energy Updates	Obion	780,000	390,000	0	390,000	0
Brownsville Readiness Ctr. HVAC & Energy Updates	Haywood	660,000	330,000	0	330,000	0
Winchester Readiness Ctr. Reroof & Interior Repairs	Franklin	740,000	370,000	0	370,000	0
Shelbyville Readiness Ctr. Reroof & Facility Update	Bedford	770,000	385,000	0	385,000	0
<b>Sub-Total Military Department</b>		<b>\$ 3,540,000</b>	<b>\$ 1,770,000</b>	<b>\$ 0</b>	<b>\$ 1,770,000</b>	<b>\$ 0</b>
<b>Tennessee Board of Regents</b>						
ADA Compliance	Statewide	\$ 800,000	\$ 400,000	\$ 0	\$ 0	\$ 400,000
Management Support Services	Statewide	500,000	500,000	0	0	0
Northeast State CC Gray Campus Roof Replacement	Sullivan	120,000	120,000	0	0	0
ETSU CoM Kingsport Family Practice Replace Roof	Washington	500,000	500,000	0	0	0
Walters State CC Roof Replacement	Hamblen	590,000	90,000	500,000	0	0
Dyersburg State CC Gibson Co. Center Replace Roof	Gibson	230,000	230,000	0	0	0
ETSU Memorial Center Roof Replacement	Washington	4,000,000	200,000	3,800,000	0	0
TTC Statewide Roof Replacements Phase 2	Statewide	2,370,000	170,000	2,200,000	0	0
MTSU Domestic Water & Sewer System Updates	Rutherford	510,000	510,000	0	0	0
UoM Various Buildings HVAC Updates	Shelby	3,000,000	300,000	2,700,000	0	0
Chattanooga State CC Underground Piping Corrections	Hamilton	1,180,000	130,000	1,050,000	0	0
Jackson State CC Various Buildings Plumbing Repairs	Madison	390,000	390,000	0	0	0
SW TN CC Macon Cove Campus Mechanical Updates	Shelby	1,020,000	120,000	900,000	0	0
TSU Hankle Hall HVAC Corrections	Davidson	2,500,000	200,000	2,300,000	0	0
APSU Library Mechanical Systems Updates	Montgomery	2,300,000	150,000	2,150,000	0	0
Roane State CC HVAC Corrections	Roane	480,000	480,000	0	0	0
Nashville State CC Security Updates and Repairs	Davidson	340,000	340,000	0	0	0
Volunteer State CC Mattox Building HVAC Updates	Sumner	500,000	500,000	0	0	0
Cleveland State CC HVAC & Controls Update	Bradley	710,000	710,000	0	0	0
Columbia State CC Several Buildings Exterior Repairs	Maury	300,000	300,000	0	0	0
Pellissippi State CC Settlement Repairs	Knox	500,000	500,000	0	0	0
Motlow State CC Several Buildings Exterior Repairs	Moore	370,000	370,000	0	0	0
TTU Several Buildings Upgrades Phase 2	Putnam	2,900,000	200,000	2,700,000	0	0
MTSU Murphy Center HVAC Updates	Rutherford	1,620,000	120,000	1,500,000	0	0
UoM Underground Utility Updates	Shelby	3,000,000	300,000	2,700,000	0	0
MTSU Underground Electrical Updates Phase 2	Rutherford	2,140,000	140,000	2,000,000	0	0
TTC Chiller Replacements Phase 4	Statewide	610,000	60,000	550,000	0	0
UoM Elevator Modernization	Shelby	2,000,000	500,000	1,500,000	0	0
Dyersburg State CC Maintenance Building Reroof	Dyer	130,000	130,000	0	0	0
TTU Several Buildings Roof Replacements	Putnam	700,000	100,000	600,000	0	0
MTSU Walker Library Roof Replacement	Rutherford	1,050,000	100,000	950,000	0	0
TTU Fire Alarm System Update Phase 2	Putnam	1,320,000	120,000	1,200,000	0	0
TSU Electrical Distribution Updates	Davidson	1,250,000	1,250,000	0	0	0
<b>Sub-Total Tennessee Board of Regents</b>		<b>\$ 39,930,000</b>	<b>\$ 10,230,000</b>	<b>\$ 29,300,000</b>	<b>\$ 0</b>	<b>\$ 400,000</b>

**Proposed Capital Maintenance Appropriations  
from Bonds, Current Funds and Other Revenues  
Fiscal Year 2012-2013**

	<u>COUNTY</u>	<u>TOTAL</u>	<u>STATE</u>	<u>BONDS</u>	<u>FEDERAL</u>	<u>OTHER</u>
<b>University of Tennessee</b>						
ADA Compliance	Statewide	\$ 800,000	\$ 400,000	\$ 0	\$ 0	\$ 400,000
UTC Campus Safety and Security Improvements	Hamilton	3,700,000	300,000	3,400,000	0	0
UTK Roof Repairs and Replacements	Knox	4,000,000	200,000	3,800,000	0	0
UTM Chiller Replacement and Upgrades	Weakley	3,120,000	120,000	3,000,000	0	0
UTIA West TN Greenhouse Renovations	Madison	975,000	75,000	900,000	0	0
UTK Electrical Distribution Sys. Improvements Phase 5	Knox	4,000,000	200,000	3,800,000	0	0
UTSI Water and Wastewater Distribution Sys. Upgrades	Franklin	300,000	300,000	0	0	0
UTM Reroof Several Buildings Phase 3	Weakley	3,660,000	160,000	3,500,000	0	0
UTHSC Alexander Building Improvements Phase 2	Shelby	3,000,000	200,000	2,800,000	0	0
UTC Grote Hall Roof Replacement	Hamilton	1,200,000	200,000	1,000,000	0	0
UTIA Clyde Austin 4-H Center Renovations	Greene	4,500,000	300,000	4,200,000	0	0
UTK Masonry Repairs Phase 5	Knox	3,000,000	3,000,000	0	0	0
<b>Sub-Total University of Tennessee</b>		<b>\$ 32,255,000</b>	<b>\$ 5,455,000</b>	<b>\$ 26,400,000</b>	<b>\$ 0</b>	<b>\$ 400,000</b>
<b>Grand Total</b>		<b>\$ 135,525,000</b>	<b>\$ 37,005,000</b>	<b>\$ 64,300,000</b>	<b>\$ 1,770,000</b>	<b>\$ 32,450,000</b>
<b>Sub-Total Higher Education</b>		<b>\$ 72,185,000</b>	<b>\$ 15,685,000</b>	<b>\$ 55,700,000</b>	<b>\$ 0</b>	<b>\$ 800,000</b>
<b>Sub-Total Other</b>		<b>\$ 63,340,000</b>	<b>\$ 21,320,000</b>	<b>\$ 8,600,000</b>	<b>\$ 1,770,000</b>	<b>\$ 31,650,000</b>

**Projects Funded from Dedicated Revenues  
Fiscal Year 2012-2013**

	<u>COUNTY</u>	<u>TOTAL</u>	<u>STATE</u>	<u>BONDS</u>	<u>FEDERAL</u>	<u>OTHER</u>
<b>Transportation</b>						
Region 3 Garages Replace Security Fencing	Areawide	\$ 300,000	\$ 0	\$ 0	\$ 0	\$ 300,000
Region 4 Parking Lot Improvements	Areawide	1,750,000	0	0	0	1,750,000
Region 1 New County Maintenance Building	Scott	300,000	0	0	0	300,000
Region 1 Construct Heavy Equipment Sheds	Areawide	790,000	0	0	0	790,000
Region 1 New County Maintenance Building	Monroe	300,000	0	0	0	300,000
Region 1 Construct Heavy Equipment Sheds	Areawide	100,000	0	0	0	100,000
Region 1 Construct New Saltbrine Building	Johnson	160,000	0	0	0	160,000
Region 1 Construct New Saltbrine Building	Johnson	160,000	0	0	0	160,000
Region 1 New County Maintenance Building	Cocke	300,000	0	0	0	300,000
Region 2 Construct Heavy Equipment Sheds	Areawide	320,000	0	0	0	320,000
Region 2 Construct New Regional Complex	Hamilton	6,000,000	0	0	0	6,000,000
Region 3 New Maintenance & Equipment Bldgs.	Areawide	500,000	0	0	0	500,000
Region 3 Construct New Equipment Sheds	Areawide	480,000	0	0	0	480,000
Region 4 Construct New Equipment Sheds	Areawide	800,000	0	0	0	800,000
<b>Total Transportation</b>		<b>\$ 12,260,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 12,260,000</b>
<b>Tennessee Wildlife Resources Agency</b>						
Stones River Hunter Education Ctr. Restrooms	Davidson	\$ 380,000	\$ 0	\$ 0	\$ 285,000	\$ 95,000
Region 3 Fishing Pier and Site Improvements	Roane	110,000	0	0	82,500	27,500
Region 4 Boat Access Highway 11 E	Knox	100,000	0	0	75,000	25,000
Region 2 Boat Access Highway 64	Giles	100,000	0	0	75,000	25,000
<b>Total TWRA</b>		<b>\$ 690,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 517,500</b>	<b>\$ 172,500</b>
<b>Grand Total</b>		<b>\$ 12,950,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 517,500</b>	<b>\$ 12,432,500</b>

## Requested Capital Projects from School Bonds and Other Sources Fiscal Year 2012-2013

The capital projects listed in this section are presented for information purposes only. This is not a request for state tax funds. It is the intent of the listed institutions to initiate these projects within the next two years. All projects listed herein are subject to the approval of the State Building Commission and may have to obtain additional approval by the Tennessee State School Bond Authority (TSSBA) or the State Funding Board, dependent upon their funding source. All projects have previously been endorsed by their respective system governing board and the Tennessee Higher Education Commission.

	<u>TOTAL</u>	<u>TSSBA</u>	<u>INSTITUTIONAL/ AUXILIARY</u>	<u>OTHER</u>
<b>State University and Community College System (Tennessee Board of Regents)</b>				
<b>Austin Peay State University</b>				
MMC Building Chiller Sub-station Installation	\$ 1,250,000	\$ 0	\$ 1,250,000	\$ 0
Morgan University Center Patio Cover	1,900,000	0	1,900,000	0
Governor Stadium Renovation	13,300,000	4,300,000	8,000,000	1,000,000
<b>Total APSU</b>	<b>\$ 16,450,000</b>	<b>\$ 4,300,000</b>	<b>\$ 11,150,000</b>	<b>\$ 1,000,000</b>
<b>East Tennessee State University</b>				
Athletic Weight Room Relocation and Renovation	\$ 300,000	\$ 0	\$ 0	\$ 300,000
Outdoor Track and Field Facility Construction	4,200,000	0	15,000	4,185,000
Tennis Complex Construction	3,990,000	0	15,000	3,975,000
Center for Experimental Learning	22,500,000	0	0	22,500,000
Memorial Center Renovations	12,000,000	0	2,000,000	10,000,000
CoM Pharmacy Building Research Addition	6,000,000	0	0	6,000,000
CoM New Kingsport Family Practice Center	3,500,000	1,500,000	0	2,000,000
CoM Kingsport Family Medicine Practice Renovation	1,500,000	500,000	0	1,000,000
<b>Total ETSU</b>	<b>\$ 53,990,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,030,000</b>	<b>\$ 49,960,000</b>
<b>Tennessee State University</b>				
New Agriculture Wet Lab Facility	\$ 300,000	\$ 0	\$ 0	\$ 300,000
Read Hall IT Center Electrical Upgrades	1,000,000	0	1,000,000	0
New Student Housing	37,600,000	37,600,000	0	0
<b>Total TSU</b>	<b>\$ 38,900,000</b>	<b>\$ 37,600,000</b>	<b>\$ 1,000,000</b>	<b>\$ 300,000</b>
<b>University of Memphis</b>				
Research Facilities Improvements	\$ 1,000,000	\$ 0	\$ 500,000	\$ 500,000
Housing Sprinklers Upgrade	3,000,000	3,000,000	0	0
<b>Total UoM</b>	<b>\$ 4,000,000</b>	<b>\$ 3,000,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>
<b>Columbia State Community College</b>				
Jones Student Center Renovations	\$ 1,840,000	\$ 0	\$ 1,840,000	\$ 0
<b>Total CSCC</b>	<b>\$ 1,840,000</b>	<b>\$ 0</b>	<b>\$ 1,840,000</b>	<b>\$ 0</b>
<b>Northeast State Community College</b>				
Wellness Trail Expansion and Improvements	\$ 120,000	\$ 0	\$ 120,000	\$ 0
<b>Total NESCC</b>	<b>\$ 120,000</b>	<b>\$ 0</b>	<b>\$ 120,000</b>	<b>\$ 0</b>
<b>Pellissippi State Community College</b>				
Magnolia Campus Career Center Renovation	\$ 300,000	\$ 0	\$ 300,000	\$ 0
Strawberry Plains Campus Roof Replacement	600,000	0	600,000	0
Strawberry Plains Campus HVAC Replacement	2,200,000	0	2,200,000	0
Strawberry Plains Campus Repaving	300,000	0	300,000	0
Hardin Valley Campus Entrance Upgrades	230,000	0	230,000	0
<b>Total PSCC</b>	<b>\$ 3,630,000</b>	<b>\$ 0</b>	<b>\$ 3,630,000</b>	<b>\$ 0</b>

## Requested Capital Projects from School Bonds and Other Sources Fiscal Year 2012-2013

	TOTAL	TSSBA	INSTITUTIONAL/ AUXILIARY	OTHER
<b>Volunteer State Community College</b>				
Paving, Parking, and Traffic Improvements	\$ 2,200,000	\$ 0	\$ 2,200,000	\$ 0
Campus HVAC Upgrades	2,400,000	0	2,400,000	0
Baseball Field Improvements	840,000	0	840,000	0
Wood Cafeteria Improvements	1,200,000	0	1,200,000	0
<b>Total VSCC</b>	<b>\$ 6,640,000</b>	<b>\$ 0</b>	<b>\$ 6,640,000</b>	<b>\$ 0</b>
<b>Total Tennessee Board of Regents</b>	<b>\$ 125,570,000</b>	<b>\$ 46,900,000</b>	<b>\$ 26,910,000</b>	<b>\$ 51,760,000</b>
<b>University of Tennessee System</b>				
<b>University of Tennessee Knoxville</b>				
Science & Engineering Program Upgrades Planning	\$ 750,000	\$ 0	\$ 0	\$ 750,000
Nielsen Hall Planetarium	200,000	0	200,000	0
Dougherty Hall Renovations	1,600,000	0	0	1,600,000
Campus Street Improvements	500,000	0	500,000	0
Old Health Clinic Improvements	1,500,000	0	1,500,000	0
Plant Sciences Building Programmatic Upgrades	500,000	0	0	500,000
Indoor Tennis Facility Renovation Phase 2	1,700,000	0	0	1,700,000
Governor's Chair Renovations	1,000,000	0	0	1,000,000
Environmental Initiatives	1,500,000	0	1,500,000	0
Campus Beautification Projects	2,000,000	0	2,000,000	0
Parking Garage and Pavement Repairs	600,000	0	600,000	0
Shelbourne Tower Renovation	18,000,000	11,000,000	2,000,000	5,000,000
Classroom Upgrades	2,500,000	0	2,500,000	0
Stokely Management Center Improvements	175,000	0	175,000	0
Softball Stadium Improvements	200,000	0	200,000	0
Thompson Boling Arena & Team Store Improvements	5,800,000	5,800,000	0	0
Various Apartment and Residence Hall Renovations	40,000,000	40,000,000	0	0
Dining Services Improvements	750,000	0	250,000	500,000
Window Replacements	1,200,000	0	1,200,000	0
Buehler Hall Chemistry Labs Upgrade	6,500,000	0	6,500,000	0
Humanities Building Renovations	1,200,000	0	1,200,000	0
Various Campus Buildings Roof Repairs	1,500,000	0	1,500,000	0
One Stop Shop Center	500,000	0	500,000	0
Steam Plant Conversion to Natural Gas	25,000,000	0	25,000,000	0
Greve Hall Renovations	1,000,000	0	1,000,000	0
<b>Total UT Knoxville</b>	<b>\$ 116,175,000</b>	<b>\$ 56,800,000</b>	<b>\$ 48,325,000</b>	<b>\$ 11,050,000</b>
<b>University of Tennessee Chattanooga</b>				
McKenzie Arena Seating & Curtain Sys. Improvements	\$ 1,200,000	\$ 0	\$ 1,200,000	\$ 0
Lockmiller & Johnson-Obear Apts. Fire Safety Updates	1,200,000	0	1,200,000	0
Parking Lot Improvements	800,000	0	800,000	0
<b>Total UT Chattanooga</b>	<b>\$ 3,200,000</b>	<b>\$ 0</b>	<b>\$ 3,200,000</b>	<b>\$ 0</b>
<b>UT Institute of Agriculture</b>				
Racheff Greenhouse Renovations	\$ 300,000	\$ 0	\$ 300,000	\$ 0
<b>Total UTIA</b>	<b>\$ 300,000</b>	<b>\$ 0</b>	<b>\$ 300,000</b>	<b>\$ 0</b>
<b>UT Martin</b>				
Golf Team Practice Facility	\$ 360,000	\$ 0	\$ 360,000	\$ 0
<b>Total UT Martin</b>	<b>\$ 360,000</b>	<b>\$ 0</b>	<b>\$ 360,000</b>	<b>\$ 0</b>
<b>Total University of Tennessee</b>	<b>\$ 120,035,000</b>	<b>\$ 56,800,000</b>	<b>\$ 52,185,000</b>	<b>\$ 11,050,000</b>
<b>Grand Total</b>	<b>\$ 245,605,000</b>	<b>\$ 103,700,000</b>	<b>\$ 79,095,000</b>	<b>\$ 62,810,000</b>

## Capital Outlay Project Descriptions Fiscal Year 2012-2013

	<u>Total Project Cost</u>
<b>Correction</b>	
<b>Objective: Provide safe and secure facilities to house inmates.</b>	
<b>Maintenance</b> Funds to repair, maintain, and update facilities.	\$ 24,450,000
<b>Command and Technology Center</b> Funds will provide for design and construction of a Davidson County Command and Technology Center and Visitation Building.	8,600,000
<b>Total Correction</b>	<u>\$ 33,050,000</u>
 <b>Children's Services</b>	
<b>Objective: Provide safe and secure surroundings for youth development center residents.</b>	
<b>Maintenance</b> Funds to repair, maintain, and update facilities.	\$ 1,560,000
 <b>Commerce and Insurance</b>	
<b>Objective: Provide training to emergency services personnel.</b>	
<b>Maintenance</b> Funds to repair, maintain, and update facilities.	\$ 220,000
<b>TLETA Generator Installation</b> Project will provide funds for installation of a new emergency power back-up generator at the Tennessee Law Enforcement Training Academy.	400,000
<b>Total Commerce and Insurance</b>	<u>\$ 620,000</u>
 <b>Education</b>	
<b>Objective: Provide a safe and secure environment for learning.</b>	
<b>Maintenance</b> Funds to repair, maintain, and update facilities.	\$ 4,530,000
<b>TN School for the Blind New Parking Lot</b> Project will provide for new parking lot and traffic enhancements at the Tennessee School for the Blind.	470,000
<b>Total Education</b>	<u>\$ 5,000,000</u>



## Capital Outlay Project Descriptions Fiscal Year 2012-2013

	Total Project Cost
<b>Economic and Community Development</b>	
<b>Objective: Provide infrastructure and assistance for economic development.</b>	
<b>West TN Mega-site Site Development Phase 2</b>	<b>\$ 25,000,000</b>
Funds are provided to continue the infrastructure development at the West TN Mega-site.	
<b>Environment and Conservation</b>	
<b>Objective: Increase visitation to the state's parks and historic areas.</b>	
<b>Maintenance</b>	<b>\$ 17,440,000</b>
Funds to repair, maintain, and update facilities.	
<b>Fall Creek Falls SP Irrigation and Restrooms Upgrades</b>	2,250,000
Funds will upgrade the current golf course irrigation system and provide two restroom facilities for the golf course.	
<b>Fall Creek Falls SP Old Inn RNOV and Upgrade</b>	7,560,000
Funds will provide for the renovation of the old wing of the facility. Project includes energy management improvements and kitchen upgrades.	
<b>Bledsoe Creek SP New Visitors Center</b>	800,000
Funds will provide for a new visitors center at the park and demolition of the current visitors center.	
<b>State Parks Small Projects</b>	500,000
Funds will provide for various projects at State Parks facilities, including playground equipment and other items to support public recreation.	
<b>Total Environment and Conservation</b>	<b>\$ 28,550,000</b>
<b>Finance and Administration</b>	
<b>Objective: Preserve and enhance public facilities.</b>	
<b>State Architect Consultants</b>	<b>\$ 575,000</b>
Funds will provide for various consulting services to foster improved building design, management, and operations. Services will include sustainable and high performance design; building information cost modeling, specifications, and signage; and ADA requirements.	
<b>General Services</b>	
<b>Objective: Maintain, repair, and update general government facilities.</b>	
<b>Statewide Maintenance</b>	<b>\$ 7,330,000</b>
Funds to maintain, repair, and update general government facilities.	
<b>Bradley County Veterans Community Living Center</b>	23,220,000
Funds will provide for construction of a new veterans community living facility in Bradley County. Funding includes local matching, gifts, and federal support.	

**Capital Outlay Project Descriptions  
Fiscal Year 2012-2013**

	Total Project Cost
<b>Shelby Farms Park Conservancy - Grant</b>	5,000,000
Grant will provide support of phase 1 master plan projects including new gateways, signage, and the expansion and enhancement of Patriot Lake.	
<b>Blount Mansion Association - Grant</b>	500,000
Grant will support capital renovations and upgrades including a fire suppression system, general electrical system replacement, HVAC, and climate control enhancements.	
<b>Capital Improvements Master Plan Phase 2</b>	1,000,000
Funds will continue the statewide facilities master planning project.	
<b>Total General Services</b>	<b>\$ 37,050,000</b>
 <b>Department of Intellectual and Developmental Disabilities</b>	
<b>Objective: Provide alternative residential settings for clients and plan for the future.</b>	
<b>Maintenance</b>	\$ 3,750,000
Funds to repair, maintain, and update facilities.	
<b>Greene Valley Administration Building Back-up Chiller</b>	600,000
Funds will provide for emergency backup systems to maintain climate control and conditioned air for visitors and medically fragile patients.	
<b>Clover Bottom Harold Jordan Center Renovation</b>	1,000,000
Funds will provide for programmatic renovations of the center and address potential security upgrades.	
<b>Total Department of Intellectual and Developmental Disabilities</b>	<b>\$ 5,350,000</b>
 <b>Mental Health</b>	
<b>Objective: Provide and maintain an environment that meets accreditation standards, as well as planning for future needs.</b>	
<b>Maintenance</b>	\$ 520,000
Funds to repair, maintain, and update facilities.	
 <b>Military</b>	
<b>Objective: Expand and renovate military facilities.</b>	
<b>Maintenance</b>	\$ 3,540,000
Funds to repair, maintain, and update facilities.	

## Capital Outlay Project Descriptions Fiscal Year 2012-2013

	Total Project Cost
<b>Safety</b>	
<b>Objective: Maintain statewide emergency communications capabilities.</b>	
<b>Interoperable Communications System Upgrade Phase 2</b>	<b>\$ 80,000,000</b>
Project will complete the statewide interoperability communications system upgrade and is required to meet federal mandate.	
<b>Veterans Affairs</b>	
<b>Objective: Expand and renovate state veteran cemetery facilities.</b>	
<b>West TN Cemetery Enhancements</b>	\$ 2,700,000
Funds will provide for a new irrigation system, visitors' kiosk, crypts, a columbarium and other site updates at the West TN Veterans Cemetery.	
<b>Middle TN Cemetery Enhancements</b>	2,000,000
Funds will provide for a new irrigation system, visitors' kiosk, crypts, a columbarium and other site updates at the Middle TN Veterans Cemetery.	
<b>East TN Cemetery Enhancements</b>	650,000
Funds will provide for a new irrigation system, visitors' kiosk, and other site updates at the East TN Veterans Cemetery.	
<b>Total Veterans Affairs</b>	<b>\$ 5,350,000</b>
<b>Tennessee Board of Regents</b>	
<b>Objective: Expand and enhance facilities to students and faculty needs.</b>	
<b>Maintenance</b>	\$ 39,930,000
Funds to repair, maintain, and update higher education institution facilities. See Capital Maintenance Project Maintenance Descriptions for additional details.	
<b>MTSU Science Facilities Improvement</b>	126,650,000
Funds are provided for construction of a new science facility for Biology and Chemistry. Project will also provide supporting campus infrastructure.	
<b>Nashville State Community College Academic and Support Building Planning</b>	1,100,000
Funds are identified for planning a new multi-purpose classroom and lab building.	
<b>Northeast State Community College Technical Education Complex Planning</b>	810,000
Funds are identified for planning for a new technology complex including classrooms, labs, and administrative spaces. Project includes the demolition of current technology shop and lab buildings.	
<b>University of Memphis Biochemistry and Biology Facility Planning</b>	1,200,000
Funds are identified for planning a new biochemistry facility for molecular biology, cellular sciences, and research and training.	
<b>Volunteer State Community College Humanities Building Planning</b>	1,500,000
Funds are identified for planning a new humanities facility to provide additional classrooms, laboratory space, and administrative space to support various campus programs.	

## Capital Outlay Project Descriptions Fiscal Year 2012-2013

	Total Project Cost
<p><b>Columbia State Community College Williamson County Center Planning</b> Funds are identified for planning the relocation of the existing Williamson County campus and construction of a new facility.</p>	1,800,000
<b>Total Tennessee Board of Regents</b>	<b>\$ 172,990,000</b>
<b>University of Tennessee</b>	
<b>Objective: Expand and enhance facilities to students and faculty needs.</b>	
<p><b>Maintenance</b> Funds to repair, maintain, and update higher education institution facilities. See Capital Maintenance Project Maintenance Descriptions for additional details.</p>	\$ 32,255,000
<p><b>UTK Strong Hall Science Laboratory Facilities</b> Funds are provided for construction of a new multidisciplinary science facility on the current Strong Hall site. New facility will provide educational, research, and laboratory space as well as additional faculty and support space. Project includes demolition, site development, and related work.</p>	94,000,000
<p><b>UTHSC Multidisciplinary Simulation Center</b> Project will construct a new patient diagnostics simulation center and renovate portions of the Humphreys General Education Building for the Colleges of Medicine, Nursing, Pharmacy, Dentistry, and Allied Health.</p>	24,100,000
<p><b>UTHSC Buildings Demolition</b> Funds are provided for demolitions and site development needs of the UTHSC campus.</p>	4,000,000
<p><b>UTHSC Classroom and Laboratory Building Planning</b> Funds are identified for planning a renovation of the Crowe Laboratory Sciences Building into faculty offices and support space for the College of Nursing. Project will include building systems replacements and renovation of the Nash Building laboratories.</p>	2,000,000
<p><b>UTC Life Sciences Laboratory Facility Planning</b> Funds are identified for a new life sciences facility to address expansion needs of the current Holt Hall facility.</p>	3,000,000
<p><b>UTK Academic and Instructional Center Planning</b> Funds are identified for planning a new building to house the campus writing lab, international education center, art instruction space, and other student support services.</p>	3,000,000
<b>Total University of Tennessee</b>	<b>\$ 162,355,000</b>
<b>Grand Total</b>	<b>\$ 561,510,000</b>

## Capital Maintenance Project Descriptions Fiscal Year 2012-2013

	Total Project Cost
<b>Correction</b>	
<b>Turney Center Warehouse/Freezer Renovation</b> Funds will provide renovation of warehouse space to program space. Project will also relocate and replace the current walk-in freezers and coolers and dispose of current equipment.	\$ 1,100,000
<b>Tilt-Up Panel Repairs</b> Project will provide funds to repair various tilt-up wall panels at corrections facilities.	6,500,000
<b>Various Facilities Upgrade Security Electronics Phase 2</b> Project provides phase 2 funding for security electronics upgrades to various correctional facilities.	6,100,000
<b>West TN State Prison Reroof Various Buildings Site 3</b> Project will provide new roofing systems to the living units, food service building, and support buildings.	6,350,000
<b>Various Facilities Upgrade Locking Systems Phase 2</b> Project will replace locking systems at various medium security facilities.	2,500,000
<b>Wayne County Boot Camp Reroof Min. Security Bldg.</b> Funds will be used to replace the current roofing system on the minimum security unit.	1,100,000
<b>Northwest Correctional Complex Freezer &amp; Cooler Upgrade</b> Project will relocate and replace the current freezers and coolers in the warehouse, main kitchen, minimum security kitchen, and annex kitchen.	800,000
<b>Total Correction Maintenance</b>	<b>\$ 24,450,000</b>
<b>Children's Services</b>	
<b>Woodland Hills YDC Maintenance Buildings Repairs</b> Funds will be used to reroof the maintenance/warehouse building and maintenance building 1; repair the electrical system, replace windows, and upgrade the HVAC system.	\$ 390,000
<b>Wilder YDC Warehouse/Training Building Repairs</b> Project will provide for various repairs of the warehouse/training building including HVAC replacement, parking lot repairs and sealing, flooring replacement and other finishes.	320,000
<b>Wilder YDC Generator Replacement</b> Project will replace the current 20 year-old generator and related work.	220,000
<b>Woodland Hills YDC Generator Replacement</b> Funds will provide for the replacement of the two generators serving the main building, warehouse, and cooler.	630,000
<b>Sub-Total Children's Services</b>	<b>\$ 1,560,000</b>

**Capital Maintenance Project Descriptions  
Fiscal Year 2012-2013**

	Total Project Cost
<b>Commerce and Insurance</b>	
<b>TN Fire Academy Parking and Asphalt Sealing</b>	<b>\$ 220,000</b>
Project will provide for paving repairs and sealing of the current fire academy parking lots and surface streets.	
<b>Education</b>	
<b>TN School for the Deaf Storm Water Drainage Repairs</b>	<b>\$ 1,160,000</b>
Project will continue the current campus drainage repairs required to meet the requirements of the Storm Water Pollution Prevention Master Plan.	
<b>Alvin York HVAC Upgrades to the Science and JROTC Buildings</b>	730,000
Funds will be used to replace the current HVAC systems and connect them to the campus energy management system.	
<b>TN School for the Blind Replace Geothermal HVAC</b>	2,300,000
Funds will provide for replacement of the current geothermal HVAC system including the bore field and related equipment. System will be connected to campus energy management system.	
<b>Tennessee School for the Blind Asbestos Removal &amp; Flooring Upgrades</b>	340,000
Project will provide for flooring upgrades to building 1A and 1B, and will abate asbestos and other hazardous materials in the building flooring materials.	
<b>Sub-Total Education</b>	<b>\$ 4,530,000</b>
<b>Environment and Conservation</b>	
<b>Fall Creek Falls State Park Village Green Buildings Renovation</b>	<b>\$ 2,000,000</b>
Funds will provide for roof replacement, energy efficiency updates, repair and replacement of boardwalks and sidewalks, and related work to the buildings comprising the village green area of the park.	
<b>Harrison Bay State Park Campground Upgrades Phase 1</b>	2,250,000
Funds will provide various updates to the campground including leveling sites; updating electrical service; bathhouse repairs; and roadway repairs and corrections.	
<b>Standing Stone State Park Dam Repairs</b>	670,000
Project will be used to repair the current dam, valves, retaining wall, guardrails, and associated work.	
<b>Montgomery Bell State Park Lake Woodhaven Dam Repairs</b>	350,000
Project will be used to renovate the dam sluice gate and spillway to prevent deterioration of dam structure.	
<b>Pickwick Landing State Park Pier "D" Upgrades</b>	940,000
Funds are provided to upgrade the current floating dock including replacement of floatation systems; deck and utility upgrades; roofing system; and repairs to the sub and super system of the dock.	

**Capital Maintenance Project Descriptions  
Fiscal Year 2012-2013**

	Total Project Cost
<p><b>Rock Island State Park Campground Upgrades</b> Project will update 50 campsites to include leveling sites; updating electrical service; and improve bathhouse capacity.</p>	1,270,000
<p><b>Cumberland Mountain State Park Campsite Electrical Upgrades</b> Project will upgrade electrical service capacity to the campground.</p>	920,000
<p><b>Davy Crockett Birthplace State Park Upgrade Campground</b> Funds will provide various updates to 50 campsites including leveling sites; updating electrical service; bathhouse repairs; and roadway repairs and corrections.</p>	1,100,000
<p><b>Henry Horton State Park Campground Upgrades</b> Funds are provided to upgrade the current campground by enlarging and leveling sites, increasing utility capacity, and other campsite amenities.</p>	1,090,000
<p><b>Fall Creek Falls State Park Upgrade Landside Cabins</b> Funds will be used to address interior, exterior, and HVAC systems upgrades to 8 landside cabins at the park.</p>	690,000
<p><b>Edgar Evins State Park Campground Upgrades</b> Funds will provide various updates to the campground including leveling sites; updating electrical service; bathhouse renovations; and roadway repairs and corrections.</p>	1,600,000
<p><b>Roan Mountain State Park Campground Upgrades</b> Funds will provide various updates to the campground including leveling sites; updating electrical service; new campsite equipment; bathhouse renovations; and roadway repairs and corrections. Project will include all related work.</p>	1,260,000
<p><b>Panther Creek State Park Campground Upgrades</b> Funds will provide various updates to 60 campsites and two bathhouses to accommodate RV accessibility. Project will include paving corrections and related work.</p>	1,000,000
<p><b>Rocky Mount State Historic Site Roof Replacements</b> Funds will be used to replace wood shake roofs on five of the historic buildings at Rocky Mount.</p>	300,000
<p><b>Hawthorne Hill Historic House Restoration</b> Funds are provided for the restoration and repairs to both the interior and exterior of the historic structure, landscaping enhancements, paving repairs, and related work.</p>	900,000
<p><b>Sabine Hill Historic House Restoration</b> Funds are provided for the restoration and repairs to both the interior and exterior of the historic structure and landscaping enhancements.</p>	1,100,000
<p><b>Sub-Total Environment and Conservation</b></p>	<b>\$ 17,440,000</b>

## Capital Maintenance Project Descriptions Fiscal Year 2012-2013

	Total Project Cost
<b>General Services</b>	
<b>Emergency Maintenance and Contingency Funds</b> Funds to handle unforeseen and emergency situations that arise during the fiscal year.	\$ 2,630,000
<b>ADA Compliance</b> Capital maintenance activities associated with compliance with the Americans with Disabilities Act and other disabilities-related issues.	800,000
<b>Management Support Services</b> This project provides funding for consultant services regarding support for state construction-related activities.	1,000,000
<b>Environmental Consultants</b> This project provides environmental services expertise in mold identification and removal, asbestos identification and abatement, and other assistance to the State of Tennessee Real Estate Asset Management division of General Services.	1,000,000
<b>State Owned Buildings OSHA Compliance</b> Provide inspection and training services to building employees to insure compliance with OSHA directives.	800,000
<b>Signage Improvements</b> Funds will provide for various signage updates at state facilities.	500,000
<b>TPAC Annual Maintenance Grant</b> Grant to provide state maintenance assistance for the Tennessee Performing Arts Center.	300,000
<b>National Civil Rights Museum Maintenance Grant</b> Grant to provide maintenance support to the National Civil Rights Museum, in Memphis.	300,000
<b>Sub-Total General Services</b>	<b>\$ 7,330,000</b>
<b>Intellectual and Developmental Disabilities</b>	
<b>Greene Valley Administration Building Switchgear Replacements</b> Funds are provided for the replacement of current electrical system switchgear in the Administration Building. Project includes all related work.	\$ 200,000
<b>Clover Bottom Developmental Center Essential Maintenance</b> Funds are provided to address the various repairs and maintenance needs of the Middle TN Regional Office.	1,000,000
<b>Greene Valley Water Plant Chiller Replacement</b> Funds are provided for the replacement of two 48 year-old chillers and related infrastructure, and replace with a more efficient chill water plant.	700,000



## Capital Maintenance Project Descriptions Fiscal Year 2012-2013

	Total Project Cost
<p><b>Arlington Service Complex Interior Updates</b> Project will address interior renovations and upgrades of the three service complex buildings to meet code compliance.</p>	1,000,000
<p><b>Ruilman Center Updates</b> Funds are provided for HVAC replacement, utility line adjustments, electrical system upgrades, other facility repairs and demolitions, and related work.</p>	200,000
<p><b>422 Hennings Lane Exterior Updates</b> Project includes window replacements; various masonry and flashing repairs; asphalt repairs and sealing; exterior canopy replacement; and all related work.</p>	450,000
<p><b>221 Foxwood Lane Updates</b> Funds will provide for various facility renovations and maintenance for code compliance required for operation as an ICFMR group home.</p>	200,000
<p><b>Sub-Total Intellectual and Developmental Disabilities</b></p>	<b>\$ 3,750,000</b>
<b>Mental Health</b>	
<p><b>Moccasin Bend MHI Hot Water Boilers Replacement</b> Funds will be used to replace existing hot water boilers.</p>	<b>\$ 520,000</b>
<b>Military</b>	
<p><b>Cleveland Readiness Center Reroof and Facility Update</b> Funds are provided for reroofing of the readiness center; interior repairs to floors, ceilings, walls, and floor coverings; and exterior building envelope repairs.</p>	<b>\$ 590,000</b>
<p><b>Union City Readiness Center HVAC and Energy Updates</b> Funds will provide for replacement of the facility HVAC system and related equipment including energy management system and controls.</p>	780,000
<p><b>Brownsville Readiness Center HVAC and Energy Updates</b> Funds will provide for replacement of the facility HVAC system and related equipment including energy management system and controls.</p>	660,000
<p><b>Winchester Readiness Center Reroof and Interior Repairs</b> Funds are provided for reroofing of the readiness center; interior repairs to floors, ceilings, walls, and floor coverings; and exterior building envelope repairs.</p>	740,000
<p><b>Shelbyville Readiness Center Reroof and Facility Update</b> Funds are provided for reroofing of the readiness center; interior repairs to floors, ceilings, walls, and floor coverings; foundation repairs; and exterior building envelope repairs.</p>	770,000
<p><b>Sub-Total Military</b></p>	<b>\$ 3,540,000</b>

## Capital Maintenance Project Descriptions Fiscal Year 2012-2013

	Total Project Cost
<b>Tennessee Board of Regents</b>	
<b>ADA Compliance</b> Capital maintenance activities associated with compliance with the Americans with Disabilities Act and other disabilities-related issues.	\$ 800,000
<b>Management Support Services</b> This project provides funding for consultant services regarding support for state construction-related activities.	500,000
<b>Northeast State Community College Gray Campus Roof Replacement</b> Funds will be used to replace the current metal roof at the Gray campus facility.	120,000
<b>ETSU College of Medicine Kingsport Family Practice Replace Roof</b> Project will replace the roof and provide building exterior repairs. Funds are also provided for the replacement of 9 rooftop HVAC units, controls, and related electrical equipment and lighting.	500,000
<b>Walters State Community College Roof Replacement</b> Funds are provided for the replacement of the Library Building roof; and to address building envelope repairs.	590,000
<b>Dyersburg State Community College Gibson County Center Replace Roof</b> Funds will be used to replace the Gibson County Center roof.	230,000
<b>ETSU Memorial Center Roof Replacement</b> Project will replace the current roof with an adhered insulated membrane roof.	4,000,000
<b>TTC Statewide Roof Replacements Phase 2</b> Funds are provided to replace roofs at the Crossville, Livingston, Harriman, Whiteville, Athens, Chattanooga, and Nashville technology centers.	2,370,000
<b>MTSU Domestic Water and Sewer System Updates</b> Project will continue the ongoing campus repairs to the sewer and domestic water systems.	510,000
<b>University of Memphis Various Buildings HVAC Updates</b> Funds will replace HVAC systems and components in two priority academic facilities. Systems will be connected to campus HVAC controls system.	3,000,000
<b>Chattanooga State Community College Underground Piping Corrections</b> Funding is provided to address underground hot water piping repairs and replacement.	1,180,000
<b>Jackson State Community College Various Buildings Plumbing Repairs</b> Funding is provided to address plumbing repairs in the classroom building, gymnasium, and administration building.	390,000
<b>Southwest TN Community College Macon Cove Campus Mechanical Updates</b> Project will provide for replacement of mechanical units and controls for the Farris, Nabors, Thornton, Freeman, Sulcar, and Whitehead buildings.	1,020,000

## Capital Maintenance Project Descriptions Fiscal Year 2012-2013

	Total Project Cost
<p><b>TSU Hankle Hall HVAC Corrections</b> Funds will provide replacement of room HVAC systems and controls; building envelope repairs, and other interior repairs.</p>	2,500,000
<p><b>APSU Library Mechanical Systems Updates</b> Project will replace the mechanical systems piping and controls, upgrade electrical distribution, and provide climate controlled HVAC systems.</p>	2,300,000
<p><b>Roane State Community College HVAC Corrections</b> Funds are provided for the replacement of the HVAC systems in the Dunbar, O'Brien, and Library buildings.</p>	480,000
<p><b>Nashville State Community College Security Updates and Repairs</b> Funds are provided for the update and repairs to the campus security monitoring system.</p>	340,000
<p><b>Volunteer State Community College Mattox Building HVAC updates</b> Funds will be used to replace the mechanical systems and related infrastructure in the Mattox Building. Systems will be connected to the campus energy management system.</p>	500,000
<p><b>Cleveland State Community College HVAC and Controls Update</b> Funds will provide for HVAC systems replacement and controls for the Career Education, Humanities, and Johnson buildings.</p>	710,000
<p><b>Columbia State Community College Several Buildings Exterior Repairs</b> Project will address various campus buildings envelope repairs.</p>	300,000
<p><b>Pellissippi State Community College Settlement Repairs</b> Funds are provided for the investigation and repairs to campus buildings due to foundation settlement.</p>	500,000
<p><b>Motlow State Community College Several Buildings Exterior Repairs</b> Funds are provided to replace windows and doors of various buildings; and to replace the roofs on the Forrester, Ingram, Nisbett, and Simon Hall buildings.</p>	370,000
<p><b>TTU Several Buildings Upgrades Phase 2</b> Funds are provided for the continuation of the phase 1 buildings upgrade project. The Brown, Henderson, Kittrell, Pennebaker, South, and T.J. Farr buildings will be addressed in this phase.</p>	2,900,000
<p><b>MTSU Murphy Center HVAC Updates</b> Funds will be used to replace and repair the arena HVAC system.</p>	1,620,000
<p><b>University of Memphis Underground Utility Updates</b> Project will address replacement of various underground campus utility lines.</p>	3,000,000
<p><b>MTSU Underground Electrical Updates Phase 2</b> Funds are provided for installation of an underground primary electric duct bank, distribution circuits, and related utility work.</p>	2,140,000

## Capital Maintenance Project Descriptions Fiscal Year 2012-2013

	Total Project Cost
<p><b>TTC Chiller Replacements Phase 4</b> Funds will be used to replace HVAC systems and controls at the Memphis, Shelbyville, and Dickson technology centers.</p>	610,000
<p><b>University of Memphis Elevator Modernization</b> Funds are provided for continuation of the campus elevator modernization project.</p>	2,000,000
<p><b>Dyersburg State Community College Maintenance Building Reroof</b> Funds are provided for replacement of the Maintenance Building roof.</p>	130,000
<p><b>TTU Several Buildings Roof Replacements</b> Funds are provided to replace roofs on Prescott Hall and Bryan Fine Arts Building.</p>	700,000
<p><b>MTSU Walker Library Roof Replacement</b> Funds are provided to replace the Walker Library building roof.</p>	1,050,000
<p><b>TTU Fire Alarm System Update Phase 2</b> Funds are provided for the replacement of fire alarm systems; provide emergency lighting; and provide various other campus fire safety updates and repairs.</p>	1,320,000
<p><b>TSU Electrical Distribution Updates</b> Project will complete the campus electrical distribution updates project to address switching gear, distribution, controls, and back-up power capabilities.</p>	1,250,000
<p><b>Total Tennessee Board of Regents Maintenance</b></p>	<b>\$ 39,930,000</b>
<b>University of Tennessee</b>	
<p><b>ADA Compliance</b> Capital maintenance activities associated with compliance with the Americans with Disabilities Act and other disabilities-related issues.</p>	\$ 800,000
<p><b>UTC Campus Safety and Security Improvements</b> Funds will provide for various campus security upgrades including building perimeter security and emergency notification enhancements.</p>	3,700,000
<p><b>UTK Roof Repairs and Replacements</b> Funds are provided for roof replacements for the Glazer Building, Student Health Clinic, Clarence Brown Theatre, and other campus buildings.</p>	4,000,000
<p><b>UTM Chiller Replacement and Upgrades</b> Project will provide for the replacement of one chiller and cooling tower with a new high capacity tower.</p>	3,120,000
<p><b>UTIA West TN Greenhouse Renovations</b> Funds are provided for the renovation of the 40 year-old glass greenhouse.</p>	975,000
<p><b>UTK Electrical Distribution System Improvements Phase 5</b> Funds are provided to replace current electrical switchgear at 18th Street substation and other electrical distribution system improvements.</p>	4,000,000

**Capital Maintenance Project Descriptions  
Fiscal Year 2012-2013**

	Total Project Cost
<p><b>UTSI Water and Wastewater Distribution System Upgrades</b> Project will refurbish the campus waste water treatment plant and provide additional fire suppression capacity for the campus.</p>	300,000
<p><b>UTM Reroof Several Buildings Phase 3</b> Funds will be used to replace roofs on the EPS Building, Brehm Hall, and Hall-Moody Administration Building.</p>	3,660,000
<p><b>UTHSC Alexander Building Improvements Phase 2</b> Phase 2 funds will provide for lighting upgrades to floors 5 and 6; HVAC system and controls upgrades; window replacement; and interior finishes updates.</p>	3,000,000
<p><b>UTC Grote Hall Roof Replacement</b> Funds are provided for installation of a new metal roofing system to enclose the building major mechanical equipment.</p>	1,200,000
<p><b>UTIA Clyde Austin 4-H Center Renovations</b> Funds are provided for various repairs to the buildings at the 4-H complex. Work will include but is not limited to roof replacements; building envelope repairs; pavement and walkway repairs; and public address system repairs.</p>	4,500,000
<p><b>UTK Masonry Repairs Phase 5</b> Funds will be used to address various masonry repairs at the Pasqua Nuclear Engineering Building, Andy Holt Tower, Hesler Biology Building and Taylor Law College. Funds will also be used to replace the Hoskins Library retaining wall on Cumberland Avenue.</p>	3,000,000
<b>Total University of Tennessee Maintenance</b>	<b>\$ 32,255,000</b>
<b>Grand Total Capital Maintenance</b>	<b>\$ 135,525,000</b>

**Projected First-Year Operating Costs for New Facilities  
Recommended as Projects for Fiscal Year 2012-2013**

	<u>COUNTY</u>	<u>TOTAL</u>	<u>UTILITIES</u>	<u>MAINTENANCE</u>	<u>PROGRAM*</u>	<u>ADDITIONAL PERSONNEL</u>
<b>Correction</b>						
Command & Technology Center	Davidson	\$ 152,000	\$ 101,000	\$ 51,000	\$ 0	0
<b>Environment and Conservation</b>						
Fall Creek Falls SP Irrigation & Restrooms Upgrades	Van Buren	\$ 6,000	\$ 4,000	\$ 2,000	\$ 0	0
Bledsoe Creek SP New Visitors Center	Sumner	7,500	4,000	3,500	0	0
<b>Sub-Total Environment and Conservation</b>		<b><u>\$ 13,500</u></b>	<b><u>\$ 8,000</u></b>	<b><u>\$ 5,500</u></b>	<b><u>\$ 0</u></b>	<b><u>0</u></b>
<b>General Services</b>						
Bradley County Veterans Community Living Center	Bradley	\$ 3,900,000	\$ 230,000	\$ 150,000	\$ 3,520,000	92
<b>Tennessee Board of Regents</b>						
MTSU Science Facilities Improvement	Rutherford	\$ 1,280,000	\$ 450,000	\$ 830,000	\$ 0	0
<b>University of Tennessee</b>						
UTK Strong Hall Science Laboratory Facilities	Knox	\$ 1,260,000	\$ 720,000	\$ 540,000	\$ 0	0
UTHSC Multidisciplinary Simulation Center	Shelby	720,000	420,000	300,000	0	0
<b>Sub-Total University of Tennessee</b>		<b><u>\$ 1,980,000</u></b>	<b><u>\$ 1,140,000</u></b>	<b><u>\$ 840,000</u></b>	<b><u>\$ 0</u></b>	<b><u>0</u></b>
<b>Grand Total</b>		<b><u>\$ 7,325,500</u></b>	<b><u>\$ 1,929,000</u></b>	<b><u>\$ 1,876,500</u></b>	<b><u>\$ 3,520,000</u></b>	<b><u>92</u></b>

\* Operating costs are defined as new or increased costs associated with the work tasks anticipated to be performed within the new facility. The salary costs of any new employees anticipated to be hired for the new facility are considered part of these costs.

Note: The Bradley County Veterans Community Living Center will be operated by the Tennessee State Veterans Home Board. The state will not be responsible for operating costs of this facility.

# Capital Budget

## Commonly Used Abbreviations

AASF	Army Aviation Support Facility	RNOV	Renovation
ADA	Americans with Disabilities Act	RSCC	Roane State Community College
AFRC	Armed Forces Reserve Center	SP	State Park
APSU	Austin Peay State University	SRCF	Southeast Regional Correctional Facility
ARRA	American Recovery and Reinvestment Act	STCC	Southwest Tennessee Community College
BLDG	Building	SYS	System
CC	Community College	TBR	Tennessee Board of Regents
CCC	Civilian Conservation Corps	TDOT	Tennessee Department of Transportation
CHSCC	Chattanooga State Community College	TEMA	Tennessee Emergency Management Agency
CLSCC	Cleveland State Community College	THEC	Tennessee Higher Education Commission
COSCC	Columbia State Community College	THP	Tennessee Highway Patrol
CoM	College of Medicine	TLETA	Tennessee Law Enforcement Training Academy
Cpx	Complex	TPAC	Tennessee Performing Arts Center
Ctr	Center	TPS	Tennessee Preparatory School
DCS	Department of Children's Services	TPW	Tennessee Prison for Women
DEMO	Demolition	TRC	Tennessee Rehabilitation Center
DOC	Department of Correction	TSU	Tennessee State University
DSCC	Dyersburg State Community College	TTCs	Tennessee Technology Centers
EMS	Energy Management System	TTU	Tennessee Technological University
ETSU	East Tennessee State University	Twr	Tower
HVAC	Heating, Ventilation, & Air Conditioning	TWRA	Tennessee Wildlife Resources Agency
INFO	Information	Univ	University
IT	Information Technology	UoM	University of Memphis
JSCC	Jackson State Community College	UTHSC	University of Tennessee Health Science Center
MHI	Mental Health Institute	UTC	University of Tennessee Chattanooga
MSCC	Motlow State Community College	UTIA	University of Tennessee Institute of Agriculture
MTSU	Middle Tennessee State University	UTK	University of Tennessee Knoxville
NESCC	Northeast State Community College	UTM	University of Tennessee Martin
NGB	National Guard Bureau	UT	University of Tennessee
NASCC	Nashville State Community College	VSCC	Volunteer State Community College
OSHA	Occupational Safety & Health Administration	WSCC	Walters State Community College
PSCC	Pellissippi State Community College	WTSP	West Tennessee State Penitentiary
RC	Readiness Center	YDC	Youth Development Center
REROOF	Replacement Roof		

# Facilities Revolving Fund

## Recommended Budget, Fiscal Year 2012-2013

The State Office Buildings and Support Facilities Revolving Fund (FRF) was established in 1988 to provide efficient management of the state office and warehousing facilities. State agencies are charged a rental rate based on usage, location, and market rate for the space they occupy. These revenues, along with any necessary current services revenue and reserve funds, constitute the operating funds for FRF.

The fund pays for facilities management costs of state-owned and leased office and warehouse space. These costs include debt service on buildings financed with bonds, routine and major maintenance, relocation expenses and furniture for state agencies,

and payments for leased office space not owned by the state but occupied by state agencies.

FRF is managed by the Department of General Services, with some management support from the Department of Finance and Administration. General Services operates, maintains, and manages FRF facilities, and constructs and renovates facilities through its Division of Real Estate Asset Management with approval of the State Building Commission. The division also provides lease transaction management, legal oversight, space planning, real estate management, space assignment, relocation services, and furniture to agencies.

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>
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### 501.01 General Services Operating Maintenance

The Department of General Services maintains the daily upkeep of FRF facilities through Operating Maintenance. Items such as contracts for janitorial and security services are funded through this allotment.

Payroll	0	0	0
Operational	61,758,400	60,162,900	<b>60,806,200</b>
<b>Total</b>	<b>\$61,758,400</b>	<b>\$60,162,900</b>	<b>\$60,806,200</b>
State	7,517,200	7,517,200	<b>7,517,200</b>
Federal	0	0	<b>0</b>
Other	54,241,200	52,645,700	<b>53,289,000</b>

### 501.02 General Services Project Maintenance

The Department of General Services makes standard repairs and handles regular maintenance of FRF facilities within Project Maintenance. Items such as painting walls, repairing doors, and stopping leaks are paid from this allotment.

Payroll	0	0	0
Operational	1,118,100	2,400,000	<b>4,000,000</b>
<b>Total</b>	<b>\$1,118,100</b>	<b>\$2,400,000</b>	<b>\$4,000,000</b>
State	0	0	<b>0</b>
Federal	0	0	<b>0</b>
Other	1,118,100	2,400,000	<b>4,000,000</b>



	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>
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**501.03 Facilities Management**

The Department of General Services Real Estate Asset Management division assigns and leases space to state agencies, negotiates and pays for leases in non-state owned buildings, and pays for moving and furniture expenses from the Facilities Management allotment.

Payroll	0	0	0
Operational	46,983,400	55,718,300	<b>54,580,800</b>
<b>Total</b>	<b>\$46,983,400</b>	<b>\$55,718,300</b>	<b>\$54,580,800</b>
State	0	5,547,600	<b>5,547,600</b>
Federal	0	0	0
Other	46,983,400	50,170,700	<b>49,033,200</b>

**501.04 Capital Projects**

The Department of General Services Real Estate Asset Management division coordinates maintenance and new construction activities for the state-owned buildings in FRF. Included in the recommended FRF Capital Projects budget are funds for statewide maintenance, as well as capital outlay projects.

Payroll	0	0	0
Operational	1,336,000	6,760,000	<b>131,780,000</b>
<b>Total</b>	<b>\$1,336,000</b>	<b>\$6,760,000</b>	<b>\$131,780,000</b>
State	0	0	<b>125,100,000</b>
Federal	0	0	0
Other	1,336,000	6,760,000	<b>6,680,000</b>

**501.05 Debt Service**

The Department of Finance and Administration pays debt service on bonds which finance FRF capital outlay.

Payroll	0	0	0
Operational	26,303,900	27,800,000	<b>25,900,000</b>
<b>Total</b>	<b>\$26,303,900</b>	<b>\$27,800,000</b>	<b>\$25,900,000</b>
State	0	0	0
Federal	0	0	0
Other	26,303,900	27,800,000	<b>25,900,000</b>

**501.00 Total Facilities Revolving Fund**

Payroll	0	0	0
Operational	137,499,800	152,841,200	<b>277,067,000</b>
<b>Total</b>	<b>\$137,499,800</b>	<b>\$152,841,200</b>	<b>\$277,067,000</b>
State	7,517,200	13,064,800	<b>138,164,800</b>
Federal	0	0	0
Other	129,982,600	139,776,400	<b>138,902,200</b>

**Facilities Revolving Fund (FRF)  
Proposed Capital Appropriations  
From Bonds, General Fund, and FRF Current Funds  
Fiscal Year 2012-2013**

	COUNTY	TOTAL	GENERAL FUND CURRENT	FRF CURRENT	BONDS	OTHER *
<b>Capital Improvements:</b>						
Office Consolidation Project	Statewide	\$ 75,000,000	\$ 75,000,000	\$ 0	\$ 0	\$ 0
Andrew Jackson Building Renovations	Davidson	6,740,000	6,740,000	0	0	0
Rachel Jackson Building Renovations	Davidson	2,200,000	2,200,000	0	0	0
Andrew Johnson Building Renovations	Davidson	4,000,000	4,000,000	0	0	0
James K. Polk Building Renovations	Davidson	1,800,000	1,800,000	0	0	0
W. R. Snodgrass TN Tower Building Renovations	Davidson	10,650,000	10,650,000	0	0	0
Davy Crockett Building Renovations	Davidson	1,000,000	0	0	0	\$ 1,000,000
<b>Total Capital Improvements</b>		<b>\$ 101,390,000</b>	<b>\$ 100,390,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,000,000</b>
<b>Capital Maintenance:</b>						
Emergency and Contingency	Statewide	\$ 1,420,000	\$ 0	\$ 1,420,000	\$ 0	\$ 0
John Sevier Building Fire Alarm Replacement	Davidson	270,000	0	0	0	270,000
Andrew Jackson Building Fire Alarm Replacement	Davidson	1,250,000	0	250,000	1,000,000	0
Rachel Jackson Elevator Modernization	Davidson	770,000	770,000	0	0	0
Chattanooga State Office Bldg. Elevator Modernization	Hamilton	540,000	540,000	0	0	0
West TN Regional Health Office Elevator Modernization	Madison	260,000	0	0	0	260,000
Andrew Johnson Building Roof Replacement	Davidson	870,000	870,000	0	0	0
W. R. Snodgrass TN Tower Elevator Cab Updates	Davidson	310,000	0	310,000	0	0
R. S. Gass Laboratory Interior Renovations	Davidson	2,450,000	2,450,000	0	0	0
TPS Hardison Complex Flooring Updates	Davidson	440,000	0	0	0	440,000
Nashville Express Drivers License Station Interior RNOV	Davidson	110,000	0	0	0	110,000
R. S. Gass Drivers License Station Interior Renovations	Davidson	100,000	0	0	0	100,000
John Sevier Building Interior Renovations	Davidson	250,000	250,000	0	0	0
Library and Archives Interior Renovation	Davidson	1,600,000	1,600,000	0	0	0
Ellington Campus Porter Lab Building Interior Renovation	Davidson	1,150,000	1,150,000	0	0	0
Ellington Campus Holeman Building Interior Renovation	Davidson	340,000	340,000	0	0	0
Ellington Campus Jennings Building Interior Renovation	Davidson	140,000	140,000	0	0	0
1000 Second Avenue Facility Renovations	Davidson	730,000	730,000	0	0	0
900 Second Avenue Facility Renovations	Davidson	730,000	730,000	0	0	0
Data Center North Security Upgrades	Davidson	1,200,000	0	0	0	1,200,000
<b>Sub-Total Capital Maintenance</b>		<b>\$ 14,930,000</b>	<b>\$ 9,570,000</b>	<b>\$ 1,980,000</b>	<b>\$ 1,000,000</b>	<b>\$ 2,380,000</b>
<b>Capital Maintenance - Middle TN Renovations:</b>						
Centennial Blvd. Surplus Warehouse Renovations	Davidson	\$ 360,000	\$ 360,000	\$ 0	\$ 0	\$ 0
Central Services Building Interior Renovation	Davidson	1,950,000	1,950,000	0	0	0
Citizen's Plaza Interior Renovation	Davidson	5,000,000	5,000,000	0	0	0
Clarksville THP and Drivers License Ctr. Renovation	Montgomery	140,000	140,000	0	0	0
Cloverbottom Mansion Interior Renovation	Davidson	250,000	250,000	0	0	0
Columbia Driver's License Testing Station Renovation	Maury	230,000	230,000	0	0	0
Ellington Auditorium Interior Renovation	Davidson	180,000	180,000	0	0	0
Ellington Bruer Bldg. Interior Renovation	Davidson	370,000	370,000	0	0	0
Ellington Administration Bldg. Interior Renovation	Davidson	440,000	440,000	0	0	0
Ellington Museum Interior Renovation	Davidson	220,000	220,000	0	0	0
John Sevier Interior Renovation	Davidson	6,000,000	6,000,000	0	0	0
<b>Sub-Total Capital Maintenance - Middle TN Renovations</b>		<b>\$ 15,140,000</b>	<b>\$ 15,140,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Capital Maintenance - Energy Funds:</b>						
Fleming Training Center HVAC & EMS Upgrades	Davidson	\$ 790,000	\$ 0	\$ 0	\$ 0	\$ 790,000
Fleming Training Center Window Replacement	Davidson	60,000	0	0	0	60,000
Fleming Training Center Airlock Entry Vestibule Upgrade	Davidson	20,000	0	0	0	20,000
R. S. Gass HVAC Assessment & Corrections	Davidson	40,000	0	0	0	40,000
R. S. Gass Entry Lobby & Atrium Renovation	Davidson	120,000	0	0	0	120,000

**Facilities Revolving Fund (FRF)  
Proposed Capital Appropriations  
From Bonds, General Fund, and FRF Current Funds  
Fiscal Year 2012-2013**

	<u>COUNTY</u>	<u>TOTAL</u>	<u>GENERAL FUND CURRENT</u>	<u>FRF CURRENT</u>	<u>BONDS</u>	<u>OTHER *</u>
W. R. Snodgrass TN Twr. Energy Conservation Measures	Davidson	660,000	0	0	0	660,000
W. R. Snodgrass TN Tower Reflective Window Film	Davidson	610,000	0	0	0	610,000
Mid Cumberland Regional Health Office HVAC Upgrades	Davidson	380,000	0	0	0	380,000
Citizen's Plaza Building Window Glazing	Davidson	250,000	0	0	0	250,000
Rachel Jackson Building Window Glazing	Davidson	190,000	0	0	0	190,000
<b>Sub-Total Capital Maintenance - Energy Funds</b>		<b>\$ 3,120,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,120,000</b>
<b>Total Capital Maintenance</b>		<b>\$ 33,190,000</b>	<b>\$ 24,710,000</b>	<b>\$ 1,980,000</b>	<b>\$ 1,000,000</b>	<b>\$ 5,500,000</b>
<b>Grand Total</b>		<b>\$ 134,580,000</b>	<b>\$ 125,100,000</b>	<b>\$ 1,980,000</b>	<b>\$ 1,000,000</b>	<b>\$ 6,500,000</b>

\* Other - FRF Reserves

# Facilities Revolving Fund

## Proposed Capital Appropriations from Bonds and Current Funds

### Fiscal Year 2012-2013

**Objective:** Provide efficient management of state facilities.

<b>Capital Improvements:</b>	<b>Total Project Cost</b>
<p><b>Office Consolidation Project</b> Funds are provided for building renovations and modifications, systems replacements, office relocations, and related work to consolidate state offices within state owned buildings.</p>	\$ 75,000,000
<p><b>Andrew Jackson Building Renovations</b> Funds are provided to renovate the Andrew Jackson State Office Building to update interior finishes, restrooms, and other building requirements.</p>	6,740,000
<p><b>Rachel Jackson Building Renovations</b> Project will renovate the Rachel Jackson Building to upgrade interior finishes including the restrooms and lobbies.</p>	2,200,000
<p><b>Andrew Johnson Building Renovations</b> Funds are provided to renovate the Andrew Johnson State Office Building to update interior finishes, restrooms, lobbies, and other building requirements.</p>	4,000,000
<p><b>James K. Polk Building Renovations</b> Funds are provided to renovate the James K. Polk State Office Building to update interior finishes, restrooms, lobbies. TPAC and State Museum spaces are included in this project.</p>	1,800,000
<p><b>W. R. Snodgrass TN Tower Building Renovations</b> Funds are provided to renovate the W.R. Snodgrass State Office Building to update interior finishes, restrooms, lobbies, elevator lobbies, systems updates, and other building requirements.</p>	10,650,000
<p><b>Davy Crockett Building Renovations</b> Funds are provided for additional mechanical and electrical modifications of the Davy Crockett Building.</p>	1,000,000
<b>Total Capital Improvements</b>	<b>\$ 101,390,000</b>
<b>Capital Maintenance:</b>	
<p><b>Emergency and Contingency</b> Funds to handle unforeseen and emergency situations that arise during the fiscal year.</p>	\$ 1,420,000
<p><b>John Sevier Building Fire Alarm Replacement</b> Funds are provided for the replacement of the fire alarm system.</p>	270,000
<p><b>Andrew Jackson Building Fire Alarm Replacement</b> Funds are provided for the replacement of the fire alarm system.</p>	1,250,000
<p><b>Rachel Jackson Elevator Modernization</b> Project will update four elevators to address mechanical systems and finishes.</p>	770,000
<p><b>Chattanooga State Office Building Elevator Modernization</b> Project will update three elevators to address mechanical systems and finishes.</p>	540,000
<p><b>West TN Regional Health Office Elevator Modernization</b> Project will update two elevators to address mechanical systems and finishes.</p>	260,000
<p><b>Andrew Johnson Building Roof Replacement</b> Funds are provided to replace the roof which was installed in 1991.</p>	870,000
<p><b>W. R. Snodgrass TN Tower Elevator Cab Updates</b> Funds are provided for improved elevator cab lighting for 10 elevators.</p>	310,000
<p><b>R. S. Gass Laboratory Interior Renovations</b> Funds are provided to renovate facility restrooms for ADA compliance and update other interior finishes.</p>	2,450,000

**Facilities Revolving Fund  
Proposed Capital Appropriations from Bonds and Current Funds  
Fiscal Year 2012-2013**

<b>TPS Hardison Complex Flooring Updates</b>	440,000
Funds will be used to update the flooring and interior finishes at the Hardison Complex.	
<b>Nashville Express Drivers License Station Interior RNOV</b>	110,000
Funds will be used to update the flooring and interior finishes at the Murfreesboro Road station.	
<b>R. S. Gass Drivers License Station Interior Renovations</b>	100,000
Funds will be used to update the flooring and interior finishes at the R. S. Gass Drivers License Station.	
<b>John Sevier Building Interior Renovations</b>	250,000
Project will provide for interior updates to the 6th and 7th floors and stairwells.	
<b>Library and Archives Interior Renovation</b>	1,600,000
Funds are provided for interior renovations to the facility including restrooms, flooring, and finishes.	
<b>Ellington Campus Porter Lab Building Interior Renovation</b>	1,150,000
Funds are provided for interior renovations to the facility including restrooms, flooring, and finishes.	
<b>Ellington Campus Holeman Building Interior Renovation</b>	340,000
Funds are provided for interior renovations to the facility including restrooms, flooring, and finishes.	
<b>Ellington Campus Jennings Building Interior Renovation</b>	140,000
Funds are provided for interior renovations to the facility including restrooms, flooring, and finishes.	
<b>1000 Second Avenue Facility Renovations</b>	730,000
Project will provide funds to update the interior lobbies, other interior finishes, and restrooms.	
<b>900 Second Avenue Facility Renovations</b>	730,000
Project will provide funds to update the interior lobbies, other interior finishes, and restrooms.	
<b>Data Center North Security Upgrades</b>	1,200,000
Funds are provided for interior and exterior security upgrades at the Data Center North complex.	
<b>Sub-Total Capital Maintenance</b>	<u>\$ 14,930,000</u>
<b>Capital Maintenance - Middle TN Facility Renovations:</b>	
<b>Centennial Boulevard Surplus Warehouse Renovations</b>	\$ 360,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>Central Services Building Interior Renovation</b>	1,950,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>Citizen's Plaza Building Interior Renovation</b>	5,000,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>Clarksville THP and Drivers License Ctr. Renovation</b>	140,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>Clover Bottom Mansion Interior Renovation</b>	250,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>Columbia Driver's License Testing Station Renovation</b>	230,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>Ellington Auditorium Interior Renovation</b>	180,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>Ellington Bruer Building Interior Renovation</b>	370,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	

**Facilities Revolving Fund  
Proposed Capital Appropriations from Bonds and Current Funds  
Fiscal Year 2012-2013**

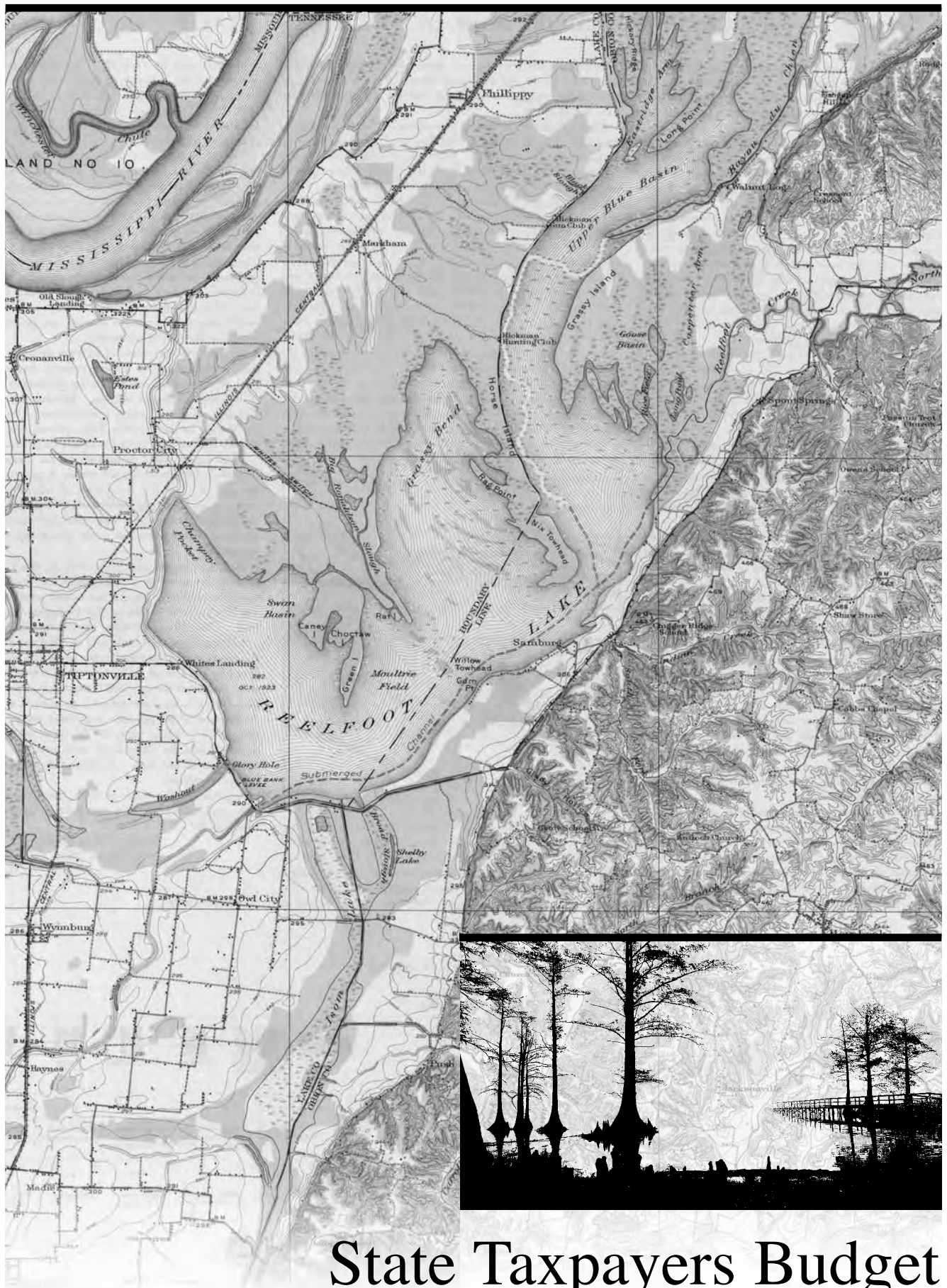
<b>Ellington Administration Building Interior Renovation</b>	440,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>Ellington Museum Interior Renovation</b>	220,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>John Sevier Building Interior Renovation</b>	6,000,000
Project will provide for various interior updates to common spaces, restrooms, finishes, and fixtures.	
<b>Sub-Total Capital Maintenance - Middle TN Renovations</b>	<b>\$ 15,140,000</b>

**Capital Maintenance - Energy Funds:**

<b>Fleming Training Center HVAC and EMS Upgrades</b>	\$ 790,000
Funds are provided to replace the HVAC and energy management systems to provide increased energy efficiency for the facility.	
<b>Fleming Training Center Window Replacement</b>	60,000
Funds are provided for the replacement of the single-paned windows with energy efficient window systems.	
<b>Fleming Training Center Airlock Entry Vestibule Upgrade</b>	20,000
Funds are provided to improve the entry by providing an entry vestibule to help maintain airflow efficiency within the facility.	
<b>R. S. Gass HVAC Assessment and Corrections</b>	40,000
Funds are provided for an energy system assessment and to address recommended corrections for improved energy usage.	
<b>R. S. Gass Entry Lobby and Atrium Renovation</b>	120,000
Project will renovate the current lobby and atrium area to provide more energy efficient distribution of conditioned air, and replace entry doors.	
<b>W. R. Snodgrass TN Tower Energy Conservation Measures</b>	660,000
Funds are provided for the replacement of the window film treatment on the building with new higher efficiency window film treatments.	
<b>W. R. Snodgrass TN Tower Reflective Window Film</b>	610,000
Funds are provided for caulking and glazing the building windows to provide for more energy efficient building operation.	
<b>Mid Cumberland Regional Health Office HVAC Upgrades</b>	380,000
Funds are provided for upgrades to the HVAC system and energy management system.	
<b>Citizen's Plaza Building Window Glazing</b>	250,000
Funds are provided for caulking and glazing the building windows to provide for more energy efficient building operation.	
<b>Rachel Jackson Building Window Glazing</b>	190,000
Funds are provided for caulking and glazing the building windows to provide for more energy efficient building operation.	
<b>Sub-Total Capital Maintenance - Energy Funds</b>	<b>\$ 3,120,000</b>

<b>Total Capital Maintenance</b>	<b>\$ 33,190,000</b>
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<b>Grand Total</b>	<b>\$ 134,580,000</b>
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# State Taxpayers Budget





# State Taxpayers Budget



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# State Taxpayers Budget

The State Taxpayers Budget section is included to distinguish between state appropriations from general state taxes and appropriations from dedicated taxes and fees, which are narrowly levied and earmarked for specific purposes.

The State Taxpayers Budget excludes these dedicated funds; it reports only appropriations from general state tax sources, along with estimates of the general taxes. The State Taxpayers Budget excludes appropriations from dedicated tax and fee sources, all federal revenues, and all other departmental revenues.

This section begins with a departmental summary of state appropriations from general tax sources. The chart entitled Tennessee Taxpayer Budget, Departmental Summary of State Appropriations, includes this departmental summary information and a grand total for the State Taxpayers Budget appropriations. The chart then shows a single line-item for appropriations from dedicated state tax sources and a grand total state appropriation for the Budget Document, which reconciles to the total state appropriations in the remainder of the Budget Document.

Following the departmental summary of state appropriations is a summary of appropriations from dedicated taxes and fees. This schedule summarizes the various departmental appropriations from dedicated state sources that are excluded from the State Taxpayers Budget. Examples of appropriations from dedicated state sources are the appropriations to the Tennessee Wildlife Resources Agency (TWRA) from hunting and fishing license fees and from real

estate transfer taxes supporting the Wetlands Acquisition Fund, administered by TWRA, and appropriations to regulatory agencies from fees imposed on health professions, other professions, banks, and environment-impacting industries.

The third schedule in this section is a more detailed breakdown of the state appropriations from general tax sources. State Taxpayers Budget, State Appropriations by Program, itemizes these appropriations by program for the prior fiscal year, the current fiscal year, and the approaching fiscal year. As with the departmental summary, this schedule includes a single line item for appropriations from dedicated sources to balance to the total state appropriations elsewhere in the Budget Document.

The tax revenue estimates recommended in the State Taxpayers Budget follow the appropriations by program. The chart entitled State Taxpayers Budget, Comparison Statement of State Revenues, includes taxes collected by the Department of Revenue (the major taxes) as well as those collected and deposited to the General Fund by other line agencies in conjunction with carrying out their programs. This chart excludes taxes and fees collected and deposited in the General Fund that are earmarked or dedicated for specific use. Distributions of taxes by fund for last year, the current year, and next year are on the following three charts.

Except for the State Taxpayers Budget, all of the other summary charts and program statements in this Budget Document that deal with appropriations include appropriations from all state sources, both general taxes and dedicated taxes and fees.

**State Taxpayers Budget**  
**Departmental Summary of State Appropriations**  
**Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

	<b>Actual 2010-2011</b>	<b>Estimated 2011-2012</b>	<b>Recommended 2012-2013</b>
<b>General Fund and Education Fund</b>			
301.00 Legislature	\$ 34,603,500	\$ 38,790,560	\$ 38,613,600
301.50 Fiscal Review Committee	1,240,500	1,370,000	1,370,000
302.00 Court System	105,504,600	110,545,400	113,035,900
303.00 Attorney General and Reporter	18,733,600	21,651,500	20,478,600
304.00 District Attorneys General Conference	64,469,100	70,810,400	71,713,500
305.00 Secretary of State	23,114,900	27,743,200	26,408,300
306.00 District Public Defenders Conference	37,901,600	41,739,800	42,328,000
307.00 Comptroller of the Treasury	60,542,900	70,633,100	70,641,000
308.00 Office of the Post-Conviction Defender	1,865,800	2,054,200	2,126,900
309.00 Treasury Department	406,000	1,611,800	2,933,100
315.00 Executive Department	4,102,900	5,063,400	4,809,800
316.00 Commissions	24,153,800	25,234,300	24,296,200
317.00 Finance and Administration	9,813,200	13,067,000	13,398,900
318.00 TennCare	1,571,292,500	2,369,944,000	2,416,087,100
319.00 Human Resources	1,351,100	-	-
321.00 General Services	6,630,700	6,375,700	21,277,400
323.00 Veterans Affairs	4,272,500	4,806,200	4,763,900
324.00 Board of Parole	2,556,700	3,114,300	2,979,400
325.00 Agriculture	33,574,700	39,689,700	36,157,400
326.00 Tourist Development	10,814,100	12,650,200	11,797,100
327.00 Environment and Conservation	89,723,400	92,693,700	79,344,600
328.00 Tennessee Wildlife Resources Agency	1,500,000	906,300	-
329.00 Correction	713,961,800	804,243,500	820,536,900
330.00 Economic and Community Development	73,302,800	141,858,500	51,592,500
331.00 Education (K-12)	3,599,011,100	4,067,733,300	4,161,857,600
332.00 Higher Education	1,356,862,500	1,105,336,500	1,142,212,100
335.00 Commerce and Insurance	19,263,100	23,920,500	23,443,100
337.00 Labor and Workforce Development	26,118,900	33,524,800	31,458,500
339.00 Mental Health	178,378,000	187,937,400	178,009,500
341.00 Military	13,391,500	23,959,900	14,855,000
343.00 Health	119,600,600	134,512,100	130,532,700
344.00 Intellectual and Developmental Disabilities	63,405,600	27,474,600	24,120,300
345.00 Human Services	141,552,600	177,363,700	171,088,600
347.00 Revenue	67,336,000	85,634,300	71,798,400
348.00 Tennessee Bureau of Investigation	28,469,100	31,338,300	30,359,300
349.00 Safety	120,617,000	118,376,400	111,804,100
350.00 Strategic Health-Care Programs	85,133,700	104,685,400	112,634,100
351.00 Miscellaneous Appropriations	31,829,600	75,366,200	139,085,300
353.00 Emergency and Contingency Fund	-	819,300	819,300
355.00 State Building Commission	51,700	250,000	250,000
359.00 Children's Services	309,004,900	318,129,300	292,094,500
<b>Sub-Total General Fund and Education Fund</b>	<b>\$ 9,055,458,600</b>	<b>\$ 10,422,958,760</b>	<b>\$ 10,513,112,500</b>
Transportation *	889,674,900	712,800,000	738,300,000
Debt Service Requirements	396,736,000	426,346,400	436,460,000
Capital Outlay Program *	326,025,000	55,450,000	138,600,000
Facilities Revolving Fund	7,517,200	13,064,800	138,164,800
Cities and Counties - State Shared Taxes	820,516,000	852,600,000	878,500,000
<b>Grand Total State Taxpayers Budget</b>	<b>\$ 11,495,927,700</b>	<b>\$ 12,483,219,960</b>	<b>\$ 12,843,137,300</b>
Dedicated Tax Sources - Appropriation	940,595,900	1,149,674,200	1,156,207,000
<b>Grand Total State Appropriation - Budget Document</b>	<b>\$ 12,436,523,600</b>	<b>\$ 13,632,894,160</b>	<b>\$ 13,999,344,300</b>

\* FY 2010-2011 - Transportation and Capital Outlay include appropriations from tax revenues and bonds.

**Departmental Summary of Appropriations  
from Dedicated Sources:  
Amounts Excluded from State Taxpayers Budget  
Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Recommended 2012-2013</u>
302.00 Court System	\$ 9,102,400	\$ 9,660,200	\$ 9,669,900
303.00 Attorney General and Reporter	2,184,800	2,528,800	2,594,800
307.00 Comptroller of the Treasury	7,680,800	8,040,400	8,040,400
309.00 Treasury Department	-	463,500	463,500
313.00 Claims and Compensation	10,500,000	10,500,000	9,900,000
316.11 Tennessee Regulatory Authority	6,575,900	7,789,100	7,400,400
316.25 Arts Commission	3,897,200	4,387,200	4,387,200
316.27 State Museum	20,000	20,000	-
317.00 Finance and Administration	2,271,800	2,845,200	2,507,800
318.00 TennCare	318,782,500	449,800,000	449,800,000
325.00 Agriculture	26,600,100	29,606,900	30,908,600
327.00 Environment and Conservation	68,453,500	87,701,700	96,075,300
328.00 Tennessee Wildlife Resources Agency	41,438,500	48,626,900	50,251,500
329.00 Correction	6,335,700	5,839,900	5,839,900
331.00 Education (K-12)	12,976,000	15,128,800	13,928,800
332.00 Higher Education	295,700,000	301,000,000	298,500,000
335.00 Commerce and Insurance	61,681,400	81,623,000	83,375,000
336.00 Financial Institutions	6,181,800	8,672,200	8,674,600
337.00 Labor and Workforce Development	6,086,600	11,335,100	10,203,900
339.00 Mental Health	4,056,000	6,534,700	6,534,700
343.00 Health	31,736,500	38,736,200	38,299,200
347.00 Revenue	13,624,600	10,589,500	10,589,600
348.00 Tennessee Bureau of Investigation	2,881,300	5,761,900	5,761,900
349.00 Safety	683,400	738,100	755,100
350.00 Strategic Health-Care Programs	108,800	145,200	145,200
359.00 Children's Services	1,036,300	1,599,700	1,599,700
<b>Total Appropriations from Dedicated Sources</b>	<b>\$ 940,595,900</b>	<b>\$ 1,149,674,200</b>	<b>\$ 1,156,207,000</b>

**State Taxpayers Budget**  
**State Appropriations by Program**  
**Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

Program	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013
<b>Legislature</b>			
301.01 Legislative Administration Services	\$ 4,075,400	\$ 4,424,800	\$ 4,425,200
301.07 House of Representatives	15,414,600	17,070,400	17,071,000
301.08 State Senate	7,768,900	9,374,100	9,374,400
301.13 General Assembly Committees	610,100	-	-
301.16 General Assembly Support Services	6,701,700	7,852,360	7,674,100
301.17 Tennessee Code Commission	32,800	68,900	68,900
<b>Sub-Total - Legislature</b>	<b>\$ 34,603,500</b>	<b>\$ 38,790,560</b>	<b>\$ 38,613,600</b>
<b>301.50 Fiscal Review Committee</b>	<b>\$ 1,240,500</b>	<b>\$ 1,370,000</b>	<b>\$ 1,370,000</b>
<b>Court System</b>			
302.01 Appellate and Trial Courts	\$ 55,673,100	\$ 56,891,000	\$ 57,876,000
302.05 Supreme Court Buildings	2,228,400	2,647,200	2,647,200
302.08 Child Support Referees	762,700	761,700	762,000
302.09 Guardian Ad Litem	5,046,900	6,047,500	6,047,500
302.10 Indigent Defendants' Counsel	29,425,600	31,463,000	31,463,000
302.12 Verbatim Transcripts	3,946,300	4,057,300	3,857,500
302.15 Tennessee State Law Libraries	62,600	74,500	74,500
302.16 Council of Juvenile and Family Court Judges	45,300	78,400	78,400
302.18 Judicial Conference	145,500	221,800	221,900
302.20 Judicial Programs and Commissions	341,500	429,900	429,900
302.27 Administrative Office of the Courts	7,659,700	7,356,300	9,059,600
302.30 Appellate Court Clerks	167,000	516,800	518,400
<b>Sub-Total - Court System</b>	<b>\$ 105,504,600</b>	<b>\$ 110,545,400</b>	<b>\$ 113,035,900</b>
<b>Attorney General and Reporter</b>			
303.01 Attorney General and Reporter	\$ 18,390,600	\$ 21,190,700	\$ 20,017,800
303.05 Publication of Tennessee Reports	145,400	171,100	171,100
303.08 Special Litigation	197,600	289,700	289,700
<b>Sub-Total - Attorney General and Reporter</b>	<b>\$ 18,733,600</b>	<b>\$ 21,651,500</b>	<b>\$ 20,478,600</b>
<b>District Attorneys General Conference</b>			
304.01 District Attorneys General	\$ 62,913,700	\$ 68,734,900	\$ 69,638,000
304.05 District Attorneys General Conference	258,400	435,500	435,500
304.10 Executive Director	1,297,000	1,640,000	1,640,000
<b>Sub-Total - District Attorneys General Conference</b>	<b>\$ 64,469,100</b>	<b>\$ 70,810,400</b>	<b>\$ 71,713,500</b>
<b>Secretary of State</b>			
305.01 Secretary of State	\$ 6,673,600	\$ 8,751,800	\$ 8,747,200
305.02 State Election Commission	1,559,600	1,588,600	1,588,600
305.03 Public Documents	48,600	396,300	396,300
305.04 State Library and Archives	7,473,300	8,521,400	8,261,000
305.05 Regional Library System	6,727,700	7,619,500	6,549,300
305.07 Bureau of Ethics and Campaign Finance	454,300	608,400	608,500
305.08 Economic Council on Women	177,800	203,400	203,400
305.09 Charitable Solicitations and Charitable Gaming	-	53,800	54,000
<b>Sub-Total - Secretary of State</b>	<b>\$ 23,114,900</b>	<b>\$ 27,743,200</b>	<b>\$ 26,408,300</b>

**State Taxpayers Budget**  
**State Appropriations by Program**  
**Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

Program	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013
<b>District Public Defenders Conference</b>			
306.01 District Public Defenders	\$ 32,073,500	\$ 35,427,100	\$ 36,015,200
306.03 Executive Director	1,307,800	1,560,000	1,560,100
306.10 Shelby County Public Defender	2,990,800	3,144,500	3,144,500
306.12 Davidson County Public Defender	1,529,500	1,608,200	1,608,200
<b>Sub-Total - District Public Defenders Conference</b>	<b>\$ 37,901,600</b>	<b>\$ 41,739,800</b>	<b>\$ 42,328,000</b>
<b>Comptroller of the Treasury</b>			
307.01 Division of Administration	\$ 1,477,200	\$ 1,911,800	\$ 1,911,800
307.02 Office of Management Services	8,588,000	10,049,900	10,057,800
307.04 Division of State Audit	8,616,200	12,025,300	12,025,300
307.05 Division of County Audit	6,996,800	7,762,700	7,762,700
307.06 Division of Municipal Audit	1,595,900	1,953,800	1,953,800
307.07 Office of State and Local Finance	591,000	808,000	808,000
307.08 Office of Local Government	830,700	1,092,200	1,092,200
307.09 Division of Property Assessments	5,850,400	7,114,200	7,114,200
307.10 Tax Relief	24,100,000	25,642,100	25,642,100
307.11 State Board of Equalization	834,300	901,200	901,200
307.14 Offices of Research and Education Accountability	1,062,400	1,371,900	1,371,900
<b>Sub-Total - Comptroller of the Treasury</b>	<b>\$ 60,542,900</b>	<b>\$ 70,633,100</b>	<b>\$ 70,641,000</b>
<b>308.00 Office of the Post-Conviction Defender</b>	<b>\$ 1,865,800</b>	<b>\$ 2,054,200</b>	<b>\$ 2,126,900</b>
<b>Treasury Department</b>			
309.01 Treasury Department	\$ -	\$ 454,500	\$ 373,600
309.02 Certified Public Administrators	406,000	407,300	407,300
309.03 Baccalaureate Education System Trust	-	750,000	2,152,200
<b>Sub-Total - Treasury Department</b>	<b>\$ 406,000</b>	<b>\$ 1,611,800</b>	<b>\$ 2,933,100</b>
<b>Executive Department</b>			
315.01 Governor's Office	\$ 3,702,900	\$ 5,063,400	\$ 4,809,800
315.04 Gubernatorial Transition Office	400,000	-	-
<b>Sub-Total - Executive Department</b>	<b>\$ 4,102,900</b>	<b>\$ 5,063,400</b>	<b>\$ 4,809,800</b>
<b>Commissions</b>			
316.01 Commission on Children and Youth	\$ 2,015,300	\$ 2,118,500	\$ 1,987,900
316.02 Commission on Aging and Disability	13,612,600	13,701,000	13,685,600
316.03 Alcoholic Beverage Commission	-	390,200	64,900
316.04 Human Rights Commission	1,494,300	1,717,200	1,652,200
316.07 Health Services and Development Agency	1,061,300	1,136,600	1,079,700
316.12 Advisory Commission on Intergovernmental Relations	-	234,700	223,200
316.25 Arts Commission	2,293,500	2,078,000	1,998,400
316.27 State Museum	3,676,800	3,858,100	3,604,300
<b>Sub-Total - Commissions</b>	<b>\$ 24,153,800</b>	<b>\$ 25,234,300</b>	<b>\$ 24,296,200</b>
<b>Finance and Administration</b>			
317.01 Division of Administration	\$ 1,972,800	\$ 2,555,800	\$ 2,243,400
317.02 Division of Budget	2,872,200	3,805,200	3,805,400
317.06 Criminal Justice Programs	3,796,600	5,418,400	4,893,500

**State Taxpayers Budget**  
**State Appropriations by Program**  
**Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

Program	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013
317.10 State Architect's Office	906,200	1,039,900	1,040,800
317.11 Volunteer Tennessee	223,600	247,700	239,900
317.18 Shared Services Solutions	41,800	-	-
317.20 Business Solutions Delivery	-	-	1,175,900
<b>Sub-Total - Finance and Administration</b>	<b>\$ 9,813,200</b>	<b>\$ 13,067,000</b>	<b>\$ 13,398,900</b>
<b>TennCare</b>			
318.65 TennCare Administration	\$ 93,413,700	\$ 97,182,300	\$ 95,626,000
318.66 TennCare Medical Services	1,005,210,800	1,679,142,300	1,726,642,900
318.70 Supplemental Payments	30,739,300	15,505,000	14,765,500
318.71 Intellectual Disabilities Services	228,292,500	302,416,800	303,207,100
318.72 Medicare Services	209,074,000	275,697,600	275,845,600
318.80 Governor's Office of Children's Care Coordination	4,562,200	-	-
<b>Sub-Total - TennCare</b>	<b>\$ 1,571,292,500</b>	<b>\$ 2,369,944,000</b>	<b>\$ 2,416,087,100</b>
<b>Human Resources</b>			
319.01 Executive Administration	\$ 1,184,400	\$ -	\$ -
319.02 Human Resource Development	166,700	-	-
<b>Sub-Total - Human Resources</b>	<b>\$ 1,351,100</b>	<b>\$ -</b>	<b>\$ -</b>
<b>General Services</b>			
321.01 Administration	\$ 303,700	\$ 426,200	\$ 426,400
321.06 Motor Vehicle Management	2,463,800	-	-
321.07 Real Estate Asset Management	3,255,000	4,544,600	4,407,200
321.09 Printing and Media Services	213,700	304,300	304,400
321.10 Procurement Office	394,500	1,100,600	7,639,400
321.20 State Facilities Pre-Planning	-	-	8,500,000
<b>Sub-Total - General Services</b>	<b>\$ 6,630,700</b>	<b>\$ 6,375,700</b>	<b>\$ 21,277,400</b>
<b>323.00 Veterans Affairs</b>	<b>\$ 4,272,500</b>	<b>\$ 4,806,200</b>	<b>\$ 4,763,900</b>
<b>Board of Parole</b>			
324.02 Board of Parole	\$ 2,556,700	\$ 3,114,300	\$ 2,979,400
<b>Agriculture</b>			
325.01 Administration and Grants	\$ 5,062,500	\$ 4,749,200	\$ 4,537,500
325.05 Regulatory Services	7,109,400	8,285,200	7,587,500
325.06 Market Development	1,638,700	2,170,400	1,961,000
325.08 Agricultural Resources Conservation Fund	894,100	937,500	-
325.10 Forestry Operations	18,746,800	23,390,200	21,914,200
325.11 Forestry Maintenance	123,200	157,200	157,200
<b>Sub-Total - Agriculture</b>	<b>\$ 33,574,700</b>	<b>\$ 39,689,700</b>	<b>\$ 36,157,400</b>
<b>Tourist Development</b>			
326.01 Administration and Marketing	\$ 9,405,700	\$ 11,150,200	\$ 10,432,100
326.03 Welcome Centers	1,408,400	1,500,000	1,365,000
<b>Sub-Total - Tourist Development</b>	<b>\$ 10,814,100</b>	<b>\$ 12,650,200</b>	<b>\$ 11,797,100</b>



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**State Appropriations by Program**  
**Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

Program	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013
<b>Environment and Conservation</b>			
327.01 Administrative Services	\$ 6,161,300	\$ 5,828,200	\$ 5,505,700
327.03 Recreation Educational Services	455,900	788,600	788,800
327.04 Historical Commission	2,280,600	3,123,500	2,233,600
327.08 Archaeology	643,700	806,400	806,500
327.11 Geology	375,700	472,300	366,400
327.12 Tennessee State Parks	43,602,800	42,828,100	40,851,700
327.15 State Parks Maintenance	1,853,900	2,214,100	2,214,100
327.18 Maintenance of Historic Sites	225,700	285,000	285,000
327.19 Local Parks Acquisition Fund	1,994,600	3,718,700	-
327.20 State Lands Acquisition Fund	3,112,500	3,087,500	-
327.24 West Tennessee River Basin Authority Maintenance	861,500	1,215,400	580,400
327.26 West Tennessee River Basin Authority	926,800	1,131,300	937,200
327.30 Environment Administration	1,430,500	1,339,200	1,260,300
327.31 Air Pollution Control	624,500	1,200,500	1,082,400
327.32 Radiological Health	552,200	616,200	600,000
327.33 Clean Water and Drinking Water State Revolving Fund	8,185,400	7,285,200	6,683,600
327.34 Water Pollution Control	9,307,400	10,249,300	9,072,800
327.35 Solid Waste Management	1,409,200	1,876,700	1,799,300
327.38 Hazardous Waste Remedial Action Fund	1,000,000	1,000,000	1,000,000
327.39 Water Supply	332,700	1,031,300	950,500
327.40 Groundwater Protection	3,886,500	2,012,900	2,013,600
327.44 Fleming Training Center	22,500	-	-
327.45 Office of Environmental Assistance	466,500	541,300	270,700
327.51 Conservation Compensation Fund	11,000	42,000	42,000
<b>Sub-Total - Environment and Conservation</b>	<b>\$ 89,723,400</b>	<b>\$ 92,693,700</b>	<b>\$ 79,344,600</b>
<b>Tennessee Wildlife Resources Agency</b>			
328.01 Wildlife Resources Agency	\$ 1,500,000	\$ -	\$ -
328.03 Wetlands Acquisition Fund	-	906,300	-
<b>Sub-Total - Tennessee Wildlife Resources Agency</b>	<b>\$ 1,500,000</b>	<b>\$ 906,300</b>	<b>\$ -</b>
<b>Correction</b>			
329.01 Administration	\$ 15,823,000	\$ 15,620,500	\$ 15,079,400
329.04 State Prosecutions	134,593,700	147,852,800	149,932,800
329.06 Correction Academy	4,578,500	5,118,900	5,171,900
329.13 Tennessee Prison for Women	22,254,000	22,353,100	22,687,900
329.14 Turney Center Industrial Complex	33,868,500	37,422,100	37,691,300
329.16 Mark Luttrell Correctional Facility	13,596,700	13,672,200	13,810,000
329.17 Charles B. Bass Correctional Complex	26,275,300	28,269,700	28,611,500
329.18 Southeastern Tennessee State Regional Correctional Facility	21,658,100	25,138,700	51,522,500
329.21 Hardeman County Incarceration Agreement	37,252,600	39,342,200	39,890,900
329.22 Hardeman County Agreement - Whiteville	28,965,200	31,110,400	31,832,000
329.28 Correction Release Centers	61,100	1,918,800	1,918,800
329.32 Major Maintenance	9,455,100	5,943,000	7,165,800
329.41 West Tennessee State Penitentiary	50,950,400	56,259,300	56,670,400
329.42 Riverbend Maximum Security Institution	24,067,900	25,771,900	26,052,100

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<b>Program</b>	<b>Actual 2010-2011</b>	<b>Estimated 2011-2012</b>	<b>Recommended 2012-2013</b>
329.43 Northeast Correctional Complex	37,311,500	40,419,600	41,153,500
329.44 South Central Correctional Center	26,025,500	27,878,200	28,459,600
329.45 Northwest Correctional Complex	47,728,200	50,501,500	51,329,700
329.46 Lois M. DeBerry Special Needs Facility	46,168,300	38,648,600	39,007,500
329.47 Morgan County Correctional Complex	56,242,000	59,976,500	60,843,900
329.50 Sex Offender Treatment Program	369,700	334,100	334,100
329.51 Field Supervision	63,361,100	67,508,400	66,753,700
329.52 Community Corrections	13,355,400	13,810,500	13,810,600
329.99 Sentencing Act of 1985	-	49,372,500	30,807,000
<b>Sub-Total - Correction</b>	<b>\$ 713,961,800</b>	<b>\$ 804,243,500</b>	<b>\$ 820,536,900</b>
<b>Economic and Community Development</b>			
330.01 Administrative Services	\$ 6,274,300	\$ 5,977,800	\$ 5,038,800
330.02 Business Development	28,737,300	6,709,600	5,724,500
330.04 Policy and Federal Programs	121,800	880,200	682,000
330.05 Innovation Programs	160,000	10,257,900	257,900
330.06 FastTrack Infrastructure and Job Training Assistance	16,134,300	76,257,400	30,157,400
330.07 Community and Rural Development	369,900	3,740,700	2,197,000
330.08 Energy Division	34,800	34,800	34,800
330.15 Economic Development District Grants	1,470,400	1,500,100	1,500,100
330.17 Film and Television Incentive Fund	-	2,500,000	-
330.20 Headquarters Relocation Assistance	20,000,000	34,000,000	6,000,000
<b>Sub-Total - Economic and Community Development</b>	<b>\$ 73,302,800</b>	<b>\$ 141,858,500</b>	<b>\$ 51,592,500</b>
<b>Education (K-12)</b>			
331.01 Administration	\$ 6,318,100	\$ 6,831,100	\$ 6,695,300
331.02 Grants-In-Aid	1,762,400	4,765,100	4,485,100
331.03 ESEA No Child Left Behind	12,600	470,000	470,000
331.04 Technology, Infrastructure, and Support Systems	2,869,400	2,635,900	2,343,900
331.05 Training and Professional Development	998,600	4,569,800	1,651,300
331.06 Curriculum and Instruction	6,574,600	6,001,500	3,202,200
331.07 State Board of Education	674,300	848,200	848,200
331.09 Improving Schools Program	683,700	20,400,800	20,377,600
331.10 Career Ladder	37,376,900	50,500,000	45,500,000
331.11 Accountability and Assessment	13,898,500	33,685,700	27,980,400
331.22 Governor's Books from Birth Fund	3,104,100	3,444,100	3,444,100
331.25 Basic Education Program	3,390,873,100	3,785,398,000	3,900,114,100
331.32 Early Childhood Education	83,414,400	90,603,100	88,685,100
331.35 School Nutrition Program	4,723,000	4,807,200	4,807,300
331.36 Special Education Services	611,000	658,200	658,200
331.45 Career and Technical Education Programs	3,931,700	4,007,800	3,954,200
331.50 Race to the Top	11,600	-	-
331.55 Achievement School District	-	774,900	774,900
331.90 Alvin C. York Institute	5,490,700	5,624,200	5,625,800
331.91 Tennessee School for the Blind	10,520,600	10,803,300	10,643,700
331.92 Tennessee School for the Deaf	13,909,000	15,008,900	15,010,100
331.93 West Tennessee School for the Deaf	2,179,400	2,660,400	2,660,800
331.95 Tennessee Early Intervention Services	7,870,700	12,996,000	11,686,200
331.96 Governor's Institute for Science and Math	1,130,900	-	-

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Program	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013
331.97 Major Maintenance	71,800	239,100	239,100
<b>Sub-Total - Education (K-12)</b>	<b>\$ 3,599,011,100</b>	<b>\$ 4,067,733,300</b>	<b>\$ 4,161,857,600</b>
<b>Higher Education - State Administered Programs</b>			
332.01 Tennessee Higher Education Commission	\$ 2,062,900	\$ 2,224,100	\$ 2,204,400
332.02 Contract Education	2,216,700	2,198,200	2,178,400
332.03 Tennessee Student Assistance Awards	47,591,900	49,362,500	52,762,500
332.05 Tennessee Student Assistance Corporation	1,768,300	1,225,000	1,214,600
332.06 Academic Scholars Program	370,300	401,800	401,800
332.07 Loan/Scholarship Programs	924,900	1,191,000	1,191,000
332.08 Centers of Excellence	18,500,800	17,328,000	17,538,300
332.09 THEC Grants	2,343,500	2,339,200	2,318,100
332.11 Campus Centers of Emphasis	1,348,000	1,247,600	1,265,900
332.14 Foreign Language Institute	338,100	352,800	349,600
<b>Sub-Total - Higher Education - State Administered Programs</b>	<b>\$ 77,465,400</b>	<b>\$ 77,870,200</b>	<b>\$ 81,424,600</b>
<b>University of Tennessee System</b>			
332.10 UT University-Wide Administration	\$ 4,305,100	\$ 4,422,300	\$ 4,565,000
332.12 UT Research Initiatives	10,993,700	10,945,200	5,594,300
332.15 UT Institute for Public Service	4,791,400	4,354,900	4,537,800
332.16 UT Municipal Technical Advisory Service	2,790,900	2,569,500	2,742,000
332.17 UT County Technical Assistance Service	1,656,800	1,533,200	1,653,200
332.21 UT Access and Diversity Initiative	6,389,700	5,600,600	5,550,100
332.23 UT Space Institute	8,351,400	7,305,900	7,600,900
332.25 UT Agricultural Experiment Station	25,403,800	23,224,300	24,375,300
332.26 UT Agricultural Extension Service	30,495,500	27,985,900	29,472,500
332.28 UT Veterinary Medicine	16,833,000	14,509,600	15,442,300
332.30 UT Health Science Center	72,381,100	63,362,000	67,172,500
332.32 UT Family Medicine	10,248,200	9,358,900	9,894,600
332.34 UT College of Medicine	49,411,400	43,014,900	44,890,200
332.40 UT Chattanooga	45,698,600	33,821,400	34,736,400
332.42 UT Knoxville	200,689,200	145,260,100	153,874,400
332.44 UT Martin	33,005,000	24,456,700	25,473,600
<b>Sub-Total - University of Tennessee System</b>	<b>\$ 523,444,800</b>	<b>\$ 421,725,400</b>	<b>\$ 437,575,100</b>
<b>State University and Community College System</b>			
332.59 Regents Access and Diversity Initiative	\$ 11,297,600	\$ 9,892,900	\$ 9,803,700
332.60 Tennessee Board of Regents	4,440,500	4,603,800	4,916,400
332.62 TSU McMinnville Center	570,600	528,800	543,600
332.63 TSU Institute of Agricultural and Environmental Research	2,324,700	2,145,000	2,206,300
332.64 TSU Cooperative Education	3,067,700	2,918,200	3,006,500
332.65 ETSU College of Medicine	29,262,200	25,971,900	27,389,800
332.67 ETSU Family Practice	5,771,700	5,351,400	5,743,400
332.68 TSU McIntire-Stennis Forestry Research	171,900	170,600	174,100
332.70 Austin Peay State University	35,930,000	26,317,000	28,615,800
332.72 East Tennessee State University	62,780,300	46,007,500	46,697,200
332.74 University of Memphis	122,893,800	97,397,400	94,286,000
332.75 Middle Tennessee State University	100,105,700	74,050,200	77,445,000
332.77 Tennessee State University	41,655,200	29,561,500	30,892,300

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Program	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013
332.78 Tennessee Technological University	49,071,300	36,160,500	37,299,000
332.89 Tennessee Community Colleges	232,145,600	192,099,700	199,521,200
332.98 Tennessee Technology Centers	54,463,500	52,564,500	54,672,100
<b>Sub-Total - State University and Community College System</b>	<b>\$ 755,952,300</b>	<b>\$ 605,740,900</b>	<b>\$ 623,212,400</b>
<b>Sub-Total Higher Education</b>	<b>\$ 1,356,862,500</b>	<b>\$ 1,105,336,500</b>	<b>\$ 1,142,212,100</b>
<b>Commerce and Insurance</b>			
335.01 Administration	\$ -	\$ 3,382,500	\$ 3,382,500
335.02 Insurance	-	103,800	92,900
335.06 Consumer Affairs	803,800	937,300	937,400
335.07 Fire Service and Codes Enforcement Academy	2,821,500	3,060,500	2,718,400
335.11 Tennessee Law Enforcement Training Academy	2,410,400	2,351,600	2,332,900
335.12 POST Commission	8,513,300	8,817,600	8,942,300
335.22 Corrections Institute	823,500	909,600	909,800
335.28 Fire Fighting Personnel Standards and Education	3,890,600	4,357,600	4,126,900
<b>Sub-Total - Commerce and Insurance</b>	<b>\$ 19,263,100</b>	<b>\$ 23,920,500</b>	<b>\$ 23,443,100</b>
<b>Labor and Workforce Development</b>			
337.01 Administration	\$ 2,011,400	\$ 2,829,900	\$ 3,103,400
337.02 Tennessee Occupational Safety and Health Administration (TOSHA)	3,654,000	4,988,800	4,953,400
337.03 Workers' Compensation	12,251,800	15,689,100	13,305,400
337.04 Mines	328,200	374,400	374,700
337.05 Boilers and Elevators	3,871,600	4,362,500	4,363,800
337.06 Labor Standards	1,003,300	1,331,300	1,292,200
337.09 Adult Basic Education	2,998,600	3,948,800	3,785,600
337.10 Employment Security	-	-	280,000
<b>Sub-Total - Labor and Workforce Development</b>	<b>\$ 26,118,900</b>	<b>\$ 33,524,800</b>	<b>\$ 31,458,500</b>
<b>Mental Health</b>			
339.01 Administrative Services Division	\$ 11,318,800	\$ 12,058,300	\$ 12,062,300
339.03 Community Alcohol and Drug Abuse Services	9,881,000	8,679,500	9,831,000
339.08 Community Mental Health Services	59,143,800	60,596,900	73,679,000
339.10 Lakeshore Mental Health Institute	17,062,200	25,320,100	-
339.11 Middle Tennessee Mental Health Institute	31,920,600	27,246,000	30,391,200
339.12 Western Mental Health Institute	20,046,800	20,775,100	19,656,700
339.16 Moccasin Bend Mental Health Institute	14,939,200	14,366,500	14,371,900
339.17 Memphis Mental Health Institute	13,855,700	18,445,000	17,567,400
339.40 Major Maintenance	209,900	450,000	450,000
<b>Sub-Total - Mental Health</b>	<b>\$ 178,378,000</b>	<b>\$ 187,937,400</b>	<b>\$ 178,009,500</b>
<b>Military</b>			
341.01 Administration	\$ 3,128,700	\$ 2,336,600	\$ 2,248,400
341.02 Army National Guard	967,900	954,600	954,600
341.03 Air National Guard	3,260,300	2,376,400	2,261,600
341.04 Tennessee Emergency Management Agency	1,710,900	2,873,200	2,843,100
341.07 Armories Maintenance	467,200	588,200	588,200
341.09 TEMA Disaster Relief Grants	1,999,900	13,000,000	4,000,000

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Program	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013
341.10 Armories Utilities	1,856,600	1,830,900	1,959,100
<b>Sub-Total - Military</b>	<b>\$ 13,391,500</b>	<b>\$ 23,959,900</b>	<b>\$ 14,855,000</b>
<b>Health</b>			
343.01 Executive Administration	\$ 3,626,300	\$ 5,324,300	\$ 5,142,400
343.03 Administrative Services	-	2,982,900	2,813,300
343.04 Office for Information Technology Services	4,838,600	5,197,900	4,630,400
343.05 Bureau of Health Licensure and Regulation	4,652,600	6,220,700	5,741,700
343.07 Emergency Medical Services	-	590,200	511,500
343.08 Laboratory Services	8,001,900	7,065,500	7,458,700
343.09 Division of Animal Welfare	12,900	-	-
343.20 Policy Planning and Assessment	2,634,800	4,203,400	3,892,500
343.39 General Environmental Health	3,829,600	4,574,200	4,221,200
343.45 Health Services Administration	13,300,900	7,755,900	14,820,200
343.47 Maternal and Child Health	4,204,100	2,474,100	2,126,900
343.49 Communicable and Environmental Disease Services	9,623,000	12,552,500	12,002,600
343.51 Diabetes Prevention and Health Improvement	566,500	5,147,300	3,000,000
343.52 Community and Medical Services	5,660,900	8,325,700	5,335,200
343.60 Local Health Services	58,648,500	62,097,500	58,836,100
<b>Sub-Total - Health</b>	<b>\$ 119,600,600</b>	<b>\$ 134,512,100</b>	<b>\$ 130,532,700</b>
<b>Intellectual and Developmental Disabilities</b>			
344.01 Intellectual Disabilities Services Administration	\$ 2,992,400	\$ 1,327,700	\$ 1,304,900
344.02 Community Intellectual Disabilities Services	15,992,400	14,202,800	11,521,300
344.04 Quality Assurance Program	21,800	873,800	859,700
344.10 Arlington Developmental Center	4,643,900	-	-
344.11 Clover Bottom Developmental Center	8,753,100	95,900	95,900
344.12 Greene Valley Developmental Center	14,458,400	648,900	648,900
344.15 Harold Jordan Center	4,136,600	5,445,100	5,228,500
344.20 West Tennessee Regional Office	347,600	1,583,700	1,561,500
344.21 Middle Tennessee Regional Office	-	1,055,900	1,055,900
344.22 East Tennessee Regional Office	16,500	1,075,700	1,043,800
344.30 West Tennessee Resource Center	590,200	158,200	155,600
344.31 Middle Tennessee Resource Center	-	141,500	138,800
344.32 East Tennessee Resource Center	-	124,200	124,200
344.40 West Tennessee Community Homes	10,988,300	-	-
344.42 East Tennessee Community Homes	48,600	416,000	56,000
344.50 Major Maintenance	93,300	100,000	100,000
344.81 Developmental Disabilities Council	322,500	225,200	225,300
<b>Sub-Total - Intellectual and Developmental Disabilities</b>	<b>\$ 63,405,600</b>	<b>\$ 27,474,600</b>	<b>\$ 24,120,300</b>
<b>Human Services</b>			
345.01 Administration	\$ 19,012,600	\$ 21,669,600	\$ 21,676,700
345.10 Organizational Performance Management	-	2,546,600	2,680,000
345.13 Child Support	17,825,300	17,866,200	16,682,800
345.16 Field Operations	4,904,900	5,518,700	5,415,900
345.17 County Rentals	5,365,500	6,471,500	6,471,500
345.20 Child Care Benefits	24,599,900	14,699,800	12,067,600
345.23 Temporary Cash Assistance	-	20,868,900	19,968,900

**State Taxpayers Budget**  
**State Appropriations by Program**  
**Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

Program	Actual 2010-2011	Estimated 2011-2012	Recommended 2012-2013
345.30 Family Assistance Services	55,437,200	69,662,900	71,337,000
345.31 Appeals and Hearings	2,893,800	3,375,400	3,375,400
345.49 Community Services	-	1,867,100	1,677,700
345.70 Vocational Rehabilitation	10,321,700	12,817,000	9,735,100
345.71 Disability Determination	1,191,700	-	-
<b>Sub-Total - Human Services</b>	<b>\$ 141,552,600</b>	<b>\$ 177,363,700</b>	<b>\$ 171,088,600</b>
<b>Revenue</b>			
347.01 Administration Division	\$ 6,558,600	\$ 6,791,100	\$ 6,394,900
347.02 Tax Enforcement Division	5,027,500	5,603,900	5,656,200
347.11 Information Technology Resources Division	8,740,800	13,924,400	11,559,000
347.13 Taxpayer and Vehicle Services Division	21,811,300	21,204,200	19,507,600
347.14 Audit Division	17,550,300	20,112,600	20,085,700
347.16 Processing Division	5,506,200	6,368,200	6,095,000
347.20 Sales Tax Disaster Relief	-	9,129,900	-
347.21 Tax Refund Interest Expense	2,141,300	2,500,000	2,500,000
<b>Sub-Total - Revenue</b>	<b>\$ 67,336,000</b>	<b>\$ 85,634,300</b>	<b>\$ 71,798,400</b>
<b>348.00 Tennessee Bureau of Investigation</b>	<b>\$ 28,469,100</b>	<b>\$ 31,338,300</b>	<b>\$ 30,359,300</b>
<b>Safety</b>			
349.01 Administration	\$ 7,505,800	\$ 8,485,800	\$ 8,452,900
349.02 Driver License Issuance	9,542,200	8,173,600	1,485,900
349.03 Highway Patrol	82,688,000	89,168,100	89,365,600
349.07 Motor Vehicle Operations	9,731,000	9,931,700	9,933,200
349.12 Major Maintenance	9,702,100	10,200	10,200
349.13 Technical Services	38,000	914,800	864,100
349.15 Office of Homeland Security	1,409,900	1,692,200	1,692,200
<b>Sub-Total - Safety</b>	<b>\$ 120,617,000</b>	<b>\$ 118,376,400</b>	<b>\$ 111,804,100</b>
<b>Strategic Health-Care Programs</b>			
350.10 Health-Care Planning and Innovation	\$ 1,000,800	\$ 1,088,500	\$ 1,025,300
350.30 CoverTN	15,672,900	17,762,600	16,874,500
350.40 AccessTN	23,049,200	23,049,200	23,049,200
350.50 CoverKids	36,805,200	49,596,600	58,496,600
350.60 CoverRX	8,605,600	13,188,500	13,188,500
<b>Sub-Total - Strategic Health-Care Programs</b>	<b>\$ 85,133,700</b>	<b>\$ 104,685,400</b>	<b>\$ 112,634,100</b>
<b>351.00 Miscellaneous Appropriations</b>	<b>\$ 31,829,600</b>	<b>\$ 75,366,200</b>	<b>\$ 139,085,300</b>
<b>353.00 Emergency and Contingency Fund</b>	<b>\$ -</b>	<b>\$ 819,300</b>	<b>\$ 819,300</b>
<b>State Building Commission</b>			
355.02 Major Maintenance and Equipment	\$ 51,700	\$ 250,000	\$ 250,000
<b>Children's Services</b>			
359.10 Administration	\$ 47,696,300	\$ 27,866,200	\$ 25,916,700
359.20 Family Support Services	19,200,400	29,599,200	22,976,800
359.30 Custody Services	79,614,500	80,569,900	82,219,100
359.35 Needs Assessment	5,112,700	6,370,200	4,119,300
359.40 Adoption Services	37,550,300	40,103,200	39,768,100

**State Taxpayers Budget**  
**State Appropriations by Program**  
**Fiscal Years 2010-2011, 2011-2012, and 2012-2013**

<b>Program</b>	<b>Actual 2010-2011</b>	<b>Estimated 2011-2012</b>	<b>Recommended 2012-2013</b>
359.50 Child and Family Management	70,994,200	83,157,500	77,819,600
359.60 John S. Wilder Youth Development Center	11,015,300	11,188,600	11,675,700
359.61 Taft Youth Development Center	11,008,300	11,987,500	-
359.62 Woodland Hills Youth Development Center	10,608,800	11,994,500	12,263,600
359.63 Mountain View Youth Development Center	10,303,100	11,124,900	11,754,500
359.64 New Visions Youth Development Center	3,553,500	3,747,500	3,211,000
359.65 Community Treatment Facilities	2,264,200	-	-
359.80 Major Maintenance	83,300	420,100	370,100
<b>Sub-Total - Children's Services</b>	<b><u>\$ 309,004,900</u></b>	<b><u>\$ 318,129,300</u></b>	<b><u>\$ 292,094,500</u></b>
<b>Subtotal General Fund and Education Fund</b>	<b><u>\$ 9,055,458,600</u></b>	<b><u>\$ 10,422,958,760</u></b>	<b><u>\$ 10,513,112,500</u></b>
Transportation *	889,674,900	712,800,000	738,300,000
Debt Service Requirements	396,736,000	426,346,400	436,460,000
Capital Outlay Program *	326,025,000	55,450,000	138,600,000
Facilities Revolving Fund	7,517,200	13,064,800	138,164,800
Cities and Counties - State Shared Taxes	820,516,000	852,600,000	878,500,000
<b>Grand Total State Taxpayers Budget</b>	<b><u>\$ 11,495,927,700</u></b>	<b><u>\$ 12,483,219,960</u></b>	<b><u>\$ 12,843,137,300</u></b>
Dedicated Tax Sources - Appropriation	940,595,900	1,149,674,200	1,156,207,000
<b>Grand Total State Appropriation - Budget Document</b>	<b><u>\$ 12,436,523,600</u></b>	<b><u>\$ 13,632,894,160</u></b>	<b><u>\$ 13,999,344,300</u></b>

\* FY 2010-2011 - Transportation and Capital Outlay include appropriations from tax revenues and bonds.

**State Taxpayers Budget**  
**Comparison Statement of State Revenues**  
**Actual and Estimated July 1, 2010 - June 30, 2013**

**SOURCE OF REVENUE**

Department of Revenue	Actual 2010-2011	Estimated 2011-2012	Estimated 2012-2013	Percent Required
Sales and Use Tax	\$ 6,484,352,000	\$ 6,787,000,000	\$ 7,058,600,000	4.00%
Gasoline Tax	624,276,300	619,600,000	622,100,000	0.40%
Motor Fuel Tax	158,409,300	163,000,000	169,100,000	3.74%
Gasoline Inspection Tax	48,944,000	46,300,000	46,900,000	1.30%
Motor Vehicle Registration Tax	225,112,200	233,200,000	238,300,000	2.19%
Income Tax	184,114,000	197,000,000	215,000,000	9.14%
Privilege Tax	225,869,200	237,200,000	240,300,000	1.31%
Gross Receipts Tax - TVA	320,959,900	345,000,000	351,900,000	2.00%
Gross Receipts Tax - Other	19,170,900	28,100,000	28,100,000	0.00%
Beer Tax	17,995,900	18,000,000	18,400,000	2.22%
Alcoholic Beverage Tax	47,569,100	50,000,000	52,000,000	4.00%
Franchise Tax	467,289,700	661,900,000	689,100,000	4.11%
Excise Tax	1,112,885,000	990,800,000	1,031,600,000	4.12%
Inheritance and Estate Tax	111,618,300	100,200,000	98,600,000	-1.60%
Tobacco Tax	270,895,000	256,800,000	256,800,000	0.00%
Motor Vehicle Title Fees	11,052,400	11,500,000	11,800,000	2.61%
Mixed Drink Tax	57,569,300	61,000,000	64,000,000	4.92%
Business Tax	121,900,400	129,200,000	134,400,000	4.02%
Severance Tax	2,171,800	2,200,000	2,200,000	0.00%
Coin-operated Amusement Tax	250,500	300,000	300,000	0.00%
Unauthorized Substance Tax	(457,600)	0	0	NA
<b>Sub-Total Department of Revenue</b>	<b>\$ 10,511,947,600</b>	<b>\$ 10,938,300,000</b>	<b>\$ 11,329,500,000</b>	<b>3.58%</b>
<b>Other State Revenue</b>				
Dept. of Commerce and Insurance	\$ 723,003,100	\$ 672,600,000	\$ 672,600,000	0.00%
Dept. of Agriculture	400,200	388,100	386,400	-0.44%
Secretary of State	32,329,900	31,000,000	31,000,000	0.00%
Dept. of Safety	32,232,600	33,981,900	33,964,900	-0.05%
Dept. of Revenue	5,617,600	4,710,500	4,710,400	0.00%
State Treasurer	3,936,400	4,000,000	4,000,000	0.00%
Miscellaneous Revenue	70,261,800	43,071,200	49,237,500	14.32%
Nursing Home Tax	97,544,700	97,300,000	97,300,000	0.00%
<b>Sub-Total Other State Revenue</b>	<b>\$ 965,326,300</b>	<b>\$ 887,051,700</b>	<b>\$ 893,199,200</b>	<b>0.69%</b>
<b>Total State Revenue</b>	<b>\$ 11,477,273,900</b>	<b>\$ 11,825,351,700</b>	<b>\$ 12,222,699,200</b>	<b>3.36%</b>



**State Taxpayers Budget  
Distribution of Actual Revenue by Fund  
Fiscal Year 2010-2011**

**SOURCE OF REVENUE**

Department of Revenue	Total Revenue	General Fund	Education Fund	Highway Fund	Debt Service Fund	Cities & Counties *
Sales and Use Tax *	\$ 6,484,352,000	\$2,371,212,400	\$3,731,556,000	\$ 66,983,600	\$ 46,027,300	\$ 268,572,700
Gasoline Tax	624,276,300	9,740,900	0	267,539,700	108,200,000	238,795,700
Motor Fuel Tax	158,409,300	2,998,300	0	113,683,700	0	41,727,300
Gasoline Inspection Tax	48,944,000	3,759,400	0	33,167,600	0	12,017,000
Motor Vehicle Registration Tax	225,112,200	24,696,600	90,600	200,325,000	0	0
Income Tax	184,114,000	123,426,200	0	0	0	60,687,800
Privilege Tax	225,869,200	220,484,200	128,300	0	0	5,256,700
Gross Receipts Tax - TVA	320,959,900	178,104,300	0	0	0	142,855,600
Gross Receipts Tax - Other	19,170,900	16,704,100	0	2,466,800	0	0
Beer Tax	17,995,900	12,157,900	0	2,280,500	0	3,557,500
Alcoholic Beverage Tax	47,569,100	39,400,300	0	0	0	8,168,800
Franchise Tax	467,289,700	449,289,700	0	0	18,000,000	0
Excise Tax	1,112,885,000	897,614,900	0	0	205,972,700	9,297,400
Inheritance and Estate Tax	111,618,300	111,618,300	0	0	0	0
Tobacco Tax	270,895,000	828,400	270,066,600	0	0	0
Motor Vehicle Title Fees	11,052,400	8,352,400	0	0	2,700,000	0
Mixed Drink Tax	57,569,300	0	29,129,900	0	0	28,439,400
Business Tax	121,900,400	121,900,400	0	0	0	0
Severance Tax	2,171,800	1,031,700	0	0	0	1,140,100
Coin-operated Amusement Tax	250,500	250,500	0	0	0	0
Unauthorized Substance Tax	(457,600)	(457,600)	0	0	0	0
<b>Sub-Total Department of Revenue</b>	<b>\$ 10,511,947,600</b>	<b>\$ 4,593,113,300</b>	<b>\$ 4,030,971,400</b>	<b>\$ 686,446,900</b>	<b>\$ 380,900,000</b>	<b>\$ 820,516,000</b>
<b>Other State Revenue</b>						
Dept. of Commerce and Insurance	\$ 723,003,100	\$ 723,003,100	\$ 0	\$ 0	\$ 0	\$ 0
Dept. of Agriculture	400,200	400,200	0	0	0	0
Secretary of State	32,329,900	32,329,900	0	0	0	0
Dept. of Safety	32,232,600	32,232,600	0	0	0	0
Dept. of Revenue	5,617,600	5,617,600	0	0	0	0
State Treasurer	3,936,400	3,936,400	0	0	0	0
Miscellaneous Revenue	70,261,800	70,261,800	0	0	0	0
Nursing Home Tax	97,544,700	97,544,700	0	0	0	0
<b>Sub-Total Other State Revenue</b>	<b>\$ 965,326,300</b>	<b>\$ 965,326,300</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total State Revenue</b>	<b>\$ 11,477,273,900</b>	<b>\$ 5,558,439,600</b>	<b>\$ 4,030,971,400</b>	<b>\$ 686,446,900</b>	<b>\$ 380,900,000</b>	<b>\$ 820,516,000</b>

\* Sales and Use Tax - Amount apportioned above from general fund share into cities and counties state shared taxes:

County Revenue Partnership Fund	\$	0	\$ (400,000)	\$	400,000
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**State Taxpayers Budget  
Distribution of Revised Estimated Revenue by Fund  
Fiscal Year 2011-2012**

**SOURCE OF REVENUE**

Department of Revenue	Total Revenue	General Fund	Education Fund	Highway Fund	Debt Service Fund	Cities & Counties *
Sales and Use Tax *	\$ 6,787,000,000	\$2,492,600,000	\$3,905,700,000	\$ 59,000,000	\$ 48,100,000	\$ 281,600,000
Gasoline Tax	619,600,000	9,700,000	0	265,900,000	107,000,000	237,000,000
Motor Fuel Tax	163,000,000	3,100,000	0	117,000,000	0	42,900,000
Gasoline Inspection Tax	46,300,000	700,000	0	33,600,000	0	12,000,000
Motor Vehicle Registration Tax	233,200,000	25,300,000	100,000	207,800,000	0	0
Income Tax	197,000,000	132,100,000	0	0	0	64,900,000
Privilege Tax	237,200,000	231,800,000	100,000	0	0	5,300,000
Gross Receipts Tax - TVA	345,000,000	189,500,000	0	0	0	155,500,000
Gross Receipts Tax - Other	28,100,000	24,500,000	0	3,600,000	0	0
Beer Tax	18,000,000	12,100,000	0	2,300,000	0	3,600,000
Alcoholic Beverage Tax	50,000,000	41,400,000	0	0	0	8,600,000
Franchise Tax	661,900,000	643,900,000	0	0	18,000,000	0
Excise Tax	990,800,000	766,300,000	0	0	215,000,000	9,500,000
Inheritance and Estate Tax	100,200,000	100,200,000	0	0	0	0
Tobacco Tax	256,800,000	500,000	256,300,000	0	0	0
Motor Vehicle Title Fees	11,500,000	8,800,000	0	0	2,700,000	0
Mixed Drink Tax	61,000,000	0	30,500,000	0	0	30,500,000
Business Tax	129,200,000	129,200,000	0	0	0	0
Severance Tax	2,200,000	1,000,000	0	0	0	1,200,000
Coin-operated Amusement Tax	300,000	300,000	0	0	0	0
Unauthorized Substance Tax	0	0	0	0	0	0
<b>Sub-Total Department of Revenue</b>	<b>\$ 10,938,300,000</b>	<b>\$4,813,000,000</b>	<b>\$4,192,700,000</b>	<b>\$ 689,200,000</b>	<b>\$ 390,800,000</b>	<b>\$ 852,600,000</b>
<b>Other State Revenue</b>						
Dept. of Commerce and Insurance	\$ 672,600,000	\$ 672,600,000	\$ 0	\$ 0	\$ 0	\$ 0
Dept. of Agriculture	388,100	388,100	0	0	0	0
Secretary of State	31,000,000	31,000,000	0	0	0	0
Dept. of Safety	33,981,900	33,981,900	0	0	0	0
Dept. of Revenue	4,710,500	4,710,500	0	0	0	0
State Treasurer	4,000,000	4,000,000	0	0	0	0
Miscellaneous Revenue	43,071,200	43,071,200	0	0	0	0
Nursing Home Tax	97,300,000	97,300,000	0	0	0	0
<b>Sub-Total Other State Revenue</b>	<b>\$ 887,051,700</b>	<b>\$ 887,051,700</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total State Revenue</b>	<b>\$ 11,825,351,700</b>	<b>\$5,700,051,700</b>	<b>\$4,192,700,000</b>	<b>\$ 689,200,000</b>	<b>\$ 390,800,000</b>	<b>\$ 852,600,000</b>

\* Sales and Use Tax - Amount apportioned above from general fund share into cities and counties state shared taxes:

County Revenue Partnership Fund	\$	0	\$ (400,000)	\$	400,000
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**State Taxpayers Budget  
Distribution of Estimated Revenue by Fund  
Fiscal Year 2012-2013**

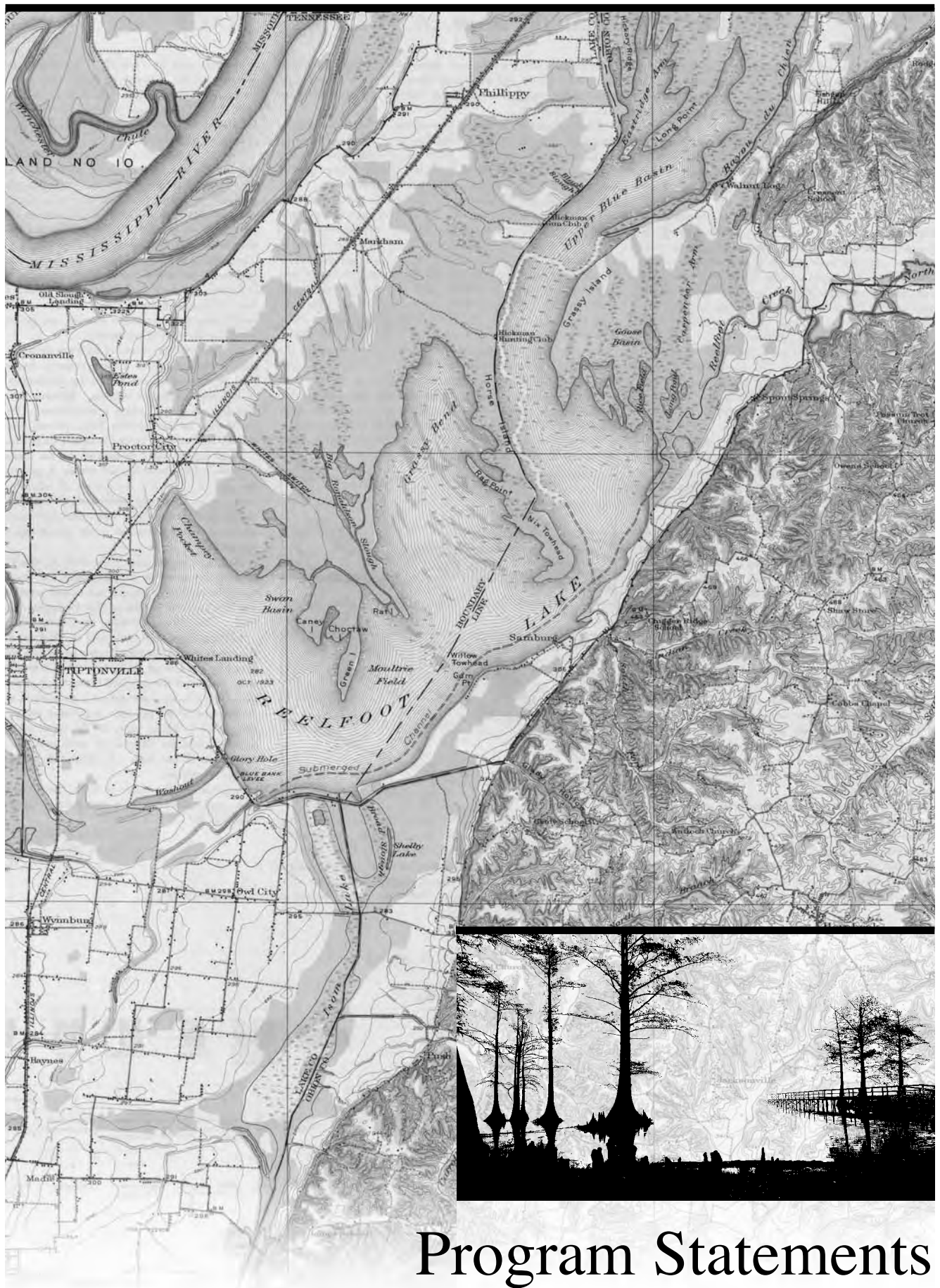
**SOURCE OF REVENUE**

Department of Revenue	Total Revenue	General Fund	Education Fund	Highway Fund	Debt Service Fund	Cities & Counties *
Sales and Use Tax *	\$ 7,058,600,000	2,594,900,000	\$4,062,000,000	\$ 59,000,000	\$ 50,100,000	\$ 292,600,000
Gasoline Tax	622,100,000	9,700,000	0	267,400,000	107,000,000	238,000,000
Motor Fuel Tax	169,100,000	3,200,000	0	121,400,000	0	44,500,000
Gasoline Inspection Tax	46,900,000	900,000	0	34,000,000	0	12,000,000
Motor Vehicle Registration Tax	238,300,000	26,100,000	100,000	212,100,000	0	0
Income Tax	215,000,000	144,200,000	0	0	0	70,800,000
Privilege Tax	240,300,000	234,900,000	100,000	0	0	5,300,000
Gross Receipts Tax - TVA	351,900,000	192,800,000	0	0	0	159,100,000
Gross Receipts Tax - Other	28,100,000	24,500,000	0	3,600,000	0	0
Beer Tax	18,400,000	12,500,000	0	2,300,000	0	3,600,000
Alcoholic Beverage Tax	52,000,000	43,100,000	0	0	0	8,900,000
Franchise Tax	689,100,000	671,100,000	0	0	18,000,000	0
Excise Tax	1,031,600,000	793,000,000	0	0	228,100,000	10,500,000
Inheritance and Estate Tax	98,600,000	98,600,000	0	0	0	0
Tobacco Tax	256,800,000	500,000	256,300,000	0	0	0
Motor Vehicle Title Fees	11,800,000	9,100,000	0	0	2,700,000	0
Mixed Drink Tax	64,000,000	0	32,000,000	0	0	32,000,000
Business Tax	134,400,000	134,400,000	0	0	0	0
Severance Tax	2,200,000	1,000,000	0	0	0	1,200,000
Coin-operated Amusement Tax	300,000	300,000	0	0	0	0
Unauthorized Substance Tax	0	0	0	0	0	0
<b>Sub-Total Department of Revenue</b>	<b>\$ 11,329,500,000</b>	<b>\$4,994,800,000</b>	<b>\$4,350,500,000</b>	<b>\$ 699,800,000</b>	<b>\$ 405,900,000</b>	<b>\$ 878,500,000</b>
<b>Other State Revenue</b>						
Dept. of Commerce and Insurance	\$ 672,600,000	\$ 672,600,000	\$ 0	\$ 0	\$ 0	\$ 0
Dept. of Agriculture	386,400	386,400	0	0	0	0
Secretary of State	31,000,000	31,000,000	0	0	0	0
Dept. of Safety	33,964,900	33,964,900	0	0	0	0
Dept. of Revenue	4,710,400	4,710,400	0	0	0	0
State Treasurer	4,000,000	4,000,000	0	0	0	0
Miscellaneous Revenue	49,237,500	49,237,500	0	0	0	0
Nursing Home Tax	97,300,000	97,300,000	0	0	0	0
<b>Sub-Total Other State Revenue</b>	<b>\$ 893,199,200</b>	<b>\$ 893,199,200</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total State Revenue</b>	<b>\$ 12,222,699,200</b>	<b>\$5,887,999,200</b>	<b>\$4,350,500,000</b>	<b>\$ 699,800,000</b>	<b>\$ 405,900,000</b>	<b>\$ 878,500,000</b>

\* Sales and Use Tax - Amount apportioned from general fund share into cities and counties state shared taxes:

County Revenue Partnership Fund	\$	0	\$ (400,000)	\$	400,000
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# Program Statements by Functional Area



# Program Statements by Functional Area

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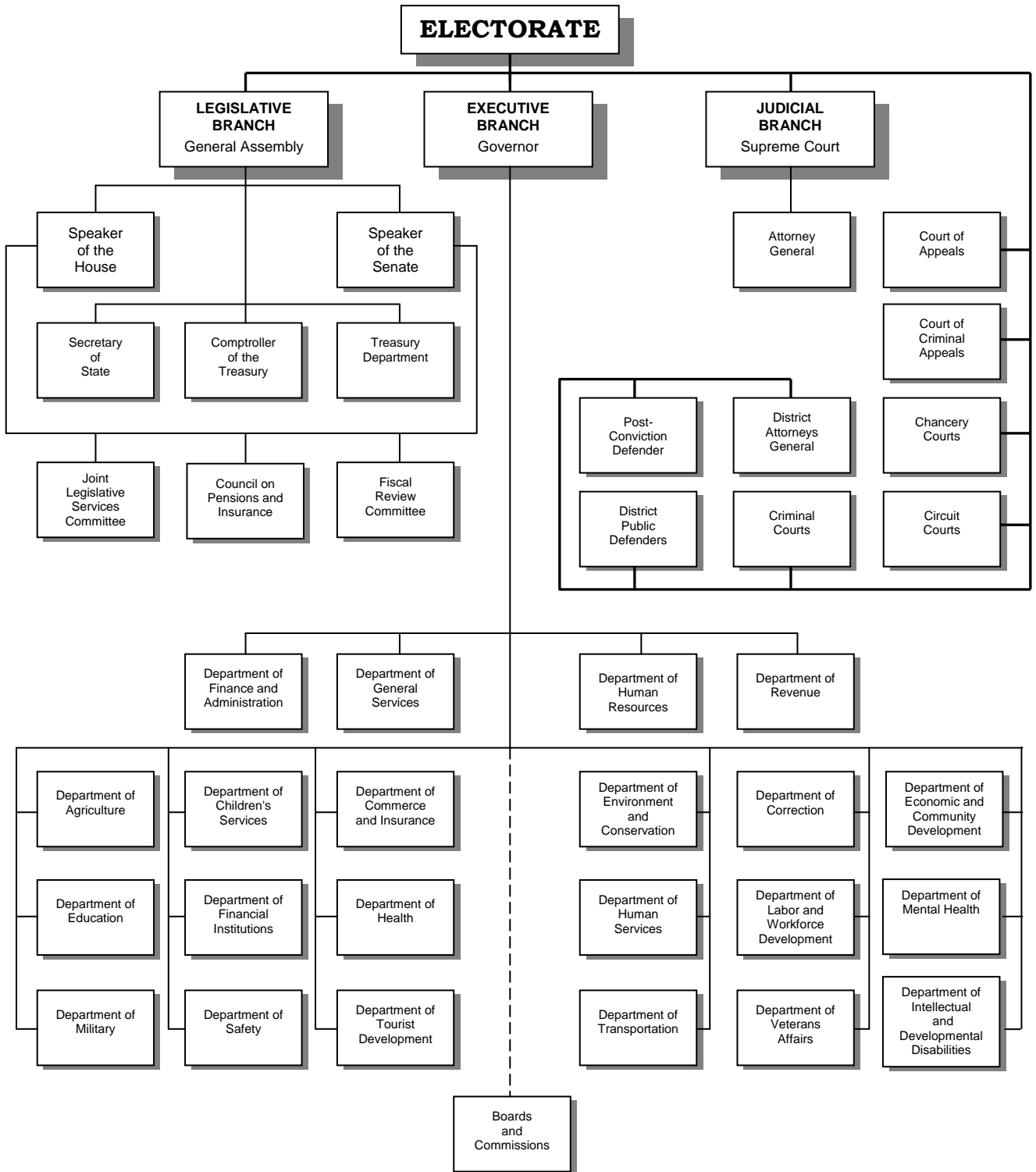
Tennessee State Government Organizational Chart.....	B-3
Recommended Budget for Fiscal Year 2012-2013 by Functional Area.....	B-5





# TENNESSEE STATE GOVERNMENT ORGANIZATIONAL CHART

FISCAL YEAR 2012 - 2013



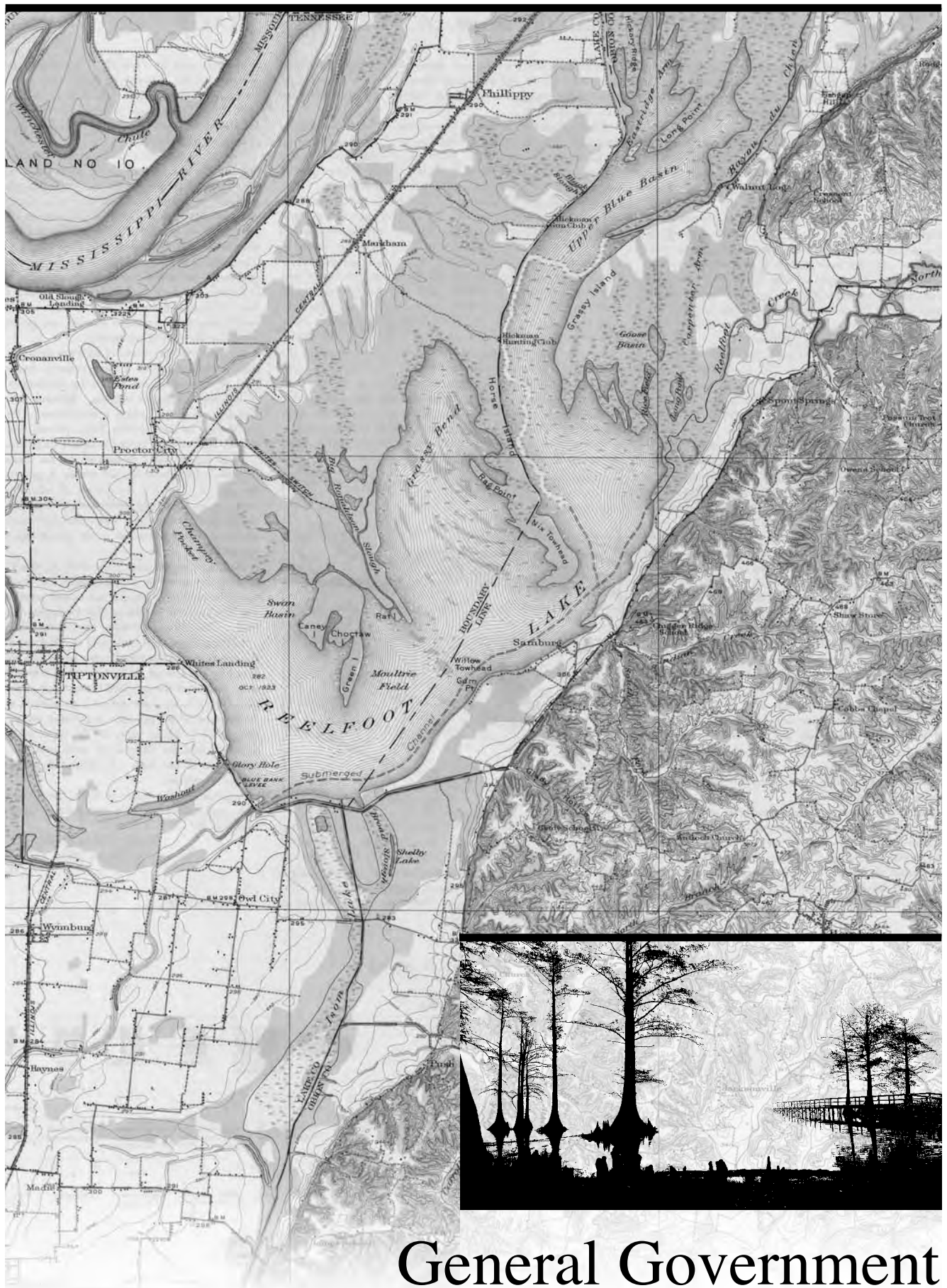


**Recommended Budget for Fiscal Year 2012-2013  
By Functional Area**

<b>Functional Area</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
General Government	436,946,100	63,466,500	470,112,500	970,525,100
Education	5,616,498,500	1,318,403,500	2,215,257,900 *	9,150,159,900
Health and Social Services	3,837,698,800	9,254,921,800	1,012,442,400	14,105,063,000
Law, Safety and Correction	1,254,904,100	124,705,200	180,053,100	1,559,662,400
Resources and Regulation	392,816,400	318,567,800	191,434,900	902,819,100
Transportation, Business and Economic Development	948,755,600	1,194,560,100	90,516,800	2,233,832,500
<b>Total</b>	<b>\$12,487,619,500</b>	<b>\$12,274,624,900</b>	<b>\$4,159,817,600</b>	<b>\$28,922,062,000</b>

\* Includes Higher Education's tuition and fees and other revenue





# General Government



# General Government



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# General Government

Recommended Budget, Fiscal Year 2012 – 2013

**T**his functional area is comprised of those elements of state government that make and execute the laws and are responsible for the overall daily operation and coordination of the many activities of government.

This functional area represents a diverse group of departments and agencies. Included are the General Assembly and the three constitutional officers elected by that body:

- Secretary of State
- Comptroller of the Treasury
- State Treasurer.

The Executive Department, including the Governor's Office, oversees the daily operation of state government and is responsible for ensuring that state laws are enforced, taxes are collected, a budget is proposed, and public monies are spent wisely.

Also included in this functional group are the departments that assist the Governor in a staff function:

- Finance and Administration
- Human Resources
- General Services
- Revenue.

These departments facilitate the successful operation of state government by providing support for all departments. In addition, the Department of General Services and the Department of Finance and Administration are responsible for overseeing and administering the state office building and support Facilities Revolving Fund (FRF), which provides funding for a self-perpetuating maintenance and renovation program for state-owned buildings. Budget information concerning FRF can be found in the Capital Outlay and Facilities program section. Capital

improvements and major maintenance projects are supported by this fund, as well as repair, upgrade, relocation, leased space, warehouse space, and facility management plans.

The Real Estate Asset Management function within the Department of General Services is responsible for capital improvements and maintenance projects and addressing the need for energy management in state-owned facilities. It is also responsible for effectively managing, operating, and maintaining state office buildings. This department utilizes state employees and contracted services to effectively maintain these assets and deliver all appropriate services to the tenants.

This functional group also includes four agencies whose responsibilities affect many facets of government:

- Tennessee Regulatory Authority
- Human Rights Commission
- Advisory Commission on Intergovernmental Relations
- Veterans Affairs.

## Cost Increases and Program Statements

The following section includes: (1) a table on personnel and funding for all agencies in this functional area of state government; (2) a table on recommended budget for each agency by funding source; (3) a statement of recommended cost increases for the ensuing fiscal year; (4) departmental program statements, indicating recommended funding and staffing for the ensuing year, compared with actual amounts for the last year and the amounts budgeted for the current year, and program performance measures.

## General Government Total Personnel and Funding

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Recommended 2012-2013</u>
<b>Personnel</b>			
Full Time	4,607	4,555	4,451
Part Time	174	173	175
Seasonal	49	49	49
<b>TOTAL</b>	<b>4,830</b>	<b>4,777</b>	<b>4,675</b>
<b>Expenditures</b>			
Payroll	\$ 282,924,200	\$ 321,717,000	\$ 320,490,400
Operational	496,626,300	607,220,460	650,034,700
<b>TOTAL</b>	<b>\$ 779,550,500</b>	<b>\$ 928,937,460</b>	<b>\$ 970,525,100</b>
<b>Funding</b>			
State	\$ 287,442,900	\$ 373,710,360	\$ 436,946,100
Federal	48,070,700	67,499,100	63,466,500
Other	444,036,900	487,728,000	470,112,500

**General Government**  
**Recommended Budget for Fiscal Year 2012-2013**  
**By Funding Source**

<b>Department</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
301.00 Legislature	38,613,600	0	137,500	38,751,100
301.50 Fiscal Review Committee	1,370,000	0	0	1,370,000
305.00 Secretary of State	26,408,300	30,396,700	10,939,000	67,744,000
307.00 Comptroller of the Treasury	78,681,400	0	8,968,400	87,649,800
309.00 Treasury Department	3,396,600	0	26,881,500	30,278,100
313.00 Claims and Compensation	9,900,000	6,200,000	89,117,900	105,217,900
315.00 Executive Department	4,809,800	0	0	4,809,800
316.04 Human Rights Commission	1,652,200	761,700	0	2,413,900
316.11 Tennessee Regulatory Authority	7,400,400	391,800	3,300	7,795,500
316.12 Advisory Commission on Intergovernmental Relations	223,200	0	2,694,100	2,917,300
317.00 Finance and Administration	15,906,700	24,921,600	199,601,000	240,429,300
319.00 Human Resources	0	0	11,185,900	11,185,900
321.00 General Services	21,277,400	0	95,627,100	116,904,500
323.00 Veterans Affairs	4,763,900	772,700	247,000	5,783,600
347.00 Revenue	82,388,000	22,000	24,559,800	106,969,800
351.00 Miscellaneous Appropriations	139,085,300	0	0	139,085,300
353.00 Emergency and Contingency Fund	819,300	0	0	819,300
355.00 State Building Commission	250,000	0	150,000	400,000
<b>Total</b>	<b>\$436,946,100</b>	<b>\$63,466,500</b>	<b>\$470,112,500</b>	<b>\$970,525,100</b>

## General Government Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>Treasury Department</b>					
• <b>College Savings Plan</b>					
To provide general fund support to establish a new college savings plan and a savings incentive program. Funding includes a non-recurring amount of \$1,735,800 and departmental revenue of \$125,000.					
<b>309.03 Baccalaureate Education System Trust</b>	\$2,152,200	\$0	\$125,100	\$2,277,300	0
<b>Sub-total</b>	\$2,152,200	\$0	\$125,100	\$2,277,300	0
<b>Total Treasury Department</b>	<b>\$2,152,200</b>	<b>\$0</b>	<b>\$125,100</b>	<b>\$2,277,300</b>	<b>0</b>
<b>Finance and Administration</b>					
• <b>Business Solutions Delivery</b>					
To provide funds to establish a new program, Business Solutions Delivery. This program will provide project management assistance to implement large, complex information technology projects.					
<b>317.20 Business Solutions Delivery</b>	\$1,175,900	\$0	\$0	\$1,175,900	8
<b>Sub-total</b>	\$1,175,900	\$0	\$0	\$1,175,900	8
<b>Total Finance and Administration</b>	<b>\$1,175,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,175,900</b>	<b>8</b>
<b>General Services</b>					
• <b>Pre-Planning</b>					
To provide funds for pre-planning of capital projects. The funding would allow for preliminary design work on capital projects. Funding includes a non-recurring amount of \$8 million.					
<b>321.20 State Facilities Pre-Planning</b>	\$8,500,000	\$0	\$0	\$8,500,000	0
<b>Sub-total</b>	\$8,500,000	\$0	\$0	\$8,500,000	0
• <b>Strategic Sourcing Initiative</b>					
To provide non-recurring funds for a strategic sourcing initiative.					
<b>321.10 Procurement Office</b>	\$5,000,000	\$0	\$0	\$5,000,000	0
<b>Sub-total</b>	\$5,000,000	\$0	\$0	\$5,000,000	0
• <b>Information System</b>					
To provide funds for a web-based shopping platform that allows users to easily search and select available products. Funding includes a non-recurring amount of \$514,300.					
<b>321.10 Procurement Office</b>	\$1,366,100	\$0	\$0	\$1,366,100	0
<b>Sub-total</b>	\$1,366,100	\$0	\$0	\$1,366,100	0

## General Government Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Operational Support</b>					
To provide funds for operational support to the newly created procurement office.					
<b>321.10 Procurement Office</b>	\$252,700	\$0	\$0	\$252,700	0
<b>Sub-total</b>	\$252,700	\$0	\$0	\$252,700	0
<b>• Support Staff</b>					
To provide funding for a real estate asset management attorney to oversee legal issues for real estate matters. This position will monitor, identify, and assist in managing risks of all property owned or leased by the state.					
<b>321.07 Real Estate Asset Management</b>	\$0	\$0	\$202,900	\$202,900	1
<b>Sub-total</b>	\$0	\$0	\$202,900	\$202,900	1
<b>Total General Services</b>	<b>\$15,118,800</b>	<b>\$0</b>	<b>\$202,900</b>	<b>\$15,321,700</b>	<b>1</b>

### Revenue

<b>• Postage Increase</b>					
To provide funds for a postage rate increase. The department furnishes taxpayers with various tax forms required by state and federal law mailed through the United States Postal Service.					
<b>347.13 Taxpayer and Vehicle Services Division</b>	\$292,100	\$0	\$0	\$292,100	0
<b>Sub-total</b>	\$292,100	\$0	\$0	\$292,100	0
<b>• Administration Legislation - Tax Reduction on Food and Inheritance</b>					
To provide non-recurring funds for implementation of legislation to reduce the sales tax rate on grocery food by 0.2 percentage points, from 5.5 percent to 5.3 percent, and to increase the inheritance tax exemption from \$1,000,000 to \$1,250,000.					
<b>347.11 Information Technology Resources Division</b>	\$300,000	\$0	\$0	\$300,000	0
<b>Sub-total</b>	\$300,000	\$0	\$0	\$300,000	0
<b>Total Revenue</b>	<b>\$592,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$592,100</b>	<b>0</b>

### Miscellaneous Appropriations

<b>• Salary Increase - State Employees</b>					
To provide funds for a 2.5 percent salary increase for state employees, effective July 1, 2012. Additional funds are recommended in the Department of Education budget for teachers and other licensed K-12 education employees funded by the Basic Education Program (BEP) formula (\$58 million) and in the budget for higher education (\$29.8 million). The total general fund cost for state agencies, higher education, and the K-12 BEP is \$123.8 million.					
<b>351.00 Miscellaneous Appropriations</b>	\$36,000,000	\$0	\$0	\$36,000,000	0
<b>Sub-total</b>	\$36,000,000	\$0	\$0	\$36,000,000	0

## General Government Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Group Health Insurance - January 1, 2012</b>					
To provide funds to annualize the state share of the January 1, 2012, group health insurance premium increase for state and higher education employees, which was funded for six months in the current-year budget. K-12 education funding to annualize the premium increase is included in the Department of Education budget.					
<b>351.00 Miscellaneous Appropriations</b>	\$5,200,000	\$0	\$0	\$5,200,000	0
<b>Sub-total</b>	\$5,200,000	\$0	\$0	\$5,200,000	0
<b>• Group Health Insurance - January 1, 2013</b>					
To provide funds for the state share of a 4 percent group health insurance premium increase. This is funded for six months in the recommended budget. Additional funds are recommended in the Department of Education budget for teachers and other licensed K-12 employees funded by the BEP (\$7.3 million) and in the budget for higher education (\$4.2 million). The total general fund cost for state agencies, higher education, and the K-12 BEP is \$16.7 million.					
<b>351.00 Miscellaneous Appropriations</b>	\$5,200,000	\$0	\$0	\$5,200,000	0
<b>Sub-total</b>	\$5,200,000	\$0	\$0	\$5,200,000	0
<b>• Market Salary Study</b>					
To provide non-recurring funds for a market salary study.					
<b>351.00 Miscellaneous Appropriations</b>	\$300,000	\$0	\$0	\$300,000	0
<b>Sub-total</b>	\$300,000	\$0	\$0	\$300,000	0
<b>• Salary Market Adjustment - January 1, 2013</b>					
To provide funds for a salary market adjustment for state employees, effective January 1, 2013. The recommended budget reflects an annualized amount of \$30 million and is discounted to reflect six months of costs.					
<b>351.00 Miscellaneous Appropriations</b>	\$15,000,000	\$0	\$0	\$15,000,000	0
<b>Sub-total</b>	\$15,000,000	\$0	\$0	\$15,000,000	0
<b>• Severance</b>					
To provide non-recurring funds for a severance package. The severance benefit plan will consist of a base payment of \$3,200 and college tuition assistance for two years to be capped at the average of the highest four-year public Tennessee college undergraduate level.					
<b>351.00 Miscellaneous Appropriations</b>	\$2,900,000	\$0	\$0	\$2,900,000	0
<b>Sub-total</b>	\$2,900,000	\$0	\$0	\$2,900,000	0

## General Government Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Tennessee Consolidated Retirement System (TCRS) - July 1, 2012</b>					
To provide funds for the increase in the retirement contribution rate for state employees. A total contribution rate increase of \$1.9 million also includes funding for higher education (\$738,300) employees and is recommended in the higher education budget.					
<b>351.00 Miscellaneous Appropriations</b>	\$1,161,700	\$0	\$0	\$1,161,700	0
<b>Sub-total</b>	\$1,161,700	\$0	\$0	\$1,161,700	0
<b>• Risk Management</b>					
To provide funds for a risk management premium increase.					
<b>351.00 Miscellaneous Appropriations</b>	\$1,700,000	\$0	\$0	\$1,700,000	0
<b>Sub-total</b>	\$1,700,000	\$0	\$0	\$1,700,000	0
<b>• Administration Legislation</b>					
To provide recurring funds for the cost of legislation proposed by the Administration.					
<b>351.00 Miscellaneous Appropriations</b>	\$2,000,000	\$0	\$0	\$2,000,000	0
<b>Sub-total</b>	\$2,000,000	\$0	\$0	\$2,000,000	0
<b>• Legislative Initiatives</b>					
To provide funds for legislative initiatives. From the appropriation, \$2 million is recurring and \$3 million is non-recurring.					
<b>351.00 Miscellaneous Appropriations</b>	\$5,000,000	\$0	\$0	\$5,000,000	0
<b>Sub-total</b>	\$5,000,000	\$0	\$0	\$5,000,000	0
<b>• Office Space</b>					
To provide non-recurring funds for temporary relocation during office space renovations.					
<b>351.00 Miscellaneous Appropriations</b>	\$6,000,000	\$0	\$0	\$6,000,000	0
<b>Sub-total</b>	\$6,000,000	\$0	\$0	\$6,000,000	0
<b>• Parker Crossroads Battlefield</b>					
To provide non-recurring funds for the Parker Crossroads Battlefield interpretation grant.					
<b>351.00 Miscellaneous Appropriations</b>	\$109,000	\$0	\$0	\$109,000	0
<b>Sub-total</b>	\$109,000	\$0	\$0	\$109,000	0
<b>Total Miscellaneous Appropriations</b>	<b>\$80,570,700</b>	<b>\$0</b>	<b>\$0</b>	<b>\$80,570,700</b>	<b>0</b>
<b>Total General Government</b>	<b>\$99,609,700</b>	<b>\$0</b>	<b>\$328,000</b>	<b>\$99,937,700</b>	<b>9</b>

# Legislature

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As the legislative branch of Tennessee State Government, the General Assembly consists of the Senate and the House of Representatives. The primary powers vested in it by the Constitution of the state include the enactment of laws for all citizens and the financing of state government operations by levying taxes and appropriating state revenues. The upper house of Tennessee's General Assembly is the Senate. The state is divided into 33 senatorial districts, each electing one senator. Senators are elected to four-year terms, with those from even-numbered districts elected in the same general election, and those representing odd-numbered districts elected two years later. The lower house of the legislature is the House of Representatives. The state is divided into 99 House districts, each electing one representative. Representatives are elected to two-year terms, with all representatives standing for election at the same time.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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## Administrative and Support Services

The various support offices of the Legislature are charged with the operational administration of the two houses. Their responsibilities include printing and distributing bills and calendars during legislative sessions; conducting research on legislation; summarizing and dispersing information relating to legislation; assisting in formulation of legislation; providing summaries and abstracts of legislation to be considered; rendering legal opinions concerning legislation; and continually reviewing statutory law.

### 301.01 Legislative Administration Services

Legislative Administration Services provides administrative support to the General Assembly. The office's functions include administering the costs of the annual legislative sessions, preparing legislative budgets, purchasing supplies and equipment needed by the members, managing facilities, and coordinating the internship program.

Full-Time	26	22	22	0	22
Part-Time	3	3	3	0	3
Seasonal	28	28	28	0	28
<b>Total</b>	<b>57</b>	<b>53</b>	<b>53</b>	<b>0</b>	<b>53</b>
Payroll	1,704,700	1,899,400	1,899,400	0	1,899,400
Operational	3,439,600	2,542,400	2,542,800	0	2,542,800
<b>Total</b>	<b>\$5,144,300</b>	<b>\$4,441,800</b>	<b>\$4,442,200</b>	<b>\$0</b>	<b>\$4,442,200</b>
State	4,075,400	4,424,800	4,425,200	0	4,425,200
Federal	0	0	0	0	0
Other	1,068,900	17,000	17,000	0	17,000

### 301.16 General Assembly Support Services

General Assembly Support Services is responsible for the day-to-day support services for the General Assembly. Support services provided for members include staffing of standing committees, legal services, legislative budget analysis, and legislative library services.

Full-Time	64	64	64	0	64
Part-Time	29	29	29	0	29
Seasonal	0	0	0	0	0
<b>Total</b>	<b>93</b>	<b>93</b>	<b>93</b>	<b>0</b>	<b>93</b>



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	5,795,100	6,717,600	6,717,600	0	<b>6,717,600</b>
Operational	914,400	1,204,760	1,026,500	0	<b>1,026,500</b>
<b>Total</b>	<b>\$6,709,500</b>	<b>\$7,922,360</b>	<b>\$7,744,100</b>	<b>\$0</b>	<b>\$7,744,100</b>
State	6,701,700	7,852,360	7,674,100	0	<b>7,674,100</b>
Federal	0	0	0	0	<b>0</b>
Other	7,800	70,000	70,000	0	<b>70,000</b>

### 301.17 Tennessee Code Commission

The Tennessee Code Commission directs the publication, sale, and distribution of an official compilation of the statutes, codes, and laws of the state. The commission is comprised of five members, including the Chief Justice, the Attorney General and Reporter, the director of legislative legal services, and two other members appointed by the Chief Justice.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	32,800	68,900	68,900	0	<b>68,900</b>
<b>Total</b>	<b>\$32,800</b>	<b>\$68,900</b>	<b>\$68,900</b>	<b>\$0</b>	<b>\$68,900</b>
State	32,800	68,900	68,900	0	<b>68,900</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

## Legislative Services

Legislative Services provides financial and administrative support for the General Assembly. Funds are disbursed for the payment of Senate and House members' expenses, for the operating costs of the two speakers' offices, and for expenses incurred by the standing committees of the two houses. Select committees are created to focus on special needs that the General Assembly feels merit closer study. Committees to study specific subjects may be created by Senate, House, or joint resolutions.

### 301.07 House of Representatives

House of Representatives funding provides for the payment of salaries and expenses of the House members, clerks, and officers, as well as for the operating costs incurred by the various standing committees of the House.

Full-Time	207	207	207	0	<b>207</b>
Part-Time	40	40	40	0	<b>40</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>247</b>	<b>247</b>	<b>247</b>	<b>0</b>	<b>247</b>
Payroll	13,171,300	13,361,700	13,361,700	0	<b>13,361,700</b>
Operational	2,258,300	3,737,200	3,737,800	0	<b>3,737,800</b>
<b>Total</b>	<b>\$15,429,600</b>	<b>\$17,098,900</b>	<b>\$17,099,500</b>	<b>\$0</b>	<b>\$17,099,500</b>
State	15,414,600	17,070,400	17,071,000	0	<b>17,071,000</b>
Federal	0	0	0	0	<b>0</b>
Other	15,000	28,500	28,500	0	<b>28,500</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 301.08 State Senate

State Senate funding provides for the payment of salaries and expenses of the members of the Senate, clerks, and officers, as well as for the operating costs incurred by the various standing committees of the Senate.

Full-Time	101	101	101	0	101
Part-Time	54	54	54	0	54
Seasonal	0	0	0	0	0
<b>Total</b>	<b>155</b>	<b>155</b>	<b>155</b>	<b>0</b>	<b>155</b>
Payroll	6,742,100	7,690,100	7,690,100	0	7,690,100
Operational	1,048,800	1,706,000	1,706,300	0	1,706,300
<b>Total</b>	<b>\$7,790,900</b>	<b>\$9,396,100</b>	<b>\$9,396,400</b>	<b>\$0</b>	<b>\$9,396,400</b>
State	7,768,900	9,374,100	9,374,400	0	9,374,400
Federal	0	0	0	0	0
Other	22,000	22,000	22,000	0	22,000

### 301.13 General Assembly Committees

This allotment provides funds for staffing several joint committees, including the Select Oversight Committee on Corrections, TennCare Oversight Committee, Select Committee on Children and Youth, Health Equity Commission, and Joint Legislative Services Committee. Funding provides for the payroll and operational expenses of these committees.

Full-Time	9	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	602,600	0	0	0	0
Operational	7,500	0	0	0	0
<b>Total</b>	<b>\$610,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	610,100	0	0	0	0
Federal	0	0	0	0	0
Other	0	0	0	0	0

### 301.00 Total Legislature

Full-Time	407	394	394	0	394
Part-Time	126	126	126	0	126
Seasonal	28	28	28	0	28
<b>Total</b>	<b>561</b>	<b>548</b>	<b>548</b>	<b>0</b>	<b>548</b>
Payroll	28,015,800	29,668,800	29,668,800	0	29,668,800
Operational	7,701,400	9,259,260	9,082,300	0	9,082,300
<b>Total</b>	<b>\$35,717,200</b>	<b>\$38,928,060</b>	<b>\$38,751,100</b>	<b>\$0</b>	<b>\$38,751,100</b>
State	34,603,500	38,790,560	38,613,600	0	38,613,600
Federal	0	0	0	0	0
Other	1,113,700	137,500	137,500	0	137,500

# Fiscal Review Committee

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Within the General Assembly, the Fiscal Review Committee is a special, continuing committee. It is comprised of the Speaker of the Senate, the Speaker of the House of Representatives, the chairs of the Senate and the House Finance, Ways and Means committees, and 15 other members of the General Assembly who are appointed from each house by its speaker.

The purpose of this committee is to become knowledgeable about the fiscal affairs of the state and to impart this knowledge to the members of the General Assembly. The committee conducts a continuing review of the finances of state government and of state agencies and programs. The committee also has the responsibility under law of preparing and distributing fiscal notes on all legislation. The committee has a staff and an executive director to assist with these functions.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>301.50 Fiscal Review Committee</b>					
Full-Time	14	14	14	0	14
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>0</b>	<b>14</b>
Payroll	1,254,000	1,347,100	1,347,100	0	1,347,100
Operational	90,600	22,900	22,900	0	22,900
<b>Total</b>	<b>\$1,344,600</b>	<b>\$1,370,000</b>	<b>\$1,370,000</b>	<b>\$0</b>	<b>\$1,370,000</b>
State	1,240,500	1,370,000	1,370,000	0	1,370,000
Federal	0	0	0	0	0
Other	104,100	0	0	0	0

# Secretary of State

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The Secretary of State is a constitutional officer elected by the General Assembly to record and maintain the official acts of the Governor. Specific duties of the Secretary of State include recording the acts of the General Assembly; registering trademarks; receiving and recording corporate charter applications; administering the provisions of the Uniform Commercial Code; administering the provisions of the Uniform Administrative Procedures Act; managing the State Library and Archives and promoting library services in Tennessee; coordinating elections in Tennessee; and implementing and administering the laws relative to charitable gaming and the solicitation of charitable contributions.

The functional areas that comprise the Secretary of State's office are Administrative and Support Services, and State Library Services. The State Election Commission, Bureau of Ethics and Campaign Finance, and the Economic Council on Women are administratively attached to the Tennessee Department of State.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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## Administrative and Support Services

Administrative and Support Services provide services essential to carrying out the responsibilities of the Secretary of State. This functional area consists of the Secretary of State, State Election Commission, Public Documents, Bureau of Ethics and Campaign Finance, Charitable Solicitations and Charitable Gaming, and the Help America Vote Act.

### 305.01 Secretary of State

The Secretary of State is statutorily prescribed to process and handle record keeping for corporate filings, the Uniform Commercial Code, notaries public, and trademarks. In addition to these duties, the Secretary of State hears contested cases and reviews administrative records for numerous state agencies and regulatory boards. This division of the Secretary of State also provides fiscal and managerial support to the entire department.

Full-Time	184	178	178	0	178
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>184</b>	<b>178</b>	<b>178</b>	<b>0</b>	<b>178</b>
Payroll	10,980,600	12,835,000	12,835,000	0	12,835,000
Operational	3,554,700	3,144,800	3,095,500	0	3,095,500
<b>Total</b>	<b>\$14,535,300</b>	<b>\$15,979,800</b>	<b>\$15,930,500</b>	<b>\$0</b>	<b>\$15,930,500</b>
State	6,673,600	8,751,800	8,747,200	0	8,747,200
Federal	0	300,000	300,000	0	300,000
Other	7,861,700	6,928,000	6,883,300	0	6,883,300

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 305.02 State Election Commission

The State Election Commission, in conformity with Title 2 of Tennessee Code Annotated, ensures the uniformity of election laws. The commission is comprised of seven members, four from the political party holding a majority of seats in the General Assembly and three members from the minority party. Individuals are elected to four-year terms by the General Assembly. The commission works closely with the coordinator of elections toward the common goal of maintaining uniformity in elections as well as preserving the purity of the ballot.

Full-Time	0	0	0	0	0
Part-Time	7	7	7	0	7
Seasonal	0	0	0	0	0
<b>Total</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>7</b>
Payroll	112,700	117,000	117,000	0	117,000
Operational	1,446,900	1,471,600	1,471,600	0	1,471,600
<b>Total</b>	<b>\$1,559,600</b>	<b>\$1,588,600</b>	<b>\$1,588,600</b>	<b>\$0</b>	<b>\$1,588,600</b>
State	1,559,600	1,588,600	1,588,600	0	1,588,600
Federal	0	0	0	0	0
Other	0	0	0	0	0

### 305.03 Public Documents

The Division of Public Documents publishes Tennessee Public and Private Acts, the Tennessee Administrative Register, the Compilation of Tennessee Rules and Regulations, the Blue Book, and manuals regarding public elections and corporate filings.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	48,600	456,300	396,300	0	396,300
<b>Total</b>	<b>\$48,600</b>	<b>\$456,300</b>	<b>\$396,300</b>	<b>\$0</b>	<b>\$396,300</b>
State	48,600	396,300	396,300	0	396,300
Federal	0	0	0	0	0
Other	0	60,000	0	0	0

### 305.07 Bureau of Ethics and Campaign Finance

In the 2009 legislative session, the Bureau of Ethics and Campaign Finance was created by merging the Registry of Election Finance and the Ethics Commission, which remain in two distinct divisions. The Registry of Election Finance administers and enforces parts or all of the following provisions: the Campaign Financial Disclosure Act of 1980, the Registry of Election Finance Act, the Campaign Contributions Act of 1995, and the Gubernatorial Inauguration Financial Disclosure Act. The Ethics Commission administers and enforces parts or all of the following provisions: the Campaign Financial Disclosure Act of 1980 and the Tennessee Ethics Commission Act of 2006. The commission also interprets and enforces the statutes governing lobbying, ethical conduct of the General Assembly and executive agencies, and conflict of interest disclosure.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	13	13	13	0	13
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>13</b>
Payroll	801,800	967,600	967,600	0	967,600
Operational	168,400	155,900	156,000	0	156,000
<b>Total</b>	<b>\$970,200</b>	<b>\$1,123,500</b>	<b>\$1,123,600</b>	<b>\$0</b>	<b>\$1,123,600</b>
State	454,300	608,400	608,500	0	608,500
Federal	0	0	0	0	0
Other	515,900	515,100	515,100	0	515,100

### 305.09 Charitable Solicitations and Charitable Gaming

The Charitable Solicitations and Charitable Gaming division is responsible for the registration and regulation of charitable organizations. The division also registers and regulates professional solicitors, professional fundraising councils, vending machine operators, and charitable gaming events.

Full-Time	17	21	21	0	21
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>17</b>	<b>21</b>	<b>21</b>	<b>0</b>	<b>21</b>
Payroll	1,108,300	1,490,500	1,490,500	0	1,490,500
Operational	161,400	243,800	244,000	0	244,000
<b>Total</b>	<b>\$1,269,700</b>	<b>\$1,734,300</b>	<b>\$1,734,500</b>	<b>\$0</b>	<b>\$1,734,500</b>
State	0	53,800	54,000	0	54,000
Federal	0	0	0	0	0
Other	1,269,700	1,680,500	1,680,500	0	1,680,500

### 305.10 Help America Vote Act

Congress passed the Help America Vote Act of 2002, requiring changes and improvements in the electoral process. The Secretary of State is responsible for implementing and administering these mandatory changes, including improved voting systems, provisional voting, and the establishment of a statewide voter registration database. Funds are provided from this allotment to assist counties in purchasing voting equipment.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	1,292,200	27,500,000	27,500,000	0	27,500,000
<b>Total</b>	<b>\$1,292,200</b>	<b>\$27,500,000</b>	<b>\$27,500,000</b>	<b>\$0</b>	<b>\$27,500,000</b>
State	0	0	0	0	0
Federal	1,248,900	26,500,000	26,500,000	0	26,500,000
Other	43,300	1,000,000	1,000,000	0	1,000,000

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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## State Library Services

State Library Services provides regional public library access to Tennesseans and manages the State Library and Archives. Responsibilities of State Library Services include acquiring, restoring, and preserving historical material for public use; providing special library services to aged, isolated, economically and culturally disadvantaged, and disabled citizens, including the library for the blind and physically handicapped; providing access to collections for both government and public use; assisting local public libraries through the state regional library system; and administering federal funds provided for library construction and renovation.

### 305.04 State Library and Archives

State Library and Archives collects and preserves books and records of historical, documentary, and reference value, while promoting library development throughout the state. The State Library and Archives administers the provisions of the federal Library Services and Technology Act and state law regarding the State Library and Archives and the regional library system.

Full-Time	101	94	89	0	<b>89</b>
Part-Time	3	3	3	0	<b>3</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>104</b>	<b>97</b>	<b>92</b>	<b>0</b>	<b>92</b>
Payroll	5,778,500	6,068,800	5,807,700	0	<b>5,807,700</b>
Operational	6,781,700	6,086,900	6,087,600	0	<b>6,087,600</b>
<b>Total</b>	<b>\$12,560,200</b>	<b>\$12,155,700</b>	<b>\$11,895,300</b>	<b>\$0</b>	<b>\$11,895,300</b>
State	7,473,300	8,521,400	8,261,000	0	<b>8,261,000</b>
Federal	3,474,600	2,969,200	2,969,200	0	<b>2,969,200</b>
Other	1,612,300	665,100	665,100	0	<b>665,100</b>

### 305.05 Regional Library System

The Regional Library System consists of twelve multi-county library boards and four metropolitan library boards. This division provides public libraries with system support in areas such as construction, training, programming for special audiences, automation, and library development.

Full-Time	87	87	73	0	<b>73</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>87</b>	<b>87</b>	<b>73</b>	<b>0</b>	<b>73</b>
Payroll	4,235,000	4,938,800	4,137,700	0	<b>4,137,700</b>
Operational	3,164,200	3,503,200	3,234,100	0	<b>3,234,100</b>
<b>Total</b>	<b>\$7,399,200</b>	<b>\$8,442,000</b>	<b>\$7,371,800</b>	<b>\$0</b>	<b>\$7,371,800</b>
State	6,727,700	7,619,500	6,549,300	0	<b>6,549,300</b>
Federal	557,600	627,500	627,500	0	<b>627,500</b>
Other	113,900	195,000	195,000	0	<b>195,000</b>

Actual  
2010-2011

Estimated  
2011-2012

Base  
2012-2013

Cost Increase  
2012-2013

Recommended  
2012-2013

## Economic Council on Women

### 305.08 Economic Council on Women

The 21-member Economic Council on Women, administratively attached to the Department of State, was established to address the economic concerns and needs of women in Tennessee. The council conducts research, holds hearings, and develops policy recommendations relating to the effects of employment policies and practices, educational needs and opportunities, child care, property rights, health care, domestic relations, and federal and state laws on women.

Full-Time	3	3	3	0	3
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>
Payroll	134,100	160,100	160,100	0	160,100
Operational	43,700	43,300	43,300	0	43,300
<b>Total</b>	<b>\$177,800</b>	<b>\$203,400</b>	<b>\$203,400</b>	<b>\$0</b>	<b>\$203,400</b>
State	177,800	203,400	203,400	0	203,400
Federal	0	0	0	0	0
Other	0	0	0	0	0

### 305.00 Total Secretary of State

Full-Time	405	396	377	0	377
Part-Time	10	10	10	0	10
Seasonal	0	0	0	0	0
<b>Total</b>	<b>415</b>	<b>406</b>	<b>387</b>	<b>0</b>	<b>387</b>
Payroll	23,151,000	26,577,800	25,515,600	0	25,515,600
Operational	16,661,800	42,605,800	42,228,400	0	42,228,400
<b>Total</b>	<b>\$39,812,800</b>	<b>\$69,183,600</b>	<b>\$67,744,000</b>	<b>\$0</b>	<b>\$67,744,000</b>
State	23,114,900	27,743,200	26,408,300	0	26,408,300
Federal	5,281,100	30,396,700	30,396,700	0	30,396,700
Other	11,416,800	11,043,700	10,939,000	0	10,939,000



# Comptroller of the Treasury

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The Comptroller of the Treasury is a constitutional officer elected by the General Assembly. Statutory duties of the Comptroller include the audit of state and local governments, management of the state debt, support of the General Assembly and its committees, participation in the general financial and administrative management of state government, administration of property assessment for tax purposes, and support of local governments. The Comptroller administers the following functional areas: Administrative and Support Services, Offices of Research and Education Accountability, Audit Services, Services to Local Governments, and Property Assessment and Appraisal.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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## Administrative and Support Services

Administrative and Support Services directs and coordinates administrative activities within the Comptroller's Office. They also provide printing, duplicating, and processing of outgoing mail for the Legislature and constitutional offices.

### 307.01 Division of Administration

The Division of Administration provides direction, coordination, and supervision to the various divisions within the Comptroller's Office and includes operational funds for the office of the Comptroller of the Treasury.

Full-Time	15	17	17	0	17
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>15</b>	<b>17</b>	<b>17</b>	<b>0</b>	<b>17</b>
Payroll	1,404,400	1,812,700	1,812,700	0	1,812,700
Operational	176,700	208,500	208,500	0	208,500
<b>Total</b>	<b>\$1,581,100</b>	<b>\$2,021,200</b>	<b>\$2,021,200</b>	<b>\$0</b>	<b>\$2,021,200</b>
State	1,477,200	1,911,800	1,911,800	0	1,911,800
Federal	0	0	0	0	0
Other	103,900	109,400	109,400	0	109,400

### 307.02 Office of Management Services

The Office of Management Services provides a centralized base of administrative and support services to the various divisions of the Comptroller's Office. This support includes coordination and supervision in the areas of accounting, budgeting, personnel, payroll, data processing, and printing. The office also supports the Comptroller of the Treasury in the areas of policy and contracts.

Full-Time	54	54	52	0	52
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>54</b>	<b>54</b>	<b>52</b>	<b>0</b>	<b>52</b>
Payroll	3,757,500	4,135,800	4,135,800	0	4,135,800
Operational	5,272,400	14,613,600	6,194,500	0	6,194,500
<b>Total</b>	<b>\$9,029,900</b>	<b>\$18,749,400</b>	<b>\$10,330,300</b>	<b>\$0</b>	<b>\$10,330,300</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	8,588,000	10,049,900	10,057,800	0	<b>10,057,800</b>
Federal	0	0	0	0	<b>0</b>
Other	441,900	8,699,500	272,500	0	<b>272,500</b>

### 307.03 Capitol Print Shop

The Capitol Print Shop has been responsible for providing printing and duplicating services to the Legislature, constitutional offices, and other state agencies. Materials included budget and financial reports, memoranda, newsletters, legislative bills, public and private acts, House and Senate journals, and other miscellaneous materials. The Capitol Print Shop transferred to General Services Printing in Fiscal Year 2011.

Full-Time	2	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	133,200	0	0	0	<b>0</b>
Operational	8,200	0	0	0	<b>0</b>
<b>Total</b>	<b>\$141,400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	0	0	0	0	<b>0</b>
Federal	0	0	0	0	<b>0</b>
Other	141,400	0	0	0	<b>0</b>

### Offices of Research and Education Accountability

The Office of Education Accountability was created by the Education Improvement Act of 1992. In 1994, the Comptroller placed the office with another newly created office, the Office of Research. Together, they form the Offices of Research and Education Accountability and are charged with providing non-partisan, objective analysis of policy issues for the Comptroller of the Treasury, General Assembly, state agencies, and the public.

### 307.14 Offices of Research and Education Accountability

The Office of Education Accountability monitors the performance of Tennessee elementary and public school systems and provides the General Assembly reports on a variety of education topics. The office assists the House and Senate Education committees as requested, and provides the Legislature an independent means to evaluate the financial impact of state policy on the public education system. The Office of Research conducts research projects on state and local government issues at the request of the Comptroller and the General Assembly. The office assists the State Funding Board in analyzing the annual economic forecast prepared by the Center for Business and Economic Research. In addition, the Office of Research prepares fiscal note support forms for the Fiscal Review Committee, monitors legislation, and analyzes the budget.

Full-Time	16	15	13	0	<b>13</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>16</b>	<b>15</b>	<b>13</b>	<b>0</b>	<b>13</b>
Payroll	933,400	1,109,200	1,109,200	0	<b>1,109,200</b>
Operational	247,200	815,300	362,700	0	<b>362,700</b>
<b>Total</b>	<b>\$1,180,600</b>	<b>\$1,924,500</b>	<b>\$1,471,900</b>	<b>\$0</b>	<b>\$1,471,900</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	1,062,400	1,371,900	1,371,900	0	<b>1,371,900</b>
Federal	0	0	0	0	<b>0</b>
Other	118,200	552,600	100,000	0	<b>100,000</b>

## Audit Services

The divisions of Audit Services are responsible for conducting post-audits of the state's Comprehensive Annual Financial Report and other entities and grantees as required by federal and state law and in compliance with government auditing standards. The divisions also audit all counties, or in lieu of a state audit, accept an audit prepared by either a certified public accountant or a licensed public accountant. The audit divisions also provide for the audit of all municipalities, schools, and utility districts in the state. The divisions set rates for nursing facilities that participate in the state TennCare program and conduct financial-related reviews of managed care organizations (MCOs) and behavioral health organizations (BHOs).

### 307.04 Division of State Audit

The Division of State Audit is responsible for providing independent audits and evaluations of agencies of state government. The division also conducts audits of entities that do not participate in the state centralized accounting system, such as colleges, universities, and community service agencies.

Full-Time	206	206	199	0	<b>199</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>206</b>	<b>206</b>	<b>199</b>	<b>0</b>	<b>199</b>
Payroll	13,337,300	14,872,200	14,872,200	0	<b>14,872,200</b>
Operational	1,268,500	1,579,500	1,579,500	0	<b>1,579,500</b>
<b>Total</b>	<b>\$14,605,800</b>	<b>\$16,451,700</b>	<b>\$16,451,700</b>	<b>\$0</b>	<b>\$16,451,700</b>
State	8,616,200	12,025,300	12,025,300	0	<b>12,025,300</b>
Federal	0	0	0	0	<b>0</b>
Other	5,989,600	4,426,400	4,426,400	0	<b>4,426,400</b>

### 307.05 Division of County Audit

In accordance with state law, the Division of County Audit prepares independent audits for all 95 counties of the state, establishes standards for county audits conducted by public accounting firms, and assists local governments with financial administration questions.

Full-Time	99	98	92	0	<b>92</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>99</b>	<b>98</b>	<b>92</b>	<b>0</b>	<b>92</b>
Payroll	7,598,100	7,973,500	7,973,500	0	<b>7,973,500</b>
Operational	609,400	1,042,400	1,042,400	0	<b>1,042,400</b>
<b>Total</b>	<b>\$8,207,500</b>	<b>\$9,015,900</b>	<b>\$9,015,900</b>	<b>\$0</b>	<b>\$9,015,900</b>
State	6,996,800	7,762,700	7,762,700	0	<b>7,762,700</b>
Federal	0	0	0	0	<b>0</b>
Other	1,210,700	1,253,200	1,253,200	0	<b>1,253,200</b>

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 307.06 Division of Municipal Audit

The Division of Municipal Audit is responsible for ensuring that all municipalities, schools, utility districts, housing authorities, and certain not-for-profit organizations in Tennessee are audited as required by state law.

Full-Time	23	23	23	0	23
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>0</b>	<b>23</b>
Payroll	1,546,500	1,899,900	1,899,900	0	1,899,900
Operational	208,900	268,900	268,900	0	268,900
<b>Total</b>	<b>\$1,755,400</b>	<b>\$2,168,800</b>	<b>\$2,168,800</b>	<b>\$0</b>	<b>\$2,168,800</b>
State	1,595,900	1,953,800	1,953,800	0	1,953,800
Federal	0	0	0	0	0
Other	159,500	215,000	215,000	0	215,000

### Services to Local Governments

Programs providing services to local governments work toward improving the operation of city and county governments by providing assistance and information that affects the state and local governments. In addition, these divisions are required to assist local governments with debt management and ensure that local governments adopt balanced budgets. The divisions also act as agents and liaisons between state, county, and city ad valorem tax assessment and collecting officials. These divisions also serve property assessors and tax-collecting officials through property reappraisal assistance; computerized tax billing; computer-assisted appraisal systems; maintenance of property ownership maps; and reimbursement to certain elderly, disabled, or disabled veteran homeowners for a portion of or for all property taxes paid.

### 307.08 Office of Local Government

The Office of Local Government is responsible for improving the operation of Tennessee's city and county governments by providing assistance and current information to the General Assembly, local governments, state agencies, and the public on issues that affect the state and local governments. Responsibilities include assisting local governments in redistricting, establishing precincts, and serving as a liaison for the Census Bureau's redistricting data program. In addition, the office maintains county precinct information and provides mapping services utilizing geographic information systems technology.

Full-Time	16	16	16	0	16
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>16</b>
Payroll	835,000	1,025,500	1,025,500	0	1,025,500
Operational	134,700	166,700	166,700	0	166,700
<b>Total</b>	<b>\$969,700</b>	<b>\$1,192,200</b>	<b>\$1,192,200</b>	<b>\$0</b>	<b>\$1,192,200</b>
State	830,700	1,092,200	1,092,200	0	1,092,200
Federal	0	0	0	0	0
Other	139,000	100,000	100,000	0	100,000

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 307.07 Office of State and Local Finance

The Office of State and Local Finance is the merger of Bond Finance and Local Finance. This division provides services related to the issuance, management, compliance, arbitrage administration and maintenance of the state's general obligation debt, and services for the financial operation of local units of government. These services are fulfilled through the direction of the State Funding Board, the Tennessee Local Development Authority (TLDA), the Tennessee Housing Development Agency (THDA), and the Tennessee State School Bond Authority (TSSBA). Responsibilities also include approving the budgets and debt obligations of local governments that have short-term debt outstanding at the end of the fiscal year; reviewing the statutory bonds for county officials and fiscal officers of school districts and emergency communication districts; approving investment programs submitted by cities, counties, and utility districts; reporting on plans by municipal electric systems to provide video cable and Internet services; and assisting local governments in areas of municipal finance.

Full-Time	13	14	14	0	14
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>0</b>	<b>14</b>
Payroll	1,024,900	1,201,100	1,201,100	0	1,201,100
Operational	105,500	154,300	154,300	0	154,300
<b>Total</b>	<b>\$1,130,400</b>	<b>\$1,355,400</b>	<b>\$1,355,400</b>	<b>\$0</b>	<b>\$1,355,400</b>
State	591,000	808,000	808,000	0	808,000
Federal	0	0	0	0	0
Other	539,400	547,400	547,400	0	547,400

### Property Assessment and Appraisal

The Comptroller of the Treasury is responsible for the administration and coordination of property tax assessments. Work is accomplished through the combined efforts of the Division of Property Assessments, the State Board of Equalization, the Office of State Assessed Properties, Tax Relief, and the Telecommunications Ad Valorem Tax Equity Payments.

#### 307.09 Division of Property Assessments

The Division of Property Assessments is responsible for assisting local governments in assessment of property for tax purposes. Other duties include monitoring the statewide reassessment program, administering reappraisal grants to counties, conducting the statewide biennial appraisal ratio study, coordinating the State Computer-Assisted Appraisal System, drafting property ownership maps, and other miscellaneous tasks.

Full-Time	117	116	82	0	82
Part-Time	0	0	0	0	0
Seasonal	21	21	21	0	21
<b>Total</b>	<b>138</b>	<b>137</b>	<b>103</b>	<b>0</b>	<b>103</b>
Payroll	6,368,700	6,829,800	6,829,800	0	6,829,800
Operational	1,348,800	3,576,900	2,003,900	0	2,003,900
<b>Total</b>	<b>\$7,717,500</b>	<b>\$10,406,700</b>	<b>\$8,833,700</b>	<b>\$0</b>	<b>\$8,833,700</b>
State	5,850,400	7,114,200	7,114,200	0	7,114,200
Federal	0	0	0	0	0
Other	1,867,100	3,292,500	1,719,500	0	1,719,500

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 307.11 State Board of Equalization

The State Board of Equalization is responsible for assuring constitutional and statutory compliance in assessments of property for ad valorem taxes. The board establishes policies and rules and publishes manuals governing local assessment practices and training for assessment officials; hears appeals from county boards of equalization regarding local assessments; provides direct review and hears appeals regarding central assessments of public utility companies; reviews applications for religious, charitable, and related property tax exemptions; reviews certified tax rate calculations from jurisdictions undergoing revaluation; and regulates property tax appeals agents and agent practices. The board consists of the Governor, Treasurer, Secretary of State, Comptroller of the Treasury, Commissioner of Revenue, one person named by the Governor at the city level, and one person named by the Governor at the county level.

Full-Time	8	8	8	0	8
Part-Time	8	8	8	0	8
Seasonal	0	0	0	0	0
<b>Total</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>16</b>
Payroll	574,000	593,200	593,200	0	593,200
Operational	371,000	408,000	408,000	0	408,000
<b>Total</b>	<b>\$945,000</b>	<b>\$1,001,200</b>	<b>\$1,001,200</b>	<b>\$0</b>	<b>\$1,001,200</b>
State	834,300	901,200	901,200	0	901,200
Federal	0	0	0	0	0
Other	110,700	100,000	100,000	0	100,000

### 307.15 Office of State Assessed Properties

The Office of State Assessed Properties annually assesses all public utility and transportation properties for tax purposes at the state, county, and municipal levels. These assessments are certified to local taxing jurisdictions for collection of property taxes. The division also assesses personal properties used or leased by public utility and transportation companies and conducts audits on these companies.

Full-Time	14	13	13	0	13
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>14</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>13</b>
Payroll	981,700	998,800	998,800	0	998,800
Operational	114,900	166,600	166,600	0	166,600
<b>Total</b>	<b>\$1,096,600</b>	<b>\$1,165,400</b>	<b>\$1,165,400</b>	<b>\$0</b>	<b>\$1,165,400</b>
State	971,500	1,040,400	1,040,400	0	1,040,400
Federal	0	0	0	0	0
Other	125,100	125,000	125,000	0	125,000

### 307.10 Tax Relief

The Tax Relief program processes payments to reimburse homeowners who meet legal requirements for all or for part of property taxes paid. Eligible beneficiaries of the program include low-income elderly or disabled persons and certain disabled veterans or their surviving spouses. The Division of Property Assessments provides administration of the program.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	24,100,000	25,642,100	25,642,100	0	25,642,100
<b>Total</b>	<b>\$24,100,000</b>	<b>\$25,642,100</b>	<b>\$25,642,100</b>	<b>\$0</b>	<b>\$25,642,100</b>
State	24,100,000	25,642,100	25,642,100	0	25,642,100
Federal	0	0	0	0	0
Other	0	0	0	0	0

### 307.50 Telecommunications Ad Valorem Tax Equity Payments

Telecommunications Ad Valorem Tax Equity Payments was established to reimburse local telecommunications companies for property tax liabilities that exceed assessment levels applicable to average commercial and industrial taxpayers. Payments to eligible telecommunications companies are formula-based as mandated by law. Funding provided to the Comptroller of the Treasury is exclusively for administrative expenses incurred by the Comptroller and for the required tax equity payments.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	6,719,200	7,000,000	7,000,000	0	7,000,000
<b>Total</b>	<b>\$6,719,200</b>	<b>\$7,000,000</b>	<b>\$7,000,000</b>	<b>\$0</b>	<b>\$7,000,000</b>
State	6,709,300	7,000,000	7,000,000	0	7,000,000
Federal	0	0	0	0	0
Other	9,900	0	0	0	0

### 307.00 Total Comptroller of the Treasury

Full-Time	583	580	529	0	529
Part-Time	8	8	8	0	8
Seasonal	21	21	21	0	21
<b>Total</b>	<b>612</b>	<b>609</b>	<b>558</b>	<b>0</b>	<b>558</b>
Payroll	38,494,700	42,451,700	42,451,700	0	42,451,700
Operational	40,685,400	55,642,800	45,198,100	0	45,198,100
<b>Total</b>	<b>\$79,180,100</b>	<b>\$98,094,500</b>	<b>\$87,649,800</b>	<b>\$0</b>	<b>\$87,649,800</b>
State	68,223,700	78,673,500	78,681,400	0	78,681,400
Federal	0	0	0	0	0
Other	10,956,400	19,421,000	8,968,400	0	8,968,400

# Treasury Department

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The State Treasurer is a constitutional officer elected every two years by a joint session of both houses of the General Assembly. The State Treasurer is charged with various responsibilities and duties relating to the financial operations of state government. In addition to these duties, the State Treasurer administers and manages an educational incentive program for county public administrators and the Small and Minority-Owned Business Assistance Program.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 309.01 Treasury Department

The Treasury Department serves as a guardian for all state funds, fulfilling its constitutional duties through a variety of programs. The department manages and invests the state's cash balances, which help finance the various programs of state government. The department administers the Tennessee Consolidated Retirement System (TCRS), which provides retirement coverage to state employees, higher education employees, teachers, and employees of political subdivisions that have elected to participate in the plan. In addition, the department manages the state pooled investment fund, the local government investment pool, the state employees' deferred compensation program, the state employees' flexible benefits plan, and the Baccalaureate Education System Trust, which is a pre-paid college tuition savings plan. The department also assists the three-member Claims Commission and directs the staff of the Claims Administration and Risk Management divisions.

Full-Time	245	248	248	0	248
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>245</b>	<b>248</b>	<b>248</b>	<b>0</b>	<b>248</b>
Payroll	15,553,400	19,182,100	19,327,300	0	19,327,300
Operational	6,482,100	8,167,700	7,552,700	0	7,552,700
<b>Total</b>	<b>\$22,035,500</b>	<b>\$27,349,800</b>	<b>\$26,880,000</b>	<b>\$0</b>	<b>\$26,880,000</b>
State	0	454,500	373,600	0	373,600
Federal	0	0	0	0	0
Other	22,035,500	26,895,300	26,506,400	0	26,506,400

### 309.02 Certified Public Administrators

The State Treasurer administers an annual educational incentive payment program for certain county officials who complete a certificate training program. This program is offered by the University of Tennessee Institute for Public Service's Center for Government Training. Certified public administrators must maintain continuing education in order to qualify for these annual educational incentive payments.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	406,000	407,300	407,300	0	407,300
<b>Total</b>	<b>\$406,000</b>	<b>\$407,300</b>	<b>\$407,300</b>	<b>\$0</b>	<b>\$407,300</b>



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	406,000	407,300	407,300	0	<b>407,300</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

### 309.03 Baccalaureate Education System Trust

The Baccalaureate Education System Trust (BEST) was created by the General Assembly for the purpose of providing Tennessee families with a means to save for their children's future college education costs. The BEST Educational Services Plan allows for the purchase of prepaid tuition units on behalf of a designated beneficiary and entitles the beneficiary to the payment of qualified higher education expenses. The BEST Educational Savings Plan allows for the purchaser to deposit contributions to a savings account created on behalf of a beneficiary and entitles the beneficiary to an amount equal to the funds on deposit in the account during the academic term in which the funds are needed to cover the beneficiary's qualified higher education expenses. The appropriations in this program are for the purposes of supporting the implementation of a new college savings plan and providing savings incentives programs to assist Tennessee citizens in saving for future college expenses. The program is established in TCA, Title 49, Chapter 7, Part 8.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	0	750,000	0	2,277,300	<b>2,277,300</b>
<b>Total</b>	<b>\$0</b>	<b>\$750,000</b>	<b>\$0</b>	<b>\$2,277,300</b>	<b>\$2,277,300</b>
State	0	750,000	0	2,152,200	<b>2,152,200</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	125,100	<b>125,100</b>

### 309.05 Small and Minority-Owned Business Assistance Program

The Small and Minority-Owned Business Assistance Program provides loan guarantees, education, training, consulting, and technical assistance to help small, minority, and women-owned businesses grow in Tennessee.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	1,130,800	410,000	250,000	0	<b>250,000</b>
<b>Total</b>	<b>\$1,130,800</b>	<b>\$410,000</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$250,000</b>
State	0	0	0	0	<b>0</b>
Federal	0	0	0	0	<b>0</b>
Other	1,130,800	410,000	250,000	0	<b>250,000</b>

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**309.10 Interlock Assistance Fund**

The Interlock Assistance Fund pays for the costs associated with the lease, purchase, installation, removal, and maintenance of an ignition interlock device or with any other cost or fee associated with with such a device for persons deemed by the court to be indigent.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	0	463,500	463,500	0	463,500
<b>Total</b>	<b>\$0</b>	<b>\$463,500</b>	<b>\$463,500</b>	<b>\$0</b>	<b>\$463,500</b>
State	0	463,500	463,500	0	463,500
Federal	0	0	0	0	0
Other	0	0	0	0	0

**309.00 Total Treasury Department**

Full-Time	245	248	248	0	248
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>245</b>	<b>248</b>	<b>248</b>	<b>0</b>	<b>248</b>
Payroll	15,553,400	19,182,100	19,327,300	0	19,327,300
Operational	8,018,900	10,198,500	8,673,500	2,277,300	10,950,800
<b>Total</b>	<b>\$23,572,300</b>	<b>\$29,380,600</b>	<b>\$28,000,800</b>	<b>\$2,277,300</b>	<b>\$30,278,100</b>
State	406,000	2,075,300	1,244,400	2,152,200	3,396,600
Federal	0	0	0	0	0
Other	23,166,300	27,305,300	26,756,400	125,100	26,881,500

# Claims and Compensation

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The Claims and Compensation program, administered by the State Treasurer, is responsible for processing all claims filed against the State of Tennessee, including unclaimed property rights, workers' compensation claims, claims against the state for negligent acts, claims made by innocent victims of crimes, and maintaining adequate insurance against damage or loss for all state-owned property. This division oversees the Criminal Injuries Compensation Fund, Risk Management Fund, and the Unclaimed Property Division.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 313.03 Criminal Injuries Compensation

The Criminal Injuries Compensation Program assists persons who are innocent victims of crime. Payments from the fund defray the costs of medical services, loss of earnings, burial costs, and other pecuniary losses either to the victim of a crime or to the dependents of a deceased victim. This program is funded through privilege taxes assessed in courts against criminal defendants and other offenders upon conviction, fees levied against parolees and probationers, the proceeds of bond forfeitures in felony cases, and a federal grant. Jurors may also elect to donate their jury service reimbursement to the fund.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	14,613,700	15,960,000	16,100,000	0	16,100,000
<b>Total</b>	<b>\$14,613,700</b>	<b>\$15,960,000</b>	<b>\$16,100,000</b>	<b>\$0</b>	<b>\$16,100,000</b>
State	10,500,000	10,500,000	9,900,000	0	9,900,000
Federal	3,848,000	5,020,000	6,200,000	0	6,200,000
Other	265,700	440,000	0	0	0

### 313.10 Risk Management Fund

Effective July 1, 2003, the Risk Management Fund was consolidated from the financial operations of the claims award fund and the state's property and casualty insurance program. The Risk Management Fund is liable for all claims filed against the state for workers' compensation by state employees, employee property damage, tort liability, and property insurance for all state-owned buildings and contents. This is achieved through a combination of a self-insurance policy and a variety of other insurance policies.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	52,193,000	54,973,200	57,367,900	0	57,367,900
<b>Total</b>	<b>\$52,193,000</b>	<b>\$54,973,200</b>	<b>\$57,367,900</b>	<b>\$0</b>	<b>\$57,367,900</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	0	0	0	0	0
Federal	1,374,400	0	0	0	0
Other	50,818,600	54,973,200	57,367,900	0	57,367,900

### 313.20 Unclaimed Property

The Unclaimed Property division administers the state's Uniform Disposition of Unclaimed Property Act. Under this act, the state provides a centralized location for the owners or their heirs who are searching for abandoned property. The types of property covered by this act are primarily cash property, such as bank accounts, insurance policies, and utility deposits.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	24,263,000	31,500,000	31,750,000	0	31,750,000
<b>Total</b>	<b>\$24,263,000</b>	<b>\$31,500,000</b>	<b>\$31,750,000</b>	<b>\$0</b>	<b>\$31,750,000</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	24,263,000	31,500,000	31,750,000	0	31,750,000

### 313.00 Total Claims and Compensation

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	91,069,700	102,433,200	105,217,900	0	105,217,900
<b>Total</b>	<b>\$91,069,700</b>	<b>\$102,433,200</b>	<b>\$105,217,900</b>	<b>\$0</b>	<b>\$105,217,900</b>
State	10,500,000	10,500,000	9,900,000	0	9,900,000
Federal	5,222,400	5,020,000	6,200,000	0	6,200,000
Other	75,347,300	86,913,200	89,117,900	0	89,117,900

# Executive Department

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The Executive Department is responsible for the overall operation of state government. In addition, the department ensures that state laws are enforced, taxes are collected, and public funds are spent wisely and for the general well-being of the state and its citizens. The Governor appoints commissioners and directors of executive branch agencies. The Governor is assisted in the administration of the executive branch by a cabinet comprised of the commissioners of the administrative departments of state government. The cabinet serves as an advisory staff to the Governor on all state matters and assists the Governor in accomplishing the goals of the administration. The Governor's staff works with state agencies and the Legislature to design and implement specific program priorities and provides policy research and recommendations for the effective operation of government. The Governor's staff also processes written and phone correspondence with Tennessee citizens. The allotment below is for staffing and operational expenses of the Governor's Office.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>315.01 Governor's Office</b>					
Full-Time	44	44	41	0	41
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>44</b>	<b>44</b>	<b>41</b>	<b>0</b>	<b>41</b>
Payroll	2,793,300	4,180,400	3,926,600	0	3,926,600
Operational	964,400	883,000	883,200	0	883,200
<b>Total</b>	<b>\$3,757,700</b>	<b>\$5,063,400</b>	<b>\$4,809,800</b>	<b>\$0</b>	<b>\$4,809,800</b>
State	3,702,900	5,063,400	4,809,800	0	4,809,800
Federal	0	0	0	0	0
Other	54,800	0	0	0	0

### 315.04 Gubernatorial Transition Office

The Gubernatorial Transition Office provided the Governor-elect with office space, supplies, and staff during the two and a half months between election day and inauguration day. This transition was necessary for the Governor-elect to make staffing decisions and be prepared for the office of Governor on inauguration day.

Full-Time	8	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	11,100	0	0	0	0
Operational	388,900	0	0	0	0
<b>Total</b>	<b>\$400,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	400,000	0	0	0	0
Federal	0	0	0	0	0
Other	0	0	0	0	0

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>315.00 Total Executive Department</b>					
Full-Time	52	44	41	0	41
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>52</b>	<b>44</b>	<b>41</b>	<b>0</b>	<b>41</b>
Payroll	2,804,400	4,180,400	3,926,600	0	3,926,600
Operational	1,353,300	883,000	883,200	0	883,200
<b>Total</b>	<b>\$4,157,700</b>	<b>\$5,063,400</b>	<b>\$4,809,800</b>	<b>\$0</b>	<b>\$4,809,800</b>
State	4,102,900	5,063,400	4,809,800	0	4,809,800
Federal	0	0	0	0	0
Other	54,800	0	0	0	0

# Tennessee Human Rights Commission

## Performance-Based Budget

The Tennessee Human Rights Commission (THRC) is charged with the responsibility of ensuring fair and equal treatment for all Tennesseans in employment, housing, and public accommodations without regard to race, color, religion, sex, age, handicap, or national origin. The THRC also monitors other state agencies' compliance with civil rights laws in the expenditure of federal funds and supports the efforts of the Title VI Compliance Commission.

The Tennessee Human Rights Commission cooperates with local government and civic and religious groups in disseminating information, promoting activities, and providing leadership to increase public awareness of civil rights and equal opportunity.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.04 Human Rights Commission</b>					
Full-Time	28	29	29	0	29
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>28</b>	<b>29</b>	<b>29</b>	<b>0</b>	<b>29</b>
Payroll	1,606,900	1,902,800	1,837,600	0	1,837,600
Operational	530,400	576,000	576,300	0	576,300
<b>Total</b>	<b>\$2,137,300</b>	<b>\$2,478,800</b>	<b>\$2,413,900</b>	<b>\$0</b>	<b>\$2,413,900</b>
State	1,494,300	1,717,200	1,652,200	0	1,652,200
Federal	589,800	761,600	761,700	0	761,700
Other	53,200	0	0	0	0

**Standard:** Increase annual employment case closures per Tennessee Human Rights Commission (THRC's) work-sharing agreement with Equal Employment Opportunity Commission (EEOC).

**Measure:** Average annual employment case closures per EEOC work-sharing agreement.

460	500	500	0	500
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**Standard:** Increase annual housing case closures per THRC's work-sharing agreement with the Department of Housing and Urban Development (HUD).

**Measure:** Average annual housing case closures per HUD work-sharing agreement.

137	130	130	0	130
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# Tennessee Regulatory Authority

## Performance-Based Budget

The Tennessee Regulatory Authority (TRA) is a quasi-judicial body. Leadership for the agency is comprised of four directors, three of whom are appointed to six-year terms by the Governor, House Speaker, and Senate Speaker acting separately. The fourth director is appointed by the Governor, House Speaker, and Senate Speaker collectively. TRA’s mission is to promote the public interest by balancing the interests of utility consumers and providers, while facilitating the transition to a more competitive environment. TRA’s functions include regulating the quality of service provided and compliance with regulations by public utilities such as gas, electric, water, and telephone; granting of operating authority to public utilities and adjudicating conflicts and controversies arising from utility operations; protecting the public from the accidental release of natural gas by monitoring compliance of distribution systems with minimum federal and state safety standards; administering the state’s “Do Not Call” and “Do Not Fax” programs, which give the residents of Tennessee the option not to receive solicitation calls or faxes from telemarketers; administering the Telecommunications Device Access Program, which provides telecommunications equipment to the state’s deaf, blind, and hearing impaired population; and pursuant to the Competitive Cable and Video Services Act of 2008, serving as the administrative center for statewide cable franchise agreements.

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 316.11 Tennessee Regulatory Authority

Full-Time	70	69	69	0	<b>69</b>
Part-Time	2	2	2	0	<b>2</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>72</b>	<b>71</b>	<b>71</b>	<b>0</b>	<b>71</b>
Payroll	5,496,100	6,496,400	6,341,000	0	<b>6,341,000</b>
Operational	1,512,400	2,109,200	1,454,500	0	<b>1,454,500</b>
<b>Total</b>	<b>\$7,008,500</b>	<b>\$8,605,600</b>	<b>\$7,795,500</b>	<b>\$0</b>	<b>\$7,795,500</b>
State	6,575,900	7,789,100	7,400,400	0	<b>7,400,400</b>
Federal	402,400	813,200	391,800	0	<b>391,800</b>
Other	30,200	3,300	3,300	0	<b>3,300</b>

**Standard:** Ensure the rates charged to consumers are fair and reasonable by adjudicating all utility cases within the statutory requirement.

**Measure:** Percent of adjudicated cases within the statutory requirement.

100%	100%	100%	0	100%
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**Standard:** Ensure consumers are receiving an adequate level of service from the regulated companies by resolving consumer complaints, including Do Not Call and Do Not Fax complaints, within the agency's guidelines.

**Measure:** Percent of Do Not Call and Do Not Fax complaints resolved within agency guidelines.

64%	75%	75%	0	75%
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# Advisory Commission on Intergovernmental Relations

## Performance-Based Budget

In 1978, the General Assembly created the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) to monitor the operation of federal, state, and local government relations and to make recommendations for improvement to the General Assembly. The commission is comprised of 25 members representing the executive branch, legislative branch, county and municipal governments, and the public. TACIR is a permanent, non-partisan forum for the discussion of intergovernmental issues and may initiate studies in accordance with legislative proposals and constitutional amendments. The commission also responds to requests for technical assistance from the General Assembly, state agencies, and local governments.

Current studies and activities directed by the General Assembly for TACIR include the property assessment system in Tennessee; Tennessee's growth policy, annexation, and incorporation law; an ongoing inventory of public infrastructure needs; and a utility district study.

Major ongoing areas of TACIR studies and activities include fiscal capacity measures for the Basic Education Program (BEP), education finance, issues related to the Tennessee tax structure, government modernization, and intergovernmental issues.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.12 Advisory Commission on Intergovernmental Relations</b>					
Full-Time	18	18	18	0	<b>18</b>
Part-Time	2	2	2	0	<b>2</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>0</b>	<b>20</b>
Payroll	1,640,500	1,992,300	1,992,300	0	<b>1,992,300</b>
Operational	1,073,200	936,400	925,000	0	<b>925,000</b>
<b>Total</b>	<b>\$2,713,700</b>	<b>\$2,928,700</b>	<b>\$2,917,300</b>	<b>\$0</b>	<b>\$2,917,300</b>
State	0	234,700	223,200	0	<b>223,200</b>
Federal	0	0	0	0	<b>0</b>
Other	2,713,700	2,694,000	2,694,100	0	<b>2,694,100</b>

**Standard:** TACIR will achieve an overall favorable customer satisfaction rating.

**Measure:** Percent of annual survey responses that indicate an overall favorable rating.

94%	90%	90%	0	90%
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# Department of Finance and Administration

## Performance-Based Budget

The Department of Finance and Administration assists the Governor in developing and implementing the administration's fiscal and managerial policies. The Commissioner of Finance and Administration serves as the Governor's chief cabinet officer and directs the department. The department's responsibilities involve the coordination of a number of state government activities that are provided through administrative services, fiscal and management services, and TennCare oversight.

The Bureau of TennCare, Cover Tennessee Health Care Programs, and Health-Care Planning and Innovation are divisions of this department. These programs are separately presented in the Health and Social Services section of the Budget.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administrative Services

The administrative services of this department include the management of the state's information system needs, the contracting of professional services, insurance benefits management, program evaluation, and intra-departmental support.

#### 317.01 Division of Administration

The Division of Administration provides administrative support services for the department, including the commissioner's office. Legal, fiscal, human resources, internal information systems, and billing services are managed by the division. In addition, this division carries out internal review, audits, and investigations to prevent fraud, abuse, and waste. Additional services provided include assisting state agencies in solving management and operations problems by conducting operational process re-engineering studies, cost-benefit studies, and financial analysis.

Full-Time	112	105	101	0	101
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>112</b>	<b>105</b>	<b>101</b>	<b>0</b>	<b>101</b>
Payroll	7,232,400	8,070,200	7,848,700	0	7,848,700
Operational	2,123,100	3,530,100	3,151,000	0	3,151,000
<b>Total</b>	<b>\$9,355,500</b>	<b>\$11,600,300</b>	<b>\$10,999,700</b>	<b>\$0</b>	<b>\$10,999,700</b>
State	1,972,800	2,555,800	2,243,400	0	2,243,400
Federal	0	0	0	0	0
Other	7,382,700	9,044,500	8,756,300	0	8,756,300

**Standard:** Resolve help desk tickets for the areas of desktop support, security, and infrastructure services within five days of receipt.

**Measure:** Office of Shared Technology Services' percent of tickets resolved within five days.

86%	85%	90%	0	90%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 317.03 Office for Information Resources

The Office for Information Resources (OIR) facilitates the use of information systems and provides technical direction and assistance to agencies, as charged by the Commissioner of Finance and Administration and the Information Systems Council. OIR provides for statewide data, voice, and video operations; information systems planning; information technology training; and security policy, direction, and protection. OIR also provides solutions development and support, manages the state's website, and operates two data centers that house mainframes, distributed computers, and data storage.

Full-Time	358	367	359	0	359
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>358</b>	<b>367</b>	<b>359</b>	<b>0</b>	<b>359</b>
Payroll	29,095,200	32,359,900	32,359,900	0	32,359,900
Operational	108,137,500	111,393,700	106,906,400	0	106,906,400
<b>Total</b>	<b>\$137,232,700</b>	<b>\$143,753,600</b>	<b>\$139,266,300</b>	<b>\$0</b>	<b>\$139,266,300</b>
State	0	0	0	0	0
Federal	6,100	0	0	0	0
Other	137,226,600	143,753,600	139,266,300	0	139,266,300

**Standard:** Availability of mainframe and distributed systems meets or exceeds industry standards on key infrastructure systems delivered.

**Measure:** Mainframe and distributed system availability for key infrastructure systems (industry standard 98%).

99.9%	98.0%	98.0%	0	98.0%
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**Standard:** Availability of networks meets or exceeds industry standards on key infrastructure systems delivered.

**Measure:** State network availability as measured by the percent of end sites meeting the monthly availability target of 99%.

99.97%	98.00%	98.00%	0	98.00%
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### 317.04 Benefits Administration

The Division of Benefits Administration administers the state-sponsored insurance benefits program directed by the State, Local Education, and Local Government Insurance committees. All health-care plans are self-insured, Preferred Provider Organizations (PPO).

Full-Time	96	96	96	0	96
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>96</b>	<b>96</b>	<b>96</b>	<b>0</b>	<b>96</b>
Payroll	5,261,300	6,330,400	6,330,400	0	6,330,400
Operational	7,716,300	4,823,200	4,698,800	0	4,698,800
<b>Total</b>	<b>\$12,977,600</b>	<b>\$11,153,600</b>	<b>\$11,029,200</b>	<b>\$0</b>	<b>\$11,029,200</b>
State	0	0	0	0	0
Federal	193,800	0	0	0	0
Other	12,783,800	11,153,600	11,029,200	0	11,029,200

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** In order to minimize plan administrative cost, maintain Benefits Administration spending for the public sector plans at a level no greater than one half of 1% of combined expenses for those plans.

**Measure:** Percent of Benefits Administration's administrative budget for the public sector plans as a percent of combined public sector plan expenses.

0.55%	0.52%	0.60%	0	0.60%
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### 317.06 Criminal Justice Programs

The Office of Criminal Justice Programs secures, distributes, manages, and evaluates federal and state grant funds for criminal justice programs, such as Stop Violence Against Women, Family Violence Act, Victims of Crimes Act, Rural Domestic Violence, and Drug Court Administration. The office monitors the grantees to ensure that criminal justice funds are spent in accordance with federal and state guidelines.

Full-Time	22	22	22	0	22
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>0</b>	<b>22</b>
Payroll	1,636,700	1,682,000	1,682,000	0	1,682,000
Operational	35,629,000	32,214,000	26,669,500	0	26,669,500
<b>Total</b>	<b>\$37,265,700</b>	<b>\$33,896,000</b>	<b>\$28,351,500</b>	<b>\$0</b>	<b>\$28,351,500</b>
State	6,068,400	8,263,600	7,401,300	0	7,401,300
Federal	30,661,700	25,526,600	20,844,400	0	20,844,400
Other	535,600	105,800	105,800	0	105,800

**Standard:** Provide services and reduce victimization for child victims of crime through child advocacy centers established across the state.

**Measure:** Number of child victims of crime who receive services to reduce child victimization through child advocacy centers across the state.

19,753	12,500	18,500	0	18,500
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**Standard:** Train drug court managers in how to effectively initiate and implement drug courts across the state.

**Measure:** Number of drug court managers trained in how to initiate and manage drug courts across the state.

387	300	325	0	325
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### 317.10 State Architect's Office

The State Architect's Office serves as the operating manager of the State Building Commission (SBC). This office is responsible for supervising projects, implementing existing rules, and proposing new rules, policies, procedures, and technical standards for the SBC.

Full-Time	3	5	5	0	5
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	470,600	537,400	537,400	0	<b>537,400</b>
Operational	435,600	502,500	503,400	0	<b>503,400</b>
<b>Total</b>	<b>\$906,200</b>	<b>\$1,039,900</b>	<b>\$1,040,800</b>	<b>\$0</b>	<b>\$1,040,800</b>
State	906,200	1,039,900	1,040,800	0	<b>1,040,800</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** OSA's timely approval of an entity's project related owner designer and/or contractor agreement(s), construction change order(s) or designer additional service request(s) after submittal to the OSA.

**Measure:** Percent of owner designer or contractor agreements, construction change orders or designer additional service requests that are approved and released by the OSA within two business days after official receipt by OSA.

Not Applicable	70%	70%	0	70%
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### 317.11 Volunteer Tennessee

Volunteer Tennessee, formerly the Commission on National and Community Service, manages AmeriCorps subgrants, training, and disability outreach, funded through federal formula grants from the Corporation for National and Community Service, to meet needs in education, environment, low-income housing, child-abuse prevention, and health. The commission also provides training and support services to increase service-learning and civic engagement, especially for at-risk youth. In addition, the commission administers national competitive AmeriCorps grants and the Governor's Volunteer Star Awards.

Full-Time	9	9	7	0	<b>7</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>0</b>	<b>7</b>
Payroll	453,100	563,700	464,000	0	<b>464,000</b>
Operational	5,125,200	4,070,500	4,053,300	0	<b>4,053,300</b>
<b>Total</b>	<b>\$5,578,300</b>	<b>\$4,634,200</b>	<b>\$4,517,300</b>	<b>\$0</b>	<b>\$4,517,300</b>
State	223,600	247,700	239,900	0	<b>239,900</b>
Federal	5,294,200	4,186,300	4,077,200	0	<b>4,077,200</b>
Other	60,500	200,200	200,200	0	<b>200,200</b>

**Standard:** Mobilize volunteer hours to meet community needs in education, environment, public safety, human needs, and homeland security.

**Measure:** Number of volunteer hours mobilized to meet community needs in education, environment, public safety, human needs, and homeland security.

556,109	400,000	400,000	0	400,000
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**Standard:** Train volunteer leaders and teachers in how to effectively mobilize volunteers through AmeriCorps and service-learning.

**Measure:** Number of volunteer leaders and teachers trained in how to effectively mobilize volunteers through AmeriCorps and service learning.

579	750	550	0	550
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 317.17 Enterprise Resource Planning

The Enterprise Resource Planning division delivers an integrated enterprise software solution for addressing the state's administrative functions, such as human resources, payroll, personnel, financial management, and procurement.

Full-Time	95	101	101	0	101
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>95</b>	<b>101</b>	<b>101</b>	<b>0</b>	<b>101</b>
Payroll	8,222,900	8,698,100	8,908,100	0	8,908,100
Operational	10,867,600	15,211,800	14,537,200	0	14,537,200
<b>Total</b>	<b>\$19,090,500</b>	<b>\$23,909,900</b>	<b>\$23,445,300</b>	<b>\$0</b>	<b>\$23,445,300</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	19,090,500	23,909,900	23,445,300	0	23,445,300

**Standard:** Successfully test and implement all Human Capital Management, Financial Supply Chain Management, and Enterprise Learning Management PeopleSoft software bundles and patches within six months of their release.

**Measure:** The percent of software bundles and patches released within the fiscal year and implemented within six months of the release.

	25%	100%	100%	0	100%
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### 317.18 Shared Services Solutions

Shared Services Solutions provides transactional services to small agencies, boards, and commissions within the executive branch. Services include accounting, budgeting, human resources, payroll, and procurement.

Full-Time	10	10	10	0	10
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>10</b>
Payroll	607,200	718,100	718,100	0	718,100
Operational	113,500	192,500	147,100	0	147,100
<b>Total</b>	<b>\$720,700</b>	<b>\$910,600</b>	<b>\$865,200</b>	<b>\$0</b>	<b>\$865,200</b>
State	41,800	0	0	0	0
Federal	0	0	0	0	0
Other	678,900	910,600	865,200	0	865,200

**Standard:** Meet or exceed 90% average of overall customer satisfaction for fiscal, human resource, and procurement services as measured by quarterly customer surveys.

**Measure:** Average percent of overall customer satisfaction with fiscal, human resource, and procurement services.

	94%	90%	90%	0	90%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 317.20 Business Solutions Delivery

Business Solutions Delivery (BSD) will provide project management resources to help successfully implement large, complex agency information technology projects. BSD will also develop standard methodologies, tools, and measurements to help agencies achieve desired project outcomes.

Full-Time	0	0	0	8	8
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>8</b>
Payroll	0	0	0	1,101,800	1,101,800
Operational	0	0	0	74,100	74,100
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,175,900</b>	<b>\$1,175,900</b>
State	0	0	0	1,175,900	1,175,900
Federal	0	0	0	0	0
Other	0	0	0	0	0

### Fiscal and Management Services

This functional area develops and implements policies pertaining to the fiscal and managerial aspects of state government, including agency strategic planning, budgeting, and accounting.

#### 317.02 Division of Budget

In accordance with budget recommendations of the Governor and the Commissioner of Finance and Administration, the Division of Budget prepares the annual Budget Document and general appropriations bill for transmittal to the General Assembly. The division also is responsible for preparing the annual Work Program (enacted budget allotments) by adjusting the proposed budget to reflect final legislative action on the appropriations act and bond authorization act. The Budget includes both operational allotments and the capital outlay program. Throughout the year, the Division of Budget monitors spending by and state revenue collections of all state agencies. Under the 2002 Governmental Accountability Act, the Budget Staff assists the commissioner in overseeing the executive branch strategic planning process; program-performance monitoring and reporting; and preparing, based on state agency plans, an agency strategic plans document for transmittal to the General Assembly.

Full-Time	31	30	30	0	30
Part-Time	0	0	2	0	2
Seasonal	0	0	0	0	0
<b>Total</b>	<b>31</b>	<b>30</b>	<b>32</b>	<b>0</b>	<b>32</b>
Payroll	2,467,700	3,254,900	3,255,900	0	3,255,900
Operational	404,500	550,300	549,500	0	549,500
<b>Total</b>	<b>\$2,872,200</b>	<b>\$3,805,200</b>	<b>\$3,805,400</b>	<b>\$0</b>	<b>\$3,805,400</b>
State	2,872,200	3,805,200	3,805,400	0	3,805,400
Federal	0	0	0	0	0
Other	0	0	0	0	0

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Earn the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award as an indicator of Budget Document quality.

**Measure:** GFOA Distinguished Budget Presentation Award received or not.

Yes	Will Apply	Will Apply	0	Will Apply
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**Standard:** In the next Budget Document, achieve 70% as the portion of program performance measures that are outcome measures (among the official performance-based budget agencies).

**Measure:** Percent of program performance measures that are outcome measures.

63%	65%	65%	0	65%
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### 317.05 Division of Accounts

The Division of Accounts maintains a system of general accounts. The division examines and approves all contracts and payrolls to ensure that funds are allotted and available for payment of obligations; audits and approves all payrolls and charges to the state to ensure appropriateness; makes monthly reports of receipts, expenditures, appropriations, allotments, encumbrances, and authorized payments; and reports any illegality or misappropriation of public properties to the Comptroller of the Treasury. The division also ensures state compliance with the Cash Management Improvement Act of 1990 and the federal Single Audit Act and plays an integral role in the development of the state's Comprehensive Annual Financial Report (CAFR).

Full-Time	110	110	110	0	110
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>110</b>	<b>110</b>	<b>110</b>	<b>0</b>	<b>110</b>
Payroll	5,395,300	7,739,500	7,739,500	0	7,739,500
Operational	3,843,800	4,012,000	3,512,300	0	3,512,300
<b>Total</b>	<b>\$9,239,100</b>	<b>\$11,751,500</b>	<b>\$11,251,800</b>	<b>\$0</b>	<b>\$11,251,800</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	9,239,100	11,751,500	11,251,800	0	11,251,800

**Standard:** Complete all tax filings by their deadlines.

**Measure:** Number of days after deadline that tax filings are made.

0	0	0	0	0
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**Standard:** The Comprehensive Annual Financial Report (CAFR) is completed and audited by December 31.

**Measure:** Number of days after December 31 that CAFR is prepared and audited.

88	0	0	0	0
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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## TennCare Fraud and Abuse Prevention

### 317.12 Office of Inspector General

The Office of Inspector General (OIG) helps prevent, identify, investigate, and prosecute individuals who commit or attempt to commit fraud or abuse in the TennCare program, which is the state's Medicaid waiver health-care program.

Full-Time	50	50	50	0	<b>50</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>0</b>	<b>50</b>
Payroll	2,895,500	3,538,400	3,538,400	0	<b>3,538,400</b>
Operational	831,300	1,142,200	1,142,500	0	<b>1,142,500</b>
<b>Total</b>	<b>\$3,726,800</b>	<b>\$4,680,600</b>	<b>\$4,680,900</b>	<b>\$0</b>	<b>\$4,680,900</b>
State	0	0	0	0	<b>0</b>
Federal	0	0	0	0	<b>0</b>
Other	3,726,800	4,680,600	4,680,900	0	<b>4,680,900</b>

**Standard:** Pursue criminal arrests for TennCare fraud.

**Measure:** The number of criminal arrests for TennCare fraud in a fiscal year by the Office of Inspector General.

241	240	240	0	240
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### 317.00 Total Finance and Administration

Full-Time	896	905	891	8	<b>899</b>
Part-Time	0	0	2	0	<b>2</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>896</b>	<b>905</b>	<b>893</b>	<b>8</b>	<b>901</b>
Payroll	63,737,900	73,492,600	73,382,400	1,101,800	<b>74,484,200</b>
Operational	175,227,400	177,642,800	165,871,000	74,100	<b>165,945,100</b>
<b>Total</b>	<b>\$238,965,300</b>	<b>\$251,135,400</b>	<b>\$239,253,400</b>	<b>\$1,175,900</b>	<b>\$240,429,300</b>
State	12,085,000	15,912,200	14,730,800	1,175,900	<b>15,906,700</b>
Federal	36,155,800	29,712,900	24,921,600	0	<b>24,921,600</b>
Other	190,724,500	205,510,300	199,601,000	0	<b>199,601,000</b>

# Department of Human Resources

## Performance-Based Budget

The Department of Human Resources (DOHR) designs and implements policies and practices to effectively manage the human resource needs of state government. The department advises the Governor on human resource issues, implements the Governor's affirmative action plan, and administers the provisions of the Civil Service Act. The Department of Human Resources maintains all state employee records, as well as all records pertaining to applicants for state employment. It also approves, coordinates, and conducts training and career development courses for all state departments and agencies. The three major program areas of the Department of Human Resources are administrative services, human resource development, and technical services.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 319.01 Executive Administration

In addition to providing general administrative support services for the Department of Human Resources, Executive Administration coordinates the services provided by the department to all agencies of state government.

Full-Time	16	17	16	0	16
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>16</b>	<b>17</b>	<b>16</b>	<b>0</b>	<b>16</b>
Payroll	953,100	1,441,400	1,410,100	0	1,410,100
Operational	1,093,500	1,286,900	1,062,700	0	1,062,700
<b>Total</b>	<b>\$2,046,600</b>	<b>\$2,728,300</b>	<b>\$2,472,800</b>	<b>\$0</b>	<b>\$2,472,800</b>
State	1,184,400	0	0	0	0
Federal	0	0	0	0	0
Other	862,200	2,728,300	2,472,800	0	2,472,800

**Standard:** Create a sustained effective talent management initiative for DOHR to be used as a statewide template for workforce planning.

**Measure:** Percent of an effective talent management initiative being used as a statewide template for workforce planning.

Not Applicable	50%	70%	0	70%
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### 319.02 Human Resource Development

Human Resource Development manages many of the services provided to state employees. Specific responsibilities include advising state employees about their benefits and rights of employment; maintaining compliance with state and federal equal employment opportunity and affirmative action laws; prohibiting unlawful employee discrimination; and monitoring and ensuring the state's compliance with the Americans with Disabilities Act requirements. The office also is responsible for hearing civil service appeals and conducting training courses for state employees.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	26	24	22	0	22
Part-Time	9	9	9	0	9
Seasonal	0	0	0	0	0
<b>Total</b>	<b>35</b>	<b>33</b>	<b>31</b>	<b>0</b>	<b>31</b>
Payroll	1,283,500	1,760,300	1,688,400	0	1,688,400
Operational	844,800	1,760,500	1,759,900	0	1,759,900
<b>Total</b>	<b>\$2,128,300</b>	<b>\$3,520,800</b>	<b>\$3,448,300</b>	<b>\$0</b>	<b>\$3,448,300</b>
State	166,700	0	0	0	0
Federal	0	0	0	0	0
Other	1,961,600	3,520,800	3,448,300	0	3,448,300

**Standard:** Facilitate human resource learning forums/venues for statewide participation.

**Measure:** Percent of human resource learning types facilitated for statewide participation.

Not Applicable	33%	67%	0	67%
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### 319.03 Technical Services

Technical Services reviews and administers state employee compensation and position classifications. Other responsibilities include revising and administering civil service examinations, monitoring the civil service appointment process, auditing the state payroll, and reviewing and maintaining personnel data on private sector organizations and southeastern state governments to assist in making recommendations on salary administration policy for the State of Tennessee.

Full-Time	81	81	77	0	77
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>81</b>	<b>81</b>	<b>77</b>	<b>0</b>	<b>77</b>
Payroll	3,756,600	5,111,300	4,946,900	0	4,946,900
Operational	126,300	319,300	317,900	0	317,900
<b>Total</b>	<b>\$3,882,900</b>	<b>\$5,430,600</b>	<b>\$5,264,800</b>	<b>\$0</b>	<b>\$5,264,800</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	3,882,900	5,430,600	5,264,800	0	5,264,800

**Standard:** Complete 100% of assessment methods developed within 90 days of new career service job classification establishment.

**Measure:** Percent of assessment methods developed within 90 days of new career service job classifications established.

100%	100%	100%	0	100%
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**Standard:** Review and evaluate 100% of requests for job titles requiring assessment of education and experience within 28 days of receipt.

**Measure:** Percent of requests for job titles requiring assessment of education and experience within 28 days of receipt.

100%	100%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>319.00 Total Human Resources</b>					
Full-Time	123	122	115	0	115
Part-Time	9	9	9	0	9
Seasonal	0	0	0	0	0
<b>Total</b>	<b>132</b>	<b>131</b>	<b>124</b>	<b>0</b>	<b>124</b>
Payroll	5,993,200	8,313,000	8,045,400	0	8,045,400
Operational	2,064,600	3,366,700	3,140,500	0	3,140,500
<b>Total</b>	<b>\$8,057,800</b>	<b>\$11,679,700</b>	<b>\$11,185,900</b>	<b>\$0</b>	<b>\$11,185,900</b>
State	1,351,100	0	0	0	0
Federal	0	0	0	0	0
Other	6,706,700	11,679,700	11,185,900	0	11,185,900

# Department of General Services

## Performance-Based Budget

The Department of General Services acts as a support organization for other state departments and agencies. The department provides support through administrative services, property management services, and interdepartmental support services.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administrative Services

Administrative Services includes a variety of internal support services. Among these services are fiscal analysis and processing, legal services, auditing, and human resource management. The group also establishes and directs the official policies of the department.

#### 321.01 Administration

The Administration Division provides assistance to all programs in General Services, establishes and directs the official policies related to departmental agency services, and provides fiscal, personnel, and legal services to the department.

Full-Time	65	64	60	0	60
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>65</b>	<b>64</b>	<b>60</b>	<b>0</b>	<b>60</b>
Payroll	3,814,100	4,278,300	4,366,200	0	4,366,200
Operational	850,500	1,544,500	1,372,100	0	1,372,100
<b>Total</b>	<b>\$4,664,600</b>	<b>\$5,822,800</b>	<b>\$5,738,300</b>	<b>\$0</b>	<b>\$5,738,300</b>
State	303,700	426,200	426,400	0	426,400
Federal	0	0	0	0	0
Other	4,360,900	5,396,600	5,311,900	0	5,311,900

**Standard:** Provide quality service to intra-agency customers by maintaining 80% or better rating of “above average service” on annual customer survey.

**Measure:** Percent of “above average service” rating.

82.60%	82.00%	82.10%	0	82.10%
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#### 321.15 Office of Information Technology Services (OITS)

The Office of Information Technology Services provides a timely response to all customer technology needs within the Department of General Services. OITS consults with divisions as technology needs arise and provides a solution for them. The division also ensures all computer servers run efficiently and that all critical services are provided.

Full-Time	17	19	18	0	18
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>17</b>	<b>19</b>	<b>18</b>	<b>0</b>	<b>18</b>
Payroll	1,024,200	1,533,500	1,515,300	0	1,515,300
Operational	552,900	672,700	624,500	0	624,500
<b>Total</b>	<b>\$1,577,100</b>	<b>\$2,206,200</b>	<b>\$2,139,800</b>	<b>\$0</b>	<b>\$2,139,800</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	1,577,100	2,206,200	2,139,800	0	2,139,800

**Standard:** OITS shall resolve Priority 3 Help desk tickets within five business days of receipt a minimum of 75% of the time.

**Measure:** Percent of time OITS resolved Priority 3 Help desk tickets within five business days of receipt.

75%	80%	80%	0	80%
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## Property Management Services

The department's Property Management Services manages and maintains the state's motor vehicles and state-owned facilities and grounds, and supervises all capital outlay projects.

### 321.06 Motor Vehicle Management

The Motor Vehicle Management Division (MVM) purchases, maintains, and salvages vehicles and motorized equipment as requested by state agencies. MVM also finances large motorized equipment purchases on behalf of state agencies that cannot independently purchase equipment in large volumes.

Full-Time	33	26	28	0	28
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>33</b>	<b>26</b>	<b>28</b>	<b>0</b>	<b>28</b>
Payroll	1,558,500	1,591,600	1,557,100	0	1,557,100
Operational	36,549,600	30,922,000	30,452,000	0	30,452,000
<b>Total</b>	<b>\$38,108,100</b>	<b>\$32,513,600</b>	<b>\$32,009,100</b>	<b>\$0</b>	<b>\$32,009,100</b>
State	2,463,800	0	0	0	0
Federal	0	0	0	0	0
Other	35,644,300	32,513,600	32,009,100	0	32,009,100

**Standard:** Maintain a dispatch fleet of mid-sized vehicles adequate to meet the demands of state business at a savings of 50 percent or better than the average cost of the three lowest, locally-represented, national rental companies, of annual June rates.

**Measure:** Daily average MVM lease rate charge for state use as a percentage of the daily industry lease rate charge.

45.00%	45.00%	44.50%	0	44.50%
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### 321.07 Real Estate Asset Management

The Real Property Administration (RPA) program was transferred by executive order in 2011 from the Department of Finance and Administration to the Department of General Services. RPA merged with Property Management, creating the Real Estate Asset Management Division. The division operates, manages, and maintains all facilities owned by the State Office Buildings and Supports Facilities Revolving Fund (FRF); and coordinates state leases in private buildings. This division also supervises all capital outlay projects involving any improvement or demolition of real property in which the state has an interest. The program must enforce the provisions of the Tennessee Public Buildings Accessibility Act, as well as the Tennessee Energy Conservation Code. The program also makes space assignments, prepares long-range housing plans, manages leases, analyzes space needs and floor plans for agencies, and coordinates

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
agency moves.					
Full-Time	250	250	253	1	254
Part-Time	1	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>251</b>	<b>250</b>	<b>253</b>	<b>1</b>	<b>254</b>
Payroll	12,016,400	14,336,900	14,486,900	198,400	14,685,300
Operational	5,879,500	8,723,000	8,192,100	4,500	8,196,600
<b>Total</b>	<b>\$17,895,900</b>	<b>\$23,059,900</b>	<b>\$22,679,000</b>	<b>\$202,900</b>	<b>\$22,881,900</b>
State	3,255,000	4,544,600	4,407,200	0	4,407,200
Federal	0	0	0	0	0
Other	14,640,900	18,515,300	18,271,800	202,900	18,474,700

**Standard:** Real Estate Asset Management will operate at a cost of less than 70% of Building Owners and Managers Association (BOMA) latest published industry standard cost per square foot rate.

**Measure:** Percent of total cost versus the BOMA standard rate per square foot.

55.00%	60.75%	61.00%	0	61.00%
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**Standard:** Total cost of maintenance per square foot for buildings will be 35% below the latest published comparable BOMA industry standards per square foot rate.

**Measure:** Percent of total cost versus the BOMA maintenance rate per square foot.

50.00%	60.75%	63.00%	0	63.00%
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### 321.20 State Facilities Pre-Planning

State Facilities Pre-Planning program provides for preliminary design work on capital projects.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	0	0	0	8,500,000	8,500,000
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,500,000</b>	<b>\$8,500,000</b>
State	0	0	0	8,500,000	8,500,000
Federal	0	0	0	0	0
Other	0	0	0	0	0

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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## Interdepartmental Support Services

Interdepartmental Support Services functions include postal, printing, purchasing of services and goods, records management, the disposal and distribution of surplus state and federal property, and storage and distribution of supplies to state departments and agencies.

### 321.02 Postal Services

The Postal Services Division provides centralized mail services for state government agencies in Davidson County, including interagency messenger service and delivery, pickup, and processing of U.S. mail for state agencies. The division operates a U.S. Post Office (USPS) branch in a Nashville state office building.

Full-Time	55	55	50	0	50
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>55</b>	<b>55</b>	<b>50</b>	<b>0</b>	<b>50</b>
Payroll	1,799,000	2,130,500	1,968,900	0	1,968,900
Operational	18,647,200	19,405,500	19,405,700	0	19,405,700
<b>Total</b>	<b>\$20,446,200</b>	<b>\$21,536,000</b>	<b>\$21,374,600</b>	<b>\$0</b>	<b>\$21,374,600</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	20,446,200	21,536,000	21,374,600	0	21,374,600

**Standard:** Retain a cost per piece of mail that is less than 80% of standard USPS first class rates.

**Measure:** Percent of cost versus USPS average annual cost per piece of First Class mail.

105%	79.07%	79.05%	0	79.05%
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**Standard:** Increase the pre-sort percentage of outgoing USPS letter mail to maximize pre-sort with bar-code discount rate for postage savings.

**Measure:** Percent of total mail pre-sorted with bar-code / dollar savings by being able to pre-sort with bar code.

98% / \$3,650,377	98% / \$3,756,247	98% / \$3,831,372	0	98% / \$3,831,372
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### 321.09 Printing and Media Services

The Printing and Media Services Division produces a full range of centralized graphic design, photography, printing, copying, and binding services for state and local governments. Other services include design of files for the web, layout consultation, and development of document specifications.

Full-Time	54	54	54	0	54
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>0</b>	<b>54</b>
Payroll	2,106,300	2,581,700	2,578,500	0	2,578,500
Operational	1,938,600	2,319,300	2,335,600	0	2,335,600
<b>Total</b>	<b>\$4,044,900</b>	<b>\$4,901,000</b>	<b>\$4,914,100</b>	<b>\$0</b>	<b>\$4,914,100</b>
State	213,700	304,300	304,400	0	304,400
Federal	0	0	0	0	0
Other	3,831,200	4,596,700	4,609,700	0	4,609,700



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Retain a 95% on-time delivery rating of printing requests that are assigned a completion due date.

**Measure:** Percent of on-time deliveries assigned a completion due date.

	95.70%	95.00%	95.00%	0	95.00%
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**Standard:** Maintain an efficient process with minimal turnaround time (8.5 days or better) from inception to completion.

**Measure:** Turnaround time, in days, from the time order is received until it is delivered.

	8.1 days	8.5 days	8.5 days	0	8.5 days
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### 321.10 Procurement Office

The Procurement Office is the centralized procurement office for goods and services to state government. The office is responsible for the competitive bidding and administration of statewide and agency term contracts; processing agency one-time purchase orders exceeding \$5,000; and training state personnel in purchasing procedures. This office also operates the Governor's Office of Diversity Business Enterprise, which assists minority-owned, women-owned, small, and service disabled veteran-owned businesses participating in state contracting and procurement activities.

Full-Time	94	96	92	0	92
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>94</b>	<b>96</b>	<b>92</b>	<b>0</b>	<b>92</b>
Payroll	4,333,400	5,598,900	5,394,300	0	5,394,300
Operational	3,248,300	3,000,900	2,760,000	6,618,800	9,378,800
<b>Total</b>	<b>\$7,581,700</b>	<b>\$8,599,800</b>	<b>\$8,154,300</b>	<b>\$6,618,800</b>	<b>\$14,773,100</b>
State	394,500	1,100,600	1,020,600	6,618,800	7,639,400
Federal	0	0	0	0	0
Other	7,187,200	7,499,200	7,133,700	0	7,133,700

**Standard:** Increase each year the number of certified minority-owned, woman-owned, and small businesses that are qualified to provide goods and services to state departments and agencies over fiscal year 2008 certified total.

**Measure:** Percent of increase in the number of certified minority-owned, woman-owned, and small businesses that are qualified to provide goods and services to state departments and agencies as compared to the fiscal year 2008 certified total.

	19.37%	17.00%	21.00%	0	21.00%
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**Standard:** Process a minimum of 50% of one-time procurement requisitions, over agency local purchase threshold of \$25,000, within 23 days.

**Measure:** Percent of one-time requisitions over \$25,000 processed within 30 days of request receipt.

	59.00%	65.00%	66.00%	0	66.00%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 321.18 Warehousing and Distribution

Warehousing and Distribution is responsible for central warehousing for state supplies and primary records management for state government. The division also manages a centralized supply distribution operation, transfers historical records to the State Library and Archives, and provides administrative support to the State Publications Committee.

Full-Time	27	20	20	0	20
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>27</b>	<b>20</b>	<b>20</b>	<b>0</b>	<b>20</b>
Payroll	1,115,800	1,149,600	1,084,500	0	1,084,500
Operational	6,460,200	3,471,800	3,489,100	0	3,489,100
<b>Total</b>	<b>\$7,576,000</b>	<b>\$4,621,400</b>	<b>\$4,573,600</b>	<b>\$0</b>	<b>\$4,573,600</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	7,576,000	4,621,400	4,573,600	0	4,573,600

**Standard:** Minimize order line fulfillment cycle time by decreasing the processing time required by order fulfillment staff to process and ship customer orders upon deployment to the warehouse.

**Measure:** Cycle time required (in days) to fully process and ship an order, once received in the warehouse.

	2.0	3.5	3.0	0	3.0
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### 321.00 Total General Services

Full-Time	595	584	575	1	576
Part-Time	1	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>596</b>	<b>584</b>	<b>575</b>	<b>1</b>	<b>576</b>
Payroll	27,767,700	33,201,000	32,951,700	198,400	33,150,100
Operational	74,126,800	70,059,700	68,631,100	15,123,300	83,754,400
<b>Total</b>	<b>\$101,894,500</b>	<b>\$103,260,700</b>	<b>\$101,582,800</b>	<b>\$15,321,700</b>	<b>\$116,904,500</b>
State	6,630,700	6,375,700	6,158,600	15,118,800	21,277,400
Federal	0	0	0	0	0
Other	95,263,800	96,885,000	95,424,200	202,900	95,627,100

# Veterans Affairs

## Performance-Based Budget

The Department of Veterans Affairs serves Tennessee's more than one-half million veterans, dependents, and survivors. Through a statewide power of attorney system, the department serves as an advocate, ensuring that veterans of the state receive quality care, support, and maximum earned entitlements. The department also operates and maintains the state's three veterans cemeteries, located within each grand division. The interment workloads at these cemeteries are among the highest in the nation. In addition to these duties, the department participates in programs that increase public awareness of the services and sacrifices made by veterans.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>323.00 Veterans Affairs</b>					
Full-Time	94	97	96	0	<b>96</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>94</b>	<b>97</b>	<b>96</b>	<b>0</b>	<b>96</b>
Payroll	3,786,400	4,443,000	4,401,800	0	<b>4,401,800</b>
Operational	1,061,500	1,382,900	1,381,800	0	<b>1,381,800</b>
<b>Total</b>	<b>\$4,847,900</b>	<b>\$5,825,900</b>	<b>\$5,783,600</b>	<b>\$0</b>	<b>\$5,783,600</b>
State	4,272,500	4,806,200	4,763,900	0	<b>4,763,900</b>
Federal	415,200	772,700	772,700	0	<b>772,700</b>
Other	160,200	247,000	247,000	0	<b>247,000</b>

**Standard:** For Tennessee Department of Veterans Affairs claims, 60% of the claims will be fully developed upon submission.

**Measure:** Percent of Tennessee Department of Veterans Affairs claims which are fully developed upon submission.

50%	56%	60%	0	60%
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**Standard:** Complete one-on-one initial briefings with 25% of county leadership.

**Measure:** Percent of Tennessee county leadership members for which one-on-one initial briefings were completed.

3%	3%	25%	0	25%
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# Department of Revenue

## Performance-Based Budget

The Department of Revenue collects and administers Tennessee's taxes and fees, ensures compliance by taxpayers, and apportions tax revenues to the appropriate state or local funds. These responsibilities are accomplished by the department's Administrative Services, Support Services, Revenue Collection Services, Regulatory Services, and Disaster Relief functions.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### Administrative Services

The departmental Administrative Services programs include legal and research services, human resources management, internal auditing, fiscal analysis and processing, apportioning revenues to the appropriate state or local fund, information systems management, and special investigations.

#### 347.01 Administration Division

The Administration Division provides overall policy management, support services, taxpayer hearings, and investigation of criminal acts for the department. Administrative functions are provided through the Commissioner's Office, Internal Audit and Consulting, Legal Services, Research, Fiscal Services, Human Resources, Special Investigations, and the Administrative Hearing Office.

Full-Time	112	105	101	0	101
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>112</b>	<b>105</b>	<b>101</b>	<b>0</b>	<b>101</b>
Payroll	7,439,400	8,024,800	7,765,400	0	7,765,400
Operational	1,763,700	1,743,100	1,606,300	0	1,606,300
<b>Total</b>	<b>\$9,203,100</b>	<b>\$9,767,900</b>	<b>\$9,371,700</b>	<b>\$0</b>	<b>\$9,371,700</b>
State	6,558,600	6,791,100	6,394,900	0	6,394,900
Federal	0	0	0	0	0
Other	2,644,500	2,976,800	2,976,800	0	2,976,800

**Standard:** Investigate and prosecute tax fraud in a timely manner.

**Measure:** Percent of tax cases assigned to Special Investigations closed within four months or cases older than four months closed as either fraud or prosecution.

97.73%	90.00%	90.00%	0	90.00%
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**Standard:** Issue taxpayer conference decisions in a timely manner.

**Measure:** Percent of taxpayer conference decisions issued within 90 days of the taxpayer conference.

86.7%	82.0%	82.0%	0	82.0%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 347.11 Information Technology Resources Division

The Information Technology Resources Division is responsible for planning, coordinating, and managing the information technology needs of the department, including defining and providing information technology solutions for business needs. The division facilitates all phases of information systems projects, including software development and purchases, installations, implementation, and hardware configuration.

Full-Time	97	91	91	0	91
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>97</b>	<b>91</b>	<b>91</b>	<b>0</b>	<b>91</b>
Payroll	6,703,300	7,510,500	7,510,500	0	7,510,500
Operational	15,203,600	15,884,100	12,801,500	300,000	13,101,500
<b>Total</b>	<b>\$21,906,900</b>	<b>\$23,394,600</b>	<b>\$20,312,000</b>	<b>\$300,000</b>	<b>\$20,612,000</b>
State	17,052,500	18,924,400	16,259,000	300,000	16,559,000
Federal	2,100	0	0	0	0
Other	4,852,300	4,470,200	4,053,000	0	4,053,000

**Standard:** Availability of the Revenue Integrated Tax System.

**Measure:** Availability of the Revenue Integrated Tax System availability from 6:00 a.m. to 5:00 p.m., Monday through Friday.

99.76%	98.00%	98.00%	0	98.00%
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## Support Services

Support Services programs provide assistance to the operations of revenue collection services.

### 347.13 Taxpayer and Vehicle Services Division

The Taxpayer and Vehicle Services Division is responsible for taxpayer registration, taxpayer education, taxpayer assistance, and correction of posting errors. The program also is responsible for issuing, recording, and enforcing ownership titles; regulating the sale and distribution of vehicle license plates; and regulating these activities through the 95 county clerks. The program has employees in various locations across the state.

Full-Time	238	231	229	0	229
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>238</b>	<b>231</b>	<b>229</b>	<b>0</b>	<b>229</b>
Payroll	11,189,600	11,660,500	11,574,800	0	11,574,800
Operational	17,440,100	17,363,000	14,655,300	292,100	14,947,400
<b>Total</b>	<b>\$28,629,700</b>	<b>\$29,023,500</b>	<b>\$26,230,100</b>	<b>\$292,100</b>	<b>\$26,522,200</b>
State	25,855,000	25,304,200	23,315,500	292,100	23,607,600
Federal	0	0	0	0	0
Other	2,774,700	3,719,300	2,914,600	0	2,914,600

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**Standard:** Complete new monthly applications for tax registration, including applicable licenses and bonds, in a timely manner.

**Measure:** Percent of new registration applications completed within 15 work days.

91.22%	87.00%	87.00%	0	87.00%
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**Standard:** Serve callers through the general information call center and tax practitioner hot lines in a timely manner.

**Measure:** Percent of monthly phone calls answered by the call center and the tax practitioner hot lines.

88.70%	86.00%	85.00%	0	85.00%
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### 347.16 Processing Division

The Processing Division ensures that funds due to the State of Tennessee are timely and accurately deposited and that taxpayer records are accurately updated. This program provides a means of collecting and processing more than 92 percent of state collections and accounting for those funds used to finance and operate most state programs. In addition, the program provides lockbox services to a variety of other state agencies, and collects and deposits funds on their behalf.

Full-Time	149	147	143	0	<b>143</b>
Part-Time	16	16	16	0	<b>16</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>165</b>	<b>163</b>	<b>159</b>	<b>0</b>	<b>159</b>
Payroll	6,683,600	7,021,800	6,864,000	0	<b>6,864,000</b>
Operational	1,665,500	1,874,500	1,802,800	0	<b>1,802,800</b>
<b>Total</b>	<b>\$8,349,100</b>	<b>\$8,896,300</b>	<b>\$8,666,800</b>	<b>\$0</b>	<b>\$8,666,800</b>
State	5,506,200	6,368,200	6,095,000	0	<b>6,095,000</b>
Federal	0	0	0	0	<b>0</b>
Other	2,842,900	2,528,100	2,571,800	0	<b>2,571,800</b>

**Standard:** Timely deposit all state funds collected.

**Measure:** Percent of all state funds deposited within 24 hours of receipt.

99.05%	97.20%	97.20%	0	97.20%
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**Standard:** Timely post tax documents.

**Measure:** Number of days to post 95% of tax documents.

0.99 days	4.75 days	4.75 days	0	4.75 days
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### Revenue Collection Services

Revenue Collection Services programs collect taxes and fees and ensure proper compliance by taxpayers. The responsibilities associated with these services include administering all state taxes for corporations doing business in Tennessee; enforcing laws and regulations regarding the inspection and taxation of petroleum products; administering the provisions of specific laws regarding the taxation of tobacco products, gifts, inheritances, estates, firearms, gross receipts, liquor by the drink, beer, and other taxes; administering the Hall income tax on stocks and bonds; administering the provisions of the Tennessee sales and use tax laws; and collecting delinquent taxes owed to the State of Tennessee.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 347.02 Tax Enforcement Division

The Tax Enforcement Division enforces the collection of delinquent tax liability that results when taxpayers fail to remit their taxes on a timely basis or are considered to have under-reported tax liabilities in relation to state tax statutes. The program's ultimate goal is voluntary compliance with regard to the tax collection process. Work assignments of a delinquent nature are generated through the Revenue Integrated Tax System. Tasks include in-state and out-of-state collections, investigating and recommending offers to compromise tax liabilities, recording and releasing tax liens, negotiating payment agreements, and filing of legal claims. The division has a central office in Nashville and at various locations throughout the state.

Full-Time	118	118	119	0	119
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>118</b>	<b>118</b>	<b>119</b>	<b>0</b>	<b>119</b>
Payroll	6,902,900	7,292,700	7,333,500	0	7,333,500
Operational	986,400	992,000	1,003,500	0	1,003,500
<b>Total</b>	<b>\$7,889,300</b>	<b>\$8,284,700</b>	<b>\$8,337,000</b>	<b>\$0</b>	<b>\$8,337,000</b>
State	5,027,500	5,603,900	5,656,200	0	5,656,200
Federal	0	0	0	0	0
Other	2,861,800	2,680,800	2,680,800	0	2,680,800

**Standard:** Collect delinquent taxes due.

**Measure:** Percent of delinquent taxes collected.

14.26%	14.00%	14.00%	0	14.00%
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**Standard:** Collect or resolve case inventory.

**Measure:** Percent of case inventory over 90 days old should be no greater than 13%.

6.47%	13.00%	13.00%	0	13.00%
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### 347.14 Audit Division

The Audit Division provides tax audit services, including audit examination, refund processing, penalty waiver processing, and taxpayer discovery. The division conducts tax audits of taxpayers subject to Tennessee tax law, encourages voluntary compliance with state tax laws, and assists in educating taxpayers regarding tax laws and filing requirements. The program accomplishes this by centralized management of audit resources, providing fair and objective audit selection, and by conducting tax audits that achieve target coverage levels. The Audit Division maintains in-state offices throughout the state, six out-of-state offices, and several out-of-state post-of-duty stations.

Full-Time	344	345	345	0	345
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>344</b>	<b>345</b>	<b>345</b>	<b>0</b>	<b>345</b>
Payroll	23,593,900	25,709,000	25,696,900	0	25,696,900
Operational	3,126,000	3,788,400	3,773,600	0	3,773,600
<b>Total</b>	<b>\$26,719,900</b>	<b>\$29,497,400</b>	<b>\$29,470,500</b>	<b>\$0</b>	<b>\$29,470,500</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	17,550,300	20,112,600	20,085,700	0	<b>20,085,700</b>
Federal	1,900	22,000	22,000	0	<b>22,000</b>
Other	9,167,700	9,362,800	9,362,800	0	<b>9,362,800</b>

**Standard:** Audit taxpayers subject to Tennessee tax law.

**Measure:** Number of taxpayer accounts audited.

	10,621	9,500	9,500	0	9,500
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**Standard:** Process claims for refund timely.

**Measure:** Percent of claims for refund processed within 45 days.

	88.4%	91.0%	90.0%	0	90.0%
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## Regulatory Services

The Anti-Theft Unit inspects all specially constructed and reconstructed vehicles to limit violations of Tennessee's automobile theft laws and provides investigative support in felony cases.

### 347.18 Anti-Theft Unit

The Anti-Theft Unit's primary responsibility is to inspect all specially constructed and reconstructed vehicles and is funded by an inspection fee that re-builders and individuals pay to have their titles converted. In addition, this unit is responsible for investigating any potential fraud associated with the titling and registration of vehicles. This program is regulatory in nature and was established for the purpose of combating theft.

Full-Time	18	18	18	0	<b>18</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>0</b>	<b>18</b>
Payroll	1,109,500	1,248,700	1,255,800	0	<b>1,255,800</b>
Operational	174,400	240,800	233,800	0	<b>233,800</b>
<b>Total</b>	<b>\$1,283,900</b>	<b>\$1,489,500</b>	<b>\$1,489,600</b>	<b>\$0</b>	<b>\$1,489,600</b>
State	1,269,200	1,489,500	1,489,600	0	<b>1,489,600</b>
Federal	0	0	0	0	<b>0</b>
Other	14,700	0	0	0	<b>0</b>

**Standard:** Inspect rebuilt vehicles within 30 days of receiving request for inspection.

**Measure:** Percent of rebuilt vehicles inspected within 30 days.

	95.43%	93.00%	93.00%	0	93.00%
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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## Disaster Relief

The Disaster Relief section provides tax refunds for qualified purchases related to natural disasters.

### 347.20 Sales Tax Disaster Relief

Sales Tax Disaster Relief provides a sales and use tax refund for victims of flooding or other natural disaster events between March and May 2011. Victims are entitled to refunds on major appliances, residential building supplies, and residential furniture. It also provides a sales and use tax refund for the purchase of building supplies for construction or improvement of storm and tornado shelters.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	0	9,129,900	0	0	0
<b>Total</b>	<b>\$0</b>	<b>\$9,129,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	0	9,129,900	0	0	0
Federal	0	0	0	0	0
Other	0	0	0	0	0

### 347.21 Tax Refund Interest Expense

The Tax Refund Interest Expense allotment code accounts for interest due to taxpayers on tax refunds.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	2,141,300	2,500,000	2,500,000	0	2,500,000
<b>Total</b>	<b>\$2,141,300</b>	<b>\$2,500,000</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$2,500,000</b>
State	2,141,300	2,500,000	2,500,000	0	2,500,000
Federal	0	0	0	0	0
Other	0	0	0	0	0

### 347.00 Total Revenue

Full-Time	1,076	1,055	1,046	0	1,046
Part-Time	16	16	16	0	16
Seasonal	0	0	0	0	0
<b>Total</b>	<b>1,092</b>	<b>1,071</b>	<b>1,062</b>	<b>0</b>	<b>1,062</b>
Payroll	63,622,200	68,468,000	68,000,900	0	68,000,900
Operational	42,501,000	53,515,800	38,376,800	592,100	38,968,900
<b>Total</b>	<b>\$106,123,200</b>	<b>\$121,983,800</b>	<b>\$106,377,700</b>	<b>\$592,100</b>	<b>\$106,969,800</b>
State	80,960,600	96,223,800	81,795,900	592,100	82,388,000
Federal	4,000	22,000	22,000	0	22,000
Other	25,158,600	25,738,000	24,559,800	0	24,559,800

# Miscellaneous Appropriations

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The Miscellaneous Appropriations allotment includes funding for personal services, benefits rate adjustments, operational rate adjustments affecting all state agencies, and other state obligations not addressed elsewhere in the budget. The Miscellaneous Appropriations are line-item appropriations in Section 1 of the general appropriations bill.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>351.00 Miscellaneous Appropriations</b>					
Full-Time	1	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	32,742,200	75,366,200	58,514,600	80,570,700	<b>139,085,300</b>
<b>Total</b>	<b>\$32,742,200</b>	<b>\$75,366,200</b>	<b>\$58,514,600</b>	<b>\$80,570,700</b>	<b>\$139,085,300</b>
State	31,829,600	75,366,200	58,514,600	80,570,700	<b>139,085,300</b>
Federal	0	0	0	0	0
Other	912,600	0	0	0	0

# Emergency and Contingency Fund

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The Emergency and Contingency Fund is a special fund for any purpose authorized or implied by law for which no appropriation is made or for which insufficient appropriation is inadvertently made. This fund may not be used to fund any law requiring the expenditure of state funds unless an appropriation is made elsewhere in the general appropriations act for the estimated first-year cost. Expenditures from this fund are authorized only by Executive Order of the Governor.

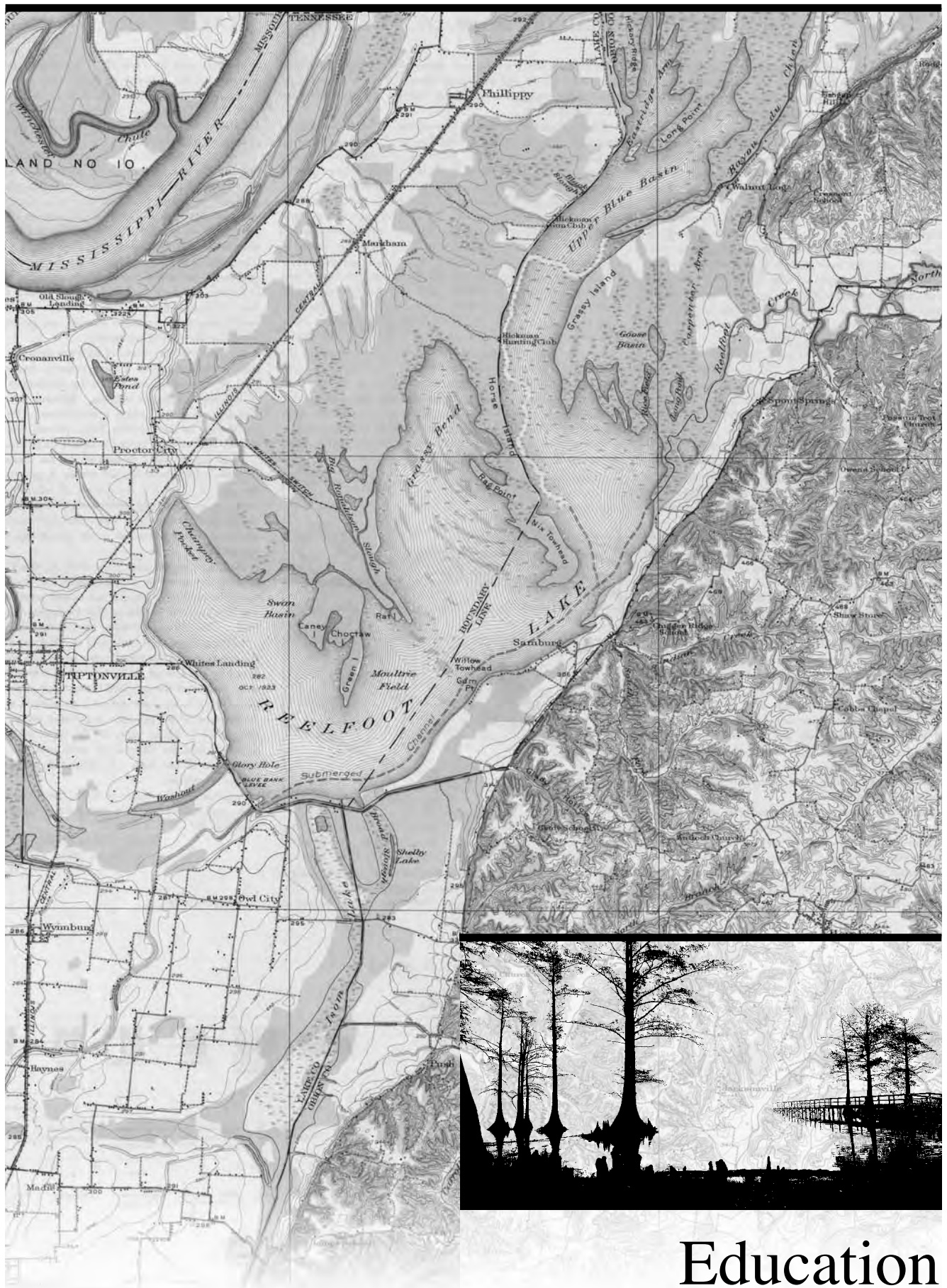
	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>353.00 Emergency and Contingency Fund</b>					
Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	0	819,300	819,300	0	819,300
<b>Total</b>	<b>\$0</b>	<b>\$819,300</b>	<b>\$819,300</b>	<b>\$0</b>	<b>\$819,300</b>
State	0	819,300	819,300	0	819,300
Federal	0	0	0	0	0
Other	0	0	0	0	0

# State Building Commission

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The State Building Commission's Major Maintenance and Equipment program is utilized for major, non-routine maintenance and equipment replacement for state-owned physical facilities. Projects are funded only by approval of the State Building Commission, which consists of the Governor, Commissioner of Finance and Administration, speakers of the Senate and House of Representatives, Secretary of State, Comptroller of the Treasury, and State Treasurer.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>355.02 Major Maintenance and Equipment</b>					
Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	205,700	400,000	400,000	0	<b>400,000</b>
<b>Total</b>	<b>\$205,700</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$0</b>	<b>\$400,000</b>
State	51,700	250,000	250,000	0	<b>250,000</b>
Federal	0	0	0	0	<b>0</b>
Other	154,000	150,000	150,000	0	<b>150,000</b>



# Education



# Education



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# Education

## Recommended Budget, Fiscal Year 2012 – 2013

**T**his functional area is responsible for the educational efforts of the state, from pre-school and K-12 through all levels of higher education.

The Department of Education coordinates the educational programs of the local public school systems that operate Tennessee's kindergarten, elementary, secondary, and vocational schools. The department also operates the four special schools: Tennessee School for the Blind, Tennessee School for the Deaf, West Tennessee School for the Deaf, and Alvin C. York Agricultural Institute.

With assistance from the Department of Education, the State Board of Education formulates the policies, standards, and guidelines governing K-12 public education. The department is responsible for implementing these policies, standards, and guidelines.

Higher education is governed by two independent systems: the University of Tennessee System and the State University and Community College System, more commonly known as the Tennessee Board of Regents System. The Tennessee Higher Education Commission is responsible for coordinating academic, fiscal, and policy issues between the two systems. The Tennessee Student Assistance Corporation (TSAC) is the state's designated agency to administer financial aid programs designed to help students obtain a post-secondary education at colleges, universities, and technical and career schools. Among the programs TSAC administers are the Education Lottery-funded scholarships, implemented in

fall 2004, and the Tennessee Student Assistance Awards (TSAA), the latter funded primarily from general tax revenues. TSAA grants provide non-repayable financial assistance to financially needy undergraduate students who are residents of Tennessee and are enrolled at a public or an eligible non-public post-secondary educational institution in Tennessee.

The lottery scholarships are funded through the Lottery for Education Account. The majority of these funds are made available for post-secondary scholarships, which include the Tennessee HOPE Scholarship, the General Assembly Merit Scholarship, the Need-Based Supplemental Award, the Tennessee HOPE Access Grant, and the Wilder-Naifeh Technical Skills Grant. In the event that net lottery proceeds exceed scholarship needs, excess lottery funds may be appropriated to pre-kindergarten and early childhood education programs.

### **Cost Increases and Program Statements**

The following section includes: (1) a table on personnel and funding for all agencies in this functional area of state government; (2) a table on recommended budget for each agency by funding source; (3) a statement of recommended cost increases for the ensuing fiscal year; (4) departmental program statements, indicating recommended funding and staffing for the ensuing year, compared with actual amounts for the last year and the amounts budgeted for the current year program, and performance measures.

## Education Total Personnel and Funding

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Recommended 2012-2013</u>
<b>Personnel</b>			
Full Time *	25,185	25,358	25,283
Part Time	141	102	102
Seasonal	0	0	0
<b>TOTAL</b>	<b>25,326</b>	<b>25,460</b>	<b>25,385</b>
<b>Expenditures</b>			
Payroll	\$ 76,784,100	\$ 91,580,400	\$ 90,426,900
Operational	9,054,324,800	9,305,831,000	9,059,733,000
<b>TOTAL</b>	<b>\$ 9,131,108,900</b>	<b>\$ 9,397,411,400</b>	<b>\$ 9,150,159,900</b>
<b>Funding</b>			
State **	\$ 5,264,549,600	\$ 5,489,198,600	\$ 5,616,498,500
Federal	1,795,553,100	1,685,021,800	1,318,403,500
Other	691,353,100	732,253,800	724,320,700
Tuition/Fees	1,379,653,100	1,490,937,200	1,490,937,200

\* Includes Higher Education's unrestricted education and general personnel.

\*\* State appropriation includes the following from Lottery for Education sources:

\$ 307,133,500	\$ 314,200,000	\$ 310,500,000
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**Education**  
**Recommended Budget for Fiscal Year 2012-2013**  
**By Funding Source**

<b>Department</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
331.00 Education (K-12)	4,175,786,400	1,060,129,800	70,336,600	5,306,252,800
332.00 Higher Education	1,440,712,100	258,273,700	2,144,921,300 *	3,843,907,100
<b>Total</b>	<b>\$5,616,498,500</b>	<b>\$1,318,403,500</b>	<b>\$2,215,257,900</b>	<b>\$9,150,159,900</b>

\* Includes Higher Education's tuition and fees and other revenue

**Higher Education  
Outcomes-Based Funding Formula  
Second -Year Implementation  
Fiscal Year 2012 - 2013**

<b>Academic Formula Units</b>	<b>Year 2 Recurring Formula Change</b>			<b>Non-Recurring</b>	<b>Total</b>
	<b>Hold Harmless Phase-Out</b>	<b>Formula Phase-In</b>	<b>Total</b>	<b>Transition Funds</b>	
332.40 UT Chattanooga	\$ 42,700	\$ (479,600)	\$ (436,900)	\$ -	\$ (436,900)
332.42 UT Knoxville	1,038,200	1,464,800	2,503,000	-	2,503,000
332.44 UT Martin	(320,400)	(11,200)	(331,600)	825,700	494,100
332.70 Austin Peay	397,200	649,100	1,046,300	-	1,046,300
332.72 East Tennessee	(293,300)	(382,600)	(675,900)	755,800	79,900
332.74 University of Memphis	(1,046,700)	(1,152,900)	(2,199,600)	2,697,400	497,800
332.75 Middle Tennessee	220,800	(196,700)	24,100	-	24,100
332.77 Tennessee State	38,600	(144,700)	(106,100)	-	(106,100)
332.78 Tennessee Tech	147,000	227,300	374,300	-	374,300
332.89 Community Colleges	59,000	26,500	85,500	4,991,500	5,077,000
332.98 Technology Centers	(283,100)	-	(283,100)	729,600	446,500
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>	<b>\$10,000,000</b>
<b>Sub-Total UT System</b>	<b>\$ 760,500</b>	<b>\$ 974,000</b>	<b>\$ 1,734,500</b>	<b>\$ 825,700</b>	<b>\$ 2,560,200</b>
<b>Sub-Total TBR System</b>	<b>\$ (760,500)</b>	<b>\$ (974,000)</b>	<b>\$ (1,734,500)</b>	<b>\$ 9,174,300</b>	<b>\$ 7,439,800</b>

**Hold Harmless Phase-Out** - The hold harmless associated with the previous enrollment-based formula will be phased out 65% in the first year and an additional 20% and 15% in the second and third years, respectively.

**Formula Phase-In** - The new outcomes-based formula will be phased in 20% in the first year and an additional 30% and 50% in the second and third years, respectively.

**Non-Recurring Transition Funds** - An additional non-recurring \$10 million and \$5 million over the next two years will continue this support.

## Education

### Cost Increases for Fiscal Year 2012-2013

	State	Federal	Other	Total	Positions
<b>Education (K-12)</b>					
• <b>Basic Education Program (BEP)</b>					
To maintain full funding of the Basic Education Program (BEP) formula, which provides an equitable state share of K-12 public education funding to local education agencies (LEAs). The funding includes a reduction of \$3,000,000 to reflect a decrease in the TCRS retirement rate for teachers.					
<b>331.25 Basic Education Program</b>	\$47,800,000	\$0	\$0	\$47,800,000	0
<b>Sub-total</b>	\$47,800,000	\$0	\$0	\$47,800,000	0
• <b>Pre-K Program - Existing Classrooms</b>					
To maintain full funding of existing pre-kindergarten and early childhood education classrooms. Funding for these classrooms is based on the cost per component within the Basic Education Program funding formula.					
<b>331.32 Early Childhood Education</b>	\$1,227,500	\$0	\$0	\$1,227,500	0
<b>Sub-total</b>	\$1,227,500	\$0	\$0	\$1,227,500	0
• <b>Administration Legislation - BEP Salary and Class Size Component Change</b>					
To provide funding for costs required to modify the salary and maximum class size components of the BEP. The legislation will increase the maximum class size allowed for various grade levels. The savings generated from that adjustment will be used to increase the salary per instructional position component of the BEP, and each local education agency (LEA) will be allowed to create a salary plan to determine the use of salary funding generated by the BEP. This item funds the net cost of the legislation not funded through savings.					
<b>331.25 Basic Education Program</b>	\$795,000	\$0	\$0	\$795,000	0
<b>Sub-total</b>	\$795,000	\$0	\$0	\$795,000	0
• <b>Teachers' Salary Increase</b>					
To fund the state share of a 2.5 percent salary increase on July 1, 2012, for teachers and other positions funded through the Basic Education Program formula to be distributed to each LEA for use in their approved salary schedule.					
<b>331.25 Basic Education Program</b>	\$58,000,000	\$0	\$0	\$58,000,000	0
<b>Sub-total</b>	\$58,000,000	\$0	\$0	\$58,000,000	0
• <b>Group Health Insurance - January 1, 2013</b>					
To fund the state share of a January 1, 2013, group health insurance increase for local education agencies. This is funded for six months in the recommended budget.					
<b>331.25 Basic Education Program</b>	\$7,300,000	\$0	\$0	\$7,300,000	0
<b>Sub-total</b>	\$7,300,000	\$0	\$0	\$7,300,000	0

## Education

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Literacy - Year 7</b>					
To provide a seventh-year non-recurring grant to Save the Children to target literacy improvement, focused on grades one through three in under-served schools. Save the Children will work in partnership with local schools and community-based organizations to provide a combination of in-school, after-school, and summer literacy programs to help children improve their reading skills.					
<b>331.02 Grants-In-Aid</b>	\$1,000,000	\$0	\$0	\$1,000,000	0
<b>Sub-total</b>	\$1,000,000	\$0	\$0	\$1,000,000	0
<b>Total Education (K-12)</b>	<b>\$116,122,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$116,122,500</b>	<b>0</b>
<b>Higher Education - State Administered Programs</b>					
<b>• Need-Based Student Financial Aid</b>					
To provide recurring funds to increase need-based financial aid. The Tennessee Student Assistance Awards (TSAA) program provides grants to financially needy undergraduate students who are residents of Tennessee and attend an in-state institution. This appropriation will allow additional students to receive aid based on a \$1,750 average award.					
<b>332.03 Tennessee Student Assistance Awards</b>	\$3,400,000	\$0	\$0	\$3,400,000	0
<b>Sub-total</b>	\$3,400,000	\$0	\$0	\$3,400,000	0
<b>• Salary Increase</b>					
To fund a 2.5 percent salary increase for higher education employees effective July 1, 2012. This funds the state appropriation share through the higher education academic funding formula. The salary increase for non-academic formula units is funded completely by state appropriations.					
<b>332.08 Centers of Excellence</b>	\$361,600	\$0	\$0	\$361,600	0
<b>332.11 Campus Centers of Emphasis</b>	\$28,800	\$0	\$0	\$28,800	0
<b>Sub-total</b>	\$390,400	\$0	\$0	\$390,400	0
<b>• TCRS (Retirement) Contribution Increase - July 1, 2012</b>					
To provide funds for the increase in the retirement contribution rate for higher education employees in the Centers of Excellence and Campus Centers of Emphasis.					
<b>332.08 Centers of Excellence</b>	\$5,000	\$0	\$0	\$5,000	0
<b>332.11 Campus Centers of Emphasis</b>	\$700	\$0	\$0	\$700	0
<b>Sub-total</b>	\$5,700	\$0	\$0	\$5,700	0
<b>Total Higher Education - State Administered Programs</b>	<b>\$3,796,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,796,100</b>	<b>0</b>

## Education

### Cost Increases for Fiscal Year 2012-2013

	State	Federal	Other	Total	Positions
<b>University of Tennessee System</b>					
<b>• Outcomes/Productivity - Formula Units</b>					
To provide funding to reflect greater institutional productivity, such as increases in student progression, degree production, research and service, efficiency metrics, and other outcome measures related to institutional mission for formula units. Funding is also provided for non-formula units equivalent to the recommended improvement for formula units. This would fund increases in fixed costs and other operating needs.					
332.15 UT Institute for Public Service	\$114,500	\$0	\$0	\$114,500	0
332.16 UT Municipal Technical Advisory Service	\$67,400	\$0	\$0	\$67,400	0
332.17 UT County Technical Assistance Service	\$40,100	\$0	\$0	\$40,100	0
332.23 UT Space Institute	\$191,900	\$0	\$0	\$191,900	0
332.25 UT Agricultural Experiment Station	\$609,600	\$0	\$0	\$609,600	0
332.26 UT Agricultural Extension Service	\$733,900	\$0	\$0	\$733,900	0
332.28 UT Veterinary Medicine	\$380,200	\$0	\$0	\$380,200	0
332.30 UT Health Science Center	\$1,663,900	\$0	\$0	\$1,663,900	0
332.32 UT Family Medicine	\$245,600	\$0	\$0	\$245,600	0
332.34 UT College of Medicine	\$1,129,300	\$0	\$0	\$1,129,300	0
332.40 UT Chattanooga	\$855,100	\$0	\$0	\$855,100	0
332.42 UT Knoxville	\$3,933,900	\$0	\$0	\$3,933,900	0
332.44 UT Martin	\$605,900	\$0	\$0	\$605,900	0
<b>Sub-total</b>	<b>\$10,571,300</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,571,300</b>	<b>0</b>

**• Funding Formula - Hold Harmless Phase-Out - Year 2 of 3 Non-Recurring**

To provide non-recurring funds for support of higher education institutions. The Complete College Tennessee Act of 2010 includes a provision for a new outcomes-based funding formula for higher education to be implemented in fiscal year 2011-2012. The new formula is being phased in over three years along with the phase-out of a hold harmless provision associated with the previous enrollment-based funding formula. This appropriation, along with \$9,174,300 to the State University and Community College System, provides a total of \$10 million to institutions that are losing recurring funding because of the hold harmless phase-out, allowing an opportunity to transition to a lower level of funding. An additional non-recurring \$5 million for the two university systems will continue this support next year.

332.44 UT Martin	\$825,700	\$0	\$0	\$825,700	0
<b>Sub-total</b>	<b>\$825,700</b>	<b>\$0</b>	<b>\$0</b>	<b>\$825,700</b>	<b>0</b>

## Education

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Salary Increase</b>					
To fund a 2.5 percent salary increase for higher education employees effective July 1, 2012. This funds the state appropriation share through the higher education academic funding formula. The salary increase for non-academic formula units is funded completely by state appropriations.					
<b>332.10 UT University-Wide Administration</b>	\$64,100	\$0	\$0	\$64,100	0
<b>332.15 UT Institute for Public Service</b>	\$78,600	\$0	\$0	\$78,600	0
<b>332.16 UT Municipal Technical Advisory Service</b>	\$109,400	\$0	\$0	\$109,400	0
<b>332.17 UT County Technical Assistance Service</b>	\$77,600	\$0	\$0	\$77,600	0
<b>332.23 UT Space Institute</b>	\$159,000	\$0	\$0	\$159,000	0
<b>332.25 UT Agricultural Experiment Station</b>	\$586,000	\$0	\$0	\$586,000	0
<b>332.26 UT Agricultural Extension Service</b>	\$738,200	\$0	\$0	\$738,200	0
<b>332.28 UT Veterinary Medicine</b>	\$652,300	\$0	\$0	\$652,300	0
<b>332.30 UT Health Science Center</b>	\$2,262,600	\$0	\$0	\$2,262,600	0
<b>332.32 UT Family Medicine</b>	\$314,000	\$0	\$0	\$314,000	0
<b>332.34 UT College of Medicine</b>	\$1,312,000	\$0	\$0	\$1,312,000	0
<b>332.40 UT Chattanooga</b>	\$1,035,200	\$0	\$0	\$1,035,200	0
<b>332.42 UT Knoxville</b>	\$4,068,200	\$0	\$0	\$4,068,200	0
<b>332.44 UT Martin</b>	\$710,900	\$0	\$0	\$710,900	0
<b>Sub-total</b>	\$12,168,100	\$0	\$0	\$12,168,100	0
<b>• Group Health Insurance - January 1, 2012</b>					
To provide funding for the state share of the January 1, 2012, group health insurance premium increase. This is funded for six months in the recommended budget.					
<b>332.10 UT University-Wide Administration</b>	\$68,300	\$0	\$0	\$68,300	0
<b>332.15 UT Institute for Public Service</b>	\$13,700	\$0	\$0	\$13,700	0
<b>332.16 UT Municipal Technical Advisory Service</b>	\$9,200	\$0	\$0	\$9,200	0
<b>332.17 UT County Technical Assistance Service</b>	\$6,600	\$0	\$0	\$6,600	0
<b>332.23 UT Space Institute</b>	\$10,600	\$0	\$0	\$10,600	0
<b>332.25 UT Agricultural Experiment Station</b>	\$75,600	\$0	\$0	\$75,600	0
<b>332.26 UT Agricultural Extension Service</b>	\$129,600	\$0	\$0	\$129,600	0
<b>332.28 UT Veterinary Medicine</b>	\$55,400	\$0	\$0	\$55,400	0
<b>332.30 UT Health Science Center</b>	\$381,100	\$0	\$0	\$381,100	0
<b>332.32 UT Family Medicine</b>	\$27,000	\$0	\$0	\$27,000	0
<b>332.40 UT Chattanooga</b>	\$173,100	\$0	\$0	\$173,100	0
<b>332.42 UT Knoxville</b>	\$631,000	\$0	\$0	\$631,000	0
<b>332.44 UT Martin</b>	\$130,700	\$0	\$0	\$130,700	0
<b>Sub-total</b>	\$1,711,900	\$0	\$0	\$1,711,900	0



## Education

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Group Health Insurance - January 1, 2013</b>					
To provide funding for the state share of the January 1, 2013, group health insurance premium increase. This is funded for six months in the recommended budget.					
332.10 UT University-Wide Administration	\$47,100	\$0	\$0	\$47,100	0
332.15 UT Institute for Public Service	\$13,600	\$0	\$0	\$13,600	0
332.16 UT Municipal Technical Advisory Service	\$7,600	\$0	\$0	\$7,600	0
332.17 UT County Technical Assistance Service	\$7,000	\$0	\$0	\$7,000	0
332.23 UT Space Institute	\$10,900	\$0	\$0	\$10,900	0
332.25 UT Agricultural Experiment Station	\$78,700	\$0	\$0	\$78,700	0
332.26 UT Agricultural Extension Service	\$126,300	\$0	\$0	\$126,300	0
332.28 UT Veterinary Medicine	\$56,300	\$0	\$0	\$56,300	0
332.30 UT Health Science Center	\$394,800	\$0	\$0	\$394,800	0
332.32 UT Family Medicine	\$28,400	\$0	\$0	\$28,400	0
332.40 UT Chattanooga	\$178,200	\$0	\$0	\$178,200	0
332.42 UT Knoxville	\$642,700	\$0	\$0	\$642,700	0
332.44 UT Martin	\$135,400	\$0	\$0	\$135,400	0
<b>Sub-total</b>	<b>\$1,727,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,727,000</b>	<b>0</b>
<b>• TCRS (Retirement) Contribution Increase - July 1, 2012</b>					
To provide funds for the increase in the retirement contribution rate for higher education employees.					
332.10 UT University-Wide Administration	\$1,200	\$0	\$0	\$1,200	0
332.15 UT Institute for Public Service	\$1,600	\$0	\$0	\$1,600	0
332.16 UT Municipal Technical Advisory Service	\$1,900	\$0	\$0	\$1,900	0
332.17 UT County Technical Assistance Service	\$2,400	\$0	\$0	\$2,400	0
332.23 UT Space Institute	\$3,000	\$0	\$0	\$3,000	0
332.25 UT Agricultural Experiment Station	\$9,500	\$0	\$0	\$9,500	0
332.26 UT Agricultural Extension Service	\$9,500	\$0	\$0	\$9,500	0
332.28 UT Veterinary Medicine	\$10,900	\$0	\$0	\$10,900	0
332.30 UT Health Science Center	\$41,500	\$0	\$0	\$41,500	0
332.32 UT Family Medicine	\$4,700	\$0	\$0	\$4,700	0
332.34 UT College of Medicine	\$14,100	\$0	\$0	\$14,100	0
332.40 UT Chattanooga	\$26,900	\$0	\$0	\$26,900	0
332.42 UT Knoxville	\$108,800	\$0	\$0	\$108,800	0
332.44 UT Martin	\$20,300	\$0	\$0	\$20,300	0
<b>Sub-total</b>	<b>\$256,300</b>	<b>\$0</b>	<b>\$0</b>	<b>\$256,300</b>	<b>0</b>

## Education

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>Total University of Tennessee System</b>	\$27,260,300	\$0	\$0	\$27,260,300	0

### State University and Community College System

- **Outcomes/Productivity - Formula Units**

To provide funding to reflect greater institutional productivity, such as increases in student progression, degree production, research and service, efficiency metrics, and other outcome measures related to institutional mission for formula units. Funding is also provided for non-formula units equivalent to the recommended improvement for formula units. This would fund increases in fixed costs and other operating needs.

<b>332.62 TSU McMinnville Center</b>	\$13,900	\$0	\$0	\$13,900	0
<b>332.63 TSU Institute of Agricultural and Environmental Research</b>	\$56,600	\$0	\$0	\$56,600	0
<b>332.64 TSU Cooperative Education</b>	\$77,000	\$0	\$0	\$77,000	0
<b>332.65 ETSU College of Medicine</b>	\$682,000	\$0	\$0	\$682,000	0
<b>332.67 ETSU Family Practice</b>	\$140,400	\$0	\$0	\$140,400	0
<b>332.68 TSU McIntire-Stennis Forestry Research</b>	\$4,500	\$0	\$0	\$4,500	0
<b>332.70 Austin Peay State University</b>	\$743,700	\$0	\$0	\$743,700	0
<b>332.72 East Tennessee State University</b>	\$1,124,800	\$0	\$0	\$1,124,800	0
<b>332.74 University of Memphis</b>	\$2,138,000	\$0	\$0	\$2,138,000	0
<b>332.75 Middle Tennessee State University</b>	\$1,937,700	\$0	\$0	\$1,937,700	0
<b>332.77 Tennessee State University</b>	\$768,100	\$0	\$0	\$768,100	0
<b>332.78 Tennessee Technological University</b>	\$945,100	\$0	\$0	\$945,100	0
<b>332.89 Tennessee Community Colleges</b>	\$4,884,300	\$0	\$0	\$4,884,300	0
<b>332.98 Tennessee Technology Centers</b>	\$1,363,400	\$0	\$0	\$1,363,400	0
<b>Sub-total</b>	\$14,879,500	\$0	\$0	\$14,879,500	0

## Education

### Cost Increases for Fiscal Year 2012-2013

	State	Federal	Other	Total	Positions
<b>• Funding Formula - Hold Harmless Phase-Out - Year 2 of 3 Non-Recurring</b>					
To provide non-recurring funds for support of higher education institutions. The Complete College Tennessee Act of 2010 includes a provision for a new outcomes-based funding formula for higher education to be implemented in fiscal year 2011-2012. The new formula is being phased in over three years along with the phase-out of a hold harmless provision associated with the previous enrollment-based funding formula. This appropriation, along with \$825,700 to the University of Tennessee System, provides a total of \$10 million to institutions that are losing recurring funding because of the hold harmless phase-out, allowing an opportunity to transition to a lower level of funding. An additional non-recurring \$5 million for the two university systems will continue this support next year.					
<b>332.72 East Tennessee State University</b>	\$755,800	\$0	\$0	\$755,800	0
<b>332.74 University of Memphis</b>	\$2,697,400	\$0	\$0	\$2,697,400	0
<b>332.89 Tennessee Community Colleges</b>	\$4,991,500	\$0	\$0	\$4,991,500	0
<b>332.98 Tennessee Technology Centers</b>	\$729,600	\$0	\$0	\$729,600	0
<b>Sub-total</b>	\$9,174,300	\$0	\$0	\$9,174,300	0
<b>• Salary Increase</b>					
To fund a 2.5 percent increase for higher education employees effective July 1, 2012. This funds the state appropriation share through the higher education academic funding formula. The salary increase for non-academic formula units is funded completely by state appropriations.					
<b>332.60 Tennessee Board of Regents</b>	\$307,500	\$0	\$0	\$307,500	0
<b>332.62 TSU McMinnville Center</b>	\$5,500	\$0	\$0	\$5,500	0
<b>332.63 TSU Institute of Agricultural and Environmental Research</b>	\$23,800	\$0	\$0	\$23,800	0
<b>332.64 TSU Cooperative Education</b>	\$37,100	\$0	\$0	\$37,100	0
<b>332.65 ETSU College of Medicine</b>	\$917,000	\$0	\$0	\$917,000	0
<b>332.67 ETSU Family Practice</b>	\$270,200	\$0	\$0	\$270,200	0
<b>332.68 TSU McIntire-Stennis Forestry Research</b>	\$500	\$0	\$0	\$500	0
<b>332.70 Austin Peay State University</b>	\$843,700	\$0	\$0	\$843,700	0
<b>332.72 East Tennessee State University</b>	\$1,384,100	\$0	\$0	\$1,384,100	0
<b>332.74 University of Memphis</b>	\$2,756,000	\$0	\$0	\$2,756,000	0
<b>332.75 Middle Tennessee State University</b>	\$2,264,600	\$0	\$0	\$2,264,600	0
<b>332.77 Tennessee State University</b>	\$960,600	\$0	\$0	\$960,600	0
<b>332.78 Tennessee Technological University</b>	\$960,400	\$0	\$0	\$960,400	0
<b>332.89 Tennessee Community Colleges</b>	\$5,410,900	\$0	\$0	\$5,410,900	0
<b>332.98 Tennessee Technology Centers</b>	\$1,099,600	\$0	\$0	\$1,099,600	0
<b>Sub-total</b>	\$17,241,500	\$0	\$0	\$17,241,500	0

## Education

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Group Health Insurance - January 1, 2012</b>					
To provide funding for the state share of the January 1, 2012, group health insurance premium increase. This is funded for six months in the recommended budget.					
<b>332.60 Tennessee Board of Regents</b>	\$18,100	\$0	\$0	\$18,100	0
<b>332.65 ETSU College of Medicine</b>	\$60,900	\$0	\$0	\$60,900	0
<b>332.67 ETSU Family Practice</b>	\$17,500	\$0	\$0	\$17,500	0
<b>332.70 Austin Peay State University</b>	\$125,500	\$0	\$0	\$125,500	0
<b>332.72 East Tennessee State University</b>	\$264,600	\$0	\$0	\$264,600	0
<b>332.74 University of Memphis</b>	\$357,300	\$0	\$0	\$357,300	0
<b>332.75 Middle Tennessee State University</b>	\$347,800	\$0	\$0	\$347,800	0
<b>332.77 Tennessee State University</b>	\$159,100	\$0	\$0	\$159,100	0
<b>332.78 Tennessee Technological University</b>	\$170,200	\$0	\$0	\$170,200	0
<b>332.89 Tennessee Community Colleges</b>	\$727,400	\$0	\$0	\$727,400	0
<b>332.98 Tennessee Technology Centers</b>	\$139,700	\$0	\$0	\$139,700	0
<b>Sub-total</b>	\$2,388,100	\$0	\$0	\$2,388,100	0

<b>• Group Health Insurance - January 1, 2013</b>					
To provide funding for the state share of the January 1, 2013, group health insurance premium increase. This is funded for six months in the recommended budget.					
<b>332.60 Tennessee Board of Regents</b>	\$21,800	\$0	\$0	\$21,800	0
<b>332.65 ETSU College of Medicine</b>	\$57,900	\$0	\$0	\$57,900	0
<b>332.67 ETSU Family Practice</b>	\$9,600	\$0	\$0	\$9,600	0
<b>332.70 Austin Peay State University</b>	\$133,400	\$0	\$0	\$133,400	0
<b>332.72 East Tennessee State University</b>	\$284,200	\$0	\$0	\$284,200	0
<b>332.74 University of Memphis</b>	\$372,700	\$0	\$0	\$372,700	0
<b>332.75 Middle Tennessee State University</b>	\$371,100	\$0	\$0	\$371,100	0
<b>332.77 Tennessee State University</b>	\$157,300	\$0	\$0	\$157,300	0
<b>332.78 Tennessee Technological University</b>	\$174,300	\$0	\$0	\$174,300	0
<b>332.89 Tennessee Community Colleges</b>	\$746,700	\$0	\$0	\$746,700	0
<b>332.98 Tennessee Technology Centers</b>	\$144,000	\$0	\$0	\$144,000	0
<b>Sub-total</b>	\$2,473,000	\$0	\$0	\$2,473,000	0

## Education

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• TCRS (Retirement) Contribution Increase - July 1, 2012</b>					
To provide funds for the increase in the retirement contribution rate for higher education employees.					
<b>332.60 Tennessee Board of Regents</b>	\$6,400	\$0	\$0	\$6,400	0
<b>332.62 TSU McMinnville Center</b>	\$200	\$0	\$0	\$200	0
<b>332.63 TSU Institute of Agricultural and Environmental Research</b>	\$200	\$0	\$0	\$200	0
<b>332.64 TSU Cooperative Education</b>	\$500	\$0	\$0	\$500	0
<b>332.65 ETSU College of Medicine</b>	\$7,400	\$0	\$0	\$7,400	0
<b>332.67 ETSU Family Practice</b>	\$2,300	\$0	\$0	\$2,300	0
<b>332.70 Austin Peay State University</b>	\$25,100	\$0	\$0	\$25,100	0
<b>332.72 East Tennessee State University</b>	\$39,100	\$0	\$0	\$39,100	0
<b>332.74 University of Memphis</b>	\$64,000	\$0	\$0	\$64,000	0
<b>332.75 Middle Tennessee State University</b>	\$61,900	\$0	\$0	\$61,900	0
<b>332.77 Tennessee State University</b>	\$30,900	\$0	\$0	\$30,900	0
<b>332.78 Tennessee Technological University</b>	\$24,200	\$0	\$0	\$24,200	0
<b>332.89 Tennessee Community Colleges</b>	\$165,200	\$0	\$0	\$165,200	0
<b>332.98 Tennessee Technology Centers</b>	\$48,900	\$0	\$0	\$48,900	0
<b>Sub-total</b>	\$476,300	\$0	\$0	\$476,300	0
<b>• University of Memphis - Lambuth Campus - Year 2 of 5</b>					
To provide non-recurring funding to the University of Memphis for year two of five of the transition of the Lambuth campus.					
<b>332.74 University of Memphis</b>	\$4,000,000	\$0	\$0	\$4,000,000	0
<b>Sub-total</b>	\$4,000,000	\$0	\$0	\$4,000,000	0
<b>Total State University and Community College System</b>	<b>\$50,632,700</b>	<b>\$0</b>	<b>\$0</b>	<b>\$50,632,700</b>	<b>0</b>
<b>Total Higher Education</b>	<b>\$81,689,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$81,689,100</b>	<b>0</b>
<b>Total Education</b>	<b>\$197,811,600</b>	<b>\$0</b>	<b>\$0</b>	<b>\$197,811,600</b>	<b>0</b>

# Department of Education (K-12)

## Performance-Based Budget

The Department of Education is responsible for ensuring that the children of Tennessee have the opportunity for intellectual development commensurate with their abilities. The department coordinates and supervises the educational programs provided by the 136 local school districts, or local education agencies (LEAs). LEAs operate the state's kindergarten, elementary, secondary, and vocational schools.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administration and the State Board of Education

Administration and the State Board of Education is organized into three program areas: Administration, Governor's Books from Birth Fund, and State Board of Education.

#### 331.01 Administration

Administration functions include policy development, planning, maintenance of the Basic Education Program (BEP) funding formula model, financial management advisory services to LEAs, and collection of student membership data. Sections in Administration include: commissioner's office; internal audit; personnel, central accounts, and budget; teacher licensing; local finance; public information; and research and information services.

Full-Time	95	87	87	0	87
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>95</b>	<b>87</b>	<b>87</b>	<b>0</b>	<b>87</b>
Payroll	6,134,300	6,083,100	6,083,100	0	6,083,100
Operational	1,614,500	2,323,500	2,168,600	0	2,168,600
<b>Total</b>	<b>\$7,748,800</b>	<b>\$8,406,600</b>	<b>\$8,251,700</b>	<b>\$0</b>	<b>\$8,251,700</b>
State	6,318,100	6,831,100	6,695,300	0	6,695,300
Federal	1,329,700	1,499,100	1,480,000	0	1,480,000
Other	101,000	76,400	76,400	0	76,400

**Standard:** Reduce transaction time for teacher licenses by moving to electronic transfer of documents and online applications.

**Measure:** Teacher license transaction time in weeks.

2	1	1	0	1
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**Standard:** Implement processes to provide educators ability to apply for teacher license transactions online.

**Measure:** Full implementation of online licensure application.

0%	25%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 331.22 Governor's Books from Birth Fund

The Governor's Books from Birth Fund is the primary funding source for the Governor's Books from Birth Foundation. The foundation is a non-profit entity in partnership with the Dollywood Foundation to implement the Imagination Library across Tennessee and is administratively attached to the department. The goal of the Governor's Books from Birth Foundation is to ensure that Tennessee children are reading at grade level by the end of the third grade. The foundation funds 50 percent of each participating county's cost of providing one age-appropriate book each month to children from birth to age five at no cost to the family.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	3,444,100	3,444,100	3,444,100	0	3,444,100
<b>Total</b>	<b>\$3,444,100</b>	<b>\$3,444,100</b>	<b>\$3,444,100</b>	<b>\$0</b>	<b>\$3,444,100</b>
State	3,104,100	3,444,100	3,444,100	0	3,444,100
Federal	340,000	0	0	0	0
Other	0	0	0	0	0

**Standard:** Maintain an Imagination Library in every county in Tennessee.

**Measure:** Number of counties with an Imagination Library.

	95	95	95	0	95
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**Standard:** Enroll eligible children in the Imagination Library.

**Measure:** Percent of eligible children enrolled.

	52%	66%	61%	0	61%
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### 331.07 State Board of Education

The State Board of Education is the regulatory and policy-making body for K-12 public education, the state's special schools, and educational television. The board has two primary responsibilities: revising and updating the Master Plan for improving education in the state; and establishing policies, standards, and guidelines for public education in grades K-12. The board is administratively attached to the department.

Full-Time	6	6	6	0	6
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>6</b>
Payroll	547,300	644,400	644,400	0	644,400
Operational	129,500	203,800	203,800	0	203,800
<b>Total</b>	<b>\$676,800</b>	<b>\$848,200</b>	<b>\$848,200</b>	<b>\$0</b>	<b>\$848,200</b>
State	674,300	848,200	848,200	0	848,200
Federal	0	0	0	0	0
Other	2,500	0	0	0	0

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Reduce the percentage of students needing developmental studies at two- and four-year post-secondary institutions.

**Measure:** The percent of students needing developmental studies at two- and four-year post-secondary institutions.

59%	58%	58%	0	58%
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**Standard:** Increase the percentage of students meeting readiness benchmarks established by the American College Testing (ACT) program.

**Measure:** The percent of students meeting readiness benchmarks established by the American College Testing (ACT) program.

16%	19%	18%	0	18%
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### State Support of LEA Programs

The department provides support for a number of initiatives designed to address specific needs and special programs at the local level. Much of this support is provided directly to the local education agencies (LEAs). The programs are: Basic Education Program; K-12 School Construction; Early Childhood Education; After-School Programs; Energy Efficient Schools Initiative; Career Ladder; Grants-In-Aid; Driver Education; Technology, Infrastructure, and Support Systems; Accountability and Assessment; Curriculum and Instruction; and Training and Professional Development.

#### 331.25 Basic Education Program

The Basic Education Program (BEP) formula determines the funding level each school system needs in order to provide a basic level of service for all students. This formula is based on student enrollment in the different grade levels and programs, as well as specific costs for materials, supplies, equipment, and other operating costs. A county's relative ability to pay for education is taken into consideration in determining each system's required local share of the education funds generated by the BEP formula.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	3,727,362,700	3,785,398,000	3,786,219,100	113,895,000	3,900,114,100
<b>Total</b>	<b>\$3,727,362,700</b>	<b>\$3,785,398,000</b>	<b>\$3,786,219,100</b>	<b>\$113,895,000</b>	<b>\$3,900,114,100</b>
State	3,390,873,100	3,785,398,000	3,786,219,100	113,895,000	3,900,114,100
Federal	336,489,600	0	0	0	0
Other	0	0	0	0	0

**Standard:** Ensure all at-risk students are funded at 100%.

**Measure:** Percent of at-risk students that are fully funded through the BEP.

100%	100%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Maintain student graduation rate.

**Measure:** Percent of students graduating from high school (as defined by No Child Left Behind).

	86.10%	84.88%	84.88%	0	84.88%
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### 331.32 Early Childhood Education

The Early Childhood Education initiative was established to promote successful pre-kindergarten programs and prepare children for academic success, with emphasis on children at risk of failure. The Office of Early Learning coordinates and supports this initiative, in addition to school-age child care, Family Resource Centers, Even Start, and Head Start. The funding for this program may include an amount from excess lottery proceeds, when available, after meeting higher education lottery scholarship requirements. The lottery funds are reflected here as other departmental revenue.

Full-Time	36	38	37	0	37
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>36</b>	<b>38</b>	<b>37</b>	<b>0</b>	<b>37</b>
Payroll	2,319,000	2,764,500	2,693,100	0	2,693,100
Operational	84,883,700	92,318,100	87,438,400	1,227,500	88,665,900
<b>Total</b>	<b>\$87,202,700</b>	<b>\$95,082,600</b>	<b>\$90,131,500</b>	<b>\$1,227,500</b>	<b>\$91,359,000</b>
State	83,414,400	90,603,100	87,457,600	1,227,500	88,685,100
Federal	3,773,100	4,479,500	2,673,900	0	2,673,900
Other	15,200	0	0	0	0

**Standard:** Develop comprehensive voluntary early childhood education programs to address the educational, health, and social service needs of at-risk four-year-old children.

**Measure:** Percent of at-risk four-year-old children enrolled in comprehensive early childhood education programs; potential growth is based on increase in funding availability.

	35%	38%	38%	0	38%
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**Standard:** Increase the percentage of Pre-K teacher assistants who hold a Child Development Associate (CDA) certification yearly to ensure high quality care and education of Pre-K students.

**Measure:** Percent of Pre-K teacher assistants who hold a CDA certification.

	54%	54%	55%	0	55%
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### 331.19 After-School Programs Special Account

After-School programs are offered at the local level and provide academic enrichment activities designed to help students meet state and local standards. Funding for these programs is generated from unclaimed education lottery prize money. These funds enhance existing and fund additional after-school programs. The education lottery that funds this program was begun in January 2004, and the lottery-funded after-school program began in 2005-2006.

Full-Time	3	3	3	0	3
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	137,900	181,700	181,700	0	<b>181,700</b>
Operational	11,295,600	13,318,300	13,318,300	0	<b>13,318,300</b>
<b>Total</b>	<b>\$11,433,500</b>	<b>\$13,500,000</b>	<b>\$13,500,000</b>	<b>\$0</b>	<b>\$13,500,000</b>
State	11,433,500	13,200,000	12,000,000	0	<b>12,000,000</b>
Federal	0	0	0	0	<b>0</b>
Other	0	300,000	1,500,000	0	<b>1,500,000</b>

**Standard:** Provide after-school programs for primarily at-risk students to enhance academic achievement.

**Measure:** Number of students served with Lottery for Education After-School Programs funding.

27,113	19,500	18,500	0	18,500
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**Standard:** Increase the availability of after-school services for at-risk students.

**Measure:** Percent of students served who meet identified at-risk criteria.

83%	80%	80%	0	80%
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### 331.34 Energy Efficient Schools Initiative

The Energy Efficient Schools Initiative of 2008 and the corresponding council were created to award grants and loans to local school systems for capital outlay projects which meet established energy efficient design and technology guidelines for school facilities. The energy efficient schools council fund was established July 1, 2008, by a transfer of \$90 million from the Lottery for Education Account reserve and the Lottery for Education special reserve account for K-12 capital outlay. Recurring funding is from interest earnings of the energy efficient schools council fund for operational expenditures and an estimated amount from the fund which will be granted or loaned to the school systems. The Energy Efficient Schools Council has the authority to raise corporate and federal funding to support ongoing programs. The council is administratively attached to the Department of Education.

Full-Time	2	2	2	0	<b>2</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>
Payroll	194,000	213,600	213,600	0	<b>213,600</b>
Operational	20,518,200	39,414,900	36,459,200	0	<b>36,459,200</b>
<b>Total</b>	<b>\$20,712,200</b>	<b>\$39,628,500</b>	<b>\$36,672,800</b>	<b>\$0</b>	<b>\$36,672,800</b>
State	0	0	0	0	<b>0</b>
Federal	131,400	4,211,100	1,255,400	0	<b>1,255,400</b>
Other	20,580,800	35,417,400	35,417,400	0	<b>35,417,400</b>

**Standard:** Make available grants and loans to all 136 school districts and four state special schools based on prior year student population, including GED Plus Two classes.

**Measure:** Percent of school districts receiving financial assistance.

78%	80%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Increase the use of energy management services in schools to monitor the effectiveness and efficiency of energy use; recommend energy efficient capital outlay projects that have a reasonable payback period; and verify the energy efficiencies achieved.

**Measure:** Percent of school districts using energy management services.

	40%	66%	80%	0	80%
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### 331.10 Career Ladder

The Comprehensive Education Reform Act of 1984 established the Career Ladder program designed to promote staff development among teachers, principals, and supervisors, and to reward with substantial pay supplements those evaluated as outstanding and that accept additional responsibilities, as applicable.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	54,795,100	63,598,500	45,500,000	0	45,500,000
<b>Total</b>	<b>\$54,795,100</b>	<b>\$63,598,500</b>	<b>\$45,500,000</b>	<b>\$0</b>	<b>\$45,500,000</b>
State	37,376,900	50,500,000	45,500,000	0	45,500,000
Federal	17,418,200	13,098,500	0	0	0
Other	0	0	0	0	0

**Standard:** All Career Ladder educators will receive their supplements as prescribed by law.

**Measure:** Percent of eligible Career Ladder educators receiving supplements.

	100%	100%	100%	0	100%
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### 331.02 Grants-In-Aid

Grants-In-Aid provides funding to enhance educational opportunities for students through recurring and non-recurring grants to educational/public television, the Tennessee Holocaust Commission, the Science Alliance museums, and the Tennessee Alliance of Boys and Girls Clubs. Other grants, funded on a non-recurring basis, also are included in this allotment.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	5,334,500	5,077,500	3,713,900	1,000,000	4,713,900
<b>Total</b>	<b>\$5,334,500</b>	<b>\$5,077,500</b>	<b>\$3,713,900</b>	<b>\$1,000,000</b>	<b>\$4,713,900</b>
State	1,832,400	4,993,900	3,713,900	1,000,000	4,713,900
Federal	3,502,100	83,600	0	0	0
Other	0	0	0	0	0

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Increase the current level of service and number of students served through the Science Alliance Consortium.

**Measure:** Number of children participating in Science Alliance programs.

	305,201	400,000	400,000	0	400,000
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### 331.43 Driver Education

Driver Education utilizes earmarked funds from a portion of the privilege taxes on litigation to support a driver education program for the purpose of teaching highway safety and good driving skills to teenage drivers.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	1,472,500	1,700,000	1,700,000	0	1,700,000
<b>Total</b>	<b>\$1,472,500</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>	<b>\$0</b>	<b>\$1,700,000</b>
State	1,472,500	1,700,000	1,700,000	0	1,700,000
Federal	0	0	0	0	0
Other	0	0	0	0	0

**Standard:** Provide local education agencies with supplemental funding for driver education programs based on the number of students served each semester (fall and spring).

**Measure:** Number of students served in driver education programs.

	21,395	25,000	25,000	0	25,000
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### 331.04 Technology, Infrastructure, and Support Systems

Technology, Infrastructure, and Support Systems provides information services, technology training, and technical support to the department and local school systems.

Full-Time	20	20	15	0	15
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>20</b>	<b>20</b>	<b>15</b>	<b>0</b>	<b>15</b>
Payroll	1,275,900	1,836,700	1,544,600	0	1,544,600
Operational	1,593,500	999,200	999,300	0	999,300
<b>Total</b>	<b>\$2,869,400</b>	<b>\$2,835,900</b>	<b>\$2,543,900</b>	<b>\$0</b>	<b>\$2,543,900</b>
State	2,869,400	2,635,900	2,343,900	0	2,343,900
Federal	0	200,000	200,000	0	200,000
Other	0	0	0	0	0

**Standard:** Provide software applications and support for the department and reporting requirements.

**Measure:** Percent of software application requests completed.

	90%	90%	90%	0	90%
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<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Provide a secure and reliable infrastructure for electronic delivery of data between the Department of Education and the LEAs.

**Measure:** Percent of uptime for electronic infrastructure for delivery of data between the department and LEAs.

97%	95%	95%	0	95%
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### 331.11 Accountability and Assessment

Accountability and Assessment collects data on student performance for each school and school system. The program uses the data to assist local educators in understanding the use of student performance data for school improvement. The data is used in the following activities: school accreditation, No Child Left Behind Act accountability, school and school system report cards, exemplary educators program, non-public and home school evaluation, applied technology, school improvement planning, and compliance and performance monitoring.

Full-Time	40	33	33	0	<b>33</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>40</b>	<b>33</b>	<b>33</b>	<b>0</b>	<b>33</b>
Payroll	2,928,300	2,446,300	2,446,300	0	<b>2,446,300</b>
Operational	14,489,700	42,062,100	30,967,700	0	<b>30,967,700</b>
<b>Total</b>	<b>\$17,418,000</b>	<b>\$44,508,400</b>	<b>\$33,414,000</b>	<b>\$0</b>	<b>\$33,414,000</b>
State	13,898,500	33,685,700	27,980,400	0	<b>27,980,400</b>
Federal	3,459,100	7,239,000	1,849,900	0	<b>1,849,900</b>
Other	60,400	3,583,700	3,583,700	0	<b>3,583,700</b>

**Standard:** Increase the number of high priority schools placed in good standing as a result of improving student achievement.

**Measure:** Percent of previous year's high priority schools that met or exceeded all federal standards.

30%	38%	40%	0	40%
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**Standard:** Increase the percent of students with disabilities, economically disadvantaged, African - American, limited English proficient, and other subgroups, as appropriate, in high priority schools scoring at or above proficient in reading/language, arts, math.

**Measure:** Percent of high priority schools meeting their prescribed Achievement Gap Track Goal by increasing student performance.

1%	5%	5%	0	5%
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### 331.06 Curriculum and Instruction

In order to establish statewide standards as a foundation for teaching and learning, the Office of Curriculum and Instruction is charged with the responsibility of providing local school systems with leadership and technical assistance in the design and development of K-12 instructional programs. Programs include music, art, and programs for gifted students, such as the Governor's Schools. The Governor's Schools program provides funding for up to five weeks of summer programs for gifted and talented high school juniors and seniors. The 12 Governor's Schools are: arts, humanities, sciences, international studies, agricultural sciences, prospective teachers, information technology leadership, emerging technologies, scientific models and data analysis, computational physics, scientific exploration of Tennessee heritage, and engineering fundamentals.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	22	14	14	0	14
Part-Time	10	10	10	0	10
Seasonal	0	0	0	0	0
<b>Total</b>	<b>32</b>	<b>24</b>	<b>24</b>	<b>0</b>	<b>24</b>
Payroll	1,140,200	1,091,700	1,059,200	0	1,059,200
Operational	5,585,800	6,544,200	2,276,100	0	2,276,100
<b>Total</b>	<b>\$6,726,000</b>	<b>\$7,635,900</b>	<b>\$3,335,300</b>	<b>\$0</b>	<b>\$3,335,300</b>
State	6,574,600	6,001,500	3,202,200	0	3,202,200
Federal	147,800	1,501,300	0	0	0
Other	3,600	133,100	133,100	0	133,100

**Standard:** Maintain yearly progress of high school students in mathematics and reading/language arts as demonstrated by Tennessee Comprehensive Assessment Program (TCAP) scores.

**Measure:** Percent of high school students performing at or above the proficient level in mathematics and reading/language arts.

57%	48%	48%	0	48%
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**Standard:** Maintain yearly progress of elementary and middle school students in reading/language arts as demonstrated by TCAP scores.

**Measure:** Percent of elementary and middle school students performing at or above the proficient level in reading/language arts.

49%	47%	47%	0	47%
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### 331.05 Training and Professional Development

Through the Training and Professional Development program, the department provides training and professional development opportunities for instructional personnel, directors of schools, and board members. The department also provides workshops in technology training for teachers and administrators.

Full-Time	10	10	10	0	10
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>10</b>
Payroll	775,600	925,500	853,600	0	853,600
Operational	1,920,300	8,477,500	1,415,200	0	1,415,200
<b>Total</b>	<b>\$2,695,900</b>	<b>\$9,403,000</b>	<b>\$2,268,800</b>	<b>\$0</b>	<b>\$2,268,800</b>
State	998,600	4,569,800	1,651,300	0	1,651,300
Federal	605,200	3,315,700	0	0	0
Other	1,092,100	1,517,500	617,500	0	617,500

**Standard:** Provide training opportunities to assist school administrators as they comply with the training requirements established by TCA 49-5-5703 et seq.

**Measure:** Percent of mandated, non-exempt administrators completing cycle-end training requirements.

91.56%	100%	100%	0	100%
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<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Provide training opportunities for local directors of schools and state special schools in concert with State Board of Education policy.

**Measure:** Percent of directors of schools and state special schools participating in training as established by State Board policy.

99.3%	100%	100%	0	100%
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### Federally-Funded and Supported LEA Programs

Various federally-funded programs, including funding for the No Child Left Behind Act, are designed to enhance the learning environment of disadvantaged and disabled students. Other programs support teacher training in core academic subjects, as well as drug awareness and AIDS education. Titles I, II, and V of the Elementary and Secondary Education Act (ESEA) are entirely federally-funded and administered by the state. Child nutrition programs, services to students with disabilities, and career and technical education programs are federally- and state-funded.

#### 331.03 ESEA No Child Left Behind

The ESEA No Child Left Behind Act is primarily designed to target resources for school improvements and support initiatives to enhance the learning environment. This act contains four basic education reform principles: stronger accountability for results, increased flexibility and local control, expanded options for parents, and an emphasis on teaching methods that have been proven to work.

Full-Time	47	47	42	0	42
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>47</b>	<b>47</b>	<b>42</b>	<b>0</b>	<b>42</b>
Payroll	3,015,800	4,187,400	4,187,400	0	4,187,400
Operational	396,655,900	405,764,600	315,925,800	0	315,925,800
<b>Total</b>	<b>\$399,671,700</b>	<b>\$409,952,000</b>	<b>\$320,113,200</b>	<b>\$0</b>	<b>\$320,113,200</b>
State	12,600	470,000	470,000	0	470,000
Federal	399,605,400	409,482,000	319,643,200	0	319,643,200
Other	53,700	0	0	0	0

**Standard:** All elementary and middle school students in public schools will attain proficiency level in mathematics.

**Measure:** Percent of elementary and middle school students at or above the proficient level in mathematics.

41%	45%	49%	0	49%
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**Standard:** All high school students in public schools will attain proficiency level in mathematics.

**Measure:** Percent of high school students at or above the proficient level in mathematics.

57%	39%	53%	0	53%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**331.50 Race to the Top**

Race to the Top, a competitive grant available to states, is part of the American Recovery and Reinvestment Act of 2009, which was signed into law on February 17, 2009. Through Race to the Top, the U.S. Department of Education has asked states to advance reforms around four specific areas: adopt standards and assessments that prepare students to succeed in college and the workplace and to compete in the global economy; build data systems that measure student growth and success and inform teachers and principals about how they can improve instruction; recruit, develop, reward, and retain effective teachers and principals, especially where they are needed most; and turn around lowest-achieving schools.

Tennessee was awarded \$500 million over four years to implement the innovative activities put forward in the grant application. Critical to Tennessee’s success was the passage by the Tennessee General Assembly of First Extraordinary Session Public Chapter 2, the “First to the Top Act of 2010”. This legislation significantly changed the requirements for teacher evaluations, allows school systems to develop alternative salary schedules, and created the Achievement School District to allow state takeover of chronically failing schools in Tennessee.

Full-Time	16	15	15	0	15
Part-Time	1	1	1	0	1
Seasonal	0	0	0	0	0
<b>Total</b>	<b>17</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>16</b>
Payroll	502,800	1,869,900	1,869,900	0	1,869,900
Operational	50,899,800	193,837,600	122,383,500	0	122,383,500
<b>Total</b>	<b>\$51,402,600</b>	<b>\$195,707,500</b>	<b>\$124,253,400</b>	<b>\$0</b>	<b>\$124,253,400</b>
State	11,600	0	0	0	0
Federal	51,391,000	195,707,500	124,253,400	0	124,253,400
Other	0	0	0	0	0

**Standard:** Adopt and implement common assessments based on common core state standards and college- and career-ready expectations for student performance.

**Measure:** Percent of statewide assessments in mathematics and English/language arts that are aligned to the common core state standards and reflect college- and career-ready expectations for student performance.

Not Applicable	100%	100%	0	100%
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**Standard:** Tennessee's lowest achieving schools that have implemented a strong turnaround plan will make progress on student performance.

**Measure:** Percent of the state's lowest-achieving schools that have implemented a turnaround plan and are making progress on student performance.

57%	70%	70%	0	70%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 331.55 Achievement School District

The Achievement School District (ASD) was established to turnaround the bottom five percent of failing public schools. Alternative forms of operation could include charter conversions or complete conversions managed by the ASD. The ASD was created as part of the Race to the Top initiative.

Full-Time	0	14	14	0	14
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>14</b>	<b>14</b>	<b>0</b>	<b>14</b>
Payroll	0	1,501,800	1,515,500	0	1,515,500
Operational	0	10,300,700	10,325,700	0	10,325,700
<b>Total</b>	<b>\$0</b>	<b>\$11,802,500</b>	<b>\$11,841,200</b>	<b>\$0</b>	<b>\$11,841,200</b>
State	0	774,900	774,900	0	774,900
Federal	0	2,058,900	2,097,600	0	2,097,600
Other	0	8,968,700	8,968,700	0	8,968,700

### 331.09 Improving Schools Program

The Improving Schools Program funds a variety of initiatives designed to provide support for local efforts. The Safe and Drug-Free Schools and Communities program provides financial and technical support to schools and communities to reduce adolescent drug use and violence. The Tobacco Prevention program addresses smoking among young children. The 21st Century Learning Centers administer grants to serve students who attend high-poverty, low-achieving schools. School Health programs provide technical and financial assistance in implementing and developing comprehensive school health programs in the local schools. Financial support is provided through a variety of grant programs, including formula grants to local education agencies, as well as discretionary grants to both school- and community-based programs. Other federally-funded programs in the Improving Schools Program include: Learn and Serve grants, Byrd scholarships, Troops to Teachers, and AIDS education.

Full-Time	18	18	15	0	15
Part-Time	1	1	1	0	1
Seasonal	0	0	0	0	0
<b>Total</b>	<b>19</b>	<b>19</b>	<b>16</b>	<b>0</b>	<b>16</b>
Payroll	1,025,900	1,884,000	1,792,400	0	1,792,400
Operational	120,089,200	169,097,500	49,079,200	0	49,079,200
<b>Total</b>	<b>\$121,115,100</b>	<b>\$170,981,500</b>	<b>\$50,871,600</b>	<b>\$0</b>	<b>\$50,871,600</b>
State	683,700	20,400,800	20,377,600	0	20,377,600
Federal	111,470,100	146,800,700	26,714,000	0	26,714,000
Other	8,961,300	3,780,000	3,780,000	0	3,780,000

**Standard:** Reduce the number of schools scoring at 75% or above on the unsafe school choice criteria.

**Measure:** Number of schools scoring at 75% or above on the unsafe school choice criteria.

27	25	24	0	24
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Reduce the barriers to student learning and academic accomplishments by increasing the percentage of students who receive health screenings.

**Measure:** Percent of students who receive health screenings to include body mass index, vision, hearing, dental, and blood pressure check.

	79%	80%	81%	0	81%
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### 331.36 Special Education Services

The Division of Special Education Services is responsible for initiating, improving, and expanding special education programs and services to children with disabilities, as mandated by state and federal law. The division serves children through two major efforts: providing technical assistance to school systems and agencies that provide special education programs; and ensuring that the rights of disabled children and their parents are protected by mediating disagreements between local school systems and parents regarding a child's educational program and providing due process hearings.

Full-Time	72	72	64	0	64
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>72</b>	<b>72</b>	<b>64</b>	<b>0</b>	<b>64</b>
Payroll	4,476,900	5,173,500	5,173,500	0	5,173,500
Operational	304,174,100	268,294,600	231,418,100	0	231,418,100
<b>Total</b>	<b>\$308,651,000</b>	<b>\$273,468,100</b>	<b>\$236,591,600</b>	<b>\$0</b>	<b>\$236,591,600</b>
State	611,000	658,200	658,200	0	658,200
Federal	308,033,600	272,809,900	235,933,400	0	235,933,400
Other	6,400	0	0	0	0

**Standard:** Increase the percentage of special education children with disabilities testing at the proficient level in reading / language arts in grades three through eight as described in the No Child Left Behind (NCLB) accountability workbook.

**Measure:** Percent of special education students scoring at or above proficient in reading / language arts.

	40.0%	80.2%	39.2%	0	39.2%
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**Standard:** Increase the percentage of special education children with disabilities testing at the proficient level in mathematics in grades three through eight as described in the NCLB accountability workbook.

**Measure:** Percent of special education students scoring at or above proficient in mathematics.

	32.0%	71.0%	35.1%	0	35.1%
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### 331.95 Tennessee Early Intervention Services

The Tennessee Early Intervention Services (TEIS) program provides home-based services to parents and other primary care providers and direct services to children with disabilities, from birth through the age of two.

Full-Time	255	247	205	0	205
Part-Time	71	34	34	0	34
Seasonal	0	0	0	0	0
<b>Total</b>	<b>326</b>	<b>281</b>	<b>239</b>	<b>0</b>	<b>239</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	10,734,000	15,731,900	15,593,600	0	<b>15,593,600</b>
Operational	18,045,500	26,368,500	19,346,600	0	<b>19,346,600</b>
<b>Total</b>	<b>\$28,779,500</b>	<b>\$42,100,400</b>	<b>\$34,940,200</b>	<b>\$0</b>	<b>\$34,940,200</b>
State	7,870,700	12,996,000	11,686,200	0	<b>11,686,200</b>
Federal	9,218,100	16,521,400	10,671,000	0	<b>10,671,000</b>
Other	11,690,700	12,583,000	12,583,000	0	<b>12,583,000</b>

**Standard:** Provide services coordination and services for eligible children.

**Measure:** Number of eligible children receiving service coordination and/or services from TEIS.

7,529	8,225	7,903	0	7,903
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**Standard:** Meet or exceed the State Interagency Coordinating Council's goal of 94% in providing support to families in helping their children develop and learn.

**Measure:** Percent of participating families who reported TEIS helped their children develop and learn.

94%	94%	94%	0	94%
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### 331.35 School Nutrition Program

The School Nutrition Program provides nutrition education and nutritious meals during the school day. To ensure that all students have access to a nutritious meal, the division reimburses local education agencies for all eligible students participating in the School Lunch and School Breakfast programs. Student eligibility is based on federal income poverty guidelines.

Full-Time	25	25	21	0	<b>21</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>25</b>	<b>25</b>	<b>21</b>	<b>0</b>	<b>21</b>
Payroll	1,536,900	2,019,500	2,019,500	0	<b>2,019,500</b>
Operational	291,500,500	309,097,500	309,099,400	0	<b>309,099,400</b>
<b>Total</b>	<b>\$293,037,400</b>	<b>\$311,117,000</b>	<b>\$311,118,900</b>	<b>\$0</b>	<b>\$311,118,900</b>
State	4,723,000	4,807,200	4,807,300	0	<b>4,807,300</b>
Federal	288,314,400	306,304,800	306,306,600	0	<b>306,306,600</b>
Other	0	5,000	5,000	0	<b>5,000</b>

**Standard:** Schools will successfully meet national nutritional standards.

**Measure:** Percent of schools meeting national nutritional standards.

100%	100%	100%	0	100%
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**Standard:** Tennessee public schools will be on the National School Breakfast Program.

**Measure:** Percent of schools participating in the National School Breakfast Program.

97%	97%	98%	0	98%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 331.45 Career and Technical Education Programs

Career and Technical Education Programs is responsible for providing specialized vocational education services to the state's high school students that will prepare them for employment or post-secondary education. The program also provides direction to the local education agencies in establishing and maintaining programs in areas such as agriculture, family and consumer sciences, trade and industry, information technology, marketing, health science, and technology education.

Full-Time	51	51	49	0	49
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>51</b>	<b>51</b>	<b>49</b>	<b>0</b>	<b>49</b>
Payroll	3,571,900	3,733,800	3,678,000	0	3,678,000
Operational	21,871,600	28,260,600	28,264,600	0	28,264,600
<b>Total</b>	<b>\$25,443,500</b>	<b>\$31,994,400</b>	<b>\$31,942,600</b>	<b>\$0</b>	<b>\$31,942,600</b>
State	3,931,700	4,007,800	3,954,200	0	3,954,200
Federal	20,491,100	26,989,600	26,991,400	0	26,991,400
Other	1,020,700	997,000	997,000	0	997,000

**Standard:** Meet or exceed baseline levels of performance in reading/language arts as required by the Carl D. Perkins Career and Technical Education (CTE) Act of 2006.

**Measure:** Percent of CTE concentrators who scored proficient and advanced in reading/language arts as defined by NCLB.

92.58%	89.87%	70.50%	0	70.50%
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**Standard:** Meet or exceed baseline levels of performance in mathematics as required by the Carl D. Perkins Career and Technical Education (CTE) Act of 2006.

**Measure:** Percent of CTE concentrators who scored proficient or advanced in mathematics as defined by NCLB.

93.88%	85.50%	49%	0	49%
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### Special Schools

The department operates three schools across the state in order to provide academic, vocational, and special instruction in residential settings for legally blind, deaf, and multi-disabled children, ages preschool to 21. These schools are the Tennessee School for the Blind, the Tennessee School for the Deaf, and the West Tennessee School for the Deaf. The programs offered include academic instruction, self-care skills, counseling, pre-vocational training, child health and safety, independent living skills, consultation services to LEAs, and diagnosis and identification of learning problems.

The department also operates the Alvin C. York Institute in Jamestown and the Governor's Institute for Science and Math in Knoxville.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 331.91 Tennessee School for the Blind

The Tennessee School for the Blind (TSB), located in Nashville, provides residential and educational programs for students, grades pre-K through 12, with multiple disabilities (primarily visually impaired).

Full-Time	182	181	181	0	181
Part-Time	20	18	18	0	18
Seasonal	0	0	0	0	0
<b>Total</b>	<b>202</b>	<b>199</b>	<b>199</b>	<b>0</b>	<b>199</b>
Payroll	9,632,200	10,000,600	9,839,600	0	9,839,600
Operational	2,111,100	2,015,700	1,717,100	0	1,717,100
<b>Total</b>	<b>\$11,743,300</b>	<b>\$12,016,300</b>	<b>\$11,556,700</b>	<b>\$0</b>	<b>\$11,556,700</b>
State	10,520,600	10,803,300	10,643,700	0	10,643,700
Federal	0	0	0	0	0
Other	1,222,700	1,213,000	913,000	0	913,000

**Standard:** Increase the average Stanford Achievement Test scaled scores, Braille and large print editions, on reading comprehension as a result of teacher instruction and student learning.

**Measure:** Percent of reading comprehension resulting from teacher instruction and student learning.

94%	100%	100%	0	100%
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**Standard:** Maintain the percentage of TSB graduating seniors from the Life Skills or Pre-Vocational programs successfully completing their individualized educational plan and receiving a Diploma of Specialized Education.

**Measure:** Percent of TSB graduating seniors from the Life Skills or Pre-Vocational programs successfully completing their individualized educational plan and receiving a Diploma of Specialized Education.

100%	100%	100%	0	100%
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### 331.92 Tennessee School for the Deaf

The Tennessee School for the Deaf (TSD), located in Knoxville, provides residential and educational programs for students, grades pre-K through 12, with multiple disabilities (primarily hearing impaired).

Full-Time	241	241	241	0	241
Part-Time	21	21	21	0	21
Seasonal	0	0	0	0	0
<b>Total</b>	<b>262</b>	<b>262</b>	<b>262</b>	<b>0</b>	<b>262</b>
Payroll	11,287,000	12,149,800	12,149,800	0	12,149,800
Operational	3,988,800	3,402,500	3,403,700	0	3,403,700
<b>Total</b>	<b>\$15,275,800</b>	<b>\$15,552,300</b>	<b>\$15,553,500</b>	<b>\$0</b>	<b>\$15,553,500</b>
State	13,909,000	15,008,900	15,010,100	0	15,010,100
Federal	800,000	0	0	0	0
Other	566,800	543,400	543,400	0	543,400

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Increase the percentage of students scoring at or above the national average (50th percentile) on the Stanford Achievement Test, Hearing Impaired version (SAT-HI).

**Measure:** Percent of TSD students scoring at or above the SAT-HI national average.

	39.6%	70%	70%	0	70%
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**Standard:** Maintain the percentage of graduates successfully placed.

**Measure:** Percent of TSD graduates successfully placed.

	100%	100%	100%	0	100%
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### 331.93 West Tennessee School for the Deaf

The West Tennessee School for the Deaf (WTSD), located in Jackson, provides educational programs for students, ages two through 13, with multiple disabilities (primarily hearing impaired).

Full-Time	39	39	39	0	39
Part-Time	9	9	9	0	9
Seasonal	0	0	0	0	0
<b>Total</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>0</b>	<b>48</b>
Payroll	1,882,200	2,465,600	2,465,600	0	2,465,600
Operational	430,400	417,500	417,900	0	417,900
<b>Total</b>	<b>\$2,312,600</b>	<b>\$2,883,100</b>	<b>\$2,883,500</b>	<b>\$0</b>	<b>\$2,883,500</b>
State	2,179,400	2,660,400	2,660,800	0	2,660,800
Federal	0	0	0	0	0
Other	133,200	222,700	222,700	0	222,700

**Standard:** Increase the percentage of WTSD students, grades three and above, scoring at least proficient in reading/language arts on the TCAP.

**Measure:** Percent of WTSD students, grades three and above, scoring at least proficient in reading/language arts on the annual TCAP test.

	10%	63%	35%	0	35%
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**Standard:** Increase the percentage of WTSD students, grades three and above, scoring at least proficient in math on the TCAP.

**Measure:** Percent of WTSD students, grades three and above, scoring at least proficient in math on the annual TCAP.

	0%	48%	25%	0	25%
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### 331.90 Alvin C. York Institute

In 1926, Alvin C. York, a World War I hero, established a school to provide educational opportunities to the children of Fentress County. Today, the Alvin C. York Institute operates as a model rural high school that serves the entire state as a center for improving rural education. The York Institute has the unique distinction as the only state-operated and state-financed comprehensive secondary school in Tennessee. The campus is designated as a state natural area, consists of over 400 acres, and supports a working farm.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	76	76	76	0	<b>76</b>
Part-Time	8	8	8	0	<b>8</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>84</b>	<b>84</b>	<b>84</b>	<b>0</b>	<b>84</b>
Payroll	5,287,000	5,524,800	5,524,800	0	<b>5,524,800</b>
Operational	1,576,100	1,405,100	1,156,700	0	<b>1,156,700</b>
<b>Total</b>	<b>\$6,863,100</b>	<b>\$6,929,900</b>	<b>\$6,681,500</b>	<b>\$0</b>	<b>\$6,681,500</b>
State	5,490,700	5,624,200	5,625,800	0	<b>5,625,800</b>
Federal	58,100	60,000	60,000	0	<b>60,000</b>
Other	1,314,300	1,245,700	995,700	0	<b>995,700</b>

**Standard:** Increase the percentage of York students scoring proficient or above on the state administered End of Course mathematics examination.

**Measure:** Percent of students with a proficient score or above on the End of Course mathematics examination.

49.38%	96.50%	63.10%	0	63.10%
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**Standard:** Increase the percentage of York students scoring proficient or above on the state administered End of Course language examination.

**Measure:** Percent of students with a proficient score or above on the End of Course language examination.

50.53%	97.00%	74.10%	0	74.10%
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### 331.96 Governor's Institute for Science and Math

In August 2007, the state opened the Governor's Institute for Science and Math, a residential high school for top high school math and science upper-class students from across the state. The school is located at the Tennessee School for the Deaf campus in Knoxville, and the University of Tennessee provides staff and oversight. The school operated in the 2010-2011 school year with only graduating seniors. The school has closed, but the concept and notable ideas will translate to the new science, technology, engineering, and mathematics (STEM) schools that will open under the First to the Top initiative.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	1,130,900	0	0	0	<b>0</b>
<b>Total</b>	<b>\$1,130,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	1,130,900	0	0	0	<b>0</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**331.97 Major Maintenance**

The major maintenance program provides funds for major repairs which do not meet the criteria for capital maintenance at the department's special schools, except the science and math high school.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	71,800	239,100	239,100	0	239,100
<b>Total</b>	<b>\$71,800</b>	<b>\$239,100</b>	<b>\$239,100</b>	<b>\$0</b>	<b>\$239,100</b>
State	71,800	239,100	239,100	0	239,100
Federal	0	0	0	0	0
Other	0	0	0	0	0

**Standard:** Utilize allocated funds on planned, regularly scheduled maintenance projects.

**Measure:** Percent of allocated funds expended for maintenance projects.

95%	100%	100%	0	100%
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**331.00 Total Education (K-12)**

Full-Time	1,256	1,239	1,169	0	1,169
Part-Time	141	102	102	0	102
Seasonal	0	0	0	0	0
<b>Total</b>	<b>1,397</b>	<b>1,341</b>	<b>1,271</b>	<b>0</b>	<b>1,271</b>
Payroll	68,405,100	82,430,100	81,529,200	0	81,529,200
Operational	5,146,985,400	5,483,381,200	5,108,601,100	116,122,500	5,224,723,600
<b>Total</b>	<b>\$5,215,390,500</b>	<b>\$5,565,811,300</b>	<b>\$5,190,130,300</b>	<b>\$116,122,500</b>	<b>\$5,306,252,800</b>
State	3,611,987,100	4,082,862,100	4,059,663,900	116,122,500	4,175,786,400
Federal	1,556,578,000	1,412,362,600	1,060,129,800	0	1,060,129,800
Other	46,825,400	70,586,600	70,336,600	0	70,336,600



## Statistical Data State Special Schools

	York Institute <u>331.90</u>	TN School for the Blind <u>331.91</u>	TN School for the Deaf <u>331.92</u>	West TN School for the Deaf <u>331.93</u>
<b>Annual Admissions</b>				
2005-2006	765	7	29	60
2006-2007	765	11	37	60
2007-2008	765	22	27	61
2008-2009	770	11	37	60
2009-2010	770	11	37	60
2010-2011	725	9	42	60
2011-2012	725	3	31	60
2012-2013	725	3	31	60
<b>Annual Releases</b>				
2005-2006	175	5	30	6
2006-2007	175	8	24	5
2007-2008	175	23	34	13
2008-2009	180	8	24	10
2009-2010	180	8	24	10
2010-2011	215	9	30	9
2011-2012	235	3	25	5
2012-2013	235	3	25	6
<b>Average Daily Census</b>				
2005-2006	664	218	160	52
2006-2007	685	206	163	54
2007-2008	654	212	182	53
2008-2009	689	206	163	49
2009-2010	689	208	165	44
2010-2011	644	158	218	49
2011-2012	680	153	205	46
2012-2013	680	153	195	46
<b>Cost Per Occupancy Day</b>				
2005-2006	\$46.26	\$253.67	\$445.77	\$203.55
2006-2007	\$46.96	\$302.20	\$492.04	\$220.70
2007-2008	\$52.69	\$316.00	\$456.25	\$251.31
2008-2009	\$53.05	\$317.04	\$526.52	\$316.43
2009-2010	\$52.04	\$302.36	\$505.65	\$300.40
2010-2011	\$59.21	\$412.91	\$389.29	\$262.20
2011-2012	\$56.62	\$445.05	\$421.47	\$348.20
2012-2013	\$54.59	\$428.03	\$443.12	\$348.25

# Higher Education

## Performance-Based Budget

The mission of the state-sponsored higher education program is to provide affordable, high-quality, post-secondary education to Tennesseans. Higher Education also provides services through research, medical, agricultural, and public service programs. Emphasis is placed on the coordination of higher education, student financial aid, and special programs designed to improve the overall quality of education. The University of Tennessee, the State University and Community College System, the Tennessee Higher Education Commission, and the Tennessee Student Assistance Corporation work together to accomplish these activities.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### State-Administered Programs

#### Tennessee Higher Education Commission

The Tennessee Higher Education Commission (THEC) was created in 1967 to coordinate and unify Tennessee's public higher education programs, including the University of Tennessee (UT) and the Tennessee Board of Regents (TBR) systems. The commission is comprised of nine lay members, with six-year terms, representing congressional districts of the state; the Comptroller of the Treasury, State Treasurer, and Secretary of State, each serving ex-officio; the executive director of the State Board of Education, serving ex-officio; and two public higher education students, one from both the UT and TBR systems. A board-appointed executive director manages the agency.

The commission's primary responsibilities include developing and maintaining a master plan for public higher education; making budgetary recommendations to the Governor; developing policies and formulas for the equitable distribution of public funds among public higher education institutions; studying the need for programs and departments at institutions; reviewing proposals for new degree programs and academic departments; making determinations concerning the establishment of new institutions of higher learning; submitting a biennial report on the status of higher education; administering the contract education program through the Southern Regional Education Board; administering tuition waiver and discount programs; authorizing the operation of post-secondary educational institutions; and researching and analyzing the Education Lottery Scholarship program.

#### 332.01 Tennessee Higher Education Commission

This allotment provides funds for the staffing and other operating costs of the Tennessee Higher Education Commission.

Full-Time	61	62	60	0	60
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>61</b>	<b>62</b>	<b>60</b>	<b>0</b>	<b>60</b>
Payroll	5,044,400	5,387,200	5,385,800	0	5,385,800
Operational	7,200,600	12,456,400	12,437,400	0	12,437,400
<b>Total</b>	<b>\$12,245,000</b>	<b>\$17,843,600</b>	<b>\$17,823,200</b>	<b>\$0</b>	<b>\$17,823,200</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	2,062,900	2,224,100	2,204,400	0	<b>2,204,400</b>
Federal	4,943,600	6,563,000	6,461,700	0	<b>6,461,700</b>
Other	5,238,500	9,056,500	9,157,100	0	<b>9,157,100</b>

**Standard:** Recommend operating, capital outlay, and capital maintenance appropriations for colleges, universities, technology centers, and non-formula higher education entities to the Governor within five working days of THEC's November meeting.

**Measure:** Number of business days after THEC's November meeting recommendations are made.

	1	1	1	0	1
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### 332.02 Contract Education

Contract Education is a program through which Tennessee residents are enrolled in Tennessee's private colleges and universities to address special educational needs in the state. Also included in this program is minority teacher education, which provides services through public institutions that expand the recruitment pool of African-Americans preparing to teach in grades K-12. The program also includes funds for the post-Geier desegregation settlement access and diversity initiative.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	2,216,700	2,198,200	2,178,400	0	<b>2,178,400</b>
<b>Total</b>	<b>\$2,216,700</b>	<b>\$2,198,200</b>	<b>\$2,178,400</b>	<b>\$0</b>	<b>\$2,178,400</b>
State	2,216,700	2,198,200	2,178,400	0	<b>2,178,400</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Increase or maintain the number of Teacher Diversity Program graduates that intend to become Tennessee teachers.

**Measure:** Number of students trained through the Teacher Diversity Program that intend to become teachers.

	39	39	39	0	39
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### 332.09 THEC Grants

The THEC Grants program provides funds for the tuition discount and fee waiver program, the Harold Love community service awards program, the federally-funded improving teacher quality grants, and a tuition freeze program for students who are in the military reserves or National Guard and are mobilized to active duty.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	3,679,100	4,196,100	4,175,000	0	<b>4,175,000</b>
<b>Total</b>	<b>\$3,679,100</b>	<b>\$4,196,100</b>	<b>\$4,175,000</b>	<b>\$0</b>	<b>\$4,175,000</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	2,343,500	2,339,200	2,318,100	0	<b>2,318,100</b>
Federal	1,300,600	1,286,900	1,286,900	0	<b>1,286,900</b>
Other	35,000	570,000	570,000	0	<b>570,000</b>

**Standard:** Maintain the number of Harold Love Service Awards given to faculty or students in higher education who provide outstanding public service to the community.

**Measure:** Number of Harold Love Service Awards given.

10	10	10	0	10
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**Standard:** Execute the Improving Teacher Quality Grant contracts with colleges, universities, and local education agencies to conduct workshops for teachers.

**Measure:** Number of teachers and principals trained through the Improving Teacher Quality Grants.

589	500	500	0	500
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### 332.08 Centers of Excellence

The Centers of Excellence program is administered by THEC and provides additional funding to Tennessee's public four-year universities to supplement specific disciplines that are deemed excellent or demonstrate the potential for excellence. There are 26 Centers of Excellence based on the following principles: expansion of research and economic development, attainment of regional and national recognition, enhancement of institutional strengths, and differentiation of missions among institutions.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	1,500	0	0	0	<b>0</b>
Operational	18,499,300	17,328,000	17,171,700	366,600	<b>17,538,300</b>
<b>Total</b>	<b>\$18,500,800</b>	<b>\$17,328,000</b>	<b>\$17,171,700</b>	<b>\$366,600</b>	<b>\$17,538,300</b>
State	18,500,800	17,328,000	17,171,700	366,600	<b>17,538,300</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Distribute funds provided for the Centers of Excellence.

**Measure:** Number of days after the beginning of the quarter Centers of Excellence funds distributed.

30	30	30	0	30
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### 332.11 Campus Centers of Emphasis

Like the Centers of Excellence assists four-year universities, the Campus Centers of Emphasis program provides supplemental funding to demonstrably excellent programs at each of the state's public two-year institutions. Administered by THEC, each center is designed to work closely with local business and industry to strengthen specified academic disciplines with positive impact on job placement.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	0	0	0	0	0
Operational	1,348,000	1,247,600	1,236,400	29,500	1,265,900
<b>Total</b>	<b>\$1,348,000</b>	<b>\$1,247,600</b>	<b>\$1,236,400</b>	<b>\$29,500</b>	<b>\$1,265,900</b>
State	1,348,000	1,247,600	1,236,400	29,500	1,265,900
Federal	0	0	0	0	0
Other	0	0	0	0	0

**Standard:** Distribute funds provided for the Centers of Emphasis.

**Measure:** Number of days after the beginning of the quarter Centers of Emphasis funds are distributed.

30	30	30	0	30
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## Tennessee Student Assistance Corporation

The Tennessee Student Assistance Corporation (TSAC) is a non-profit agency that administers state and federal student financial assistance programs. The agency is governed by a 17-member board of directors, including the Governor, the State Treasurer, the Comptroller of the Treasury, the Commissioner of Finance and Administration, the Commissioner of Education, and representatives of higher education serving ex-officio. Other members, each appointed by the Governor, include a representative of a commercial lender, a student of a Tennessee institution of higher education, and three private citizens. The executive director of the Tennessee Higher Education Commission serves as the executive director of TSAC.

TSAC's duties include guaranteeing student loans; administering the Academic Scholars program and, for financially needy Tennesseans, the Tennessee Student Assistance Awards program; administering loan and scholarship programs encouraging students to enter the teaching, nursing, and medical professions; executing the federal program designed to prevent potential defaults on student loans; arranging for or serving as the lender of last resort; and marketing and administering the Tennessee Education Lottery Scholarship program.

### 332.03 Tennessee Student Assistance Awards

The Tennessee Student Assistance Awards program provides non-repayable education grants to financially needy undergraduate students who are residents of Tennessee and enrolled at a public or eligible private post-secondary educational institution in Tennessee.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	55,671,900	57,724,900	57,724,900	3,400,000	61,124,900
<b>Total</b>	<b>\$55,671,900</b>	<b>\$57,724,900</b>	<b>\$57,724,900</b>	<b>\$3,400,000</b>	<b>\$61,124,900</b>
State	47,591,900	49,362,500	49,362,500	3,400,000	52,762,500
Federal	1,280,000	1,562,400	1,562,400	0	1,562,400
Other	6,800,000	6,800,000	6,800,000	0	6,800,000

**Standard:** Fund the maximum number of student awards.

**Measure:** Number of student awards.

32,000	32,000	32,000	0	32,000
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Higher Education

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 332.04 Federal Family Education Loan Program (FFELP)

The Federal Family Education Loan Program services low-interest loans for students and parents. The program consists of the Federal Stafford Loan Program (subsidized and unsubsidized), the Federal PLUS Loan program (Parent Loan for Undergraduate Students), and the Federal Consolidation Loan program. Under FFELP, private lenders, such as banks and credit unions, usually have made the loans. The loans are guaranteed by the federal government through TSAC.

The Health Care and Reconciliation Act of 2010, which includes the Student Aid and Fiscal Responsibility Act, called for the termination of any new loans or consolidations under FFELP after June 30, 2010. Subsequent disbursements on loans with a first disbursement prior to July 1, 2010, are allowed. Existing portfolios will remain in the program and will be serviced by the holding guarantee agency.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	167,841,700	190,001,700	190,001,900	0	190,001,900
<b>Total</b>	<b>\$167,841,700</b>	<b>\$190,001,700</b>	<b>\$190,001,900</b>	<b>\$0</b>	<b>\$190,001,900</b>
State	0	0	0	0	0
Federal	148,266,400	181,101,700	181,101,900	0	181,101,900
Other	19,575,300	8,900,000	8,900,000	0	8,900,000

**Standard:** Lower the TSAC cohort default rate. The cohort default rate is the percentage of a guarantor's student borrowers who enter repayment on FFELP loans during a federal fiscal year and default before the end of the next fiscal year.

**Measure:** TSAC cohort default rate.

8.8%	8.0%	8.0%	0	8.0%
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### 332.05 Tennessee Student Assistance Corporation

The Tennessee Student Assistance Corporation provides all administrative management and oversight for each of the corporation programs. This allotment provides funds for the staffing and other operating costs of administering the financial assistance programs.

Full-Time	54	54	51	0	51
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>54</b>	<b>54</b>	<b>51</b>	<b>0</b>	<b>51</b>
Payroll	3,333,100	3,763,100	3,511,900	0	3,511,900
Operational	20,420,700	21,675,400	21,665,500	0	21,665,500
<b>Total</b>	<b>\$23,753,800</b>	<b>\$25,438,500</b>	<b>\$25,177,400</b>	<b>\$0</b>	<b>\$25,177,400</b>
State	1,768,300	1,225,000	1,214,600	0	1,214,600
Federal	9,841,800	9,436,500	9,337,300	0	9,337,300
Other	12,143,700	14,777,000	14,625,500	0	14,625,500

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**Standard:** Inform Tennesseans of the various financial aid programs available for higher education students and application procedures.

**Measure:** Number of College Goal Sunday participants.

	2,193	3,400	3,400	0	3,400
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### 332.06 Academic Scholars Program

The Academic Scholars Program provides funds for the Ned McWherter and Christa McAuliffe scholars programs. The Ned McWherter Scholars program is intended to encourage academically superior Tennessee high school graduates to attend college in Tennessee. The Christa McAuliffe Scholarship program is a merit-based grant awarded to Tennessee students committed to teaching.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	524,000	780,500	780,500	0	780,500
<b>Total</b>	<b>\$524,000</b>	<b>\$780,500</b>	<b>\$780,500</b>	<b>\$0</b>	<b>\$780,500</b>
State	370,300	401,800	401,800	0	401,800
Federal	0	0	0	0	0
Other	153,700	378,700	378,700	0	378,700

**Standard:** Increase the total number of students awarded the Ned McWherter Scholarship to 200 (50 students awarded per cohort per year).

**Measure:** Number of students awarded.

	178	200	200	0	200
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### 332.07 Loan/Scholarship Programs

Loan/Scholarship Programs encourages exemplary students who are Tennessee residents and U.S. citizens to enter the teaching, medical, and nursing education fields. Participants in the teaching and medical programs incur an obligation to work in an area of need in Tennessee for each year an award is received. Participants in the nursing education program agree to enter a faculty or administrative position at a college or university in Tennessee in a nursing education program and serve for four years.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	3,383,700	4,597,300	4,565,100	0	4,565,100
<b>Total</b>	<b>\$3,383,700</b>	<b>\$4,597,300</b>	<b>\$4,565,100</b>	<b>\$0</b>	<b>\$4,565,100</b>
State	924,900	1,191,000	1,191,000	0	1,191,000
Federal	161,700	178,200	178,200	0	178,200
Other	2,297,100	3,228,100	3,195,900	0	3,195,900

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Increase the total number of students awarded in an academic year to 170 in the Tennessee Teaching Scholars Program.

**Measure:** Number of students awarded in the Tennessee Teaching Scholars Program.

	152	170	170	0	170
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**Standard:** Maintain the success rate in the Minority Teaching Fellows Program.

**Measure:** Success rate in the Minority Teaching Fellows Program.

	53%	60%	60%	0	60%
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### 332.19 Lottery for Education Account

The Lottery for Education Account is an appropriation of the state's net education lottery proceeds. The majority of these funds are made available for post-secondary scholarships, which include the Tennessee HOPE Scholarship, the General Assembly Merit Scholarship, the Need-Based Supplemental Award, the Tennessee HOPE Access Grant, and the Wilder-Naifeh Technical Skills Grant. In the event that education lottery proceeds available to the account exceed scholarship needs, excess proceeds may be appropriated for pre-kindergarten (pre-K) and early childhood education programs. Funding for the pre-K and early childhood education programs is appropriated here and is reflected in the Department of Education budget, funded by interdepartmental (other) revenue from the Lottery for Education Account state appropriation. Administrative costs associated with the scholarship program within the Tennessee Higher Education Commission and Tennessee Student Assistance Corporation also are funded from the appropriation to the Lottery for Education Account.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	307,192,500	340,700,000	330,600,000	0	330,600,000
<b>Total</b>	<b>\$307,192,500</b>	<b>\$340,700,000</b>	<b>\$330,600,000</b>	<b>\$0</b>	<b>\$330,600,000</b>
State	295,700,000	301,000,000	298,500,000	0	298,500,000
Federal	0	0	0	0	0
Other	11,492,500	39,700,000	32,100,000	0	32,100,000

**Standard:** Increase the number of participants in the Tennessee Education Lottery Scholarship program.

**Measure:** Number of students paid a lottery-related scholarship.

	103,000	117,700	106,000	0	106,000
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**Standard:** Maintain the semester HOPE scholarship award amount.

**Measure:** HOPE Scholarship award amount.

	\$2,000	\$2,000	\$2,000	0	\$2,000
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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## Tennessee Foreign Language Institute

### 332.14 Foreign Language Institute

The Tennessee Foreign Language Institute's mission is to encourage and facilitate the learning and teaching of foreign languages. The institute serves more than 4,000 persons annually through classes in more than 115 languages.

Full-Time	14	14	14	0	14
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>0</b>	<b>14</b>
Payroll	0	0	0	0	0
Operational	1,882,100	1,843,700	1,840,500	0	1,840,500
<b>Total</b>	<b>\$1,882,100</b>	<b>\$1,843,700</b>	<b>\$1,840,500</b>	<b>\$0</b>	<b>\$1,840,500</b>
State	338,100	352,800	349,600	0	349,600
Federal	0	0	0	0	0
Other	1,544,000	1,490,900	1,490,900	0	1,490,900

**Standard:** Increase the number of translations provided to non-state entities.

**Measure:** Number of translations provided to non-state entities.

	421	520	482	0	482
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### 332.00 Total Higher Education - State Administered Programs

Full-Time	129	130	125	0	125
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>129</b>	<b>130</b>	<b>125</b>	<b>0</b>	<b>125</b>
Payroll	8,379,000	9,150,300	8,897,700	0	8,897,700
Operational	589,860,300	654,749,800	644,377,300	3,796,100	648,173,400
<b>Total</b>	<b>\$598,239,300</b>	<b>\$663,900,100</b>	<b>\$653,275,000</b>	<b>\$3,796,100</b>	<b>\$657,071,100</b>
State	373,165,400	378,870,200	376,128,500	3,796,100	379,924,600
Federal	165,794,100	200,128,700	199,928,400	0	199,928,400
Other	59,279,800	84,901,200	77,218,100	0	77,218,100

# University of Tennessee

## Performance-Based Budget

The University of Tennessee (UT) is a statewide land grant institution governed by a Board of Trustees. The University of Tennessee offers academic programs in a large number of specialized areas at the bachelor's, master's, and doctoral levels. In addition to the traditional teaching mission, the UT system is engaged in a number of research and public service activities. The UT system has campuses in Knoxville, Chattanooga, Martin, and Memphis, where the medical units are located.

Note: Position counts shown below are for full-time, unrestricted education and general employees only. Full-time equivalent (FTE) enrollments are for Fall 2009 and 2010. Federal revenues, tuition and fees, and other revenues are unrestricted current funds derived from education and general sources, and auxiliary enterprise sources.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 332.10 UT University-Wide Administration

UT University-Wide Administration provides administrative support and oversight for all of the University of Tennessee campuses and functions. Administrative services include the offices of the president, business and finance, general counsel, audit and consulting, governmental relations, athletic directors, and the board of trustees.

Full-Time					
Administrative	69	56	56	0	56
Professional	146	139	139	0	139
Faculty	1	1	1	0	1
Clerical/Support	122	79	79	0	79
<b>Total</b>	<b>338</b>	<b>275</b>	<b>275</b>	<b>0</b>	<b>275</b>
FTE Enrollment	0	0	0	0	0
State	4,305,100	4,422,300	4,384,300	180,700	4,565,000
Federal	0	0	0	0	0
Other	19,500,000	17,033,600	17,033,600	0	17,033,600
Tuition/Fees	0	0	0	0	0
<b>Total</b>	<b>\$23,805,100</b>	<b>\$21,455,900</b>	<b>\$21,417,900</b>	<b>\$180,700</b>	<b>\$21,598,600</b>

**Standard:** All policies that have a direct or indirect impact on college completion will be audited to ensure they facilitate college degree completion.

**Measure:** Percent of policies pertaining to degree completion audited.

100%	100%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 332.21 UT Access and Diversity Initiative

The UT Access and Diversity Initiative program provides financial support to the University of Tennessee for the continuance of higher education access and diversity initiatives after the September 2006 dismissal of the 1968 Geier desegregation lawsuit. The success of a five-year settlement agreement, implemented in 2001, led to the dismissal. The initiative includes efforts that proved to be the most effective in the settlement program. The initiative includes financial aid, graduate fellowships, and student and faculty recruitment and retention programs.

Full-Time					
Administrative	0	0	0	0	0
Professional	0	0	0	0	0
Faculty	0	0	0	0	0
Clerical/Support	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FTE Enrollment	0	0	0	0	0
State	6,389,700	5,600,600	5,550,100	0	5,550,100
Federal	328,400	200	100	0	100
Other	0	0	0	0	0
Tuition/Fees	0	0	0	0	0
<b>Total</b>	<b>\$6,718,100</b>	<b>\$5,600,800</b>	<b>\$5,550,200</b>	<b>\$0</b>	<b>\$5,550,200</b>

**Standard:** Increase fall term enrollment of underrepresented groups.

**Measure:** Percent of underrepresented groups enrolled.

23.6%	25.6%	24.2%	0	24.2%
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## Public Service

One of the missions of the University of Tennessee is to provide services to the public beyond traditional post-secondary and professional education and training by providing information and technical assistance to business, industry, and government; advising the counties, cities, and towns of Tennessee in law, public works, finance, accounting, and governmental affairs; providing technical services and technology-based training to local, regional, and national law enforcement agencies; and providing continuing education on and off campuses, with special emphasis on degree granting programs in non-traditional settings.

### 332.15 UT Institute for Public Service

This allotment provides funds for the staffing and operational costs of the UT Institute for Public Service. The institute provides research and technical assistance to state and local government and industry. The institute also provides on-site technical assistance and training, as well as regional training conferences. The institute maintains offices in Nashville, Chattanooga, Cookeville, Knoxville, Martin, Memphis, Johnson City, Columbia, Oak Ridge, and Jackson.

Full-Time					
Administrative	6	5	5	0	5
Professional	15	13	13	0	13
Faculty	0	0	0	0	0
Clerical/Support	12	12	12	0	12
<b>Total</b>	<b>33</b>	<b>30</b>	<b>30</b>	<b>0</b>	<b>30</b>
FTE Enrollment	0	0	0	0	0

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	4,791,400	4,354,900	4,315,800	222,000	<b>4,537,800</b>
Federal	614,800	450,000	450,000	0	<b>450,000</b>
Other	547,700	675,200	675,200	0	<b>675,200</b>
Tuition/Fees	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$5,953,900</b>	<b>\$5,480,100</b>	<b>\$5,441,000</b>	<b>\$222,000</b>	<b>\$5,663,000</b>

**Standard:** Increase the economic impact on business services' sales, expenses, and investments.

**Measure:** Amount of economic impact.

\$1 billion      \$800 million      \$850 million      0      \$850 million

### 332.16 UT Municipal Technical Advisory Service

The Municipal Technical Advisory Service provides technical assistance to the incorporated cities of the state. Assistance is offered in fields of finance and accounting, human resources, legal issues, and public safety.

Full-Time					
Administrative	2	2	2	0	<b>2</b>
Professional	39	34	34	0	<b>34</b>
Faculty	0	0	0	0	<b>0</b>
Clerical/Support	11	11	11	0	<b>11</b>
<b>Total</b>	<b>52</b>	<b>47</b>	<b>47</b>	<b>0</b>	<b>47</b>
FTE Enrollment	0	0	0	0	<b>0</b>
State	2,790,900	2,569,500	2,546,500	195,500	<b>2,742,000</b>
Federal	0	0	0	0	<b>0</b>
Other	2,789,600	2,928,400	2,928,400	0	<b>2,928,400</b>
Tuition/Fees	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$5,580,500</b>	<b>\$5,497,900</b>	<b>\$5,474,900</b>	<b>\$195,500</b>	<b>\$5,670,400</b>

**Standard:** Increase the economic impact to cities' services on revenues and expenses.

**Measure:** Amount of economic impact.

\$23 million      \$27 million      \$27 million      0      \$27 million

### 332.17 UT County Technical Assistance Service

The County Technical Assistance Service provides the state's 95 county governments with technical assistance and information on most aspects of county government, including financial, environmental, and legislative.

Full-Time					
Administrative	1	1	1	0	<b>1</b>
Professional	26	27	27	0	<b>27</b>
Faculty	0	0	0	0	<b>0</b>
Clerical/Support	6	6	6	0	<b>6</b>
<b>Total</b>	<b>33</b>	<b>34</b>	<b>34</b>	<b>0</b>	<b>34</b>
FTE Enrollment	0	0	0	0	<b>0</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	1,656,800	1,533,200	1,519,500	133,700	<b>1,653,200</b>
Federal	0	0	0	0	<b>0</b>
Other	3,005,000	2,981,900	2,981,900	0	<b>2,981,900</b>
Tuition/Fees	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$4,661,800</b>	<b>\$4,515,100</b>	<b>\$4,501,400</b>	<b>\$133,700</b>	<b>\$4,635,100</b>

**Standard:** Maintain the economic impact to counties' services on revenues and expenses.

**Measure:** Amount of economic impact.

\$39 million	\$37 million	\$37 million	0	\$37 million
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## Agricultural Units

Agricultural programs are an important focus of the University of Tennessee in its capacity as a land grant institution. The various units of the program promote and support agriculture through basic and applied research, assistance to community groups in all 95 counties, and veterinary training and research.

### 332.25 UT Agricultural Experiment Station

The UT Agricultural Experiment Station develops technology to enhance the efficiency of agricultural, forest, and ornamental industries; improve the quality of rural life; and conserve rural environmental resources including soil, water, air, and wildlife. Services are provided through campus-based programs and field laboratories.

Full-Time					
Administrative	19	17	17	0	<b>17</b>
Professional	82	81	81	0	<b>81</b>
Faculty	91	94	94	0	<b>94</b>
Clerical/Support	131	115	115	0	<b>115</b>
<b>Total</b>	<b>323</b>	<b>307</b>	<b>307</b>	<b>0</b>	<b>307</b>
FTE Enrollment	0	0	0	0	<b>0</b>
State	25,403,800	23,224,300	23,015,900	1,359,400	<b>24,375,300</b>
Federal	5,400,500	7,861,600	7,861,600	0	<b>7,861,600</b>
Other	4,138,200	4,260,400	4,260,400	0	<b>4,260,400</b>
Tuition/Fees	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$34,942,500</b>	<b>\$35,346,300</b>	<b>\$35,137,900</b>	<b>\$1,359,400</b>	<b>\$36,497,300</b>

**Standard:** Increase the level of research funding to meet mission-directed outcomes.

**Measure:** Expenditure of funds derived from sponsored projects.

\$18.7 million	\$20.6 million	\$22.6 million	0	\$22.6 million
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### 332.26 UT Agricultural Extension Service

The UT Agricultural Extension Service is an off-campus unit of the UT Institute of Agriculture. The unit offers educational programs and research-based information about agriculture, community resource development, nutrition, health, lawn and garden, and youth development to local governments and the general public. The extension service operates an office in every county.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time					
Administrative	12	10	10	0	10
Professional	270	291	291	0	291
Faculty	56	56	56	0	56
Clerical/Support	149	145	145	0	145
<b>Total</b>	<b>487</b>	<b>502</b>	<b>502</b>	<b>0</b>	<b>502</b>
FTE Enrollment	0	0	0	0	0
State	30,495,500	27,985,900	27,735,000	1,737,500	29,472,500
Federal	9,834,700	9,190,100	9,122,600	0	9,122,600
Other	4,746,100	4,718,400	4,718,400	0	4,718,400
Tuition/Fees	0	0	0	0	0
<b>Total</b>	<b>\$45,076,300</b>	<b>\$41,894,400</b>	<b>\$41,576,000</b>	<b>\$1,737,500</b>	<b>\$43,313,500</b>

**Standard:** UT Extension will increase the economic value of its programs annually.

**Measure:** Economic value of program delivery.

\$393 million	\$406 million	\$407 million	0	\$407 million
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### 332.28 UT Veterinary Medicine

The UT College of Veterinary Medicine is located on the agricultural campus of the University of Tennessee in Knoxville. Departments include Comparative Medicine, Pathology, Large Animal Clinical Sciences, and Small Animal Clinical Sciences. The college offers a Doctor of Veterinary Medicine and a joint Doctor of Veterinary Medicine and Masters in Public Health.

Full-Time					
Administrative	8	6	6	0	6
Professional	35	36	36	0	36
Faculty	97	96	96	0	96
Clerical/Support	161	161	161	0	161
<b>Total</b>	<b>301</b>	<b>299</b>	<b>299</b>	<b>0</b>	<b>299</b>
FTE Enrollment	520	554	554	0	554
State	16,833,000	14,509,600	14,287,200	1,155,100	15,442,300
Federal	1,266,400	1,747,600	1,178,000	0	1,178,000
Other	10,615,600	10,558,100	10,558,100	0	10,558,100
Tuition/Fees	9,807,000	10,488,200	10,488,200	0	10,488,200
<b>Total</b>	<b>\$38,522,000</b>	<b>\$37,303,500</b>	<b>\$36,511,500</b>	<b>\$1,155,100</b>	<b>\$37,666,600</b>

**Standard:** Increase/maintain the first-attempt National North American Veterinary Licensing Examination (NAVLE) pass rate, which is required to practice veterinary medicine.

**Measure:** First-attempt pass rate on NAVLE.

95.2%	92.5%	92.5%	0	92.5%
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**Standard:** Maintain the second-attempt NAVLE pass rate at the time of graduation.

**Measure:** Second-attempt pass rate on NAVLE at the time of graduation.

100%	100%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Medical Education Units

The Medical Education Program of the University of Tennessee plays an important role in meeting the state's health care needs. With the goal of providing high-quality health care to all geographic regions of the state, the medical education program trains physicians and other health care professionals.

#### 332.30 UT Health Science Center

The UT Health Science Center (UTHSC) in Memphis focuses on meeting the state's health care needs. The campus is divided into eight colleges including Allied Health, Dentistry, Graduate Health Sciences, Health Science Engineering, Medicine, Nursing, Pharmacy, and Social Work.

Full-Time					
Administrative	74	68	68	0	<b>68</b>
Professional	209	208	208	0	<b>208</b>
Faculty	249	265	265	0	<b>265</b>
Clerical/Support	535	565	565	0	<b>565</b>
<b>Total</b>	<b>1,067</b>	<b>1,106</b>	<b>1,106</b>	<b>0</b>	<b>1,106</b>
FTE Enrollment	2,623	3,135	3,135	0	<b>3,135</b>
State	72,381,100	63,362,000	62,428,600	4,743,900	<b>67,172,500</b>
Federal	13,536,800	11,551,000	10,140,200	0	<b>10,140,200</b>
Other	15,561,000	16,819,200	16,819,200	0	<b>16,819,200</b>
Tuition/Fees	40,946,900	43,344,800	43,344,800	0	<b>43,344,800</b>
<b>Total</b>	<b>\$142,425,800</b>	<b>\$135,077,000</b>	<b>\$132,732,800</b>	<b>\$4,743,900</b>	<b>\$137,476,700</b>

**Standard:** UTHSC will increase the amount of expenditure dollars each year.

**Measure:** Sponsored research program expenditures.

\$51.6 million	\$51.0 million	\$51.0 million	0	\$51.0 million
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#### 332.32 UT Family Medicine

UT Family Medicine is an academic department in the College of Medicine of the UT Health Science Center in Memphis. The department's mission of improving health is accomplished through teaching, patient care, public service, and scholarly activities.

Full-Time					
Administrative	1	1	1	0	<b>1</b>
Professional	12	12	12	0	<b>12</b>
Faculty	33	31	31	0	<b>31</b>
Clerical/Support	108	107	107	0	<b>107</b>
<b>Total</b>	<b>154</b>	<b>151</b>	<b>151</b>	<b>0</b>	<b>151</b>
FTE Enrollment	0	0	0	0	<b>0</b>
State	10,248,200	9,358,900	9,274,900	619,700	<b>9,894,600</b>
Federal	0	98,200	0	0	<b>0</b>
Other	9,554,200	9,930,600	9,930,600	0	<b>9,930,600</b>
Tuition/Fees	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$19,802,400</b>	<b>\$19,387,700</b>	<b>\$19,205,500</b>	<b>\$619,700</b>	<b>\$19,825,200</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** UT Family Medicine will serve patients in the Memphis community.

**Measure:** Number of patients served.

	27,137	36,500	29,175	0	29,175
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### 332.34 UT College of Medicine

The UT College of Medicine, a unit of the UT Health Science Center in Memphis, offers programs leading to the Doctor of Medicine (M.D.) degree and the Doctor of Medicine (M.D.) and Doctor of Philosophy (Ph.D.) combined degree program.

Full-Time					
Administrative	20	21	21	0	21
Professional	39	46	46	0	46
Faculty	311	298	298	0	298
Clerical/Support	112	111	111	0	111
<b>Total</b>	<b>482</b>	<b>476</b>	<b>476</b>	<b>0</b>	<b>476</b>
FTE Enrollment	0	0	0	0	0
State	49,411,400	43,014,900	42,434,800	2,455,400	44,890,200
Federal	0	3,045,300	0	0	0
Other	1,214,000	5,319,300	5,319,300	0	5,319,300
Tuition/Fees	17,650,600	21,515,600	21,515,600	0	21,515,600
<b>Total</b>	<b>\$68,276,000</b>	<b>\$72,895,100</b>	<b>\$69,269,700</b>	<b>\$2,455,400</b>	<b>\$71,725,100</b>

**Standard:** Increase the number of graduates from the College of Medicine to 165.

**Measure:** Number of graduates from the College of Medicine.

	144	165	165	0	165
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## University and Research Campuses

The University of Tennessee provides comprehensive undergraduate and graduate study at each of its three major campuses at Knoxville, Chattanooga, and Martin. These campuses provide services to citizens in all areas of the state through education, research, and public service activities. Graduate studies in aerospace and related fields are provided at the UT Space Institute in Tullahoma.

### 332.12 UT Research Initiatives

All technical and research-related improvements are reflected in this program. Funds are transferred to the appropriate institutional program.

Full-Time					
Administrative	0	0	0	0	0
Professional	0	0	0	0	0
Faculty	0	0	0	0	0
Clerical/Support	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FTE Enrollment	0	0	0	0	0



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	10,993,700	10,945,200	5,594,300	0	<b>5,594,300</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>
Tuition/Fees	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$10,993,700</b>	<b>\$10,945,200</b>	<b>\$5,594,300</b>	<b>\$0</b>	<b>\$5,594,300</b>

**Standard:** Increase research and sponsored program expenditures.

**Measure:** Annual research and sponsored program expenditures.

\$280 Million      \$375 million      \$300 million      0      \$300 million

### 332.23 UT Space Institute

The UT Space Institute, located in Tullahoma, provides graduate study and research in aerospace engineering and related fields and hosts a center of excellence in laser applications. The institute also provides assistance to private companies involved in aerospace engineering.

Full-Time					
Administrative	7	6	6	0	<b>6</b>
Professional	9	9	9	0	<b>9</b>
Faculty	26	23	23	0	<b>23</b>
Clerical/Support	40	40	40	0	<b>40</b>
<b>Total</b>	<b>82</b>	<b>78</b>	<b>78</b>	<b>0</b>	<b>78</b>
FTE Enrollment	85	83	83	0	<b>83</b>
State	8,351,400	7,305,900	7,225,500	375,400	<b>7,600,900</b>
Federal	450,000	377,000	376,900	0	<b>376,900</b>
Other	350,100	273,800	273,800	0	<b>273,800</b>
Tuition/Fees	1,568,000	1,848,500	1,848,500	0	<b>1,848,500</b>
<b>Total</b>	<b>\$10,719,500</b>	<b>\$9,805,200</b>	<b>\$9,724,700</b>	<b>\$375,400</b>	<b>\$10,100,100</b>

**Standard:** Increase externally funded research.

**Measure:** Annual research expenditures.

\$3.5 million      \$4.5 million      \$5.0 million      0      \$5.0 million

### 332.40 UT Chattanooga

The University of Tennessee at Chattanooga is a comprehensive university offering degrees at the bachelor's, master's, and doctorate levels, as well as various certificate and pre-professional programs. The university's center of excellence is in computer applications.

Full-Time					
Administrative	94	94	94	0	<b>94</b>
Professional	158	166	166	0	<b>166</b>
Faculty	397	414	414	0	<b>414</b>
Clerical/Support	307	302	302	0	<b>302</b>
<b>Total</b>	<b>956</b>	<b>976</b>	<b>976</b>	<b>0</b>	<b>976</b>
FTE Enrollment	9,788	9,849	9,849	0	<b>9,849</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	45,698,600	33,821,400	32,467,900	2,268,500	<b>34,736,400</b>
Federal	723,600	2,172,400	248,800	0	<b>248,800</b>
Other	16,198,500	13,277,600	13,277,600	0	<b>13,277,600</b>
Tuition/Fees	68,130,800	72,474,900	72,474,900	0	<b>72,474,900</b>
<b>Total</b>	<b>\$130,751,500</b>	<b>\$121,746,300</b>	<b>\$118,469,200</b>	<b>\$2,268,500</b>	<b>\$120,737,700</b>

**Standard:** Increase the percent of first-time, full-time freshmen that graduate within six years.

**Measure:** Graduation rates (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

40.0%	43.5%	44.0%	0	44.0%
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**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

579	775	850	0	850
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### 332.42 UT Knoxville

The University of Tennessee at Knoxville is the state's oldest and largest public university. The university offers degrees at the undergraduate, graduate, and professional levels. Focus also is given to programs in health sciences, agriculture, public service, and space science through related research institutions. The university's centers of excellence are in science alliance, materials processing, and waste management.

Full-Time					
Administrative	260	232	232	0	<b>232</b>
Professional	567	613	613	0	<b>613</b>
Faculty	1,302	1,279	1,279	0	<b>1,279</b>
Clerical/Support	1,573	1,514	1,514	0	<b>1,514</b>
<b>Total</b>	<b>3,702</b>	<b>3,638</b>	<b>3,638</b>	<b>0</b>	<b>3,638</b>
FTE Enrollment	23,797	24,444	24,444	0	<b>24,444</b>
State	200,689,200	145,260,100	144,489,800	9,384,600	<b>153,874,400</b>
Federal	18,490,900	15,835,100	15,420,000	0	<b>15,420,000</b>
Other	197,867,600	196,546,600	196,546,600	0	<b>196,546,600</b>
Tuition/Fees	259,350,500	288,388,900	288,388,900	0	<b>288,388,900</b>
<b>Total</b>	<b>\$676,398,200</b>	<b>\$646,030,700</b>	<b>\$644,845,300</b>	<b>\$9,384,600</b>	<b>\$654,229,900</b>

**Standard:** Increase the percent of first-time, full-time freshmen that graduate within six years.

**Measure:** Graduation rates (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

60.5%	62.0%	65.0%	0	65.0%
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**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

2,174	2,135	2,620	0	2,620
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 332.44 UT Martin

The University of Tennessee at Martin is an undergraduate-focused institution offering degrees at the bachelor's and master's levels. Graduate programs include agricultural operations, family and consumer sciences, accountancy, and education. The university's center of excellence program is in science and math teaching.

Full-Time					
Administrative	61	55	55	0	55
Professional	105	101	101	0	101
Faculty	305	299	299	0	299
Clerical/Support	287	273	273	0	273
<b>Total</b>	<b>758</b>	<b>728</b>	<b>728</b>	<b>0</b>	<b>728</b>
FTE Enrollment	6,959	6,847	6,847	0	6,847
State	33,005,000	24,456,700	23,044,700	2,428,900	25,473,600
Federal	32,200	778,000	88,000	0	88,000
Other	17,449,700	16,679,800	16,679,800	0	16,679,800
Tuition/Fees	51,531,600	52,853,600	52,853,600	0	52,853,600
<b>Total</b>	<b>\$102,018,500</b>	<b>\$94,768,100</b>	<b>\$92,666,100</b>	<b>\$2,428,900</b>	<b>\$95,095,000</b>

**Standard:** Increase the percent of first-time, full-time freshmen that graduate within six years.

**Measure:** Graduation rates (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

47.4%	47.6%	47.8%	0	47.8%
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**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

584	572	613	0	613
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### Total University of Tennessee System

Full-Time					
Administrative	634	574	574	0	574
Professional	1,712	1,776	1,776	0	1,776
Faculty	2,868	2,856	2,856	0	2,856
Clerical/Support	3,554	3,441	3,441	0	3,441
<b>Total</b>	<b>8,768</b>	<b>8,647</b>	<b>8,647</b>	<b>0</b>	<b>8,647</b>
FTE Enrollment	43,772	44,912	44,912	0	44,912
State	523,444,800	421,725,400	410,314,800	27,260,300	437,575,100
Federal	50,678,300	53,106,500	44,886,200	0	44,886,200
Other	303,537,300	302,002,900	302,002,900	0	302,002,900
Tuition/Fees	448,985,400	490,914,500	490,914,500	0	490,914,500
<b>Total</b>	<b>\$1,326,645,800</b>	<b>\$1,267,749,300</b>	<b>\$1,248,118,400</b>	<b>\$27,260,300</b>	<b>\$1,275,378,700</b>

# State University and Community College System

## Performance-Based Budget

The State University and Community College System consists of four-year universities, two-year community colleges, and technology centers which serve the citizens of Tennessee through teaching, research, and public service. The system is governed by the Tennessee Board of Regents, which appoints a chancellor as administrative head of the system. The administrative staff, reporting to the chancellor, provides general administrative, planning, coordination, review, and oversight functions through the offices of the chancellor, business and finance, academic affairs, and general counsel.

Note: Position counts shown below are for full-time, unrestricted education and general employees only. Full-time equivalent (FTE) enrollments are for fall 2010 and 2011. Federal revenues, tuition and fees, and other revenues are unrestricted current funds derived from education and general sources and from auxiliary enterprise sources.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 332.60 Tennessee Board of Regents

This allotment provides funds for staffing and other operational costs of the Board of Regents and its system administrative staff, organized under the chancellor.

Full-Time					
Administrative	26	26	26	0	26
Professional	81	86	86	0	86
Faculty	0	0	0	0	0
Clerical/Support	5	7	7	0	7
<b>Total</b>	<b>112</b>	<b>119</b>	<b>119</b>	<b>0</b>	<b>119</b>
FTE Enrollment	0	0	0	0	0
State	4,440,500	4,603,800	4,562,600	353,800	4,916,400
Federal	0	0	0	0	0
Other	15,739,800	16,528,700	16,528,700	0	16,528,700
Tuition/Fees	0	0	0	0	0
<b>Total</b>	<b>\$20,180,300</b>	<b>\$21,132,500</b>	<b>\$21,091,300</b>	<b>\$353,800</b>	<b>\$21,445,100</b>

**Standard:** Continue reviews of all Board of Regents policies for streamlining and efficiency of operation.

**Measure:** Percent of TBR policies reviewed.

100%	100%	100%	0	100%
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### 332.59 Regents Access and Diversity Initiative

The Regents Access and Diversity Initiative program provides financial support to the Tennessee Board of Regents for the continuance of higher education access and diversity initiatives after the September 2006 dismissal of the 1968 Geier desegregation lawsuit. The success of a five-year settlement agreement, implemented in 2001, led to the dismissal. The initiative includes efforts that proved to be the most effective in the settlement program. The initiative includes financial aid and stipends, student and faculty recruitment and retention programs, continuing support of the TSU Avon Williams Campus in downtown Nashville, and statewide oversight.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time					
Administrative	0	0	0	0	0
Professional	0	0	0	0	0
Faculty	0	0	0	0	0
Clerical/Support	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FTE Enrollment	0	0	0	0	0
State	11,297,600	9,892,900	9,803,700	0	<b>9,803,700</b>
Federal	0	133,300	0	0	0
Other	0	0	0	0	0
Tuition/Fees	0	0	0	0	0
<b>Total</b>	<b>\$11,297,600</b>	<b>\$10,026,200</b>	<b>\$9,803,700</b>	<b>\$0</b>	<b>\$9,803,700</b>

**Standard:** Increase access to aid and scholarships for diverse students.

**Measure:** Percent of institutions reporting on use of total aid toward implementation of diversity efforts.

Not Applicable	100%	100%	0	100%
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## Agricultural Units

Agricultural units are an important part of Tennessee State University (TSU) in its capacity as a land grant institution. As a land grant institution, TSU receives federal funds from the U.S. Department of Agriculture (USDA) to help finance agricultural research and extension at the Institute of Agricultural and Environmental Research (IAgER) and the TSU Cooperative Extension program. The state appropriations match federal grant funds.

### 332.63 TSU Institute of Agricultural and Environmental Research

The TSU Institute of Agricultural and Environmental Research is the principal agricultural and environmental research division of TSU. The institute's multi-disciplinary research efforts are in the areas of animal and alternative livestock; economics and policy; nursery, medicinal, and alternative food crops; environmental protection and enhancement; and food safety, nutrition, and family well-being.

Full-Time					
Administrative	2	2	2	0	2
Professional	1	1	1	0	1
Faculty	1	1	1	0	1
Clerical/Support	1	1	1	0	1
<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>
FTE Enrollment	0	0	0	0	0
State	2,324,700	2,145,000	2,125,700	80,600	<b>2,206,300</b>
Federal	0	114,500	0	0	0
Other	0	0	0	0	0
Tuition/Fees	0	0	0	0	0
<b>Total</b>	<b>\$2,324,700</b>	<b>\$2,259,500</b>	<b>\$2,125,700</b>	<b>\$80,600</b>	<b>\$2,206,300</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Maintain the number of presentations/dissemination of scientific discoveries in the areas of livestock; agricultural economics; nursery, medicinal, and alternative food crops; environmental protection; and food safety and nutrition by research scientists.

**Measure:** Number of scientific publications (full-length refereed) by research scientists.

	28	32	32	0	32
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**Standard:** Maintain the number of scientific publications in the areas of livestock; agricultural economics; nursery, medicinal, and alternative food crops; environmental protection and enhancement; and food safety and nutrition by research scientists.

**Measure:** Number of presentations/dissemination of scientific discoveries at scientific conferences, forums, workshops, and training sessions (domestic and international) by research scientists.

	105	130	140	0	140
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### 332.62 TSU McMinnville Center

The Tennessee State University McMinnville Center, an Institute of Agricultural and Environmental Research (IAgER) facility, is a nursery crop research station and is the only such academic research station in the nation. The center provides leadership in strengthening and expanding the regional nursery industry through research in the areas of pathology, entomology, genetics, horticulture, and related sciences.

Full-Time Administrative	0	0	0	0	0
Professional	2	2	2	0	2
Faculty	1	1	1	0	1
Clerical/Support	2	2	2	0	2
<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>
FTE Enrollment	0	0	0	0	0
State	570,600	528,800	524,000	19,600	543,600
Federal	0	33,600	0	0	0
Other	0	0	0	0	0
Tuition/Fees	0	0	0	0	0
<b>Total</b>	<b>\$570,600</b>	<b>\$562,400</b>	<b>\$524,000</b>	<b>\$19,600</b>	<b>\$543,600</b>

**Standard:** Increase the number of nursery industry-identified problem areas addressed by research scientists.

**Measure:** Number of nursery industry-identified problem areas addressed by research scientists.

	24	26	9	0	9
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**Standard:** Increase the number of scientific publications related to nursery production by research scientists.

**Measure:** Number of presentations/dissemination of scientific discoveries at scientific conferences, forums, workshops and training sessions (domestic and international) by research scientists.

	53	50	50	0	50
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 332.64 TSU Cooperative Education

The TSU Cooperative Education program, through 14 county offices, offers educational programs and research-based information to local governments and the general public in the areas of agriculture and natural resources, community and rural development, 4-H and youth development, and family and consumer sciences.

Full-Time					
Administrative	0	0	0	0	0
Professional	12	12	12	0	12
Faculty	1	1	1	0	1
Clerical/Support	3	3	3	0	3
<b>Total</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>16</b>
FTE Enrollment	0	0	0	0	0
State	3,067,700	2,918,200	2,891,900	114,600	3,006,500
Federal	0	84,300	0	0	0
Other	0	0	0	0	0
Tuition/Fees	0	0	0	0	0
<b>Total</b>	<b>\$3,067,700</b>	<b>\$3,002,500</b>	<b>\$2,891,900</b>	<b>\$114,600</b>	<b>\$3,006,500</b>

**Standard:** Maintain the number of clientele educational contacts.

**Measure:** Number of clientele contacts.

1,829,518	1,388,433	300,000	0	300,000
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**Standard:** Maintain the number of presentations/dissemination of research-based, practical, and useful information to the people of Tennessee via educational conferences/activities in the areas of agriculture, consumer science, and 4-H and youth development.

**Measure:** Number of educational presentations for dissemination of research-based, practical, and useful information.

280	300	300	0	300
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### 332.68 TSU McIntire-Stennis Forestry Research

The McIntire-Stennis Act of 1962 makes funding available to state programs at land grant institutions for forestry research. States must provide matching funds equal to or greater than the federal allocation. Eligible institutions are required to conduct research in areas such as reforestation and land management; watershed and rangeland management; management of forest lands for outdoor recreation; protection of forests and resources against fire, insects, and disease; utilization of wood and other forest-related products; and studies promoting the most effective use of forest resources.

Full-Time					
Administrative	0	0	0	0	0
Professional	0	0	0	0	0
Faculty	0	0	0	0	0
Clerical/Support	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FTE Enrollment	0	0	0	0	0

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	171,900	170,600	169,100	5,000	<b>174,100</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>
Tuition/Fees	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$171,900</b>	<b>\$170,600</b>	<b>\$169,100</b>	<b>\$5,000</b>	<b>\$174,100</b>

**Standard:** Increase the number of scientific publications (full-length refereed) in forestry research by research scientists.

**Measure:** Number of scientific publications (full-length refereed) in forestry research by research scientists.

0	1	2	0	2
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**Standard:** Increase the number of presentations/dissemination of scientific discoveries in the area of forestry made at scientific conferences, forums, workshops, and trainings (domestic and international) by research scientists.

**Measure:** Number of presentations/dissemination of scientific discoveries in the area of forestry made at scientific conferences, forums, workshops, and trainings (domestic and international) by research scientists.

1	2	4	0	4
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## Medical Education Units

To help meet the health needs of the citizens of eastern Tennessee, the East Tennessee State University (ETSU) Quillen College of Medicine provides medical study and training for students who wish to become physicians or other health-care professionals. Through family medicine residency programs, the college encourages its students to enter into family health practice in the rural communities of East Tennessee. The College of Pharmacy trains pharmacists for placement in community pharmacies and rural hospital settings.

### 332.65 ETSU College of Medicine

The ETSU Quillen College of Medicine provides medical study and training for students interested in primary care as physicians or health care professionals. The college's focus is on practice in under-served rural communities. The college also is committed to biomedical research and to improving health care in northeast Tennessee and the surrounding Appalachia region.

Full-Time					
Administrative	7	7	7	0	<b>7</b>
Professional	80	79	79	0	<b>79</b>
Faculty	148	149	149	0	<b>149</b>
Clerical/Support	107	109	109	0	<b>109</b>
<b>Total</b>	<b>342</b>	<b>344</b>	<b>344</b>	<b>0</b>	<b>344</b>
FTE Enrollment	258	269	269	0	<b>269</b>
State	29,262,200	25,971,900	25,664,600	1,725,200	<b>27,389,800</b>
Federal	1,518,800	1,300,000	1,300,000	0	<b>1,300,000</b>
Other	13,461,800	15,572,200	15,572,200	0	<b>15,572,200</b>
Tuition/Fees	7,750,600	8,659,500	8,659,500	0	<b>8,659,500</b>
<b>Total</b>	<b>\$51,993,400</b>	<b>\$51,503,600</b>	<b>\$51,196,300</b>	<b>\$1,725,200</b>	<b>\$52,921,500</b>



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Maintain average score on United States Medical Licensing Exam, Step 1, by providing access to databanks of review questions for students to study and notifying students who do not score well on National Board of Medical Examiners subject exams.

**Measure:** Average score of test takers.

	223	221	222	0	222
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### 332.66 ETSU College of Pharmacy

The College of Pharmacy at ETSU enrolls approximately 125 students per year. Its mission is to train pharmacists for placement in community pharmacies and rural hospital settings to aid in the more effective use of medication. The educational program includes a significant emphasis on pharmaceutical care to reduce the unnecessary use of medications. Much of the training is within interdisciplinary teams of medical, nursing, public health, and pharmacy students, who will be located within rural communities. This method of training prepares future pharmacists for improved consultation with physicians and prescribing nurses, resulting in the most efficient, effective, low-cost drug treatments for their mutual patients.

Full-Time					
Administrative	2	2	2	0	2
Professional	15	15	15	0	15
Faculty	30	30	30	0	30
Clerical/Support	15	15	15	0	15
<b>Total</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>0</b>	<b>62</b>
FTE Enrollment	312	319	319	0	319
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	37,200	2,933,800	2,933,800	0	2,933,800
Tuition/Fees	8,633,300	9,517,700	9,517,700	0	9,517,700
<b>Total</b>	<b>\$8,670,500</b>	<b>\$12,451,500</b>	<b>\$12,451,500</b>	<b>\$0</b>	<b>\$12,451,500</b>

**Standard:** Increase applications to the Gatton College of Pharmacy from individuals residing in the Southern Appalachian region.

**Measure:** Percent of applicants from the Southern Appalachian region who complete applications for admission.

	86.5%	90.0%	90.0%	0	90.0%
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### 332.67 ETSU Family Practice

The ETSU Family Practice program was established to train physicians that will practice comprehensive primary health care to families and communities primarily in the rural areas of East Tennessee and Southern Appalachia.

Full-Time					
Administrative	0	0	0	0	0
Professional	18	19	19	0	19
Faculty	21	24	24	0	24
Clerical/Support	52	53	53	0	53
<b>Total</b>	<b>91</b>	<b>96</b>	<b>96</b>	<b>0</b>	<b>96</b>
FTE Enrollment	0	0	0	0	0

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	5,771,700	5,351,400	5,303,400	440,000	<b>5,743,400</b>
Federal	0	0	0	0	<b>0</b>
Other	7,223,600	8,293,400	8,293,400	0	<b>8,293,400</b>
Tuition/Fees	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$12,995,300</b>	<b>\$13,644,800</b>	<b>\$13,596,800</b>	<b>\$440,000</b>	<b>\$14,036,800</b>

**Standard:** Raise/maintain average score on the American Board of Family Medicine In-Training Exam (ITE).

**Measure:** Family Medicine ITE average exam scores.

	408	460	416	0	416
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## Universities

The four-year universities of the State University and Community College System offer undergraduate and graduate study to the citizens of Tennessee. Located throughout the state, the universities offer comprehensive programs in subjects as diverse as occupational training, the arts and sciences, law, and health sciences.

### 332.70 Austin Peay State University

Austin Peay State University is a comprehensive liberal arts institution located in Clarksville. The university offers undergraduate and graduate degree programs in the liberal arts and sciences and complements classroom work with team teaching, cooperative learning, community services, international programs, and collaborative research between faculty and students. Two centers of excellence also are provided in field biology and creative arts.

Full-Time					
Administrative	38	36	36	0	<b>36</b>
Professional	174	183	183	0	<b>183</b>
Faculty	349	375	375	0	<b>375</b>
Clerical/Support	271	271	271	0	<b>271</b>
<b>Total</b>	<b>832</b>	<b>865</b>	<b>865</b>	<b>0</b>	<b>865</b>
FTE Enrollment	8,483	8,507	8,507	0	<b>8,507</b>
State	35,930,000	26,317,000	26,744,400	1,871,400	<b>28,615,800</b>
Federal	298,300	809,500	250,000	0	<b>250,000</b>
Other	13,458,600	13,251,700	13,251,700	0	<b>13,251,700</b>
Tuition/Fees	64,457,600	70,343,500	70,343,500	0	<b>70,343,500</b>
<b>Total</b>	<b>\$114,144,500</b>	<b>\$110,721,700</b>	<b>\$110,589,600</b>	<b>\$1,871,400</b>	<b>\$112,461,000</b>

**Standard:** Increase the percentage of first-time, full-time freshmen that graduate within six years.

**Measure:** Graduation rate (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

	38.7%	37.6%	38.2%	0	38.2%
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**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

	1,565	1,608	1,628	0	1,628
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 332.72 East Tennessee State University

East Tennessee State University (ETSU), located in Johnson City, offers degree programs in arts and sciences, business and technology, education, medicine, nursing, public and allied health, and graduate studies. ETSU houses two centers of excellence in Appalachian studies and early childhood studies.

Full-Time					
Administrative	50	49	49	0	49
Professional	345	361	361	0	361
Faculty	595	616	616	0	616
Clerical/Support	503	503	503	0	503
<b>Total</b>	<b>1,493</b>	<b>1,529</b>	<b>1,529</b>	<b>0</b>	<b>1,529</b>
FTE Enrollment	12,198	12,419	12,419	0	12,419
State	62,780,300	46,007,500	42,844,600	3,852,600	46,697,200
Federal	1,826,600	2,000,000	2,000,000	0	2,000,000
Other	34,665,200	30,363,900	30,363,900	0	30,363,900
Tuition/Fees	94,361,600	102,808,400	102,808,400	0	102,808,400
<b>Total</b>	<b>\$193,633,700</b>	<b>\$181,179,800</b>	<b>\$178,016,900</b>	<b>\$3,852,600</b>	<b>\$181,869,500</b>

**Standard:** Increase the percentage of first-time, full-time freshmen that graduate within six years.

**Measure:** Graduation rate (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

46.2%	49.8%	49.8%	0	49.8%
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**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

2,790	2,862	2,902	0	2,902
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### 332.74 University of Memphis

The University of Memphis is a comprehensive metropolitan university offering degrees at the bachelor's, master's, professional, and doctoral levels. The university has five centers of excellence in applied psychology, communicative disorders, earthquake information, Egyptology, and education policy.

Full-Time					
Administrative	78	77	77	0	77
Professional	619	649	649	0	649
Faculty	918	949	949	0	949
Clerical/Support	860	841	841	0	841
<b>Total</b>	<b>2,475</b>	<b>2,516</b>	<b>2,516</b>	<b>0</b>	<b>2,516</b>
FTE Enrollment	17,450	17,655	17,655	0	17,655
State	122,893,800	97,397,400	81,900,600	12,385,400	94,286,000
Federal	4,818,100	3,994,400	3,939,800	0	3,939,800
Other	75,007,700	71,116,600	71,116,600	0	71,116,600
Tuition/Fees	157,942,100	171,223,000	171,223,000	0	171,223,000
<b>Total</b>	<b>\$360,661,700</b>	<b>\$343,731,400</b>	<b>\$328,180,000</b>	<b>\$12,385,400</b>	<b>\$340,565,400</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Increase the percentage of first-time, full-time freshmen that graduate within six years.

**Measure:** Graduation rate (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

	40.2%	42.9%	42.9%	0	42.9%
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**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

	3,749	3,775	3,899	0	3,899
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### 332.75 Middle Tennessee State University

Located in Murfreesboro, Middle Tennessee State University (MTSU) offers undergraduate, graduate, and doctoral programs in the arts and sciences. Programs are organized in eight university colleges, including basic and applied sciences, graduate studies, business, education and behavioral science, university honors, liberal arts, mass communication, and continuing education and distance learning. MTSU's two centers of excellence are popular music and historic preservation.

Full-Time					
Administrative	81	81	81	0	81
Professional	471	486	486	0	486
Faculty	970	992	992	0	992
Clerical/Support	510	513	513	0	513
<b>Total</b>	<b>2,032</b>	<b>2,072</b>	<b>2,072</b>	<b>0</b>	<b>2,072</b>
FTE Enrollment	21,941	21,751	21,751	0	21,751
State	100,105,700	74,050,200	72,461,900	4,983,100	77,445,000
Federal	6,692,600	4,507,500	2,000,000	0	2,000,000
Other	53,615,300	52,432,800	52,432,800	0	52,432,800
Tuition/Fees	162,788,100	176,654,000	176,654,000	0	176,654,000
<b>Total</b>	<b>\$323,201,700</b>	<b>\$307,644,500</b>	<b>\$303,548,700</b>	<b>\$4,983,100</b>	<b>\$308,531,800</b>

**Standard:** Increase the percentage of first-time, full-time freshmen that graduate within six years.

**Measure:** Graduation rate (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

	52.9%	51.7%	53.3%	0	53.3%
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**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

	4,507	4,522	4,902	0	4,902
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 332.77 Tennessee State University

Tennessee State University (TSU) is a comprehensive, land-grant university located in Nashville. TSU offers numerous bachelor and master degrees and offers doctoral programs in biological sciences, psychology, public administration, physical therapy, computer information systems, educational administration and supervision, and curriculum and instruction. TSU's two centers of excellence are learning sciences and information systems.

Full-Time					
Administrative	58	52	52	0	52
Professional	271	274	274	0	274
Faculty	413	407	407	0	407
Clerical/Support	300	292	292	0	292
<b>Total</b>	<b>1,042</b>	<b>1,025</b>	<b>1,025</b>	<b>0</b>	<b>1,025</b>
FTE Enrollment	7,121	7,130	7,130	0	7,130
State	41,655,200	29,561,500	28,816,300	2,076,000	30,892,300
Federal	1,987,500	1,938,300	1,900,000	0	1,900,000
Other	22,514,600	21,854,300	21,854,300	0	21,854,300
Tuition/Fees	67,417,300	70,878,400	70,878,400	0	70,878,400
<b>Total</b>	<b>\$133,574,600</b>	<b>\$124,232,500</b>	<b>\$123,449,000</b>	<b>\$2,076,000</b>	<b>\$125,525,000</b>

**Standard:** Increase the percentage of first-time, full-time freshmen that graduate within six years.

**Measure:** Graduation rate (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

37.2%	45.4%	40.0%	0	40.0%
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**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

1,600	1,491	1,616	0	1,616
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### 332.78 Tennessee Technological University

Tennessee Technological University is a comprehensive university located in Cookeville. While the university's strength is in technology and engineering, other academic divisions include agriculture and human sciences, arts and sciences, business, education, engineering, interdisciplinary studies, and graduate studies. The university's three centers of excellence are energy systems research, manufacturing, and water resources.

Full-Time					
Administrative	41	27	27	0	27
Professional	210	229	229	0	229
Faculty	409	408	408	0	408
Clerical/Support	362	360	360	0	360
<b>Total</b>	<b>1,022</b>	<b>1,024</b>	<b>1,024</b>	<b>0</b>	<b>1,024</b>
FTE Enrollment	9,361	9,525	9,525	0	9,525
State	49,071,300	36,160,500	35,024,800	2,274,200	37,299,000
Federal	1,213,000	890,400	890,400	0	890,400
Other	22,348,600	21,804,800	21,804,800	0	21,804,800
Tuition/Fees	65,538,400	73,190,500	73,190,500	0	73,190,500
<b>Total</b>	<b>\$138,171,300</b>	<b>\$132,046,200</b>	<b>\$130,910,500</b>	<b>\$2,274,200</b>	<b>\$133,184,700</b>

Higher Education

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Increase/maintain the percentage of first-time, full-time freshmen that graduate within six years.

**Measure:** Graduation rate (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

	55.4%	54.3%	52.5%	0	52.5%
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**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

	2,187	2,289	2,289	0	2,289
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## Community Colleges and Technical Institutes

The state's community colleges provide two-year academic instruction in a wide variety of programs that prepare students for transfer to four-year institutions as well as for direct entry into the workforce. The community colleges combine both technical training and academic instruction on the same campus.

### 332.89 Tennessee Community Colleges

The Complete College Act of 2010 stated that beginning in fiscal year 2012-2013, funding recommendations for community colleges be limited to only aggregate funding by the Tennessee Higher Education Commission. Funding levels for individual community colleges are determined by the Tennessee Board of Regents.

Full-Time					
Administrative	200	204	204	0	<b>204</b>
Professional	1,003	1,043	1,043	0	<b>1,043</b>
Faculty	1,801	1,833	1,833	0	<b>1,833</b>
Clerical/Support	1,638	1,707	1,707	0	<b>1,707</b>
<b>Total</b>	<b>4,642</b>	<b>4,787</b>	<b>4,787</b>	<b>0</b>	<b>4,787</b>
FTE Enrollment	62,762	61,086	61,086	0	<b>61,086</b>
State	232,145,600	192,099,700	182,595,200	16,926,000	<b>199,521,200</b>
Federal	3,900,800	3,478,800	1,052,900	0	<b>1,052,900</b>
Other	15,105,200	12,965,800	12,965,800	0	<b>12,965,800</b>
Tuition/Fees	274,961,600	289,022,100	289,022,100	0	<b>289,022,100</b>
<b>Total</b>	<b>\$526,113,200</b>	<b>\$497,566,400</b>	<b>\$485,636,000</b>	<b>\$16,926,000</b>	<b>\$502,562,000</b>

**Standard:** Increase the total number of college graduates in a given academic year.

**Measure:** Total number of college graduates in a given academic year.

	9,701	9,757	10,152	0	10,152
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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## Tennessee Technology Centers

The state's 27 technology centers provide occupational training tailored to the specific needs of businesses and industries in the geographic regions they serve. Each school is associated with a two-year institution, allowing students greater flexibility in their educational choices. Students earn certificates for completion of incremental specialties within an occupational job title and diplomas for completion of occupational programs.

### 332.98 Tennessee Technology Centers

This allotment provides funds for the staffing and operational costs of the technology centers, which provide post-secondary vocational education, as described above.

Full-Time					
Administrative	52	52	52	0	52
Professional	117	119	119	0	119
Faculty	524	534	534	0	534
Clerical/Support	168	172	172	0	172
<b>Total</b>	<b>861</b>	<b>877</b>	<b>877</b>	<b>0</b>	<b>877</b>
FTE Enrollment	13,570	12,209	12,209	0	12,209
State	54,463,500	52,564,500	51,146,900	3,525,200	54,672,100
Federal	247,000	139,400	126,000	0	126,000
Other	8,533,000	7,645,100	7,645,100	0	7,645,100
Tuition/Fees	26,817,100	27,725,600	27,725,600	0	27,725,600
<b>Total</b>	<b>\$90,060,600</b>	<b>\$88,074,600</b>	<b>\$86,643,600</b>	<b>\$3,525,200</b>	<b>\$90,168,800</b>

**Standard:** Increase the percentage of completers at the technology centers.

**Measure:** Percent of completers based on Council of Occupational Education standards.

75.8%	76.7%	76.7%	0	76.7%
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### Total State University and Community College System

Full-Time					
Administrative	635	615	615	0	615
Professional	3,419	3,558	3,558	0	3,558
Faculty	6,181	6,320	6,320	0	6,320
Clerical/Support	4,797	4,849	4,849	0	4,849
<b>Total</b>	<b>15,032</b>	<b>15,342</b>	<b>15,342</b>	<b>0</b>	<b>15,342</b>
FTE Enrollment	153,456	150,870	150,870	0	150,870
State	755,952,300	605,740,900	572,579,700	50,632,700	623,212,400
Federal	22,502,700	19,424,000	13,459,100	0	13,459,100
Other	281,710,600	274,763,100	274,763,100	0	274,763,100
Tuition/Fees	930,667,700	1,000,022,700	1,000,022,700	0	1,000,022,700
<b>Total</b>	<b>\$1,990,833,300</b>	<b>\$1,899,950,700</b>	<b>\$1,860,824,600</b>	<b>\$50,632,700</b>	<b>\$1,911,457,300</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>Grand Total Higher Education</b>					
Full-Time					
Administrative	1,398	1,319	1,314	0	1,314
Professional	5,131	5,334	5,334	0	5,334
Faculty	9,049	9,176	9,176	0	9,176
Clerical/Support	8,351	8,290	8,290	0	8,290
Part-Time	0	0	0	0	0
<b>Total</b>	<b>23,929</b>	<b>24,119</b>	<b>24,114</b>	<b>0</b>	<b>24,114</b>
FTE Enrollment	197,228	195,782	195,782	0	195,782
State	1,652,562,500	1,406,336,500	1,359,023,000	81,689,100	1,440,712,100
Federal	238,975,100	272,659,200	258,273,700	0	258,273,700
Other	644,527,700	661,667,200	653,984,100	0	653,984,100
Tuition/Fees	1,379,653,100	1,490,937,200	1,490,937,200	0	1,490,937,200
<b>Total</b>	<b>\$3,915,718,400</b>	<b>\$3,831,600,100</b>	<b>\$3,762,218,000</b>	<b>\$81,689,100</b>	<b>\$3,843,907,100</b>



## Performance Measures by Community College

Graduation rate (cohort of full-time, first-time degree-seeking students that entered in the fall term and completed the academic program within six years).

	Actual 2010-2011*	Estimate 2011-2012	Target 2012-2013
Southwest Tennessee	13.7%	16.2%	16.2%
Nashville State	25.3%	27.4%	27.4%
Pellissippi State	32.0%	44.9%	44.9%
Northeast State	35.7%	35.8%	35.8%
Chattanooga State	24.0%	25.7%	25.7%
Cleveland State	33.8%	35.0%	35.0%
Columbia State	40.6%	45.0%	45.0%
Dyersburg State	22.7%	27.4%	27.4%
Jackson State	28.5%	30.6%	30.6%
Motlow State	37.3%	43.9%	43.9%
Roane State	39.0%	40.6%	40.6%
Volunteer State	32.4%	33.1%	33.1%
Walters State	38.8%	38.4%	38.6%

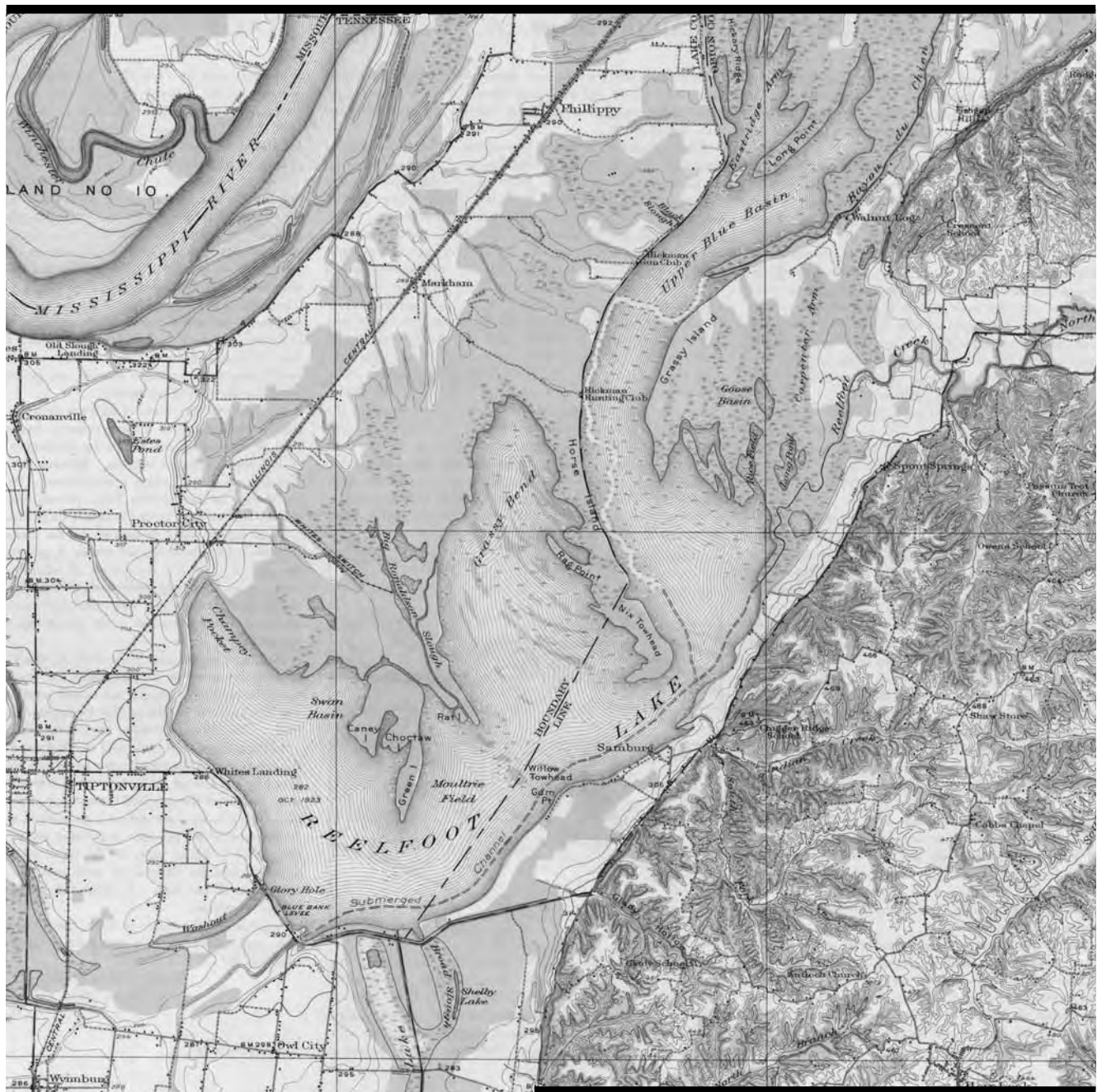
\* Fiscal year 2010-2011 is actual year 2009-2010 data.

Total number of college graduates in a given academic year.

	Actual 2010-2011*	Estimate 2011-2012	Target 2012-2013
Southwest Tennessee	1,124	1,085	1,135
Nashville State	636	690	690
Pellissippi State	793	800	900
Northeast State	917	963	963
Chattanooga State	930	938	967
Cleveland State	503	480	508
Columbia State	606	598	612
Dyersburg State	227	235	236
Jackson State	569	525	575
Motlow State	556	611	611
Roane State	778	726	811
Volunteer State	1,033	1,066	1,074
Walters State	1,029	1,040	1,070

\* Fiscal year 2010-2011 is actual year 2009-2010 data.





# Health and Social Services



# Health and Social Services



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# Health and Social Services

Recommended Budget, Fiscal Year 2012 – 2013

The agencies and departments of this functional group are concerned with the health and well-being of the citizens of Tennessee. The Health and Social Services functional area is comprised of the following commissions, departments, and agencies:

- Commission on Children and Youth
- Commission on Aging and Disability
- Health Services and Development Agency
- Department of Finance and Administration, Bureau of TennCare
- Department of Mental Health
- Department of Intellectual and Developmental Disabilities
- Department of Health
- Department of Human Services
- Department of Finance and Administration, Strategic Health-Care Programs
- Department of Children's Services.

A major responsibility of this functional group is the administration of programs for children who are placed in the state's custody. These programs range from the provision of a structured environment for troubled youth to a safe home setting for foster care children. Services for children in state care are based on professional assessments of each child and family.

This functional group also is charged with ensuring quality treatment and habilitation services for the mentally ill and intellectually disabled citizens of Tennessee. This includes institutional and community programs for the mentally ill and the intellectually disabled.

In addition to programs for special-needs citizens, general health-care services are provided through local and regional health-care facilities. These programs range from immunization of school children to ensuring quality care for the elderly.

Health-care programs for Medicaid-eligible and Medicaid waiver-eligible citizens also are the responsibility of this functional group. These services are provided by TennCare, a comprehensive health-care delivery system.

These agencies also are charged with helping disadvantaged Tennesseans achieve or maintain self-sufficiency. Other assistance programs include food stamp benefits to qualified applicants, protective services to abused and neglected children, and legal services to establish, enforce, and administer child support obligations for citizens.

Families First, a time-limited assistance program, emphasizes job skills development. Support services, such as child care and transportation, also are provided to Families First recipients. This is a temporary assistance program with lifetime eligibility limitations.

Cover Tennessee provides comprehensive health coverage to uninsured children, seriously ill adults who can afford health coverage but who have been turned down by insurance companies, and basic health-care coverage to uninsured working Tennesseans. Cover Tennessee also provides affordable medication to low-income citizens who are uninsured.

## Cost Increases and Program Statements

The following section includes: (1) a table on personnel and funding for all agencies in this functional area of state government; (2) a table on the recommended budget for each agency by funding source; (3) a statement of recommended cost increases for the ensuing fiscal year; and (4) departmental program statements, indicating recommended funding and staffing for the ensuing year, compared with actual amounts for the last year and the amounts budgeted for the current year, and program performance measures.

## Health and Social Services Total Personnel and Funding

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Recommended 2012-2013</u>
<b>Personnel</b>			
Full Time	19,067	18,211	17,340
Part Time	225	223	215
Seasonal	0	0	0
<b>TOTAL</b>	<b>19,292</b>	<b>18,434</b>	<b>17,555</b>
<b>Expenditures</b>			
Payroll	\$ 963,186,900	\$ 1,016,033,900	\$ 970,891,100
Operational	13,734,004,000	13,570,494,800	13,134,171,900
<b>TOTAL</b>	<b>\$ 14,697,190,900</b>	<b>\$ 14,586,528,700</b>	<b>\$ 14,105,063,000</b>
<b>Funding</b>			
State	\$ 2,840,777,200	\$ 3,833,818,400	\$ 3,837,698,800
Federal	9,880,841,600	9,430,651,100	9,254,921,800
Other	1,975,572,100	1,322,059,200	1,012,442,400



**Health and Social Services**  
**Recommended Budget for Fiscal Year 2012-2013**  
**By Funding Source**

<b>Department</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
316.01 Commission on Children and Youth	1,987,900	2,805,700	618,700	5,412,300
316.02 Commission on Aging and Disability	13,685,600	29,944,300	255,000	43,884,900
316.07 Health Services and Development Agency	1,079,700	0	16,400	1,096,100
318.00 Finance and Administration, Bureau of TennCare	2,865,887,100	5,834,662,700	264,283,400	8,964,833,200
339.00 Mental Health	184,544,200	58,631,100	44,171,800	287,347,100
343.00 Health	168,831,900	242,246,100	138,822,800	549,900,800
344.00 Intellectual and Developmental Disabilities	24,120,300	1,896,200	180,498,800	206,515,300
345.00 Human Services	171,088,600	2,785,106,900	135,224,900	3,091,420,400
350.00 Strategic Health-Care Programs	112,779,300	186,358,900	31,141,200	330,279,400
359.00 Children's Services	293,694,200	113,269,900	217,409,400	624,373,500
<b>Total</b>	<b>\$3,837,698,800</b>	<b>\$9,254,921,800</b>	<b>\$1,012,442,400</b>	<b>\$14,105,063,000</b>

## Health and Social Services Cost Increases for Fiscal Year 2012-2013

	State	Federal	Other	Total	Positions
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### Finance and Administration, Bureau of TennCare

- **Provider Rates and Transportation Co-Pay**

To provide recurring funds to restore 1.75 percent of the 4.25 percent rate reductions, which were to have taken place on January 1, 2012. The 1.75 percent restoration applies to the following providers: nursing homes, managed care organizations, transportation, lab and x-ray, dental services, private ICF-MR, Program of All-Inclusive Care for the Elderly (PACE), and home health. These funds also eliminate the \$2 co-pay on non-emergency transportation, which was also to have taken place on January 1, 2012.

<b>318.66 TennCare Medical Services</b>	\$13,929,200	\$27,266,900	\$0	\$41,196,100	0
<b>318.71 Intellectual Disabilities Services</b>	\$591,600	\$1,158,100	\$0	\$1,749,700	0
<b>Sub-total</b>	\$14,520,800	\$28,425,000	\$0	\$42,945,800	0

- **Previous Base Reductions Restored**

To provide funds to restore certain reductions made in previous fiscal years. Of these funds, the following amounts are recurring: \$300,000 to Jellico Hospital for supplemental hospital payments; \$9,786,500 for birthing method reimbursement rates; \$4,545,600 for perinatal grants to five teaching hospitals; and \$200,000 for a grant to the Tennessee Chapter of the American Academy of Pediatrics. The total amount of recurring funds is \$14,832,100 and is comprised of \$5,981,800 in state appropriation and \$8,850,300 in federal revenue.

In addition, the following amounts are non-recurring: \$32,237,100 for the Standard Spend-Down Program (formerly known as the Medically Needy Program); \$200,000 to Jellico Hospital; \$2,500,000 for a state-only grant to the Meharry Medical College; \$7,393,800 for emergency room physician reimbursement; and \$2,750,000 to Nashville Metro General Hospital and The Med Regional Medical Center in Memphis for supplemental hospital payments. The total amount of non-recurring funds is \$45,080,900 and is comprised of \$18,850,000 in state appropriation and \$26,230,900 in federal revenue.

<b>318.65 TennCare Administration</b>	\$2,372,800	\$2,372,800	\$0	\$4,745,600	0
<b>318.66 TennCare Medical Services</b>	\$16,709,000	\$32,708,400	\$0	\$49,417,400	0
<b>318.70 Supplemental Payments</b>	\$5,750,000	\$0	\$0	\$5,750,000	0
<b>Sub-total</b>	\$24,831,800	\$35,081,200	\$0	\$59,913,000	0

- **Medical Utilization and Inflation**

To provide recurring funds for increased medical utilization and inflation in the TennCare program. This constitutes a 3.18 percent increase for the program, which is below the national averages of 8.25 percent in 2012 and 5.50 percent in 2013.

<b>318.66 TennCare Medical Services</b>	\$78,869,400	\$154,375,400	\$0	\$233,244,800	0
<b>Sub-total</b>	\$78,869,400	\$154,375,400	\$0	\$233,244,800	0

## Health and Social Services

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Federal Match Decrease</b>					
To provide recurring funds to offset the loss of federal revenue due to a decrease in the Federal Medical Assistance Percentages (FMAP) match rate from 66.233% to 66.188%.					
<b>318.66 TennCare Medical Services</b>	\$2,558,100	(\$2,558,100)	\$0	\$0	0
<b>318.70 Supplemental Payments</b>	\$11,100	(\$11,100)	\$0	\$0	0
<b>318.71 Intellectual Disabilities Services</b>	\$372,000	(\$372,000)	\$0	\$0	0
<b>318.72 Medicare Services</b>	\$148,000	(\$148,000)	\$0	\$0	0
<b>Sub-total</b>	<u>\$3,089,200</u>	<u>(\$3,089,200)</u>	<u>\$0</u>	<u>\$0</u>	<u>0</u>
<b>• Federally Qualified Health Centers and Rural Health Clinics Wraparound Payments</b>					
To provide recurring funds for increased payments to Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC), which are required by the federal government to be reimbursed according to a plan approved by the Centers for Medicare and Medicaid Services (CMS).					
<b>318.70 Supplemental Payments</b>	\$10,581,000	\$20,712,500	\$0	\$31,293,500	0
<b>Sub-total</b>	<u>\$10,581,000</u>	<u>\$20,712,500</u>	<u>\$0</u>	<u>\$31,293,500</u>	<u>0</u>
<b>• Nursing Home Acuity-Based Reimbursement</b>					
To provide non-recurring funds for the development of an acuity-based reimbursement methodology for nursing homes.					
<b>318.66 TennCare Medical Services</b>	\$8,000,000	\$15,660,200	\$0	\$23,660,200	0
<b>Sub-total</b>	<u>\$8,000,000</u>	<u>\$15,660,200</u>	<u>\$0</u>	<u>\$23,660,200</u>	<u>0</u>
<b>• Intellectual Disabilities Services</b>					
To provide funds for the TennCare share of cost increases recommended for the Department of Intellectual and Developmental Disabilities. Of these funds, \$2,978,200 in state appropriation and \$5,829,900 in federal revenue is non-recurring.					
<b>318.71 Intellectual Disabilities Services</b>	\$5,259,800	\$10,296,300	\$0	\$15,556,100	0
<b>Sub-total</b>	<u>\$5,259,800</u>	<u>\$10,296,300</u>	<u>\$0</u>	<u>\$15,556,100</u>	<u>0</u>
<b>• Children's Services</b>					
To provide recurring funds for the TennCare share of cost increases recommended for the Department of Children's Services.					
<b>318.66 TennCare Medical Services</b>	\$959,500	\$1,878,500	\$0	\$2,838,000	0
<b>Sub-total</b>	<u>\$959,500</u>	<u>\$1,878,500</u>	<u>\$0</u>	<u>\$2,838,000</u>	<u>0</u>
<b>Total Finance and Administration, Bureau of TennCare</b>	<u>\$146,111,500</u>	<u>\$263,339,900</u>	<u>\$0</u>	<u>\$409,451,400</u>	<u>0</u>

## Health and Social Services

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>Health</b>					
• <b>Federally Qualified Health Centers and Primary Care Clinics</b>					
To provide recurring funds to Federally Qualified Health Centers (FQHCs) and primary care clinics. Of these funds, \$1,400,000 is for FQHCs and \$6,000,000 is for primary care clinics.					
<b>343.45 Health Services Administration</b>	\$7,400,000	\$0	\$0	\$7,400,000	0
<b>Sub-total</b>	\$7,400,000	\$0	\$0	\$7,400,000	0
• <b>Forensic Centers - State Shared Costs</b>					
To provide recurring funds for the state's share of facility costs for both the Middle and West Tennessee forensic facilities. A \$100,000 allocation is provided for the increased state share of costs of the Middle Tennessee facility. The remainder is provided to fund the state's share of operating costs of the West Tennessee facility. Services will be provided by the Facilities Revolving Fund.					
<b>343.08 Laboratory Services</b>	\$1,100,000	\$0	\$0	\$1,100,000	0
<b>Sub-total</b>	\$1,100,000	\$0	\$0	\$1,100,000	0
• <b>Sickle Cell Foundation of Tennessee</b>					
To provide non-recurring funds for a grant to the Sickle Cell Foundation of Tennessee. This organization improves the quality of life for those living with sickle cell by promoting health awareness through educational campaigns and self-sufficiency through life skills training.					
<b>343.52 Community and Medical Services</b>	\$75,000	\$0	\$0	\$75,000	0
<b>Sub-total</b>	\$75,000	\$0	\$0	\$75,000	0
<b>Total Health</b>	<b>\$8,575,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,575,000</b>	<b>0</b>

### Intellectual and Developmental Disabilities

#### • Home and Community-Based Services

To provide recurring funds for a projected growth of 105 people in the home and community-based programs by June 30, 2013. The other funding is interdepartmental revenue from the TennCare program and is comprised of \$2,281,600 in state appropriation and \$4,466,400 in federal revenue.

<b>344.02 Community Intellectual Disabilities Services</b>	\$0	\$0	\$6,748,000	\$6,748,000	0
<b>Sub-total</b>	\$0	\$0	\$6,748,000	\$6,748,000	0

## Health and Social Services

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<ul style="list-style-type: none"> <li> <b>Clover Bottom Developmental Center</b>            To provide non-recurring funds for the temporary continuation of operations at Clover Bottom Developmental Center due to a delay in the phase-down process. Community homes are being built in Middle Tennessee for the residents remaining at Clover Bottom. The other funding is interdepartmental revenue from the TennCare program and is comprised of \$2,978,200 in state appropriation and \$5,829,900 in federal revenue.         </li> </ul>					
<b>344.11 Clover Bottom Developmental Center</b>	\$0	\$0	\$8,808,100	\$8,808,100	0
<b>Sub-total</b>	\$0	\$0	\$8,808,100	\$8,808,100	0
<ul style="list-style-type: none"> <li> <b>Administration Legislation - Licensing of Developmental Centers</b>            To provide recurring funds for a director position needed for the licensing of developmental centers. The other funding is current services revenue from licensing fees.         </li> </ul>					
<b>344.01 Intellectual Disabilities Services Administration</b>	\$0	\$0	\$77,900	\$77,900	1
<b>Sub-total</b>	\$0	\$0	\$77,900	\$77,900	1
<b>Total Intellectual and Developmental Disabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,634,000</b>	<b>\$15,634,000</b>	<b>1</b>
<b>Human Services</b>					
<ul style="list-style-type: none"> <li> <b>Child Support - Assistant DAs Step Raises</b>            To provide recurring funds for the mandated salary increase required by TCA 8-7-201 for the assistant district attorneys in the IV-D Child Support Enforcement program.         </li> </ul>					
<b>345.13 Child Support</b>	\$39,000	\$75,800	\$0	\$114,800	0
<b>Sub-total</b>	\$39,000	\$75,800	\$0	\$114,800	0
<b>Total Human Services</b>	<b>\$39,000</b>	<b>\$75,800</b>	<b>\$0</b>	<b>\$114,800</b>	<b>0</b>
<b>Strategic Health-Care Programs</b>					
<ul style="list-style-type: none"> <li> <b>CoverKids Medical Utilization and Inflation</b>            To provide recurring funds for increased medical utilization and inflation in the CoverKids program.         </li> </ul>					
<b>350.50 CoverKids</b>	\$8,900,000	\$25,349,400	\$0	\$34,249,400	0
<b>Sub-total</b>	\$8,900,000	\$25,349,400	\$0	\$34,249,400	0
<b>Total Strategic Health-Care Programs</b>	<b>\$8,900,000</b>	<b>\$25,349,400</b>	<b>\$0</b>	<b>\$34,249,400</b>	<b>0</b>

**Health and Social Services**  
**Cost Increases for Fiscal Year 2012-2013**

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>Children's Services</b>					
• <b>Residential Services Provider Rate Increases</b>					
To provide recurring funds for targeted increases in residential reimbursement rates for private providers. Maintenance of an adequate network of residential providers is essential to providing out-of-home services for children in state custody. These targeted rate increases will result in total payments to service providers increasing by three percent. The other funding is interdepartmental revenue from the TennCare program and is comprised of \$959,500 in state appropriation and \$1,878,500 in federal revenue.					
<b>359.30 Custody Services</b>	\$1,909,200	\$412,800	\$2,838,000	\$5,160,000	0
<b>Sub-total</b>	\$1,909,200	\$412,800	\$2,838,000	\$5,160,000	0
• <b>Teacher Training and Experience Compensation</b>					
To provide recurring funds for salary increases to teachers at youth developmental center schools according to their level of training and experience as required by TCA 37-5-119 and TCA 4-6-143(d). This salary increase will assure that salaries for teachers at the youth developmental centers are comparable to other public school teachers.					
<b>359.60 John S. Wilder Youth Development Center</b>	\$14,300	\$0	\$0	\$14,300	0
<b>359.62 Woodland Hills Youth Development Center</b>	\$3,800	\$0	\$0	\$3,800	0
<b>359.63 Mountain View Youth Development Center</b>	\$22,900	\$0	\$0	\$22,900	0
<b>359.64 New Visions Youth Development Center</b>	\$12,900	\$0	\$0	\$12,900	0
<b>Sub-total</b>	\$53,900	\$0	\$0	\$53,900	0
<b>Total Children's Services</b>	<b>\$1,963,100</b>	<b>\$412,800</b>	<b>\$2,838,000</b>	<b>\$5,213,900</b>	<b>0</b>
<b>Total Health and Social Services</b>	<b>\$165,588,600</b>	<b>\$289,177,900</b>	<b>\$18,472,000</b>	<b>\$473,238,500</b>	<b>1</b>

# Commission on Children and Youth

## Performance-Based Budget

The Commission on Children and Youth works with state agencies, juvenile courts, child advocacy groups, interested citizens, and other organizations to improve services to children. The commission also administers the federal Juvenile Justice and Delinquency Prevention Grant, the federal Juvenile Accountability Block Grant, and other federal and state grant funds for juvenile justice programs.

The commission is comprised of 21 members appointed by the Governor. Five members of the commission are youth advisory members and, as required by statute, at least one member is appointed from each of Tennessee's nine development districts. The commission appoints an executive director to administer the agency.

The commission members, central office staff, and district coordinators are engaged in the following activities: improving the coordination of services for children, collecting and disseminating statistical and programmatic information, informing citizens and organizations on children's issues, tracking legislation and making recommendations to the Governor and Legislature, and evaluating selected state programs and services for children.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.01 Commission on Children and Youth</b>					
Full-Time	50	49	27	0	27
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>50</b>	<b>49</b>	<b>27</b>	<b>0</b>	<b>27</b>
Payroll	2,871,000	3,258,800	1,987,000	0	1,987,000
Operational	4,744,600	4,645,200	3,425,300	0	3,425,300
<b>Total</b>	<b>\$7,615,600</b>	<b>\$7,904,000</b>	<b>\$5,412,300</b>	<b>\$0</b>	<b>\$5,412,300</b>
State	2,015,300	2,118,500	1,987,900	0	1,987,900
Federal	2,739,900	2,792,600	2,805,700	0	2,805,700
Other	2,860,400	2,992,900	618,700	0	618,700

**Standard:** Maintain compliance with the deinstitutionalization of status offenders requirement of the Federal Juvenile Justice and Delinquency Prevention Act.

**Measure:** The reduced number of state deinstitutionalization of status offender violations.

47	74	73	0	73
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**Standard:** Improve outcomes for children in the custody of the Department of Children's Services through the provision of information and recommendations based on independent, third-party quality service reviews of children in custody.

**Measure:** The number of children for whom a quality service review is conducted.

377	377	0	0	0
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# Commission on Aging and Disability

## Performance-Based Budget

The Commission on Aging and Disability is responsible for networking aging or disabled adults needing in-home services with state, federal, and local programs.

The commission is comprised of 25 members. The Governor appoints 18 members, including a member of his staff. The commissioners of Health, Mental Health, Human Services, and Veterans Affairs and the director of the Council on Developmental Disabilities are ex-officio, voting members; the speakers of the Senate and House of Representatives appoint one non-voting member each. The commission appoints an executive director to administer the agency.

The commission performs the following activities: administers the Older Americans Act; administers a home and community based program for the elderly and disabled who are not eligible for Medicaid; collects statistics on the elderly, family caregivers, and adults with disabilities needing in-home services; publishes information on aging and adults with disabilities; makes recommendations on program improvements; and assists in developing needed services.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.02 Commission on Aging and Disability</b>					
Full-Time	33	33	33	0	33
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>0</b>	<b>33</b>
Payroll	1,962,400	2,118,600	2,118,600	0	2,118,600
Operational	42,290,200	43,006,200	41,766,300	0	41,766,300
<b>Total</b>	<b>\$44,252,600</b>	<b>\$45,124,800</b>	<b>\$43,884,900</b>	<b>\$0</b>	<b>\$43,884,900</b>
State	13,612,600	13,701,000	13,685,600	0	13,685,600
Federal	30,634,300	31,168,800	29,944,300	0	29,944,300
Other	5,700	255,000	255,000	0	255,000

**Standard:** Protect and ensure the quality of life and independence of older Tennesseans and adults with disabilities by leveraging federal and state funding for programs, resources, and organizations that implement best practices.

**Measure:** Number of area plans that contain best practices in the access to services, health promotion, disease prevention, and elder rights components.

	0	2	3	0	3
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**Standard:** Expand the self-directed care component within the Options for Community Living Program from one pilot site to the other eight Area Agencies on Aging and Disability.

**Measure:** Number of Area Agencies on Aging and Disability implementing the self-directed care component for consumers enrolled in the Options for Community Living Program.

	1	5	5	0	5
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# Health Services and Development Agency

## Performance-Based Budget

The Health Services and Development Agency is responsible for regulating the health-care industry through the certificate-of-need program. The agency requires certification of need for the establishment or modification of health-care facilities and the reporting of financial and statistical data from these facilities. The certificate-of-need program assures that health-care projects are accomplished in an orderly, economical manner, consistent with the development of an adequate and effective health-care system.

The agency is governed by a ten-member board. The Governor appoints five members. The Comptroller of the Treasury, the Commissioner of Commerce and Insurance, and the Director of TennCare are ex-officio members; the speakers of the Senate and House of Representatives appoint one member each. The board acts as a regulatory body in the certificate-of-need process and appoints an executive director to administer the agency.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.07 Health Services and Development Agency</b>					
Full-Time	11	11	10	0	10
Part-Time	8	8	8	0	8
Seasonal	0	0	0	0	0
<b>Total</b>	<b>19</b>	<b>19</b>	<b>18</b>	<b>0</b>	<b>18</b>
Payroll	728,900	866,200	809,200	0	809,200
Operational	332,800	286,800	286,900	0	286,900
<b>Total</b>	<b>\$1,061,700</b>	<b>\$1,153,000</b>	<b>\$1,096,100</b>	<b>\$0</b>	<b>\$1,096,100</b>
State	1,061,300	1,136,600	1,079,700	0	1,079,700
Federal	0	0	0	0	0
Other	400	16,400	16,400	0	16,400

**Standard:** Medical equipment registrations will be current.

**Measure:** The percentage of current registrations.

	97.8%	97.8%	97.9%	0	97.9%
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**Standard:** Medical equipment utilizations will be reported.

**Measure:** The percent of equipment utilizations reported.

	97.4%	97.6%	97.8%	0	97.8%
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# Department of Finance and Administration, Bureau of TennCare

## Performance-Based Budget

In 2011, all health-care programs within the Department of Finance and Administration were consolidated under the Division of Health-Care Finance and Administration. The division consists of two parts, the Bureau of TennCare and Strategic Health-Care Programs.

TennCare is responsible for administering Tennessee's Medicaid waiver program. TennCare provides basic health care and mental health services to people who meet program eligibility requirements.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 318.65 TennCare Administration

TennCare Administration establishes policy, provides oversight, and directs the TennCare program. TennCare Administration is divided into four areas: program administration, policy and planning, quality assurance, and long-term care. This allotment provides funds for the staffing, contractual, and other operational costs necessary for administration of the program, and for determination of client eligibility for services. With funding provided from this allotment, staff of the Department of Human Services determines client eligibility, with the exception of children in state custody, which is determined by the Department of Children's Services.

Full-Time	481	485	448	0	448
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>481</b>	<b>485</b>	<b>448</b>	<b>0</b>	<b>448</b>
Payroll	27,709,400	33,593,400	31,851,000	0	31,851,000
Operational	192,743,000	185,268,900	175,058,100	4,745,600	179,803,700
<b>Total</b>	<b>\$220,452,400</b>	<b>\$218,862,300</b>	<b>\$206,909,100</b>	<b>\$4,745,600</b>	<b>\$211,654,700</b>
State	93,492,100	97,182,300	93,253,200	2,372,800	95,626,000
Federal	126,300,700	120,236,200	112,212,100	2,372,800	114,584,900
Other	659,600	1,443,800	1,443,800	0	1,443,800

**Standard:** Avoid repeat audit findings.

**Measure:** Number of repeat audit findings.

2	0	0	0	0
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**318.66 TennCare Medical Services**

TennCare Services provides funding for traditional basic health care, mental health services, and long-term care under the Medicaid waiver program. The program provides funding to managed care organizations that provide basic medical, mental health services, and long-term care and to other state agencies that provide medical care. The state agencies with programs funded from this allotment include the Department of Children's Services and the Department of Health.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	6,641,509,800	6,442,021,300	6,185,506,700	350,356,500	<b>6,535,863,200</b>
<b>Total</b>	<b>\$6,641,509,800</b>	<b>\$6,442,021,300</b>	<b>\$6,185,506,700</b>	<b>\$350,356,500</b>	<b>\$6,535,863,200</b>
State	1,133,537,000	1,877,682,400	1,793,356,700	121,025,200	<b>1,914,381,900</b>
Federal	4,840,287,900	4,318,636,200	4,152,947,300	229,331,300	<b>4,382,278,600</b>
Other	667,684,900	245,702,700	239,202,700	0	<b>239,202,700</b>

**Standard:** Maintain the number of Managed Care Organizations (MCOs) that demonstrate significant improvement in one or more of the quality measures identified in the contractor risk agreement.

**Measure:** The number of MCOs demonstrating significant improvement in one or more quality indicators identified in the contractor risk agreement.

4	4	4	0	4
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**Standard:** Maintain the number of MCOs that report well child screening scores on the Health Plan Employer Data and Information Set (HEDIS) at or above the national average in all three age categories.

**Measure:** The number of MCOs that report HEDIS well child screening scores at or above the national average in all three age categories.

4	4	4	0	4
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**Standard:** Work with the Area Agencies on Aging and Disability and other community providers to improve enrollment in the Home and Community Based Services (HCBS) component of the CHOICES program.

**Measure:** The number of unduplicated participants in the HCBS component of the CHOICES program.

8,239	9,750	9,750	0	9,750
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**Standard:** Rebalance the long-term care system by implementing the Community Choices Act and tracking enrollment in HCBS as opposed to nursing facilities.

**Measure:** The percent of CHOICES members in HCBS as opposed to a nursing facility.

25.7%	27.0%	29.0%	0	29.0%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 318.70 Supplemental Payments

Supplemental Payments include funding for Essential Access Hospitals, Critical Access Hospitals, Federally Qualified Health Clinics, Disproportionate Share Hospitals (DSH), as well as payments for Graduate Medical Education and Meharry Medical College. This program also houses the Health Information Technology incentive payments for qualified providers and hospitals under the American Recovery and Reinvestment Act (ARRA).

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	762,065,600	916,125,600	793,126,300	37,043,500	<b>830,169,800</b>
<b>Total</b>	<b>\$762,065,600</b>	<b>\$916,125,600</b>	<b>\$793,126,300</b>	<b>\$37,043,500</b>	<b>\$830,169,800</b>
State	211,493,500	254,760,600	248,464,100	16,342,100	<b>264,806,200</b>
Federal	533,404,600	637,728,100	521,025,300	20,701,400	<b>541,726,700</b>
Other	17,167,500	23,636,900	23,636,900	0	<b>23,636,900</b>

**Standard:** Supplemental payments are made timely and accurately, based on the particular requirements of the payment type (i.e., quarterly, invoiced, cost settlement, one time, or other).

**Measure:** Percent of supplemental payments made accurately and timely.

100%	100%	100%	0	100%
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### 318.71 Intellectual Disabilities Services

Intellectual Disabilities Services provides administrative oversight and funding for three home and community based services waivers for persons with intellectual disabilities. The Department of Intellectual and Developmental Disabilities is the administrative lead agency for these waiver programs. This program also provides funding for individuals who require long-term institutional care in intermediate care facilities.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	810,828,200	865,796,300	849,907,300	17,305,800	<b>867,213,100</b>
<b>Total</b>	<b>\$810,828,200</b>	<b>\$865,796,300</b>	<b>\$849,907,300</b>	<b>\$17,305,800</b>	<b>\$867,213,100</b>
State	228,555,800	302,416,800	296,983,700	6,223,400	<b>303,207,100</b>
Federal	582,272,400	563,379,500	552,923,600	11,082,400	<b>564,006,000</b>
Other	0	0	0	0	0

**Standard:** Increase participation in the HCBS programs for the intellectually disabled.

**Measure:** The number of clients in HCBS programs for people with intellectual disabilities.

7,624	7,821	7,821	0	7,821
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 318.72 Medicare Services

Medicare Services provides funding for Medicare premiums and co-payments for certain individuals who are dually eligible for Medicare and Medicaid, as well as low-income Medicare beneficiaries who are not eligible for TennCare. Funding for these premiums and co-payments allows the TennCare recipients the ability to receive medical services that would otherwise be unavailable due to financial constraints.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	524,515,300	519,932,400	519,932,400	0	519,932,400
<b>Total</b>	<b>\$524,515,300</b>	<b>\$519,932,400</b>	<b>\$519,932,400</b>	<b>\$0</b>	<b>\$519,932,400</b>
State	218,434,400	287,701,900	287,717,900	148,000	287,865,900
Federal	306,080,900	232,230,500	232,214,500	-148,000	232,066,500
Other	0	0	0	0	0

**Standard:** Maximize Medicare coverage for TennCare enrollees.

**Measure:** The number of TennCare enrollees identified as having Medicare as primary payer.

	144,014	144,000	145,000	0	145,000
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### 318.80 Governor's Office of Children's Care Coordination

The Governor's Office of Children's Care Coordination ceased to exist effective July 1, 2011. The grants administered by the office were transferred to other state agencies.

Full-Time	9	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	434,600	0	0	0	0
Operational	8,205,200	0	0	0	0
<b>Total</b>	<b>\$8,639,800</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	4,562,200	0	0	0	0
Federal	2,707,900	0	0	0	0
Other	1,369,700	0	0	0	0

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>318.00 Total Finance and Administration, Bureau of TennCare</b>					
Full-Time	490	485	448	0	448
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>490</b>	<b>485</b>	<b>448</b>	<b>0</b>	<b>448</b>
Payroll	28,144,000	33,593,400	31,851,000	0	31,851,000
Operational	8,939,867,100	8,929,144,500	8,523,530,800	409,451,400	8,932,982,200
<b>Total</b>	<b>\$8,968,011,100</b>	<b>\$8,962,737,900</b>	<b>\$8,555,381,800</b>	<b>\$409,451,400</b>	<b>\$8,964,833,200</b>
State	1,890,075,000	2,819,744,000	2,719,775,600	146,111,500	2,865,887,100
Federal	6,391,054,400	5,872,210,500	5,571,322,800	263,339,900	5,834,662,700
Other	686,881,700	270,783,400	264,283,400	0	264,283,400

# Department of Mental Health

## Performance-Based Budget

The Department of Mental Health is responsible for ensuring the provision of services to children, youth, and adults with or at risk of serious and persistent mental illness, serious emotional disturbance, and substance-related disorders. This is accomplished through a system of community service providers and five state-operated regional mental health institutions (RMHI). The primary focus of the department is to provide a comprehensive system of care that includes adequate resources, safeguard the rights of consumers, match services to the consumer and family members in the least restrictive setting, promote consumer integration into the community, and educate the community regarding mental health and substance abuse disorders.

The department is divided into two functional areas: Administrative Services and Mental Health and Substance Abuse Services.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 339.01 Administrative Services Division

The Administrative Services Division directs the regulatory and administrative responsibilities of the department. Administrative staff in the commissioner's office provide and coordinate legal and medical advice, public information and education, planning and licensing functions, and support services in the recruitment and retention of the workforce, as well as develop and implement special programs and projects. The division oversees purchasing, facility management operations, and major maintenance and capital outlay projects; provides budgeting and accounting functions, claims payments, data processing, and systems reporting; and develops and maintains automated systems applications for the central office and state-operated facilities.

Full-Time	197	178	172	0	172
Part-Time	7	5	5	0	5
Seasonal	0	0	0	0	0
<b>Total</b>	<b>204</b>	<b>183</b>	<b>177</b>	<b>0</b>	<b>177</b>
Payroll	12,886,700	13,676,500	13,578,000	0	13,578,000
Operational	3,317,500	3,710,600	3,215,700	0	3,215,700
<b>Total</b>	<b>\$16,204,200</b>	<b>\$17,387,100</b>	<b>\$16,793,700</b>	<b>\$0</b>	<b>\$16,793,700</b>
State	11,318,800	12,058,300	12,062,300	0	12,062,300
Federal	2,033,400	2,518,900	2,508,800	0	2,508,800
Other	2,852,000	2,809,900	2,222,600	0	2,222,600

**Standard:** The costs of administrative services as a percentage of total department costs will not exceed 5.75%.

**Measure:** The costs of administrative services as a percentage of total department costs.

5.95%	7.00%	5.75%	0	5.75%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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## Mental Health and Substance Abuse Services

The Mental Health and Substance Abuse Services division provides community services for individuals suffering mental illness or a substance-related disorder through a comprehensive network of service providers, including the state's five regional mental health institutes.

The regional mental health institutes provide inpatient services to increase the functionality, productivity, and quality of life for severely mentally-ill adults and seriously emotionally disturbed children and adolescents. The Joint Commission accredits these institutes as psychiatric hospitals. The institutes provide the following services: acute treatment services for adults who need emergency and generally short-term inpatient care; rehabilitation services for chronically ill adults who typically require basic living, socialization, and vocational skills training; gero-psychiatric services primarily to persons age 60 and older, many of whom need nursing care; and forensics services for inpatient diagnostic evaluation and treatment to adults as designated by the courts.

### 339.03 Community Alcohol and Drug Abuse Services

Alcohol and Drug Abuse Services develops prevention and treatment services to decrease the incidence of alcohol and other drug abuse and dependence. There is particular emphasis on populations with special needs including children and youth, AIDS patients, minorities, women, intravenous drug abusers, the elderly, and persons with co-occurring disorders. The majority of services are provided through grants to non-profit or local government agencies. Services include screening and assessment, detoxification, family intervention, residential rehabilitation, halfway houses, day treatment, and outpatient services.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	42,938,600	56,472,100	51,621,500	0	51,621,500
<b>Total</b>	<b>\$42,938,600</b>	<b>\$56,472,100</b>	<b>\$51,621,500</b>	<b>\$0</b>	<b>\$51,621,500</b>
State	13,937,000	15,214,200	16,365,700	0	16,365,700
Federal	24,594,600	36,959,300	30,957,200	0	30,957,200
Other	4,407,000	4,298,600	4,298,600	0	4,298,600

**Standard:** Increase the percentage of Driving Under the Influence (DUI) offenders employed six months after treatment.

**Measure:** Percent of persons who were DUI offenders employed six months after admission to treatment.

62%	66%	64%	0	64%
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**Standard:** Reduce the criminal justice involvement of persons treated in the state's substance abuse treatment system.

**Measure:** Percent reduction of persons arrested after receiving substance abuse treatment services as compared to persons arrested prior to receiving treatment services.

87%	91%	89%	0	89%
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 339.08 Community Mental Health Services

The Community Mental Health Services program provides crisis services, early intervention and support services, rehabilitation, recovery and forensic services, and criminal and juvenile court-ordered evaluations. The program also offers basic mental health services to persons with serious mental illnesses through the behavioral health safety net program, which provides individuals with assessment, evaluation, diagnosis, case management, psychiatric medication management, and pharmacy assistance.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	75,237,000	81,018,700	91,979,400	0	91,979,400
<b>Total</b>	<b>\$75,237,000</b>	<b>\$81,018,700</b>	<b>\$91,979,400</b>	<b>\$0</b>	<b>\$91,979,400</b>
State	59,143,800	60,596,900	73,679,000	0	73,679,000
Federal	14,301,000	18,319,000	16,460,400	0	16,460,400
Other	1,792,200	2,102,800	1,840,000	0	1,840,000

**Standard:** Increase the percentage of grantees meeting all program criteria on first review.

**Measure:** The percent of grantees achieving contract compliance on initial review.

100%	92%	92%	0	92%
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**Standard:** Reduce hospitalization length of stay for persons receiving services in the Community Supportive Housing Programs.

**Measure:** Percent reduction of the average number of days hospitalized for mental health treatment after receiving services through the Community Supportive Housing Programs as compared to the average number of days hospitalized before receiving these services.

84.6%	81.0%	85.0%	0	85.0%
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### 339.10 Lakeshore Mental Health Institute

Lakeshore Mental Health Institute was established in Knoxville in 1886, is accredited as a psychiatric hospital, and operates 115 beds.

Full-Time	375	375	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>375</b>	<b>375</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	19,383,700	21,046,600	0	0	0
Operational	5,373,700	11,247,600	0	0	0
<b>Total</b>	<b>\$24,757,400</b>	<b>\$32,294,200</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	17,062,200	25,320,100	0	0	0
Federal	1,368,300	804,100	0	0	0
Other	6,326,900	6,170,000	0	0	0

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**339.11 Middle Tennessee Mental Health Institute**

Middle Tennessee Mental Health Institute was established in Nashville in 1853, is accredited as a psychiatric hospital, and operates 195 beds. The hospital provides forensic evaluation and treatment services in a secure setting.

Full-Time	596	597	662	0	<b>662</b>
Part-Time	1	1	1	0	<b>1</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>597</b>	<b>598</b>	<b>663</b>	<b>0</b>	<b>663</b>
Payroll	33,839,600	34,693,700	37,574,900	0	<b>37,574,900</b>
Operational	9,281,500	7,763,700	8,403,300	0	<b>8,403,300</b>
<b>Total</b>	<b>\$43,121,100</b>	<b>\$42,457,400</b>	<b>\$45,978,200</b>	<b>\$0</b>	<b>\$45,978,200</b>
State	31,920,600	27,246,000	30,391,200	0	<b>30,391,200</b>
Federal	1,483,700	1,901,000	2,187,800	0	<b>2,187,800</b>
Other	9,716,800	13,310,400	13,399,200	0	<b>13,399,200</b>

**Standard:** Manage patient census capacity through effective clinical practices relative to admission and discharge decisions.

**Measure:** Percent of beds occupied.

83.5%	90.0%	85.0%	0	85.0%
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**Standard:** Decrease the percentage of persons readmitted to a RMHI within 7 days of discharge.

**Measure:** Percent of persons readmitted to a RMHI within 7 days of discharge.

2.67%	2.90%	2.35%	0	2.35%
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**339.12 Western Mental Health Institute**

Western Mental Health Institute was established in Bolivar in 1889, is accredited as a psychiatric hospital, and operates 150 beds.

Full-Time	485	474	459	0	<b>459</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>485</b>	<b>474</b>	<b>459</b>	<b>0</b>	<b>459</b>
Payroll	26,102,100	28,121,000	27,020,600	0	<b>27,020,600</b>
Operational	5,142,200	6,680,400	6,459,600	0	<b>6,459,600</b>
<b>Total</b>	<b>\$31,244,300</b>	<b>\$34,801,400</b>	<b>\$33,480,200</b>	<b>\$0</b>	<b>\$33,480,200</b>
State	20,046,800	20,775,100	19,656,700	0	<b>19,656,700</b>
Federal	1,495,200	2,108,500	2,108,500	0	<b>2,108,500</b>
Other	9,702,300	11,917,800	11,715,000	0	<b>11,715,000</b>

**Standard:** Manage patient census capacity through effective clinical practices relative to admission and discharge decisions.

**Measure:** Percent of beds occupied.

79.20%	85.00%	85.00%	0	85.00%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Decrease the percentage of persons readmitted to a RMHI within 7 days of discharge.

**Measure:** Percent of persons readmitted to a RMHI within 7 days of discharge.

	2.11%	2.75%	2.00%	0	2.00%
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### 339.16 Moccasin Bend Mental Health Institute

Moccasin Bend Mental Health Institute was established in Chattanooga in 1961, is accredited as a psychiatric hospital, and operates 125 beds.

Full-Time	365	365	364	0	<b>364</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>365</b>	<b>365</b>	<b>364</b>	<b>0</b>	<b>364</b>
Payroll	18,780,200	20,196,400	20,169,200	0	<b>20,169,200</b>
Operational	4,817,200	5,409,800	5,212,600	0	<b>5,212,600</b>
<b>Total</b>	<b>\$23,597,400</b>	<b>\$25,606,200</b>	<b>\$25,381,800</b>	<b>\$0</b>	<b>\$25,381,800</b>
State	14,939,200	14,366,500	14,371,900	0	<b>14,371,900</b>
Federal	2,992,200	2,980,000	3,308,400	0	<b>3,308,400</b>
Other	5,666,000	8,259,700	7,701,500	0	<b>7,701,500</b>

**Standard:** Manage patient census capacity through effective clinical practices relative to admission and discharge decisions.

**Measure:** Percent of beds occupied.

	80.59%	85.00%	85.00%	0	85.00%
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**Standard:** Decrease the percentage of persons readmitted to a RMHI within 7 days of discharge.

**Measure:** Percent of persons readmitted to a RMHI within 7 days of discharge.

	2.86%	2.10%	2.60%	0	2.60%
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### 339.17 Memphis Mental Health Institute

Memphis Mental Health Institute was established in Memphis in 1962, is accredited as a psychiatric hospital, and operates 75 beds.

Full-Time	249	249	235	0	<b>235</b>
Part-Time	1	1	1	0	<b>1</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>250</b>	<b>250</b>	<b>236</b>	<b>0</b>	<b>236</b>
Payroll	14,380,700	15,923,800	15,072,300	0	<b>15,072,300</b>
Operational	4,253,100	6,878,500	6,590,000	0	<b>6,590,000</b>
<b>Total</b>	<b>\$18,633,800</b>	<b>\$22,802,300</b>	<b>\$21,662,300</b>	<b>\$0</b>	<b>\$21,662,300</b>
State	13,855,700	18,445,000	17,567,400	0	<b>17,567,400</b>
Federal	900,000	1,100,000	1,100,000	0	<b>1,100,000</b>
Other	3,878,100	3,257,300	2,994,900	0	<b>2,994,900</b>

**Standard:** Manage patient census capacity through effective clinical practices relative to admission and discharge decisions.

**Measure:** Percent of beds occupied.

	75.17%	85.00%	85.00%	0	85.00%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Decrease the percentage of persons readmitted to a RMHI within 7 days of discharge.

**Measure:** Percent of persons readmitted to a RMHI within 7 days of discharge.

	4.61%	4.40%	4.40%	0	4.40%
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### 339.40 Major Maintenance

Major Maintenance provides maintenance funds for the state's mental health institutes in the event of an emergency, as well as assisting with facility maintenance projects that do not meet the criteria for capital maintenance.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	209,900	450,000	450,000	0	450,000
<b>Total</b>	<b>\$209,900</b>	<b>\$450,000</b>	<b>\$450,000</b>	<b>\$0</b>	<b>\$450,000</b>
State	209,900	450,000	450,000	0	450,000
Federal	0	0	0	0	0
Other	0	0	0	0	0

**Standard:** Cost of major maintenance will be no more than \$0.33 per square foot.

**Measure:** Major maintenance cost per square foot.

	\$0.17	\$0.33	\$0.33	0	\$0.33
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### 339.00 Total Mental Health

Full-Time	2,267	2,238	1,892	0	1,892
Part-Time	9	7	7	0	7
Seasonal	0	0	0	0	0
<b>Total</b>	<b>2,276</b>	<b>2,245</b>	<b>1,899</b>	<b>0</b>	<b>1,899</b>
Payroll	125,373,000	133,658,000	113,415,000	0	113,415,000
Operational	150,570,700	179,631,400	173,932,100	0	173,932,100
<b>Total</b>	<b>\$275,943,700</b>	<b>\$313,289,400</b>	<b>\$287,347,100</b>	<b>\$0</b>	<b>\$287,347,100</b>
State	182,434,000	194,472,100	184,544,200	0	184,544,200
Federal	49,168,400	66,690,800	58,631,100	0	58,631,100
Other	44,341,300	52,126,500	44,171,800	0	44,171,800

## Statistical Data Mental Health Institutes

	<b>Lakeshore 339.10</b>	<b>Middle Tennessee 339.11</b>	<b>Western 339.12</b>	<b>Moccasin Bend 339.16</b>	<b>Memphis 339.17</b>	<b>Total</b>
<b>Annual Admissions</b>						
2005-2006	3,215	4,210	2,475	3,330	1,581	14,811
2006-2007	2,138	3,528	2,026	2,512	1,816	12,020
2007-2008	2,404	3,256	1,761	2,389	1,912	11,722
2008-2009	2,539	3,275	1,232	1,964	1,983	10,993
2009-2010	2,217	3,102	1,341	1,866	1,901	10,427
2010-2011	2,400	3,150	1,350	1,875	1,901	10,676
2011-2012	2,400	3,150	1,350	1,882	1,901	10,683
2012-2013	0	3,150	1,450	2,764	1,800	9,164
<b>Annual Releases</b>						
2005-2006	3,202	4,422	2,445	3,220	1,583	14,872
2006-2007	2,118	3,529	2,046	2,500	1,809	12,002
2007-2008	2,386	3,264	1,778	2,374	1,904	11,706
2008-2009	2,586	3,338	1,300	1,990	1,993	11,207
2009-2010	2,239	3,110	1,353	1,885	1,903	10,490
2010-2011	2,400	3,150	1,350	1,898	1,903	10,701
2011-2012	2,400	3,150	1,350	1,905	1,903	10,708
2012-2013	0	3,150	1,430	2,500	1,847	8,927
<b>Average Daily Census</b>						
2005-2006	153	249	237	124	82	845
2006-2007	143	248	230	124	63	808
2007-2008	153	232	199	134	62	780
2008-2009	141	204	156	123	65	689
2009-2010	98	172	121	102	60	553
2010-2011	98	163	119	101	56	537
2011-2012	95	165	125	107	56	548
2012-2013	0	185	130	110	56	481
<b>Cost Per Occupancy Day*</b>						
2005-2006	\$530.30	\$511.30	\$429.40	\$550.56	\$797.01 **	\$525.44
2006-2007	\$570.53	\$556.39	\$472.96	\$576.98	\$968.26	\$570.52
2007-2008	\$556.80	\$615.42	\$567.57	\$571.30	\$1,082.83	\$621.26
2008-2009	\$646.26	\$681.19	\$741.50	\$649.81	\$1,120.73	\$723.46
2009-2010	\$727.09	\$688.93	\$728.93	\$636.77	\$937.47	\$721.44
2010-2011	\$692.13	\$724.79	\$719.33	\$640.10	\$911.63	\$721.18
2011-2012	\$928.79	\$703.05	\$760.69	\$653.85	\$1,112.52	\$787.57
2012-2013	\$0.00	\$680.91	\$705.59	\$632.17	\$1,059.80	\$720.55

\* Last column indicates average cost per day for all institutions.

\*\*Memphis MHI - 2005-2006 excludes \$12.5 million non-operating costs for capital outlay for new facility.

# Department of Health

## Performance-Based Budget

The Department of Health is responsible for protecting and improving the health of Tennessee's citizens and visitors. In order to carry out this responsibility, the department is organized into the following three bureaus: Administrative and Support Services, Health Licensure and Regulation, and Health Services.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Bureau of Administrative and Support Services

The Bureau of Administrative and Support Services provides direction, coordination, review, and basic support services to the Department of Health, including administrative, laboratory, information technology, and policy planning services.

#### 343.01 Executive Administration

Executive Administration provides for the overall policy direction and management of the department, as well as human resources, legal, and minority health activities.

Full-Time	90	86	77	0	77
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>90</b>	<b>86</b>	<b>77</b>	<b>0</b>	<b>77</b>
Payroll	5,310,500	6,209,400	5,884,800	0	5,884,800
Operational	686,800	2,234,600	2,237,400	0	2,237,400
<b>Total</b>	<b>\$5,997,300</b>	<b>\$8,444,000</b>	<b>\$8,122,200</b>	<b>\$0</b>	<b>\$8,122,200</b>
State	5,464,100	7,159,100	6,837,300	0	6,837,300
Federal	379,900	924,900	924,900	0	924,900
Other	153,300	360,000	360,000	0	360,000

**Standard:** Maintain the percentage of Executive Administration's actual expenditures to total department expenditures.

**Measure:** Executive Administration's expenditures as a percent of total department expenditures.

1.52%	1.16%	1.16%	0	1.16%
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#### 343.03 Administrative Services

Administrative Services provides support to department program areas, including accounting, procurement, payment, budgeting, contracting, facilities management, and property inventory activities.

Full-Time	64	63	62	0	62
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>64</b>	<b>63</b>	<b>62</b>	<b>0</b>	<b>62</b>
Payroll	3,329,000	3,668,100	3,637,700	0	3,637,700
Operational	569,600	520,300	531,100	0	531,100
<b>Total</b>	<b>\$3,898,600</b>	<b>\$4,188,400</b>	<b>\$4,168,800</b>	<b>\$0</b>	<b>\$4,168,800</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	0	2,982,900	2,813,300	0	<b>2,813,300</b>
Federal	3,898,600	1,165,900	1,315,900	0	<b>1,315,900</b>
Other	0	39,600	39,600	0	<b>39,600</b>

**Standard:** Maintain the percentage of Administrative Services' actual expenditures to total department expenditures at less than one percent.

**Measure:** Administrative Services' expenditures as a percent of total department expenditures.

0.86%	0.78%	0.78%	0	0.78%
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#### 343.04 Office for Information Technology Services

The Office for Information Technology Services provides hardware, software, and information systems support to the programs of the department. This support includes systems and personal computer security, project management, application development, web development and design, database administration, and maintenance of all systems. Technical services, computer operations services, hardware and software installations, and client server administration are also provided.

Full-Time	67	64	54	0	<b>54</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>67</b>	<b>64</b>	<b>54</b>	<b>0</b>	<b>54</b>
Payroll	3,901,600	4,728,900	4,123,700	0	<b>4,123,700</b>
Operational	938,000	595,000	632,700	0	<b>632,700</b>
<b>Total</b>	<b>\$4,839,600</b>	<b>\$5,323,900</b>	<b>\$4,756,400</b>	<b>\$0</b>	<b>\$4,756,400</b>
State	4,838,600	5,197,900	4,630,400	0	<b>4,630,400</b>
Federal	0	126,000	126,000	0	<b>126,000</b>
Other	1,000	0	0	0	<b>0</b>

**Standard:** Through training and management, achieve an overall rating of four out of a scale of five on a customer service satisfaction survey.

**Measure:** Average rating on a five-point scale.

4.8	4.8	4.8	0	4.8
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#### 343.08 Laboratory Services

Laboratory Services offers microbiological and environmental laboratory services for the Department of Health and other state agencies. These services include screening and confirmation tests for disease outbreak investigation, sexually transmitted diseases, tuberculosis, HIV, mosquito-borne viruses, animal rabies, biological and chemical contaminants, and suspect foods. Reference and limited microbiological support is provided to hospitals, private physicians, and private laboratories. The division also provides analytical support to the department's prevention and treatment programs and to environmental regulatory programs.

Full-Time	167	167	151	0	<b>151</b>
Part-Time	1	1	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>168</b>	<b>168</b>	<b>151</b>	<b>0</b>	<b>151</b>
Payroll	8,898,800	10,257,900	9,649,000	0	<b>9,649,000</b>
Operational	10,171,400	9,485,700	9,157,300	1,100,000	<b>10,257,300</b>
<b>Total</b>	<b>\$19,070,200</b>	<b>\$19,743,600</b>	<b>\$18,806,300</b>	<b>\$1,100,000</b>	<b>\$19,906,300</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	8,001,900	7,065,500	6,358,700	1,100,000	<b>7,458,700</b>
Federal	1,783,000	1,606,300	1,806,100	0	<b>1,806,100</b>
Other	9,285,300	11,071,800	10,641,500	0	<b>10,641,500</b>

**Standard:** Through training and protocols, demonstrate accurate testing procedures by exceeding the federal quality assurance goal of 80% accuracy on all proficiency tests.

**Measure:** Average percent of accurate testing results.

96.9%	96.0%	96.0%	0	96.0%
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### 343.20 Policy Planning and Assessment

Policy Planning and Assessment (PPA) administers all vital records (including births, deaths, marriages, and divorces), health statistics research, and the traumatic brain injury registry. Statistical health-related information gathered from these records and other databases are accessed to analyze issues that affect the health of Tennesseans. Through the Office of Cancer Surveillance, PPA administers the cancer registry and the comprehensive cancer control plan. PPA also maintains the Health Information Tennessee (HIT) website which contains health-related data accessible to the general public, internal users, external researchers, community agencies, and other interested parties.

Full-Time	129	127	122	0	<b>122</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>129</b>	<b>127</b>	<b>122</b>	<b>0</b>	<b>122</b>
Payroll	6,045,000	7,802,200	7,562,000	0	<b>7,562,000</b>
Operational	2,448,500	3,612,300	3,542,600	0	<b>3,542,600</b>
<b>Total</b>	<b>\$8,493,500</b>	<b>\$11,414,500</b>	<b>\$11,104,600</b>	<b>\$0</b>	<b>\$11,104,600</b>
State	2,727,900	4,350,900	4,040,000	0	<b>4,040,000</b>
Federal	2,035,400	3,177,300	3,349,600	0	<b>3,349,600</b>
Other	3,730,200	3,886,300	3,715,000	0	<b>3,715,000</b>

**Standard:** Protect the health and safety of all citizens and visitors to the state through timely collection and dissemination of accurate health-related data designed for health planning and policy making.

**Measure:** Percent of Joint Annual Report databases from health-care facilities corrected and finalized within six months of the due date set for the facilities.

100%	100%	100%	0	100%
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### Bureau of Health Licensure and Regulation

The Bureau of Health Licensure and Regulation regulates the health-care industry through the certification and licensure of health-care facilities, emergency medical services, and the regulation of certain health-care professionals. In addition, the bureau licenses the commercial breeding of companion animals and coordinates and administers the Trauma System Fund.



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 343.05 Bureau of Health Licensure and Regulation

This program includes funds for staff that provide policy, direction, and support to the Bureau of Health Licensure and Regulation and monitors the quality of health care. Civil rights compliance, health-care facility licensure, and the health-care facility federal certification program are administered by the bureau. The bureau also certifies providers for participation in federal Medicare and Medicaid programs. Health Licensure and Regulation monitors facility compliance with state minimum standards, federal standards of care, and conditions of participation through facility surveys and incident investigations.

Full-Time	187	189	183	0	183
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>187</b>	<b>189</b>	<b>183</b>	<b>0</b>	<b>183</b>
Payroll	9,489,600	12,237,000	11,961,800	0	11,961,800
Operational	4,728,800	5,089,700	4,885,900	0	4,885,900
<b>Total</b>	<b>\$14,218,400</b>	<b>\$17,326,700</b>	<b>\$16,847,700</b>	<b>\$0</b>	<b>\$16,847,700</b>
State	7,007,200	8,765,700	8,286,700	0	8,286,700
Federal	6,386,000	6,698,400	6,698,400	0	6,698,400
Other	825,200	1,862,600	1,862,600	0	1,862,600

**Standard:** Through maintenance of inspection protocols, protect the health and safety of the public by surveying health-care facilities to verify compliance with state and federal regulations for purposes of annual licensure or certification.

**Measure:** Percent of required licensure and certification surveys completed within the timelines established by the division and by the Centers for Medicare and Medicaid Services according to facility type.

87%	100%	100%	0	100%
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**Standard:** Through maintenance of inspection protocols, protect the health and safety of the public by investigating every complaint and unusual incident to determine health-care facilities' compliance with state and federal regulations.

**Measure:** Percent of complaints and unusual incidents investigated within timeframes mandated by priority designation.

67%	60%	100%	0	100%
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### 343.06 Trauma System Fund

The Trauma System Fund provides payments and grants to all levels of trauma centers and comprehensive regional pediatric centers based on the recommendations of the Tennessee Trauma Care Advisory Council. Payments and grants are made to trauma care centers for the costs of maintaining required standards for designation and uncompensated care costs associated with trauma care patients.

Full-Time	1	1	1	0	1
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>
Payroll	64,800	77,600	77,600	0	77,600
Operational	15,289,300	8,939,200	8,922,400	0	8,922,400
<b>Total</b>	<b>\$15,354,100</b>	<b>\$9,016,800</b>	<b>\$9,000,000</b>	<b>\$0</b>	<b>\$9,000,000</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	8,604,100	9,016,800	9,000,000	0	<b>9,000,000</b>
Federal	0	0	0	0	<b>0</b>
Other	6,750,000	0	0	0	<b>0</b>

**Standard:** Enhance the state's trauma system infrastructure, in part by providing funds to the trauma centers for uncompensated care costs.

**Measure:** Percent of trauma centers' uncompensated care costs covered by the fund.

14%	14%	14%	0	14%
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### 343.07 Emergency Medical Services

Emergency Medical Services (EMS) provides quality assurance and oversight of pre-hospital emergency medical care and the medical transportation system in Tennessee. Activities include licensing public and private ambulance services; inspecting and issuing permits for ambulances; training and certifying personnel; and developing regulations. EMS provides technical assistance and coordination to local governments for developing EMS communications systems. EMS also is responsible for statewide, multi-agency emergency medical disaster planning, training, and operations, as identified in the Tennessee Emergency Management Plan.

Full-Time	22	22	20	0	<b>20</b>
Part-Time	13	13	13	0	<b>13</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>35</b>	<b>35</b>	<b>33</b>	<b>0</b>	<b>33</b>
Payroll	1,214,100	1,358,600	1,254,400	0	<b>1,254,400</b>
Operational	358,100	646,300	594,400	0	<b>594,400</b>
<b>Total</b>	<b>\$1,572,200</b>	<b>\$2,004,900</b>	<b>\$1,848,800</b>	<b>\$0</b>	<b>\$1,848,800</b>
State	0	590,200	511,500	0	<b>511,500</b>
Federal	79,200	162,400	35,000	0	<b>35,000</b>
Other	1,493,000	1,252,300	1,302,300	0	<b>1,302,300</b>

**Standard:** Through maintenance of licensure and inspection protocols, protect the public health and safety by ensuring the processing of applications and renewals for EMS personnel within timelines set by the Department of Health.

**Measure:** Percent of applications and renewals for EMS personnel processed within 100 calendar days from receipt of completed application to license approval or denial for initial licensure applications and within ten calendar days for renewal applications.

96%	100%	100%	0	100%
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**Standard:** Through maintenance of licensure and inspection protocols, protect the public health and safety by ensuring the processing of applications and renewals for ambulance services within timelines set by the Department of Health.

**Measure:** Percent of initial and renewal licenses for ambulance services processed within 15 calendar days from application receipt.

99%	100%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 343.09 Division of Animal Welfare

The Division of Animal Welfare, comprised of the Commercial Breeder Licensure and Regulation program and the Dog and Cat Dealer Licensure and Regulation program, regulates commercial breeders and dealers of companion animals within Tennessee. The Commercial Breeder Licensure and Regulation program is funded through licensure fees, civil penalties, and sales taxes deposited within the Commercial Breeder Act Enforcement and Recovery Account. The Dog and Cat Dealer Licensure and Regulation program is funded through general fund state appropriations.

Full-Time	7	7	6	0	6
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>0</b>	<b>6</b>
Payroll	340,900	407,700	369,600	0	369,600
Operational	74,800	288,400	287,900	0	287,900
<b>Total</b>	<b>\$415,700</b>	<b>\$696,100</b>	<b>\$657,500</b>	<b>\$0</b>	<b>\$657,500</b>
State	390,900	696,100	657,500	0	657,500
Federal	24,400	0	0	0	0
Other	400	0	0	0	0

**Standard:** Through maintenance of inspection protocols, protect the public health and safety by ensuring that complaints against licensed and unlicensed commercial breeders are brought to a conclusion in a timely fashion.

**Measure:** Percent of complaints resolved within established category timeframes.

100%	100%	100%	0	100%
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### 343.10 Health Related Boards

The Health Related Boards certify and license health-care professionals; enforce statutes and rules setting standards of practice and professional conduct; and assist in administration, investigation, enforcement, and peer assistance.

Full-Time	135	135	128	0	128
Part-Time	185	185	185	0	185
Seasonal	0	0	0	0	0
<b>Total</b>	<b>320</b>	<b>320</b>	<b>313</b>	<b>0</b>	<b>313</b>
Payroll	6,404,800	7,762,600	7,499,000	0	7,499,000
Operational	4,209,000	5,942,400	5,964,300	0	5,964,300
<b>Total</b>	<b>\$10,613,800</b>	<b>\$13,705,000</b>	<b>\$13,463,300</b>	<b>\$0</b>	<b>\$13,463,300</b>
State	10,418,500	13,576,000	13,334,300	0	13,334,300
Federal	0	0	0	0	0
Other	195,300	129,000	129,000	0	129,000

**Standard:** Through maintenance of licensure standards, protect the public health and safety by ensuring that only qualified individuals are authorized to practice a health-related profession.

**Measure:** Percent of initial licensure applications processed within 100 calendar days from receipt of completed application to licensure approval or denial for initial applications and within 14 calendar days for renewals.

97%	100%	98%	0	98%
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<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Through maintenance of inspection protocols, protect the public health and safety by ensuring that complaints against licensed and unlicensed individuals are brought to a conclusion in a timely fashion.

**Measure:** Percent of complaints resolved within established category timeframes.

70%	85%	90%	0	90%
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## Bureau of Health Services

The Bureau of Health Services delivers public health services through a system of 13 regional health offices responsible for the oversight of services provided in 89 rural county health departments and six metropolitan health departments. These services encompass both primary care and prevention services, with an emphasis on health promotion, disease prevention, and health access. Services are provided through the following programs: Health Services Administration, General Environmental Health, Maternal and Child Health, Communicable and Environmental Disease Services, Community and Medical Services, Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and Local Health Services.

### 343.45 Health Services Administration

Health Services Administration (HSA) directs, supervises, plans, and coordinates health-care service delivery in the state; provides administrative support to programs within the Bureau of Health Services; and operates the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) call center. In addition, health-care safety net grants to federally qualified health centers and other primary care clinics are funded through this division (the Department of Mental Health also provides safety net services to the mentally ill).

Full-Time	79	85	81	0	<b>81</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>79</b>	<b>85</b>	<b>81</b>	<b>0</b>	<b>81</b>
Payroll	3,862,400	5,021,000	4,931,100	0	<b>4,931,100</b>
Operational	12,624,100	8,100,900	6,416,100	7,400,000	<b>13,816,100</b>
<b>Total</b>	<b>\$16,486,500</b>	<b>\$13,121,900</b>	<b>\$11,347,200</b>	<b>\$7,400,000</b>	<b>\$18,747,200</b>
State	13,300,900	7,755,900	7,420,200	7,400,000	<b>14,820,200</b>
Federal	0	1,556,400	1,541,100	0	<b>1,541,100</b>
Other	3,185,600	3,809,600	2,385,900	0	<b>2,385,900</b>

**Standard:** The administrative cost for HSA activities for the Bureau of Health Services will not exceed one and one-half percent of the total bureau's costs.

**Measure:** Administrative expenditures as a percent of total Bureau of Health Services Administration expenditures.

1.17%	1.00%	1.00%	0	1.00%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 343.39 General Environmental Health

General Environmental Health enforces sanitation and safety standards in hotels, food service establishments, bed and breakfast establishments, campgrounds, swimming pools, tattoo studios, and body piercing establishments through field inspections. In addition, the program is responsible for rabies control activities, administration of the Animal Friendly grant program, West Nile Virus surveillance, lead investigations, and environmental surveys that are conducted in schools, child care facilities, and state correctional institutions.

Full-Time	111	114	106	0	106
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>111</b>	<b>114</b>	<b>106</b>	<b>0</b>	<b>106</b>
Payroll	6,156,600	7,389,800	7,084,400	0	7,084,400
Operational	3,914,500	4,763,000	4,715,400	0	4,715,400
<b>Total</b>	<b>\$10,071,100</b>	<b>\$12,152,800</b>	<b>\$11,799,800</b>	<b>\$0</b>	<b>\$11,799,800</b>
State	9,998,200	11,974,200	11,621,200	0	11,621,200
Federal	0	150,000	100,000	0	100,000
Other	72,900	28,600	78,600	0	78,600

**Standard:** Through training and inspecting, reduce infections caused by key food-borne pathogens.

**Measure:** Number of infections caused by Salmonella species per 100,000 population.

	17.0/100,000	12.0/100,000	13.0/100,000	0	13.0/100,000
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### 343.47 Maternal and Child Health

Maternal and Child Health provides health services to women of child-bearing age and to children in low-income populations in an effort to reduce maternal and infant mortality and morbidity. This program also provides evaluation, diagnosis, education, counseling, comprehensive medical care, and case management services to physically disabled children up to age 21. Program services also include abstinence education, child health-care services, child fatality reviews, coordinated school health programs with the Department of Education, adolescent pregnancy prevention, newborn genetic and hearing screening, services for pregnant women, family planning, and home visits to clients of the Temporary Assistance to Needy Families program of the Department of Human Services (Families First).

Full-Time	39	40	39	0	39
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>39</b>	<b>40</b>	<b>39</b>	<b>0</b>	<b>39</b>
Payroll	2,027,100	2,766,800	2,637,400	0	2,637,400
Operational	13,060,300	22,108,100	18,487,300	0	18,487,300
<b>Total</b>	<b>\$15,087,400</b>	<b>\$24,874,900</b>	<b>\$21,124,700</b>	<b>\$0</b>	<b>\$21,124,700</b>
State	4,204,100	2,474,100	2,126,900	0	2,126,900
Federal	4,992,400	13,631,500	13,316,900	0	13,316,900
Other	5,890,900	8,769,300	5,680,900	0	5,680,900

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Through education and awareness, reduce the pregnancy rates for females ages 15-17.

**Measure:** Adolescent pregnancy rates for females ages 15-17 per 1,000 females.

29.6/1,000	29.0/1,000	29.0/1,000	0	29.0/1,000
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### 343.49 Communicable and Environmental Disease Services

The Communicable and Environmental Disease Services program works with staff in regional and local health departments to provide epidemiological services. These activities include epidemiological investigations of acute communicable diseases, tuberculosis control services, and administration of immunizations against vaccine-preventable diseases, as well as investigation, diagnosis, and treatment of persons with sexually transmitted diseases, including HIV/AIDS. Environmental epidemiology services include educational services relative to chemical or physical pollution, disease cluster investigations, and toxicological at-risk assessment consultations with environmental regulatory programs in the Department of Environment and Conservation. Staff also maintains surveillance systems for early detection of bioterrorism and provides emergency support to local health departments and emergency responders.

Full-Time	165	162	138	0	138
Part-Time	2	2	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>167</b>	<b>164</b>	<b>138</b>	<b>0</b>	<b>138</b>
Payroll	9,028,000	10,614,300	9,657,800	0	9,657,800
Operational	49,911,500	51,048,400	49,145,700	0	49,145,700
<b>Total</b>	<b>\$58,939,500</b>	<b>\$61,662,700</b>	<b>\$58,803,500</b>	<b>\$0</b>	<b>\$58,803,500</b>
State	9,623,000	12,552,500	12,002,600	0	12,002,600
Federal	41,587,200	45,871,700	43,602,100	0	43,602,100
Other	7,729,300	3,238,500	3,198,800	0	3,198,800

**Standard:** Through education and awareness, the incidence rate of new reported HIV/AIDS infections will not exceed ten cases per 100,000 population by 2020.

**Measure:** Incidence rate of new reported HIV/AIDS infections.

15.1/100,000	15.1/100,000	15.0/100,000	0	15.0/100,000
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**Standard:** Prevent or lessen the impact of communicable childhood diseases by ensuring that a minimum of 90% of 24-month-old children in Tennessee are immunized on time with each of the routinely recommended vaccines.

**Measure:** Percent of 24 month-old children receiving the recommended vaccinations against ten serious childhood diseases on time.

78.3%	90.0%	80.0%	0	80.0%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 343.51 Diabetes Prevention and Health Improvement

The Diabetes Prevention and Health Improvement program provides grants to health-care providers for education, treatment, and prevention initiatives focused on type 2 diabetes and obesity. The program also makes grants available to selected Tennessee high schools that participate in clinical trials with the National Institutes of Health (NIH).

Full-Time	1	1	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	23,500	146,800	0	0	0
Operational	5,863,000	5,700,500	3,000,000	0	3,000,000
<b>Total</b>	<b>\$5,886,500</b>	<b>\$5,847,300</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$3,000,000</b>
State	566,500	5,147,300	3,000,000	0	3,000,000
Federal	5,320,000	700,000	0	0	0
Other	0	0	0	0	0

**Standard:** Through education and awareness, reduce the percentage of adults who have been told by a doctor that they have diabetes according to the annual Behavioral Risk Factor Surveillance System.

**Measure:** Percent of adults surveyed who have ever been told by a doctor that they have diabetes.

10.3%	9.7%	9.7%	0	9.7%
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### 343.52 Community and Medical Services

Community and Medical Services includes health promotion activities that reduce premature death and disability. The program promotes healthy lifestyle practices through a combination of preventive programs and wellness initiatives. The target population is the indigent and medically underserved. The breast and cervical cancer program provides screening and diagnostic testing. The health access incentive program provides financial incentives to primary care providers to locate in an underserved area as well as other community initiatives. The Office of Rural Health provides statewide coordination of activities designed to improve the availability and accessibility of health-care services in rural areas. Specific services include health access, rural health, rape prevention and education, chronic renal disease, hemophilia treatment, community prevention initiative, diabetes prevention and control, heart disease and stroke prevention, traumatic brain injury treatment, and bioterrorism preparedness for hospitals.

Full-Time	74	72	67	0	67
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>74</b>	<b>72</b>	<b>67</b>	<b>0</b>	<b>67</b>
Payroll	4,116,400	4,611,900	4,523,800	0	4,523,800
Operational	15,523,700	17,930,500	13,383,800	75,000	13,458,800
<b>Total</b>	<b>\$19,640,100</b>	<b>\$22,542,400</b>	<b>\$17,907,600</b>	<b>\$75,000</b>	<b>\$17,982,600</b>
State	7,542,700	11,845,700	8,780,200	75,000	8,855,200
Federal	11,645,400	9,310,300	7,750,900	0	7,750,900
Other	452,000	1,386,400	1,376,500	0	1,376,500

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Through education and awareness, decrease the percentage of adults who have ever been told that they have angina or coronary heart disease according to the annual Behavioral Risk Factor Surveillance System.

**Measure:** Percent of adults surveyed who have been told they have angina or coronary heart disease.

	4.5%	4.3%	4.2%	0	4.2%
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**Standard:** Through education and awareness, increase the number of QuitLine participants enrolled in the iCanQuit Tobacco Cessation Counseling program.

**Measure:** Number of QuitLine participants enrolled in the iCanQuit program.

	1,153	4,200	2,000	0	2,000
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### 343.53 Women, Infants, and Children (WIC)

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides screening, counseling, and supplemental foods to low-income pregnant and postpartum breast-feeding women and supplemental foods to infants and children at risk due to inadequate nutrition. Through promotion and modification of food practices, this program seeks to minimize the risk of complications to mothers and children, maximize normal development, and improve the health status of the targeted high-risk population.

Full-Time	21	20	20	0	20
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>21</b>	<b>20</b>	<b>20</b>	<b>0</b>	<b>20</b>
Payroll	1,206,800	1,208,600	1,250,300	0	1,250,300
Operational	119,505,100	137,021,600	136,535,600	0	136,535,600
<b>Total</b>	<b>\$120,711,900</b>	<b>\$138,230,200</b>	<b>\$137,785,900</b>	<b>\$0</b>	<b>\$137,785,900</b>
State	0	0	0	0	0
Federal	81,579,900	93,097,200	92,652,900	0	92,652,900
Other	39,132,000	45,133,000	45,133,000	0	45,133,000

**Standard:** Through education and training, provide breastfeeding support activities to women participating in WIC in order to achieve an average of at least the national standard of 29% or greater of women who breastfeed.

**Measure:** Percent of women receiving WIC who are breastfeeding.

	34.0%	42.0%	38.0%	0	38.0%
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### 343.60 Local Health Services

Local Health Services is a network of regional health offices, metropolitan area offices, and county health departments. Grants-in-aid are provided to local health units to assure that every citizen in the state has access to health care and to assist county health departments in providing adequate staff. Services include child health and development assistance; family planning; community health clinics; primary care; TennCare dental services; children's special services; immunizations; health promotion; sexually transmitted disease assistance; tuberculosis control; AIDS assistance; bioterrorism preparedness; community development; Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) outreach; and supplemental foods, screening, and counseling through the Women, Infants, and Children (WIC) program, described above.



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	1,642	1,629	1,563	0	1,563
Part-Time	1	1	1	0	1
Seasonal	0	0	0	0	0
<b>Total</b>	<b>1,643</b>	<b>1,630</b>	<b>1,564</b>	<b>0</b>	<b>1,564</b>
Payroll	85,070,700	97,707,400	93,131,700	0	93,131,700
Operational	109,970,300	99,822,200	97,649,800	0	97,649,800
<b>Total</b>	<b>\$195,041,000</b>	<b>\$197,529,600</b>	<b>\$190,781,500</b>	<b>\$0</b>	<b>\$190,781,500</b>
State	58,648,500	62,097,500	58,836,100	0	58,836,100
Federal	76,841,400	70,594,200	69,026,300	0	69,026,300
Other	59,551,100	64,837,900	62,919,100	0	62,919,100

**Standard:** Assure availability and accessibility of public health services at county health departments.

**Measure:** Number of encounters/visits to county health departments.

	2,100,000	2,200,000	2,100,000	0	2,100,000
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**Standard:** Through education, awareness, and increased support, decrease the percentage of adults who are current smokers according to the annual Behavioral Risk Factor Surveillance System.

**Measure:** Percent of adults who are current smokers.

	20.1%	21.7%	20.0%	0	20.0%
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### 343.00 Total Health

Full-Time	3,001	2,984	2,818	0	2,818
Part-Time	202	202	199	0	199
Seasonal	0	0	0	0	0
<b>Total</b>	<b>3,203</b>	<b>3,186</b>	<b>3,017</b>	<b>0</b>	<b>3,017</b>
Payroll	156,490,600	183,976,600	175,236,100	0	175,236,100
Operational	369,846,800	383,849,100	366,089,700	8,575,000	374,664,700
<b>Total</b>	<b>\$526,337,400</b>	<b>\$567,825,700</b>	<b>\$541,325,800</b>	<b>\$8,575,000</b>	<b>\$549,900,800</b>
State	151,337,100	173,248,300	160,256,900	8,575,000	168,831,900
Federal	236,552,800	248,772,500	242,246,100	0	242,246,100
Other	138,447,500	145,804,900	138,822,800	0	138,822,800

# Department of Intellectual and Developmental Disabilities

## Performance-Based Budget

The Department of Intellectual and Developmental Disabilities was established as a separate department of state government effective January 15, 2011, by Chapter 1100 of the Public Acts of 2010. The department was previously a division of the Department of Finance and Administration. The department provides services in a variety of settings, ranging from supported living in the community to institutional care, with an emphasis on providing services to individuals in home and community-based settings where possible. The department also provides administrative support to the Developmental Disabilities Council.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administration and Policy

#### 344.01 Intellectual Disabilities Services Administration

Intellectual Disabilities Services Administration is responsible for oversight of the two developmental centers and the state-operated community homes; administration of the home and community-based Medicaid waiver program; policy development and implementation; approval of statewide programs and provider development; budget and personnel functions; and training, technical assistance, and consultation in specialty areas.

Full-Time	135	135	134	1	135
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>135</b>	<b>135</b>	<b>134</b>	<b>1</b>	<b>135</b>
Payroll	10,209,500	10,408,700	10,391,400	77,900	10,469,300
Operational	4,943,200	3,181,700	3,634,600	0	3,634,600
<b>Total</b>	<b>\$15,152,700</b>	<b>\$13,590,400</b>	<b>\$14,026,000</b>	<b>\$77,900</b>	<b>\$14,103,900</b>
State	2,992,400	1,327,700	1,304,900	0	1,304,900
Federal	0	0	0	0	0
Other	12,160,300	12,262,700	12,721,100	77,900	12,799,000

**Standard:** Administrative costs to total services costs will not exceed 2.00%

**Measure:** Percent of administrative costs to total services costs.

1.88%	2.00%	2.00%	0	2.00%
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#### 344.81 Developmental Disabilities Council

The Developmental Disabilities Council works for public policies and service systems that promote the inclusion of individuals with developmental disabilities in their communities. The council consists of 21 members appointed by the Governor and represents a broad range of disabilities, as well as the cultural and geographic diversity of the state. The council is administratively attached to the Department of Intellectual and Developmental Disabilities.

Full-Time	9	9	9	0	9
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>0</b>	<b>9</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	588,100	730,500	731,900	0	<b>731,900</b>
Operational	1,570,200	1,470,600	1,469,600	0	<b>1,469,600</b>
<b>Total</b>	<b>\$2,158,300</b>	<b>\$2,201,100</b>	<b>\$2,201,500</b>	<b>\$0</b>	<b>\$2,201,500</b>
State	322,500	225,200	225,300	0	<b>225,300</b>
Federal	1,721,400	1,782,500	1,896,200	0	<b>1,896,200</b>
Other	114,400	193,400	80,000	0	<b>80,000</b>

**Standard:** Provide training and educational opportunities to Tennesseans with disabilities and family members.

**Measure:** Number of individuals provided training and educational opportunities.

	1,148	1,151	1,271	0	1,271
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**Standard:** Provide Tennesseans with disabilities, family members, professionals, organizations, policymakers and the public with reliable sources of information about disability issues, services and supports.

**Measure:** Number of individuals provided disability resources and information.

	83,822	87,410	91,400	0	91,400
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## Community Services

Three regional offices coordinate services for individuals in the community and for individuals transitioning from institutional settings to the community. Resource centers exist in the three Grand Divisions of the state to provide medical services that enable successful placement of individuals in the community. Additional alternatives to institutional residential settings are provided at state-operated intermediate care facilities for the intellectually disabled at community homes serving West, Middle, and East Tennessee.

### 344.02 Community Intellectual Disabilities Services

The Community Intellectual Disabilities Services division provides community-based intellectual disabilities services to persons with intellectual disabilities and other developmental disabilities. The division contracts with community agencies across the state to provide the following comprehensive system of support services: residential services, family support, adult day services, therapy services, nursing services, dental services, respite, diagnostic and evaluation, supported employment, and support coordination. Beginning in January of 2012, waiver payments are paid directly by TennCare, reducing the amount of interdepartmental revenue budgeted in the Department of Intellectual and Developmental Disabilities. The reduction in interdepartmental revenue has no impact on the services provided.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	607,555,200	316,370,100	17,874,900	6,748,000	<b>24,622,900</b>
<b>Total</b>	<b>\$607,555,200</b>	<b>\$316,370,100</b>	<b>\$17,874,900</b>	<b>\$6,748,000</b>	<b>\$24,622,900</b>
State	15,992,400	14,202,800	11,521,300	0	<b>11,521,300</b>
Federal	0	0	0	0	<b>0</b>
Other	591,562,800	302,167,300	6,353,600	6,748,000	<b>13,101,600</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Provide medically necessary services to individuals in the Home and Community Based Services waivers.

**Measure:** Number of individuals served in the community.

	7,624	7,832	7,832	105	7,937
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**Standard:** Provide continuous monitoring of health and welfare of waiver participants.

**Measure:** Percent of participant satisfaction survey respondents who reported being treated well by direct support staff.

	100%	99%	99%	0	99%
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#### 344.04 Quality Assurance Program

The Quality Assurance Program provides direction and oversight for regional surveys of contracted day, residential, and independent support coordination and clinical service providers to determine levels of performance. The program serves as a safeguard for the service recipient and focuses on investigation, complaint resolution, and incident management.

Full-Time	119	117	115	0	115
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>119</b>	<b>117</b>	<b>115</b>	<b>0</b>	<b>115</b>
Payroll	7,776,300	7,882,700	7,741,800	0	7,741,800
Operational	895,100	867,100	867,300	0	867,300
<b>Total</b>	<b>\$8,671,400</b>	<b>\$8,749,800</b>	<b>\$8,609,100</b>	<b>\$0</b>	<b>\$8,609,100</b>
State	21,800	873,800	859,700	0	859,700
Federal	0	0	0	0	0
Other	8,649,600	7,876,000	7,749,400	0	7,749,400

**Standard:** Resolve and close complaint cases within 30 days of receipt.

**Measure:** Percent of complaint cases resolved and closed within 30 days of receipt.

	100%	99%	99%	0	99%
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**Standard:** Increase the number of investigations closed within 30 days.

**Measure:** Percent of investigations closed within 30 days.

	93%	98%	98%	0	98%
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#### 344.20 West Tennessee Regional Office

This office coordinates services and support to individuals with intellectual disabilities living in the community in West Tennessee.

Full-Time	206	184	180	0	180
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>206</b>	<b>184</b>	<b>180</b>	<b>0</b>	<b>180</b>
Payroll	10,762,100	11,437,300	11,214,200	0	11,214,200
Operational	5,021,900	4,997,200	4,998,400	0	4,998,400
<b>Total</b>	<b>\$15,784,000</b>	<b>\$16,434,500</b>	<b>\$16,212,600</b>	<b>\$0</b>	<b>\$16,212,600</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	347,600	1,583,700	1,561,500	0	<b>1,561,500</b>
Federal	0	0	0	0	<b>0</b>
Other	15,436,400	14,850,800	14,651,100	0	<b>14,651,100</b>

**Standard:** Maximize percentage of waiver participants surveyed who have had an annual re-evaluation completed within 12 months of their initial evaluation or last annual re-evaluation.

**Measure:** Percent of waiver participants surveyed who had an annual re-evaluation completed within 12 months of their initial evaluation or last annual re-evaluation.

100%	100%	100%	0	100%
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#### 344.21 Middle Tennessee Regional Office

This office coordinates services and support to individuals with intellectual disabilities living in the community in Middle Tennessee.

Full-Time	168	143	143	0	<b>143</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>168</b>	<b>143</b>	<b>143</b>	<b>0</b>	<b>143</b>
Payroll	9,646,100	8,944,500	8,944,500	0	<b>8,944,500</b>
Operational	1,648,000	1,597,200	1,597,500	0	<b>1,597,500</b>
<b>Total</b>	<b>\$11,294,100</b>	<b>\$10,541,700</b>	<b>\$10,542,000</b>	<b>\$0</b>	<b>\$10,542,000</b>
State	0	1,055,900	1,055,900	0	<b>1,055,900</b>
Federal	0	0	0	0	<b>0</b>
Other	11,294,100	9,485,800	9,486,100	0	<b>9,486,100</b>

**Standard:** Maximize percentage of waiver participants surveyed who have had an annual re-evaluation completed within 12 months of their initial evaluation or last annual re-evaluation.

**Measure:** Percent of waiver participants surveyed who had an annual re-evaluation completed within 12 months of their initial evaluation or last annual re-evaluation.

100%	100%	100%	0	100%
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#### 344.22 East Tennessee Regional Office

This office coordinates services and support to individuals with intellectual disabilities living in the community in East Tennessee.

Full-Time	153	144	144	0	<b>144</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>153</b>	<b>144</b>	<b>144</b>	<b>0</b>	<b>144</b>
Payroll	8,118,300	8,759,100	8,984,700	0	<b>8,984,700</b>
Operational	1,931,400	2,018,300	1,964,200	0	<b>1,964,200</b>
<b>Total</b>	<b>\$10,049,700</b>	<b>\$10,777,400</b>	<b>\$10,948,900</b>	<b>\$0</b>	<b>\$10,948,900</b>
State	16,500	1,075,700	1,043,800	0	<b>1,043,800</b>
Federal	0	0	0	0	<b>0</b>
Other	10,033,200	9,701,700	9,905,100	0	<b>9,905,100</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Maximize percentage of waiver participants surveyed who have had an annual re-evaluation completed within 12 months of their initial evaluation or last annual re-evaluation.

**Measure:** Percent of waiver participants surveyed who had an annual re-evaluation completed within 12 months of their initial evaluation or last annual re-evaluation.

	100%	100%	100%	0	100%
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### 344.30 West Tennessee Resource Center

The resource center serving persons with intellectual disabilities in West Tennessee provides access to a variety of medical and health-related services that are difficult to obtain in the community due to the lack of available and willing providers. These services enable persons enrolled in the Medicaid waiver programs to successfully reside in community-based settings of their choice.

Full-Time	45	44	42	0	42
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>45</b>	<b>44</b>	<b>42</b>	<b>0</b>	<b>42</b>
Payroll	2,577,500	3,665,900	3,579,700	0	3,579,700
Operational	1,136,500	1,696,300	1,696,500	0	1,696,500
<b>Total</b>	<b>\$3,714,000</b>	<b>\$5,362,200</b>	<b>\$5,276,200</b>	<b>\$0</b>	<b>\$5,276,200</b>
State	590,200	158,200	155,600	0	155,600
Federal	0	0	0	0	0
Other	3,123,800	5,204,000	5,120,600	0	5,120,600

**Standard:** Provide clinical and medical services through the resource centers.

**Measure:** Number of individuals receiving services at the resource centers.

	661	225	225	0	225
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### 344.31 Middle Tennessee Resource Center

The resource center serving persons with intellectual disabilities in Middle Tennessee provides access to a variety of medical and health-related services that are difficult to obtain in the community due to the lack of available and willing providers. These services enable persons enrolled in the Medicaid waiver programs to successfully reside in community-based settings of their choice.

Full-Time	0	42	41	0	41
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>42</b>	<b>41</b>	<b>0</b>	<b>41</b>
Payroll	0	2,917,100	3,151,200	0	3,151,200
Operational	0	1,795,100	1,471,900	0	1,471,900
<b>Total</b>	<b>\$0</b>	<b>\$4,712,200</b>	<b>\$4,623,100</b>	<b>\$0</b>	<b>\$4,623,100</b>
State	0	141,500	138,800	0	138,800
Federal	0	0	0	0	0
Other	0	4,570,700	4,484,300	0	4,484,300

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Provide clinical and medical services through the resource centers.

**Measure:** Number of individuals receiving services at the resource centers.

	Not Applicable	425	475	0	475
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### 344.32 East Tennessee Resource Center

The resource center serving persons with intellectual disabilities in East Tennessee provides access to a variety of medical and health-related services that are difficult to obtain in the community due to the lack of available and willing providers. These services enable persons enrolled in the Medicaid waiver programs to successfully reside in community-based settings of their choice. This resource center also provides clinical services to residents remaining at Greene Valley Developmental Center.

Full-Time	0	45	45	0	45
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>45</b>	<b>45</b>	<b>0</b>	<b>45</b>
Payroll	0	2,766,200	2,766,200	0	2,766,200
Operational	0	1,428,800	1,428,800	0	1,428,800
<b>Total</b>	<b>\$0</b>	<b>\$4,195,000</b>	<b>\$4,195,000</b>	<b>\$0</b>	<b>\$4,195,000</b>
State	0	124,200	124,200	0	124,200
Federal	0	0	0	0	0
Other	0	4,070,800	4,070,800	0	4,070,800

**Standard:** Provide clinical and medical services through the East Tennessee Resource Center.

**Measure:** Number of individuals receiving services at the East Tennessee Resource Center.

	Not Applicable	290	290	0	290
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### 344.40 West Tennessee Community Homes

West Tennessee Community Homes are intermediate-care facilities for individuals with severe to profound intellectual, physical, and medical challenges and who have spent more than one-half of their lives in large, institutional settings.

Full-Time	205	211	211	0	211
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>205</b>	<b>211</b>	<b>211</b>	<b>0</b>	<b>211</b>
Payroll	9,682,500	10,919,200	10,919,200	0	10,919,200
Operational	6,124,800	5,236,300	5,211,500	0	5,211,500
<b>Total</b>	<b>\$15,807,300</b>	<b>\$16,155,500</b>	<b>\$16,130,700</b>	<b>\$0</b>	<b>\$16,130,700</b>
State	10,988,300	0	0	0	0
Federal	0	0	0	0	0
Other	4,819,000	16,155,500	16,130,700	0	16,130,700

**Standard:** Reduce serious injuries to consumers each year.

**Measure:** The number of serious injuries to consumers.

	2	5	5	0	5
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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#### 344.41 Middle Tennessee Community Homes

Middle Tennessee Community Homes are intermediate care facilities for individuals with severe to profound intellectual, physical, and medical challenges and who have spent more than one-half of their lives in large, institutional settings.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	0	0	0	0	0
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	0	0	0	0	0

**Standard:** Reduce serious injuries to consumers each year.

**Measure:** The number of serious injuries to consumers.

Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
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#### 344.42 East Tennessee Community Homes

East Tennessee Community Homes are intermediate care facilities for individuals with severe to profound intellectual, physical, and medical challenges and who have spent more than one-half of their lives in large, institutional settings.

Full-Time	207	242	242	0	242
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>207</b>	<b>242</b>	<b>242</b>	<b>0</b>	<b>242</b>
Payroll	2,386,400	10,378,000	10,378,000	0	10,378,000
Operational	385,600	6,174,700	5,734,900	0	5,734,900
<b>Total</b>	<b>\$2,772,000</b>	<b>\$16,552,700</b>	<b>\$16,112,900</b>	<b>\$0</b>	<b>\$16,112,900</b>
State	48,600	416,000	56,000	0	56,000
Federal	0	0	0	0	0
Other	2,723,400	16,136,700	16,056,900	0	16,056,900

**Standard:** Reduce serious injuries to residents each year.

**Measure:** The number of serious injuries to residents each year.

4	8	8	0	8
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### Developmental Centers

The Department of Intellectual and Developmental Disabilities currently operates two developmental centers, which provide residential support and services to adults and children who have intellectual disabilities and who require facility-based long-term care. The 24-hour care is to improve the physical, intellectual, social, and emotional capabilities of adults and children with severe intellectual disabilities. High personal care provides total care and training opportunities in self-help, ambulation, communication, and socialization skills. Intensive care



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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provides individualized habilitation training in self-help, language development, and motor skills for residents with severe intellectual disabilities. Medical treatment also is provided.

**344.10 Arlington Developmental Center**

Arlington Developmental Center was established in Arlington in 1969 as a congregate living facility for those with intellectual disabilities in West Tennessee. This facility was closed to residents in November 2010.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	3,825,200	0	0	0	0
Operational	818,700	0	0	0	0
<b>Total</b>	<b>\$4,643,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	4,643,900	0	0	0	0
Federal	0	0	0	0	0
Other	0	0	0	0	0

**344.11 Clover Bottom Developmental Center**

Clover Bottom Developmental Center was established in Nashville in 1923 and is licensed for 260 beds.

Full-Time	410	170	170	0	170
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>410</b>	<b>170</b>	<b>170</b>	<b>0</b>	<b>170</b>
Payroll	18,812,900	8,785,300	7,973,000	0	7,973,000
Operational	16,040,700	12,397,000	4,363,100	8,808,100	13,171,200
<b>Total</b>	<b>\$34,853,600</b>	<b>\$21,182,300</b>	<b>\$12,336,100</b>	<b>\$8,808,100</b>	<b>\$21,144,200</b>
State	8,753,100	95,900	95,900	0	95,900
Federal	0	0	0	0	0
Other	26,100,500	21,086,400	12,240,200	8,808,100	21,048,300

**Standard:** Reduce serious injuries to consumers each year.

**Measure:** The number of serious injuries to consumers.

23	12	10	0	10
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**344.12 Greene Valley Developmental Center**

Greene Valley Developmental Center was established in Greeneville in 1960 and is licensed for 384 beds. A facility group home provides transitional residential services for clients to prepare for a successful community placement.

Full-Time	1,109	691	688	0	688
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>1,109</b>	<b>691</b>	<b>688</b>	<b>0</b>	<b>688</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	54,374,200	34,787,900	34,134,700	0	<b>34,134,700</b>
Operational	13,567,800	14,154,400	12,329,100	0	<b>12,329,100</b>
<b>Total</b>	<b>\$67,942,000</b>	<b>\$48,942,300</b>	<b>\$46,463,800</b>	<b>\$0</b>	<b>\$46,463,800</b>
State	14,458,400	648,900	648,900	0	<b>648,900</b>
Federal	0	0	0	0	<b>0</b>
Other	53,483,600	48,293,400	45,814,900	0	<b>45,814,900</b>

**Standard:** Reduce serious injuries to consumers each year.

**Measure:** The number of serious injuries each year.

62	43	45	0	45
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### 344.15 Harold Jordan Center

The Harold Jordan Center is a secure, forensic habilitation facility providing residential care to adolescent and adult offenders with intellectual disabilities. This program provides treatment services, competency evaluations, and competency training. This facility is staffed for 19 residents.

Full-Time	94	72	70	0	<b>70</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>94</b>	<b>72</b>	<b>70</b>	<b>0</b>	<b>70</b>
Payroll	1,864,100	3,647,800	3,545,500	0	<b>3,545,500</b>
Operational	2,272,500	1,797,300	1,683,000	0	<b>1,683,000</b>
<b>Total</b>	<b>\$4,136,600</b>	<b>\$5,445,100</b>	<b>\$5,228,500</b>	<b>\$0</b>	<b>\$5,228,500</b>
State	4,136,600	5,445,100	5,228,500	0	<b>5,228,500</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Reduce serious injuries to consumer each year.

**Measure:** The number of serious injuries to consumers.

3	5	5	0	5
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### 344.50 Major Maintenance

Major Maintenance provides institutional maintenance funds to the state's developmental centers and state-owned community homes in the event of an emergency and provides funds for maintenance projects that do not meet the criteria for capital maintenance.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	190,800	100,000	100,000	0	<b>100,000</b>
<b>Total</b>	<b>\$190,800</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$100,000</b>
State	93,300	100,000	100,000	0	<b>100,000</b>
Federal	0	0	0	0	<b>0</b>
Other	97,500	0	0	0	<b>0</b>

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**Standard:** Reduce percentage of major maintenance funds disbursed for emergency maintenance of the facilities each year.

**Measure:** Percent of funds disbursed for emergency maintenance.

51%	75%	50%	0	50%
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**344.00 Total Intellectual and Developmental Disabilities**

Full-Time	2,860	2,249	2,234	1	<b>2,235</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>2,860</b>	<b>2,249</b>	<b>2,234</b>	<b>1</b>	<b>2,235</b>
Payroll	140,623,200	126,030,200	124,456,000	77,900	<b>124,533,900</b>
Operational	664,102,400	375,282,100	66,425,300	15,556,100	<b>81,981,400</b>
<b>Total</b>	<b>\$804,725,600</b>	<b>\$501,312,300</b>	<b>\$190,881,300</b>	<b>\$15,634,000</b>	<b>\$206,515,300</b>
State	63,405,600	27,474,600	24,120,300	0	<b>24,120,300</b>
Federal	1,721,400	1,782,500	1,896,200	0	<b>1,896,200</b>
Other	739,598,600	472,055,200	164,864,800	15,634,000	<b>180,498,800</b>

## Statistical Data

### Intellectual Disabilities Developmental Centers

	Arlington <u>344.10</u>	Clover Bottom <u>344.11*</u>	Greene Valley <u>344.12</u>	<u>Total</u>
<b>Annual Admissions</b>				
2005-2006	1	21	5	27
2006-2007	0	0	4	4
2007-2008	0	0	9	9
2008-2009	0	0	3	3
2009-2010	0	0	2	2
2010-2011	0	0	2	2
2011-2012	0	0	2	2
2012-2013	0	0	1	1
<b>Annual Releases</b>				
2005-2006	22	32	13	67
2006-2007	86	0	10	96
2007-2008	24	0	27	51
2008-2009	33	23	15	71
2009-2010	51	13	13	77
2010-2011	0	73	48	121
2011-2012	0	36	43	79
2012-2013	0	0	1	1
<b>Average Daily Census</b>				
2005-2006	176	184	285	645
2006-2007	145	164	278	587
2007-2008	73	150	273	496
2008-2009	39	141	258	438
2009-2010	51	114	249	414
2010-2011	6	72	224	302
2011-2012	0	51	140	191
2012-2013	0	51	140	191
<b>Cost Per Occupancy Day**</b>				
2005-2006	\$927.71	\$872.26	\$704.10	\$834.69
2006-2007	\$1,057.11	\$1,010.12	\$757.17	\$941.47
2007-2008	\$1,014.23	\$1,116.09	\$808.43	\$979.59
2008-2009	\$1,777.12	\$1,158.65	\$862.16	\$1,265.98
2009-2010	\$1,183.56	\$1,377.78	\$814.00	\$1,125.11
2010-2011	\$2,120.50	\$1,483.65	\$830.99	\$1,478.38
2011-2012	\$0.00	\$1,426.52	\$955.16	\$1,190.84
2012-2013	\$0.00	\$1,416.74	\$909.27	\$1,163.01

\* Clover Bottom data includes the Harold Jordan Center.

\*\* Last column indicates average cost per day for all institutions.

# Department of Human Services

## Performance-Based Budget

The mission of the Department of Human Services is to improve quality of life by providing an effective system of services for disadvantaged, disabled, and vulnerable Tennesseans. The departmental structure is: Administration, Adult and Family Services, Child Support, and Rehabilitation Services.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administration

Administration provides departmental support services, operates county field offices, supervises a quality control system, provides a mechanism for appeals and hearings, and conducts investigations for fraud and abuse.

#### 345.01 Administration

Administration provides the basic infrastructure of administrative services to support the performance objectives of the departmental programs. Services include fiscal, audit, technology, and personnel.

Full-Time	559	571	540	0	540
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>559</b>	<b>571</b>	<b>540</b>	<b>0</b>	<b>540</b>
Payroll	32,563,900	37,701,000	36,722,700	0	36,722,700
Operational	39,498,600	33,082,700	33,675,200	0	33,675,200
<b>Total</b>	<b>\$72,062,500</b>	<b>\$70,783,700</b>	<b>\$70,397,900</b>	<b>\$0</b>	<b>\$70,397,900</b>
State	19,012,600	21,669,600	21,676,700	0	21,676,700
Federal	30,666,800	32,071,600	29,530,000	0	29,530,000
Other	22,383,100	17,042,500	19,191,200	0	19,191,200

**Standard:** Availability of the Child Support Enforcement computer system shall exceed 98%.

**Measure:** Percent of time Child Support Enforcement System is available.

96.66%	98.00%	98.00%	0	98.00%
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**Standard:** Monitor the percentage of child care vendor invoices paid within 10 days of receipt.

**Measure:** Percent of approximately 140,000 child care invoices paid within 10 days of receipt.

96.1%	97.8%	97.8%	0	97.8%
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#### 345.10 Organizational Performance Management

Organizational Performance Management provides staff development, program performance, and improved customer service. The division consists of human resources, learning development, performance management, as well as research and planning units. The division tracks outcomes related to individual, divisional, and departmental performance, building a culture of accountability, performance, and transparency at all levels across the department.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	0	101	101	0	101
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>101</b>	<b>101</b>	<b>0</b>	<b>101</b>
Payroll	0	5,991,200	5,996,200	0	5,996,200
Operational	0	463,000	787,000	0	787,000
<b>Total</b>	<b>\$0</b>	<b>\$6,454,200</b>	<b>\$6,783,200</b>	<b>\$0</b>	<b>\$6,783,200</b>
State	0	2,546,600	2,680,000	0	2,680,000
Federal	0	2,457,400	2,941,700	0	2,941,700
Other	0	1,450,200	1,161,500	0	1,161,500

**Standard:** Complete employee job plans and performance reviews by due dates.

**Measure:** The percent of completed job plans, interim reviews and performance evaluations by due date.

Not Applicable	100%	100%	0	100%
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### 345.16 Field Operations

Field Operations provides supervision and administrative support to Department of Human Services offices in each of Tennessee's 95 counties.

Full-Time	402	402	393	0	393
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>402</b>	<b>402</b>	<b>393</b>	<b>0</b>	<b>393</b>
Payroll	14,796,000	16,125,100	15,745,500	0	15,745,500
Operational	1,219,100	1,163,300	1,137,700	0	1,137,700
<b>Total</b>	<b>\$16,015,100</b>	<b>\$17,288,400</b>	<b>\$16,883,200</b>	<b>\$0</b>	<b>\$16,883,200</b>
State	4,904,900	5,518,700	5,415,900	0	5,415,900
Federal	5,195,100	5,359,700	5,204,400	0	5,204,400
Other	5,915,100	6,410,000	6,262,900	0	6,262,900

**Standard:** Collection of random moment sample surveys must meet or exceed the federal minimum sample size.

**Measure:** Percent of random moment sample size meet quarterly.

100%	100%	100%	0	100%
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### 345.17 County Rentals

The County Rentals program provides funds for payment of certain operational costs in the department's field offices, including rent, telephone, janitorial services, maintenance, and network computer charges.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	16,261,800	17,673,600	17,654,700	0	17,654,700
<b>Total</b>	<b>\$16,261,800</b>	<b>\$17,673,600</b>	<b>\$17,654,700</b>	<b>\$0</b>	<b>\$17,654,700</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	5,365,500	6,471,500	6,471,500	0	<b>6,471,500</b>
Federal	5,535,700	6,140,000	5,744,600	0	<b>5,744,600</b>
Other	5,360,600	5,062,100	5,438,600	0	<b>5,438,600</b>

**Standard:** Ensure functional office space for department employees is available each day the state is open for business. Active leases must be in place for each DHS office during the fiscal year.

**Measure:** Number of active leases.

	133	133	133	0	133
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### 345.31 Appeals and Hearings

Appeals and Hearings provides a mechanism for appeals and hearings requested by applicants for and recipients of financial benefits or services provided by the department, including appeals related to TennCare program eligibility and the Supplemental Nutrition Assistance Program (SNAP).

Full-Time	202	196	196	0	<b>196</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>202</b>	<b>196</b>	<b>196</b>	<b>0</b>	<b>196</b>
Payroll	11,444,300	11,392,500	11,478,200	0	<b>11,478,200</b>
Operational	1,204,700	1,100,800	1,074,300	0	<b>1,074,300</b>
<b>Total</b>	<b>\$12,649,000</b>	<b>\$12,493,300</b>	<b>\$12,552,500</b>	<b>\$0</b>	<b>\$12,552,500</b>
State	2,893,800	3,375,400	3,375,400	0	<b>3,375,400</b>
Federal	4,150,400	4,517,900	4,729,600	0	<b>4,729,600</b>
Other	5,604,800	4,600,000	4,447,500	0	<b>4,447,500</b>

**Standard:** Process Supplemental Nutritional Assistance Program (SNAP) appeals within the federally required 60-day timeframe.

**Measure:** Average monthly percent of SNAP appeals completed within the federally required 60-day timeframe.

	87%	87%	87%	0	87%
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**Standard:** Process Families First, TennCare, and Medicaid appeals within the federally required 90-day timeframe.

**Measure:** Average monthly percent of Families First, TennCare, and Medicaid appeals completed within the federally required 90-day timeframe.

	90%	90%	90%	0	90%
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### Adult and Family Services

Adult and Family Services include family assistance, TANF (Temporary Assistance to Needy Families), child care benefits, food stamp benefits, and community services.

The Family Assistance program provides temporary cash assistance, child care, and other services to low-income families to enable them to become self-sufficient. Clients are served in the department's 95 county offices and through service centers strategically located throughout the state. The Family Assistance section consists of three programs: Families First, food stamp benefits, and eligibility determination.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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Families First is the state's TANF program that distributes cash grants and provides employment, training, education, and support services for families with financial need and dependent children deprived of parental support and/or care. The goals of the Families First program are to: provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives; end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and encourage the formation and maintenance of two-parent families.

The food stamp (Supplemental Nutrition Assistance Program) program helps ensure that eligible low-income families and individuals are able to obtain a nutritious diet. The program is the cornerstone of the federal food assistance programs and provides crucial support to needy households and to those making the transition from welfare to work. The goal of the program is to eliminate hunger and reduce the incidence of food insecurity.

The eligibility determination unit determines eligibility for the Families First-TANF program, food stamps, and TennCare, which is the state's Medicaid waiver medical assistance program. Clients are assisted through the department's county offices. Special accommodations are made for the elderly, disabled, those with limited English proficiency, and others who need assistance with the application process.

The Community Services program provides regulatory and protective services, social services, and economic assistance in the areas of child and adult care, adult protective services, and community contract services.

### 345.20 Child Care Benefits

The Child Care Benefits program provides assistance for child care services to qualifying participants in programs such as Families First, foster care, child protective services, transitional Families First, and Department of Children's Services relative care.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	208,443,400	208,443,400	214,958,200	0	214,958,200
<b>Total</b>	<b>\$208,443,400</b>	<b>\$208,443,400</b>	<b>\$214,958,200</b>	<b>\$0</b>	<b>\$214,958,200</b>
State	24,599,900	14,699,800	12,067,600	0	12,067,600
Federal	177,262,000	187,343,600	196,490,600	0	196,490,600
Other	6,581,500	6,400,000	6,400,000	0	6,400,000

**Standard:** Maintain Child Care rates at the 45th percentile of the market rate.

**Measure:** Average percentile rate at which child care assistance is paid.

36th	45th	45th	0	45th
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 345.23 Temporary Cash Assistance

The Temporary Cash Assistance program provides cash payments to low-income families to enable them to become self-sufficient. Qualified applicants are issued a cash benefit based on household size and income. Benefits are distributed to individuals through the use of an electronic benefits card.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	130,200,400	126,712,900	120,810,400	0	120,810,400
<b>Total</b>	<b>\$130,200,400</b>	<b>\$126,712,900</b>	<b>\$120,810,400</b>	<b>\$0</b>	<b>\$120,810,400</b>
State	0	20,868,900	19,968,900	0	19,968,900
Federal	126,583,200	102,226,800	97,224,300	0	97,224,300
Other	3,617,200	3,617,200	3,617,200	0	3,617,200

**Standard:** Monitor the monthly participation rate of families receiving temporary cash assistance.

**Measure:** Average number of families receiving monthly temporary cash assistance payments.

	62,545	62,000	62,000	0	62,000
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### 345.25 Food Stamp Benefits

The Food Stamp Benefits program is the cornerstone of the federal food assistance programs and provides crucial support to needy households and to those making the transition from welfare to work. The amount of assistance to which any person, household, or family is entitled is determined by measuring the income and resources of such person, household, or family. Benefits are distributed to individuals through an electronic benefits card.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	2,043,156,300	2,119,479,800	2,043,156,300	0	2,043,156,300
<b>Total</b>	<b>\$2,043,156,300</b>	<b>\$2,119,479,800</b>	<b>\$2,043,156,300</b>	<b>\$0</b>	<b>\$2,043,156,300</b>
State	0	0	0	0	0
Federal	2,043,156,300	2,119,479,800	2,043,156,300	0	2,043,156,300
Other	0	0	0	0	0

**Standard:** Monitor the appropriate monthly participation rate of individuals receiving benefits.

**Measure:** Number of individuals receiving monthly food stamp benefits.

	1,268,500	1,200,000	1,200,000	0	1,200,000
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 345.30 Family Assistance Services

The Family Assistance Services program provides eligibility determination for the Families First, Food Stamp, and TennCare programs. In addition, Food Stamp recipients receive nutrition education and outreach services. Families First clients receive job training, employment career services, and counseling.

Full-Time	2,527	2,459	2,505	0	<b>2,505</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>2,527</b>	<b>2,459</b>	<b>2,505</b>	<b>0</b>	<b>2,505</b>
Payroll	124,642,200	118,155,200	120,622,800	0	<b>120,622,800</b>
Operational	108,579,500	87,632,900	63,569,900	0	<b>63,569,900</b>
<b>Total</b>	<b>\$233,221,700</b>	<b>\$205,788,100</b>	<b>\$184,192,700</b>	<b>\$0</b>	<b>\$184,192,700</b>
State	55,437,200	69,662,900	71,337,000	0	<b>71,337,000</b>
Federal	127,759,500	83,121,200	61,754,900	0	<b>61,754,900</b>
Other	50,025,000	53,004,000	51,100,800	0	<b>51,100,800</b>

**Standard:** Meet or exceed the Federal Work Participation Rate for Temporary Assistance for Needy Families (TANF) clients.

**Measure:** Families First's Work Participation Rate (WPR).

50%	50%	50%	0	50%
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**Standard:** Maintain Food Stamp payment accuracy rate of 95%.

**Measure:** Food Stamp payment accuracy rate.

96%	95%	95%	0	95%
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### 345.49 Community Services

The Community Services program provides a range of social services, including child care, child care provider licensing, adult protective services (APS), child and adult nutrition, summer food service, child care facilities loan fund, homemaker, refugee assistance, low-income home energy and weatherization assistance, and emergency and support services. Services are provided through a mix of state employees, quasi-governmental entities, and private entities. These services are funded by a combination of state appropriations, the federal Social Services and Community Services block grants, other federal programs, and other sources, including funding from the Department of Children's Services, the Department of Health, and the Bureau of TennCare.

Full-Time	415	412	407	0	<b>407</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>415</b>	<b>412</b>	<b>407</b>	<b>0</b>	<b>407</b>
Payroll	22,722,600	22,008,300	21,847,200	0	<b>21,847,200</b>
Operational	243,602,200	195,367,700	165,979,500	0	<b>165,979,500</b>
<b>Total</b>	<b>\$266,324,800</b>	<b>\$217,376,000</b>	<b>\$187,826,700</b>	<b>\$0</b>	<b>\$187,826,700</b>
State	0	1,867,100	1,677,700	0	<b>1,677,700</b>
Federal	261,064,600	209,940,700	180,278,200	0	<b>180,278,200</b>
Other	5,260,200	5,568,200	5,870,800	0	<b>5,870,800</b>

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Monitor the percentage of Child Care complaints investigated and resolved within 30 days.

**Measure:** Percent of child care complaints investigated and resolved within 30 days.

97%	97%	97%	0	97%
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**Standard:** Increase the percentage of safety outcomes for vulnerable adults.

**Measure:** Percent of Adult Protective Services cases where safety outcomes were increased.

61%	63%	66%	0	66%
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## Child Support

### 345.13 Child Support

The Child Support Enforcement program is a federal, state, and local partnership to collect and distribute child support. Program goals include ensuring children have the financial support of both parents, fostering responsible behavior towards children, and reducing welfare costs. Tennessee's Child Support Enforcement program is administered by the department through contracts with district attorneys general, private vendors, local governments, and program staff. Services include locating non-custodial parents, establishing paternity, establishing and enforcing financial and medical support orders, reviewing and adjusting support orders, and collecting and distributing child support payments. Enforcement staff is included in the district attorneys general budget, with funding from this allotment.

Full-Time	149	145	145	0	145
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>149</b>	<b>145</b>	<b>145</b>	<b>0</b>	<b>145</b>
Payroll	7,063,000	7,675,600	7,675,600	0	7,675,600
Operational	61,271,400	65,947,500	64,057,900	114,800	64,172,700
<b>Total</b>	<b>\$68,334,400</b>	<b>\$73,623,100</b>	<b>\$71,733,500</b>	<b>\$114,800</b>	<b>\$71,848,300</b>
State	17,825,300	17,866,200	16,643,800	39,000	16,682,800
Federal	25,612,000	30,647,100	29,979,900	75,800	30,055,700
Other	24,897,100	25,109,800	25,109,800	0	25,109,800

**Standard:** Increase the percentage of child support cases with court orders.

**Measure:** Percent of cases with child support orders.

67%	70%	70%	0	70%
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**Standard:** Increase the percentage of current support collected.

**Measure:** Percent of current support collected.

52%	54%	54%	0	54%
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## Rehabilitation Services

The Rehabilitation Services section provides direct services to persons with disabilities and determines eligibility for federal Social Security disability income programs.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**345.70 Vocational Rehabilitation**

The Vocational Rehabilitation (VR) program seeks to alleviate barriers and provide quality services to improve the conditions of persons with disabilities. The program's primary goal is to place disabled individuals into employment. Vocational rehabilitation services include any services described in an individual plan for employment which are necessary to assist an individual with a disability in preparing for, securing, retaining, or regaining an employment outcome that is consistent with the strengths and abilities of the individual. The program includes the Tennessee Rehabilitation Center in Smyrna and other locations throughout the state.

Full-Time	643	630	617	0	<b>617</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>643</b>	<b>630</b>	<b>617</b>	<b>0</b>	<b>617</b>
Payroll	28,754,600	31,149,300	30,768,500	0	<b>30,768,500</b>
Operational	44,444,600	50,533,000	45,026,500	0	<b>45,026,500</b>
<b>Total</b>	<b>\$73,199,200</b>	<b>\$81,682,300</b>	<b>\$75,795,000</b>	<b>\$0</b>	<b>\$75,795,000</b>
State	10,321,700	12,817,000	9,735,100	0	<b>9,735,100</b>
Federal	53,295,100	60,632,900	61,171,500	0	<b>61,171,500</b>
Other	9,582,400	8,232,400	4,888,400	0	<b>4,888,400</b>

**Standard:** Maintain or exceed the federal standard for individuals who exit the Vocational Rehabilitation (VR) program successfully (achieve employment outcome) after receiving services.

**Measure:** Percent of individuals who exit VR program after receiving services that achieve employment outcomes.

46.8%	55.8%	55.8%	0	55.8%
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**Standard:** Maintain at 90 percent the percentage of all individuals achieving employment outcomes who exit the VR program into employment with hourly earnings equivalent to at least the minimum wage.

**Measure:** Of all individuals achieving employment outcomes, the percent whose earnings are equivalent to at least the minimum wage.

92.1%	90.0%	90.0%	0	90.0%
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**345.71 Disability Determination**

The Disability Determination program, in partnership with the U.S. Social Security Administration (SSA), ascertains whether an individual is qualified for disability insurance benefits or supplemental security income benefits from the U.S. Social Security Administration.

Full-Time	627	648	648	0	<b>648</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>627</b>	<b>648</b>	<b>648</b>	<b>0</b>	<b>648</b>
Payroll	26,124,200	31,169,100	31,283,700	0	<b>31,283,700</b>
Operational	36,885,500	40,136,200	37,277,600	0	<b>37,277,600</b>
<b>Total</b>	<b>\$63,009,700</b>	<b>\$71,305,300</b>	<b>\$68,561,300</b>	<b>\$0</b>	<b>\$68,561,300</b>
State	1,191,700	0	0	0	<b>0</b>
Federal	61,540,600	69,569,100	66,825,100	0	<b>66,825,100</b>
Other	277,400	1,736,200	1,736,200	0	<b>1,736,200</b>

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**Standard:** Provide accurate Social Security Administration services, based on randomly selected case reviews.

**Measure:** Quality assurance based on performance reviews of determination accuracy.

96%	97%	97%	0	97%
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**345.00 Total Human Services**

Full-Time	5,524	5,564	5,552	0	<b>5,552</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>5,524</b>	<b>5,564</b>	<b>5,552</b>	<b>0</b>	<b>5,552</b>
Payroll	268,110,800	281,367,300	282,140,400	0	<b>282,140,400</b>
Operational	2,934,767,500	2,947,736,800	2,809,165,200	114,800	<b>2,809,280,000</b>
<b>Total</b>	<b>\$3,202,878,300</b>	<b>\$3,229,104,100</b>	<b>\$3,091,305,600</b>	<b>\$114,800</b>	<b>\$3,091,420,400</b>
State	141,552,600	177,363,700	171,049,600	39,000	<b>171,088,600</b>
Federal	2,921,821,300	2,913,507,800	2,785,031,100	75,800	<b>2,785,106,900</b>
Other	139,504,400	138,232,600	135,224,900	0	<b>135,224,900</b>

# Department of Finance and Administration, Strategic Health-Care Programs

## Performance-Based Budget

In 2011, all health-care programs within the Department of Finance and Administration were consolidated under the Division of Health-Care Finance and Administration. The division consists of two parts, the Bureau of TennCare and Strategic Health-Care Programs.

Strategic Health-Care Programs includes Health-Care Planning and Innovation and the Cover Tennessee Health-Care Programs, which are CoverTN, AccessTN, Cover Kids, and CoverRx.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>350.10 Health-Care Planning and Innovation</b>					
Health-Care Planning and Innovation includes state health planning, electronic health initiatives, the health insurance exchange planning initiative, and the administrative staff of Cover Tennessee Health-Care Programs.					
Full-Time	25	25	23	0	23
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>25</b>	<b>25</b>	<b>23</b>	<b>0</b>	<b>23</b>
Payroll	1,974,700	2,340,400	2,322,200	0	2,322,200
Operational	5,331,600	16,546,200	1,541,800	0	1,541,800
<b>Total</b>	<b>\$7,306,300</b>	<b>\$18,886,600</b>	<b>\$3,864,000</b>	<b>\$0</b>	<b>\$3,864,000</b>
State	1,109,600	1,233,700	1,170,500	0	1,170,500
Federal	907,200	12,330,500	780,100	0	780,100
Other	5,289,500	5,322,400	1,913,400	0	1,913,400

**Standard:** Update Certificate of Need program area standards and criteria.

**Measure:** Number of Certificate of Need program areas updated in a fiscal year.

2	2	2	0	2
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**Standard:** Develop capacity for Health Information Exchange to demonstrate progress across five essential domains: governance, finance, technical infrastructure, business and technical operations, and legal/policy.

**Measure:** Percent of eligible professionals and hospitals that meaningfully use certified electronic health record technology.

Not Available	20%	20%	0	20%
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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## Cover Tennessee Health-Care Programs

Cover Tennessee, enacted in 2006, was developed to create health insurance options that are affordable and portable for the uninsured through four programs. CoverTN, AccessTN, and CoverKids provide health insurance to adults and children who are uninsured or uninsurable. CoverRx is a pharmacy assistance program for low-income adults without pharmacy coverage.

### 350.30 CoverTN

The CoverTN program was created by law in 2006 to offer affordable, portable basic health care coverage to working Tennesseans that are uninsured. This program provides basic health coverage for a modest premium, which is weighted based on age, weight, and tobacco use. The premium costs are shared between the state, willing qualified employers, and the individual. CoverTN is unique because it is portable; it follows the individual through a change of employer.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	15,672,900	31,745,600	44,840,400	0	44,840,400
<b>Total</b>	<b>\$15,672,900</b>	<b>\$31,745,600</b>	<b>\$44,840,400</b>	<b>\$0</b>	<b>\$44,840,400</b>
State	15,672,900	17,762,600	16,874,500	0	16,874,500
Federal	0	0	0	0	0
Other	0	13,983,000	27,965,900	0	27,965,900

**Standard:** Facilitate the provision of affordable, portable basic health-care coverage to qualified working Tennesseans that are uninsured.

**Measure:** Number of enrolled individuals in the CoverTN program.

18,867	20,300	16,000	0	16,000
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**Standard:** Assure all carriers or insurers are accredited by either the Utilization Review Accreditation Committee (URAC) or the National Committee for Quality Assurance (NCQA).

**Measure:** Percent of carriers or insurers that meet URAC or NCQA accreditation standards.

100%	100%	100%	0	100%
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### 350.40 AccessTN

The AccessTN program was created by law in 2006 to make health care coverage available to uninsurable Tennesseans. This program operates as a high-risk pool for those who were denied insurance previously due to disqualifying medical conditions. Premiums for AccessTN coverage are from 150 to 200 percent of comparable commercial rates, and premium assistance funding may be available for those that qualify financially.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	23,049,200	23,049,200	23,049,200	0	23,049,200
<b>Total</b>	<b>\$23,049,200</b>	<b>\$23,049,200</b>	<b>\$23,049,200</b>	<b>\$0</b>	<b>\$23,049,200</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	23,049,200	23,049,200	23,049,200	0	<b>23,049,200</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Facilitate the provision of comprehensive health-care coverage to uninsurable Tennesseans.

**Measure:** Number of enrollees in the AccessTN program.

	3,562	4,000	4,000	0	4,000
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**Standard:** Offset the cost of premiums to low-income enrollees through the provision of premium assistance.

**Measure:** Percent of AccessTN enrollees provided with premium assistance.

	76.5%	90.0%	76.0%	0	76.0%
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### 350.50 CoverKids

The CoverKids program was created by law in 2006 to provide health care coverage to Tennessee children whose family income is less than 250 percent of the federal poverty level (FPL) and, for a premium, to make coverage available to children whose family income is more than 250 percent of FPL. The program provides comprehensive health-care benefits, including dental care, that are comparable to those in the state health plans (state employee, local government, and local education agency plans).

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	154,044,500	210,257,000	210,687,900	34,249,400	<b>244,937,300</b>
<b>Total</b>	<b>\$154,044,500</b>	<b>\$210,257,000</b>	<b>\$210,687,900</b>	<b>\$34,249,400</b>	<b>\$244,937,300</b>
State	36,805,200	49,596,600	49,596,600	8,900,000	<b>58,496,600</b>
Federal	117,239,200	160,229,400	160,229,400	25,349,400	<b>185,578,800</b>
Other	100	431,000	861,900	0	<b>861,900</b>

**Standard:** Facilitate the provision of comprehensive health-care coverage to uninsured Tennessee children, age 18 and younger, and maternity coverage for pregnant women.

**Measure:** Number of enrollees in the CoverKids program.

	48,202	58,471	58,500	0	58,500
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**Standard:** Assure all carriers or insurers are accredited by either the Utilization Review Accreditation Committee (URAC) or the National Committee for Quality Assurance (NCQA).

**Measure:** Percent of carriers or insurers that meet URAC or NCQA accreditation standards.

	100%	100%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 350.60 CoverRX

CoverRx, created by law in 2006, is an expansion of the health care safety net pharmacy-assistance program, which began in 2005. CoverRx provides discounts for Tennesseans without pharmacy coverage that have a household income below 250 percent of the federal poverty level. This program is not insurance coverage, and no premiums are collected. Participants are provided access to more affordable prescriptions.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	9,514,100	13,588,500	13,588,500	0	13,588,500
<b>Total</b>	<b>\$9,514,100</b>	<b>\$13,588,500</b>	<b>\$13,588,500</b>	<b>\$0</b>	<b>\$13,588,500</b>
State	8,605,600	13,188,500	13,188,500	0	13,188,500
Federal	0	0	0	0	0
Other	908,500	400,000	400,000	0	400,000

**Standard:** Facilitate access to basic and affordable medications for low-income Tennesseans without prescription drug coverage.

**Measure:** Number of enrollees in the CoverRx program.

	46,665	56,004	55,000	0	55,000
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**Standard:** Assure all carriers or insurers are accredited by either the Utilization Review Accreditation Committee (URAC) or the National Committee for Quality Assurance (NCQA).

**Measure:** Percent of carriers or insurers that meet URAC or NCQA accreditation standards.

	100%	100%	100%	0	100%
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### 350.00 Total Strategic Health-Care Programs

Full-Time	25	25	23	0	23
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>25</b>	<b>25</b>	<b>23</b>	<b>0</b>	<b>23</b>
Payroll	1,974,700	2,340,400	2,322,200	0	2,322,200
Operational	207,612,300	295,186,500	293,707,800	34,249,400	327,957,200
<b>Total</b>	<b>\$209,587,000</b>	<b>\$297,526,900</b>	<b>\$296,030,000</b>	<b>\$34,249,400</b>	<b>\$330,279,400</b>
State	85,242,500	104,830,600	103,879,300	8,900,000	112,779,300
Federal	118,146,400	172,559,900	161,009,500	25,349,400	186,358,900
Other	6,198,100	20,136,400	31,141,200	0	31,141,200

# Department of Children's Services

## Performance-Based Budget

In cooperation with juvenile courts, the Department of Children's Services (DCS) provides timely, appropriate, and cost-effective services for children in state custody or at risk of entering state custody in order to enable these children to reach their full potential as productive, competent, and healthy adults. The department is organized into three functional areas: Administration, Child Welfare, and Juvenile Justice.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 359.10 Administration

This allotment provides funds for staffing and other operating costs necessary for administration of the department. Administration provides internal support, leadership, and direction that leads to improved program performance and success in the ultimate goal of re-integration of children into the community. This program also assists in compliance with state law, departmental policies, and American Correctional Association standards.

Full-Time	518	493	462	0	462
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>518</b>	<b>493</b>	<b>462</b>	<b>0</b>	<b>462</b>
Payroll	31,894,100	33,567,400	31,942,000	0	31,942,000
Operational	32,037,500	16,300,700	14,334,700	0	14,334,700
<b>Total</b>	<b>\$63,931,600</b>	<b>\$49,868,100</b>	<b>\$46,276,700</b>	<b>\$0</b>	<b>\$46,276,700</b>
State	47,696,300	27,866,200	25,916,700	0	25,916,700
Federal	11,560,500	6,248,000	5,810,800	0	5,810,800
Other	4,674,800	15,753,900	14,549,200	0	14,549,200

**Standard:** The legal staff will file termination of parental rights petitions within no more than three months of the date a child's permanency goal is changed to a sole goal of adoption.

**Measure:** Percent of children with a sole goal of adoption who had a petition to terminate parental rights filed within three months.

80%	80%	80%	0	80%
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**Standard:** Decrease state dollar proportion of total actual expenditures.

**Measure:** Percent of DCS budget that is state's portion.

48.2%	44.5%	47.4%	0	47.4%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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## Child Welfare

Child Welfare provides a variety of services that support families with children that are at risk of coming into state custody, ensures that children who enter state custody are provided with appropriate treatment and care, assists with adoptions of special needs children, and manages cases of children and families in an appropriate and timely manner.

### 359.20 Family Support Services

The Family Support Services program provides services to children that are at risk of entering state custody. Crisis intervention services are provided both to parents with difficulty raising their children and to unruly children on a path to youth detention. The goal of these services is to assist children to successfully remain in their homes. If children can not be raised by their parents, a relative caregiver program attempts to support placement of children in the homes of other family members.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	39,513,400	41,132,200	34,509,800	0	34,509,800
<b>Total</b>	<b>\$39,513,400</b>	<b>\$41,132,200</b>	<b>\$34,509,800</b>	<b>\$0</b>	<b>\$34,509,800</b>
State	20,204,200	31,012,400	24,390,000	0	24,390,000
Federal	15,004,800	7,619,800	7,619,800	0	7,619,800
Other	4,304,400	2,500,000	2,500,000	0	2,500,000

**Standard:** Increase the percentage of children exiting out-of-home care to permanency.

**Measure:** Percent of children exiting out-of-home care to permanency.

91.0%	91.2%	91.2%	0	91.2%
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### 359.30 Custody Services

The Custody Services program purchases residential care in safe, state-monitored homes to ensure children in state custody receive treatment and housing until the state can make a permanent placement. Included services are mental, behavioral, and physical treatment services to prepare youth to live independently at adulthood. Youth in custody may volunteer for extended state custody after their 18th birthday to receive services designed to assist youth achieve successful independence after primary school.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	15,000	15,000	0	15,000
Operational	201,493,200	205,966,800	205,467,500	5,160,000	210,627,500
<b>Total</b>	<b>\$201,493,200</b>	<b>\$205,981,800</b>	<b>\$205,482,500</b>	<b>\$5,160,000</b>	<b>\$210,642,500</b>
State	79,614,500	80,569,900	80,309,900	1,909,200	82,219,100
Federal	26,107,200	19,785,200	18,100,500	412,800	18,513,300
Other	95,771,500	105,626,700	107,072,100	2,838,000	109,910,100

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Reduce the number of dependent/neglected, unruly children entering out-of-home care.

**Measure:** Number of dependent/neglected, unruly children entering out-of-home care.

	3,767	3,750	3,750	0	3,750
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### 359.35 Needs Assessment

The Needs Assessment program provides funding to assist in determining the need for new or different placement and service resources and where those placements and services should be located.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	5,112,700	6,370,200	4,119,300	0	4,119,300
<b>Total</b>	<b>\$5,112,700</b>	<b>\$6,370,200</b>	<b>\$4,119,300</b>	<b>\$0</b>	<b>\$4,119,300</b>
State	5,112,700	6,370,200	4,119,300	0	4,119,300
Federal	0	0	0	0	0
Other	0	0	0	0	0

**Standard:** Increase the percentage of neglect/unruly children and youth initially placed in his or her home county or with a relative or kin.

**Measure:** Percent of neglect/unruly children and youth initially placed in his or her home county or with a relative or kin.

	65.0%	66.0%	66.5%	0	66.5%
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### 359.40 Adoption Services

The Adoption Services program provides financial support payments to adoptive parents and treatment and counseling services for families to meet the needs of adopted children. Post-adoption records services are provided to adults who were adopted as youth in Tennessee.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	1,500	15,000	15,000	0	15,000
Operational	79,430,500	78,433,900	78,098,800	0	78,098,800
<b>Total</b>	<b>\$79,432,000</b>	<b>\$78,448,900</b>	<b>\$78,113,800</b>	<b>\$0</b>	<b>\$78,113,800</b>
State	37,550,300	40,103,200	39,768,100	0	39,768,100
Federal	41,881,700	38,269,200	38,269,200	0	38,269,200
Other	0	76,500	76,500	0	76,500

**Standard:** Children in full DCS guardianship will have a finalized adoption within 12 months of termination of parental rights.

**Measure:** Percent of children in full DCS guardianship who have a finalized adoption within 12 months.

	84%	84%	84%	0	84%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 359.50 Child and Family Management

The Child and Family Management program provides case management services to children and their families in order to meet identified intervention, treatment, and placement needs. Case managers make visits to a child's home, school, and service providers as well as work with local courts to assess the child's treatment and care needs while the child is in or has recently exited the custody of the state.

Full-Time	3,326	3,231	3,174	0	3,174
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>3,326</b>	<b>3,231</b>	<b>3,174</b>	<b>0</b>	<b>3,174</b>
Payroll	162,646,900	172,859,900	171,515,100	0	171,515,100
Operational	51,762,000	53,629,200	38,519,000	0	38,519,000
<b>Total</b>	<b>\$214,408,900</b>	<b>\$226,489,100</b>	<b>\$210,034,100</b>	<b>\$0</b>	<b>\$210,034,100</b>
State	71,026,700	83,344,000	78,006,100	0	78,006,100
Federal	34,448,500	49,243,500	43,056,800	0	43,056,800
Other	108,933,700	93,901,600	88,971,200	0	88,971,200

**Standard:** Maintain at least 90% placement stability for children in out-of-home care.

**Measure:** Percent of children who experienced two or fewer placements in out-of-home care.

90.0%	90.0%	90.0%	0	90.0%
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**Standard:** Decrease the percent of youth on after-care who re-enter DCS custody.

**Measure:** Percent of youth on after-care who have re-entered state custody.

24.3%	9.7%	9.7%	0	9.7%
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### Juvenile Justice

The Department of Children's Services will operate four youth development centers that provide individualized treatment programs and services to juvenile offenders contributing to their successful reintegration into society. These centers assess and properly care for the needs of juveniles while offering counseling and educational services.

A youth development center student either has needs that cannot be met in the community, is committed for a violent offense resulting in injury to another person, or has three or more felony offenses. Services provided to students at these centers include parental responsibility counseling, academic education, general educational development, work-study programs, special education, abuse victimization counseling, family counseling, medical care, remedial reading and math, adult basic education, and vocational training. Some specialized services provided include drug and alcohol abuse treatment, sex-abuse and sex offender treatment, violent offender treatment, gang activity awareness, speech therapy, dental care, and behavioral management.

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**359.60 John S. Wilder Youth Development Center**

John S. Wilder Youth Development Center, located in Somerville, is a regional hardware-secure residential treatment program for delinquent youth ages 13 to 18 who are committed by the courts to the department.

Full-Time	187	187	196	0	<b>196</b>
Part-Time	2	2	1	0	<b>1</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>189</b>	<b>189</b>	<b>197</b>	<b>0</b>	<b>197</b>
Payroll	9,154,800	9,446,200	9,959,300	14,300	<b>9,973,600</b>
Operational	2,053,200	2,012,200	2,077,400	0	<b>2,077,400</b>
<b>Total</b>	<b>\$11,208,000</b>	<b>\$11,458,400</b>	<b>\$12,036,700</b>	<b>\$14,300</b>	<b>\$12,051,000</b>
State	11,015,300	11,188,600	11,661,400	14,300	<b>11,675,700</b>
Federal	0	0	0	0	<b>0</b>
Other	192,700	269,800	375,300	0	<b>375,300</b>

**Standard:** Increase the percentage of youth released from the youth development center that remain in a community setting.

**Measure:** Percent of youth, ages 13-17, who exited to their home community and did not return to the custody of the department as the result of a delinquent offense within 12 months of their exit from custody.

82%	90%	90%	0	90%
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**359.61 Taft Youth Development Center**

James M. Taft Youth Development Center, located near Pikeville, is a hardware-secure detention center providing treatment and educational programs for the most serious juvenile male offenders ages 13 to 17 remanded to state custody from across the state. This facility is scheduled to close on June 30, 2012.

Full-Time	201	201	0	0	<b>0</b>
Part-Time	1	1	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>202</b>	<b>202</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	9,459,900	10,518,100	0	0	<b>0</b>
Operational	2,161,700	2,048,300	0	0	<b>0</b>
<b>Total</b>	<b>\$11,621,600</b>	<b>\$12,566,400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	11,008,300	11,987,500	0	0	<b>0</b>
Federal	0	0	0	0	<b>0</b>
Other	613,300	578,900	0	0	<b>0</b>

**Standard:** Increase the percentage of youth released from the youth development center that remain in a community setting.

**Measure:** Percent of youth, ages 13-17, who exited to their home community and did not return to the custody of the department as the result of a delinquent offense within 12 months of their exit from custody.

86%	90%	0%	0	0%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 359.62 Woodland Hills Youth Development Center

Woodland Hills Youth Development Center, located in Nashville, is a regional hardware-secure treatment program for delinquent youth ages 13 to 18 that are committed by the courts to the department.

Full-Time	203	203	209	0	209
Part-Time	2	2	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>205</b>	<b>205</b>	<b>209</b>	<b>0</b>	<b>209</b>
Payroll	8,770,600	9,906,100	10,289,300	3,800	10,293,100
Operational	2,348,300	2,519,700	2,491,900	0	2,491,900
<b>Total</b>	<b>\$11,118,900</b>	<b>\$12,425,800</b>	<b>\$12,781,200</b>	<b>\$3,800</b>	<b>\$12,785,000</b>
State	10,608,800	11,994,500	12,259,800	3,800	12,263,600
Federal	0	0	0	0	0
Other	510,100	431,300	521,400	0	521,400

**Standard:** Increase the percentage of youth released from the youth development center that remain in a community setting.

**Measure:** Percent of youth, ages 13-17, who exited to their home community and did not return to the custody of the department as the result of a delinquent offense within 12 months of their exit from custody.

84%	90%	90%	0	90%
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### 359.63 Mountain View Youth Development Center

Mountain View Youth Development Center, located in Dandridge, is a regional hardware-secure facility for male juvenile offenders ages 13 to 18 who have been committed by the courts to the department.

Full-Time	194	192	205	0	205
Part-Time	1	1	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>195</b>	<b>193</b>	<b>205</b>	<b>0</b>	<b>205</b>
Payroll	8,666,300	9,455,300	10,071,700	22,900	10,094,600
Operational	1,898,900	1,969,300	2,096,200	0	2,096,200
<b>Total</b>	<b>\$10,565,200</b>	<b>\$11,424,600</b>	<b>\$12,167,900</b>	<b>\$22,900</b>	<b>\$12,190,800</b>
State	10,303,100	11,124,900	11,731,600	22,900	11,754,500
Federal	0	0	0	0	0
Other	262,100	299,700	436,300	0	436,300

**Standard:** Increase the percentage of youth released from the youth development center that remain in a community setting.

**Measure:** Percent of youth, ages 13-17, who exited to their home community and did not return to the custody of the department as the result of a delinquent offense within 12 months of their exit from custody.

84%	90%	90%	0	90%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 359.64 New Visions Youth Development Center

New Visions Youth Development Center, located in Nashville, is a 50-bed, hardware-secure, detention center dedicated to providing intensive treatment and educational programs for juvenile male offenders ages 13 to 18 remanded to state custody from across the state.

Full-Time	78	66	56	0	56
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>78</b>	<b>66</b>	<b>56</b>	<b>0</b>	<b>56</b>
Payroll	2,819,600	3,041,400	2,616,400	12,900	2,629,300
Operational	767,600	748,600	651,100	0	651,100
<b>Total</b>	<b>\$3,587,200</b>	<b>\$3,790,000</b>	<b>\$3,267,500</b>	<b>\$12,900</b>	<b>\$3,280,400</b>
State	3,553,500	3,747,500	3,198,100	12,900	3,211,000
Federal	0	0	0	0	0
Other	33,700	42,500	69,400	0	69,400

**Standard:** Increase the percentage of youth released from the youth development center that remain in a community setting.

**Measure:** Percent of youth, ages 13-17, who exited to their home community and did not return to the custody of the department as the result of a delinquent offense within 12 months of their exit from custody.

	81%	92%	90%	0	90%
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### 359.65 Community Treatment Facilities

Seven residential minimum-security group homes serving 8 to 12 residents per facility provided a program including community involvement, counseling services, and work experience for juvenile offenders who were appropriate for community placement. Residential treatment services were privatized on July 1, 2011 and are now provided through community placements with private providers funded by the Custody Services program.

Full-Time	99	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>99</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	3,494,600	0	0	0	0
Operational	1,207,300	0	0	0	0
<b>Total</b>	<b>\$4,701,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	2,264,200	0	0	0	0
Federal	0	0	0	0	0
Other	2,437,700	0	0	0	0



	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**359.80 Major Maintenance**

The Major Maintenance program provides institutional maintenance funds for the state youth development centers in the event of an emergency, as well as assisting institutions with facility maintenance projects that do not meet the criteria for capital maintenance.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	83,300	595,100	370,100	0	370,100
<b>Total</b>	<b>\$83,300</b>	<b>\$595,100</b>	<b>\$370,100</b>	<b>\$0</b>	<b>\$370,100</b>
State	83,300	420,100	370,100	0	370,100
Federal	0	0	0	0	0
Other	0	175,000	0	0	0

**Standard:** Complete at least 95% of planned major maintenance projects.

**Measure:** Percent of planned major maintenance projects completed.

95%	95%	95%	0	95%
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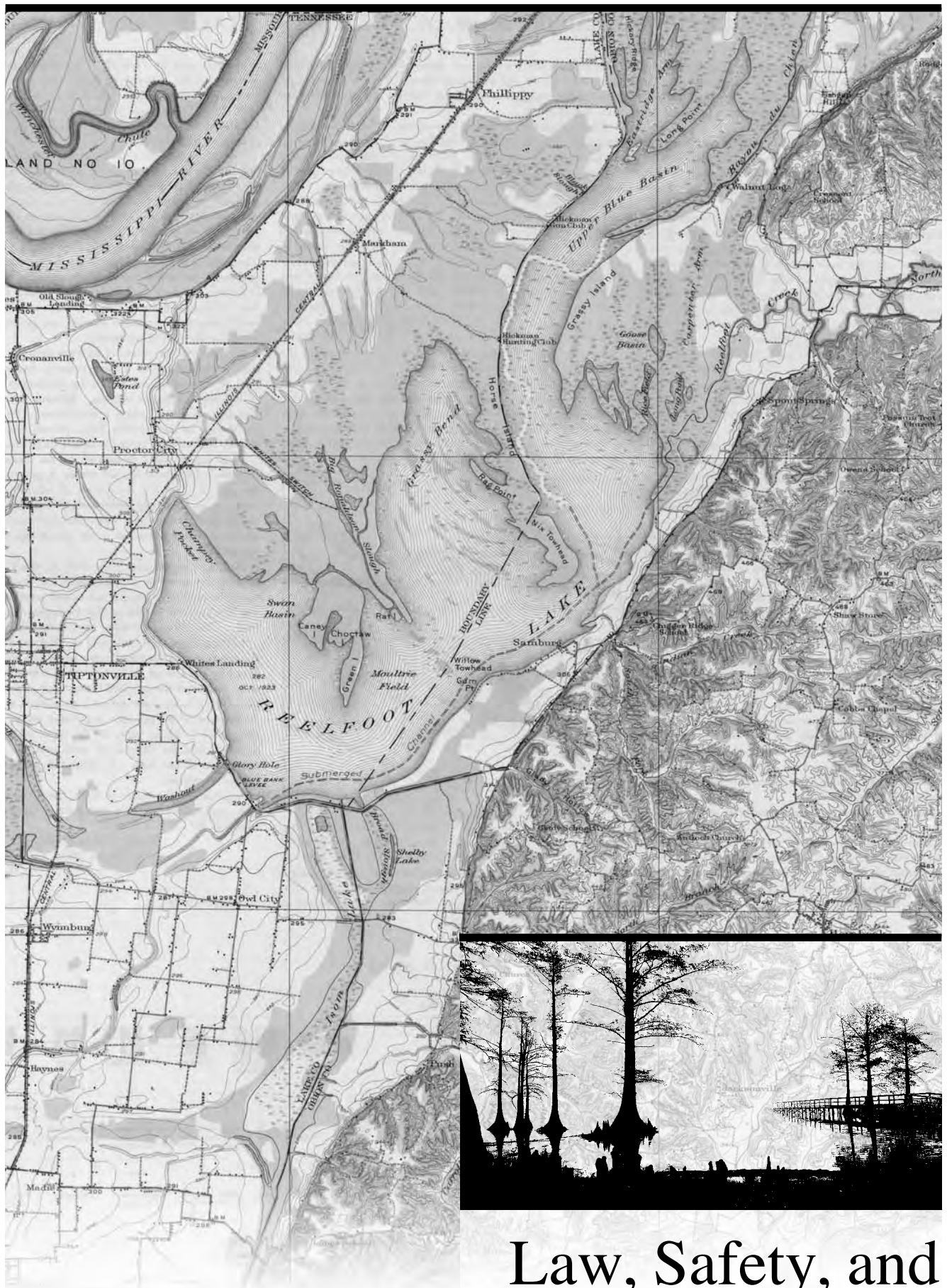
**359.00 Total Children's Services**

Full-Time	4,806	4,573	4,302	0	4,302
Part-Time	6	6	1	0	1
Seasonal	0	0	0	0	0
<b>Total</b>	<b>4,812</b>	<b>4,579</b>	<b>4,303</b>	<b>0</b>	<b>4,303</b>
Payroll	236,908,300	248,824,400	236,423,800	53,900	236,477,700
Operational	419,869,600	411,726,200	382,735,800	5,160,000	387,895,800
<b>Total</b>	<b>\$656,777,900</b>	<b>\$660,550,600</b>	<b>\$619,159,600</b>	<b>\$5,213,900</b>	<b>\$624,373,500</b>
State	310,041,200	319,729,000	291,731,100	1,963,100	293,694,200
Federal	129,002,700	121,165,700	112,857,100	412,800	113,269,900
Other	217,734,000	219,655,900	214,571,400	2,838,000	217,409,400

## Statistical Data Youth Development Centers

	<b>Wilder 359.60</b>	<b>Taft 359.61</b>	<b>Woodland Hills 359.62</b>	<b>Mountain View 359.63</b>	<b>New Visions 359.64</b>	<b>Total</b>
<b>Annual Admissions</b>						
2005-2006	252	252	153	170	56	883
2006-2007	180	207	195	206	60	848
2007-2008	180	155	195	161	72	763
2008-2009	200	160	205	250	60	875
2009-2010	192	136	196	139	45	708
2010-2011	224	118	156	145	42	685
2011-2012	230	115	160	150	50	705
2012-2013	264	0	179	184	29	656
<b>Annual Releases</b>						
2005-2006	276	232	184	180	43	915
2006-2007	163	188	184	196	62	793
2007-2008	166	170	184	166	62	748
2008-2009	200	160	204	250	60	874
2009-2010	185	121	193	149	38	686
2010-2011	226	115	140	142	45	668
2011-2012	225	115	150	145	45	680
2012-2013	259	0	169	179	29	636
<b>Average Daily Census</b>						
2005-2006	118	129	117	118	36	518
2006-2007	117	128	122	126	36	529
2007-2008	93	128	122	125	34	502
2008-2009	116	136	144	144	36	576
2009-2010	104	88	103	102	21	418
2010-2011	105	90	114	102	19	430
2011-2012	108	96	120	108	24	456
2012-2013	136	0	136	136	24	432
<b>Cost Per Occupancy Day *</b>						
2005-2006	\$225.17	\$254.17	\$233.34	\$254.27	\$266.80	\$243.76
2006-2007	\$261.87	\$282.68	\$246.11	\$262.25	\$349.75	\$268.66
2007-2008	\$315.23	\$299.66	\$272.46	\$268.49	\$351.58	\$296.00
2008-2009	\$313.66	\$290.77	\$246.36	\$280.47	\$365.72	\$277.63
2009-2010	\$311.45	\$398.24	\$291.23	\$295.99	\$471.45	\$329.00
2010-2011	\$292.45	\$353.78	\$267.22	\$283.78	\$517.26	\$306.47
2011-2012	\$289.88	\$357.65	\$282.92	\$289.03	\$431.47	\$309.57
2012-2013	\$242.77	\$0.00	\$257.55	\$245.58	\$374.47	\$254.93

\* Last column indicates average cost per day for all institutions.



# Law, Safety, and Correction



# Law, Safety, and Correction



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# Law, Safety, and Correction

Recommended Budget, Fiscal Year 2012 – 2013

**T**he agencies and departments which comprise this functional group are responsible for the interpretation and enforcement of the state's laws.

The judicial branch of state government ensures the proper administration of justice within the state and consists of the following agencies:

- The Court System
- Attorney General and Reporter
- District Attorneys General Conference
- District Public Defenders Conference
- Office of the Post-Conviction Defender.

The public's welfare and safety are protected through confinement and control of the state's convicted adult criminal offenders. These activities are executed in the executive branch of government by the following agencies:

- Tennessee Rehabilitative Initiative in Correction (TRICOR)
- Board of Parole
- Department of Correction.

The state agencies responsible for regulation and enforcement of the law make up the remainder of the functional group. Law and order, public safety, and security are maintained through the efforts of the following agencies:

- Alcoholic Beverage Commission
- Military Department
- Tennessee Bureau of Investigation
- Department of Safety.

## **Cost Increases and Program Statements**

The following section includes: (1) a table on personnel and funding for all agencies in this functional area of state government; (2) a table on recommended budget for each agency by funding source; (3) a statement of recommended cost increases for the ensuing fiscal year; (4) departmental program statements, indicating recommended funding and staffing for the ensuing year, compared with actual amounts for the last year and the amounts budgeted for the current year, and program performance measures.

## Law, Safety, and Correction Total Personnel and Funding

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Recommended 2012-2013</u>
<b>Personnel</b>			
Full Time	12,088	12,044	12,254
Part Time	54	54	53
Seasonal	5	5	5
<b>TOTAL</b>	<b>12,147</b>	<b>12,103</b>	<b>12,312</b>
<b>Expenditures</b>			
Payroll	\$ 684,167,700	\$ 746,043,300	\$ 754,195,400
Operational	753,755,100	934,886,400	805,467,000
<b>TOTAL</b>	<b>\$ 1,437,922,800</b>	<b>\$ 1,680,929,700</b>	<b>\$ 1,559,662,400</b>
<b>Funding</b>			
State	\$ 1,128,658,400	\$ 1,252,752,800	\$ 1,254,904,100
Federal	133,229,500	241,184,500	124,705,200
Other	176,034,900	186,992,400	180,053,100



**Law, Safety and Correction**  
**Recommended Budget for Fiscal Year 2012-2013**  
**By Funding Source**

<b>Department</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
302.00 Court System	122,705,800	400,000	5,698,600	128,804,400
303.00 Attorney General and Reporter	23,073,400	0	11,898,600	34,972,000
304.00 District Attorneys General Conference	71,713,500	0	27,203,600	98,917,100
306.00 District Public Defenders Conference	42,328,000	0	1,642,900	43,970,900
308.00 Office of the Post-Conviction Defender	2,126,900	0	0	2,126,900
316.03 Alcoholic Beverage Commission	64,900	0	6,112,700	6,177,600
316.08 TRICOR	0	0	33,162,300	33,162,300
324.00 Board of Parole	2,979,400	0	0	2,979,400
329.00 Correction	826,376,800	600,000	18,085,900	845,062,700
341.00 Military	14,855,000	99,408,100	2,020,600	116,283,700
348.00 Tennessee Bureau of Investigation	36,121,200	15,020,700	17,607,100	68,749,000
349.00 Safety	112,559,200	9,276,400	56,620,800	178,456,400
<b>Total</b>	<b>\$1,254,904,100</b>	<b>\$124,705,200</b>	<b>\$180,053,100</b>	<b>\$1,559,662,400</b>

**Law, Safety and Correction**  
**Cost Increases for Fiscal Year 2012-2013**

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>Court System</b>					
• <b>Mandated Salary Increase</b>					
To provide funding for the judges' consumer price index (CPI) salary adjustment required by TCA 8-23-103, effective July 1, 2012.					
<b>302.01 Appellate and Trial Courts</b>	\$1,119,000	\$0	\$0	\$1,119,000	0
<b>Sub-total</b>	\$1,119,000	\$0	\$0	\$1,119,000	0
• <b>General Sessions Courts - Interpreter Services</b>					
To provide funding for the provision of interpreter services in general sessions courts.					
<b>302.27 Administrative Office of the Courts</b>	\$2,000,000	\$0	\$0	\$2,000,000	0
<b>Sub-total</b>	\$2,000,000	\$0	\$0	\$2,000,000	0
<b>Total Court System</b>	<b>\$3,119,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,119,000</b>	<b>0</b>
<b>Attorney General and Reporter</b>					
• <b>Statutory Salary Increase</b>					
To provide funding for the Attorney General's CPI salary adjustment required by TCA 8-6-104; by law, the salary is linked to the salary of an associate justice of the Supreme Court.					
<b>303.01 Attorney General and Reporter</b>	\$6,500	\$0	\$0	\$6,500	0
<b>Sub-total</b>	\$6,500	\$0	\$0	\$6,500	0
<b>Total Attorney General and Reporter</b>	<b>\$6,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,500</b>	<b>0</b>
<b>District Attorneys General Conference</b>					
• <b>Statutory Salary Step Raises</b>					
To provide funding for the assistant district attorneys' and criminal investigators' salary increase required by TCA 8-7-226 and 8-7-230. These step raises are based on employees' service anniversary dates. The recommended appropriation annualizes the fiscal year 2011-2012 step raise (\$377,800 state appropriations and \$105,700 other funding), and funds the 2012-2013 step raise (\$614,500 state appropriations and \$157,300 other funding).					
<b>304.01 District Attorneys General</b>	\$992,300	\$0	\$143,300	\$1,135,600	0
<b>304.10 Executive Director</b>	\$0	\$0	\$4,900	\$4,900	0
<b>304.15 IV-D Child Support Enforcement</b>	\$0	\$0	\$114,800	\$114,800	0
<b>Sub-total</b>	\$992,300	\$0	\$263,000	\$1,255,300	0
<b>Total District Attorneys General Conference</b>	<b>\$992,300</b>	<b>\$0</b>	<b>\$263,000</b>	<b>\$1,255,300</b>	<b>0</b>

**Law, Safety and Correction**  
**Cost Increases for Fiscal Year 2012-2013**

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>District Public Defenders Conference</b>					
• <b>Statutory Salary Step Raises</b>					
To provide funding for the assistant district public defenders' and criminal investigators' salary increase required by TCA 8-14-207. These step raises are based on employees' service anniversary dates. The recommended appropriation annualizes the fiscal year 2011-2012 step raise (\$239,500) and funds the 2012-2013 step raise (\$355,400).					
<b>306.01 District Public Defenders</b>	\$594,900	\$0	\$0	\$594,900	0
<b>Sub-total</b>	\$594,900	\$0	\$0	\$594,900	0
<b>Total District Public Defenders Conference</b>	<b>\$594,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$594,900</b>	<b>0</b>

**Office of the Post-Conviction Defender**

• <b>Statutory Salary Step Raises</b>					
To provide funding for step raises for assistant post-conviction defenders pursuant to TCA 40-30-209(b) and 8-14-207, effective July 1, 2012.					
<b>308.00 Office of the Post-Conviction Defender</b>	\$31,100	\$0	\$0	\$31,100	0
<b>Sub-total</b>	\$31,100	\$0	\$0	\$31,100	0
<b>Total Office of the Post-Conviction Defender</b>	<b>\$31,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$31,100</b>	<b>0</b>

**Correction**

• <b>Local Jails</b>					
To provide funding to accommodate an increased felon population in local jails.					
<b>329.04 State Prosecutions</b>	\$36,000,000	\$0	\$0	\$36,000,000	0
<b>Sub-total</b>	\$36,000,000	\$0	\$0	\$36,000,000	0

**Law, Safety and Correction**  
**Cost Increases for Fiscal Year 2012-2013**

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Operational Cost Increase</b>					
To provide funding for the Hardeman County Agreement contract inflator (\$548,700), Hardeman County - Whiteville contract inflator (\$721,600), South Central Correctional Center contract inflator (\$581,400), and health and mental health contract services (\$7,739,000).					
<b>329.13 Tennessee Prison for Women</b>	\$404,400	\$0	\$0	\$404,400	0
<b>329.14 Turney Center Industrial Complex</b>	\$719,200	\$0	\$0	\$719,200	0
<b>329.16 Mark Luttrell Correctional Facility</b>	\$225,200	\$0	\$0	\$225,200	0
<b>329.17 Charles B. Bass Correctional Complex</b>	\$534,200	\$0	\$0	\$534,200	0
<b>329.18 Southeastern Tennessee State Regional Correctional Facility</b>	\$478,300	\$0	\$0	\$478,300	0
<b>329.21 Hardeman County Incarceration Agreement</b>	\$548,700	\$0	\$0	\$548,700	0
<b>329.22 Hardeman County Agreement - Whiteville</b>	\$721,600	\$0	\$0	\$721,600	0
<b>329.41 West Tennessee State Penitentiary</b>	\$1,230,400	\$0	\$0	\$1,230,400	0
<b>329.42 Riverbend Maximum Security Institution</b>	\$359,200	\$0	\$0	\$359,200	0
<b>329.43 Northeast Correctional Complex</b>	\$945,700	\$0	\$0	\$945,700	0
<b>329.44 South Central Correctional Center</b>	\$581,400	\$0	\$0	\$581,400	0
<b>329.45 Northwest Correctional Complex</b>	\$1,130,700	\$0	\$0	\$1,130,700	0
<b>329.46 Lois M. DeBerry Special Needs Facility</b>	\$508,300	\$0	\$0	\$508,300	0
<b>329.47 Morgan County Correctional Complex</b>	\$1,203,400	\$0	\$0	\$1,203,400	0
<b>Sub-total</b>	<u>\$9,590,700</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,590,700</u>	<u>0</u>
<b>• Southeastern Tennessee State Regional Correctional Facility Expansion</b>					
To provide funding for 442 positions and related operational expenses required for an expansion at the Southeastern Tennessee State Regional Correctional Facility. The state appropriation increase for the additional prison operating cost is offset by a recurring base reduction in the Sentencing Act of 1985 allotment, as authorized by law.					
<b>329.18 Southeastern Tennessee State Regional Correctional Facility</b>	\$24,492,500	\$0	\$463,500	\$24,956,000	442
<b>Sub-total</b>	<u>\$24,492,500</u>	<u>\$0</u>	<u>\$463,500</u>	<u>\$24,956,000</u>	<u>442</u>

**Law, Safety and Correction**  
**Cost Increases for Fiscal Year 2012-2013**

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Radio System Expansion</b>					
To provide non-recurring funding for a radio system expansion at the Southeastern Tennessee State Regional Correctional Facility.					
<b>329.18 Southeastern Tennessee State Regional Correctional Facility</b>	\$1,789,800	\$0	\$0	\$1,789,800	0
<b>Sub-total</b>	\$1,789,800	\$0	\$0	\$1,789,800	0
<b>• Operation Safe Community - Shelby County - Year 2 of 2</b>					
To provide the second year of a two-year allocation of non-recurring grant funding for a pilot project, Operation Safe Community, in Shelby County. The project tracks 200 felons through various coordinated existing programs to target risks and needs of the offenders while addressing housing, employment preparation, and substance abuse. The grant is used by Shelby County in conjunction with local funding to purchase supplies, provide training, manage databases, and fund an administrative assistant position for the project.					
<b>329.51 Field Supervision</b>	\$110,000	\$0	\$0	\$110,000	0
<b>Sub-total</b>	\$110,000	\$0	\$0	\$110,000	0
<b>• Administration Legislation - Incarceration Costs</b>					
To provide funding for increased incarceration costs of proposed legislation, including: enhanced punishment for crimes of force or violence committed while acting in concert with two or more other persons (\$4,764,400), increased punishment for unlawful possession of a firearm by persons with a previous felony conviction (\$266,100), increased punishment for fraudulently obtaining prescription drugs (\$28,300), and increased punishment for second and subsequent convictions for domestic assault (\$868,200). Additional funding of \$780,000 is provided to defray a portion of increased local incarceration costs of \$7,800,000 due to passage of the domestic assault legislation, as mandated by law.					
<b>329.04 State Prosecutions</b>	\$780,000	\$0	\$0	\$780,000	0
<b>329.99 Sentencing Act of 1985</b>	\$5,927,000	\$0	\$0	\$5,927,000	0
<b>Sub-total</b>	\$6,707,000	\$0	\$0	\$6,707,000	0
<b>Total Correction</b>	<b>\$78,690,000</b>	<b>\$0</b>	<b>\$463,500</b>	<b>\$79,153,500</b>	<b>442</b>
<b>Military</b>					
<b>• Armory Utilities</b>					
To provide funding for increased utility costs at Tennessee's National Guard Armories.					
<b>341.10 Armories Utilities</b>	\$128,200	\$426,400	\$0	\$554,600	0
<b>Sub-total</b>	\$128,200	\$426,400	\$0	\$554,600	0
<b>Total Military</b>	<b>\$128,200</b>	<b>\$426,400</b>	<b>\$0</b>	<b>\$554,600</b>	<b>0</b>

**Law, Safety and Correction**  
**Cost Increases for Fiscal Year 2012-2013**

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>Tennessee Bureau of Investigation</b>					
• <b>Information Technology - Fingerprint Identification</b>					
To provide non-recurring funding to upgrade the bureau's Automated Fingerprint Identification System. The upgrade will increase capacity, allow for faster processing time, and provide greater matching rates for latent print submissions. The upgrade is funded from reserved handgun permit fees, as permitted by TCA 39-17-1351.					
<b>348.00 Tennessee Bureau of Investigation</b>	\$0	\$0	\$3,000,000	\$3,000,000	0
<b>Sub-total</b>	\$0	\$0	\$3,000,000	\$3,000,000	0
<b>Total Tennessee Bureau of Investigation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>0</b>
<b>Safety</b>					
• <b>Statutory Salary Step Increase</b>					
To provide funding for the mandated annual trooper salary step increase pursuant to TCA 4-7-200 et al., effective July 1, 2012.					
<b>349.03 Highway Patrol</b>	\$800,900	\$0	\$0	\$800,900	0
<b>Sub-total</b>	\$800,900	\$0	\$0	\$800,900	0
• <b>Commissioned Officer Salary Survey</b>					
To provide funding for a 2.5 percent salary increase for the annual border-states commissioned officer salary survey results, pursuant to TCA 4-7-2.					
<b>349.03 Highway Patrol</b>	\$1,392,000	\$0	\$0	\$1,392,000	0
<b>349.08 Driver Education</b>	\$2,800	\$0	\$0	\$2,800	0
<b>Sub-total</b>	\$1,394,800	\$0	\$0	\$1,394,800	0
<b>Total Safety</b>	<b>\$2,195,700</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,195,700</b>	<b>0</b>
<b>Total Law, Safety and Correction</b>	<b>\$85,757,700</b>	<b>\$426,400</b>	<b>\$3,726,500</b>	<b>\$89,910,600</b>	<b>442</b>

# Court System

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The judicial branch is one of three basic divisions of state government and serves as a check on the powers of the legislative and executive branches. Judicial power is vested in trial courts and two levels of appeals courts that comprise the state's court system.

The Supreme Court is comprised of five justices elected to eight-year terms. The workload of the court consists of cases appealed from lower courts. Supreme Court decisions act to resolve controversies arising out of Tennessee law and to establish guidelines for the lower courts to use in future decisions.

The intermediate appellate courts are the Court of Appeals and the Court of Criminal Appeals. The Court of Appeals hears appeals only in civil cases from the lower courts. The Court of Criminal Appeals has jurisdiction to hear most felony and misdemeanor appeals from general trial courts, as well as post-conviction petitions.

The state's trial courts include Chancery, Criminal, Circuit, and Probate courts. Chancery courts are the traditional equity courts used when common law or statutory law proves inadequate for cases. Circuit courts, which sometime overlap with the jurisdiction of Chancery courts, have jurisdiction to hear civil and criminal cases. Criminal courts have jurisdiction over criminal cases and hearing misdemeanor appeals from lower courts. Probate courts primarily have jurisdiction over probate of wills and administration of estates.

Courts of limited jurisdiction are funded locally and include general sessions, juvenile, and municipal courts. Jurisdiction of general sessions courts vary from county to county based on state laws and private acts; they hear civil, criminal, and juvenile cases, except in counties in which the Legislature has established separate juvenile courts. Municipal courts have jurisdiction in cases involving violations of city ordinances.

The court system is grouped into the following functions: Judicial Services, Support Services, and Professional Standards.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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## Judicial Services

The Judicial Services functional area includes Appellate and Trial Courts, Child Support Referees, the Guardian ad Litem program, the Indigent Defendants' Counsel program, the Civil Legal Representation Fund, Verbatim Transcripts, and the Council of Juvenile and Family Court Judges.

### 302.01 Appellate and Trial Courts

Salaries and benefits are provided for judges of the state trial and appellate courts and for their law clerks and other staff. This allotment also includes funds for judges' travel expenses, their law books, and other operational expenses.

Full-Time	432	432	430	0	<b>430</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>432</b>	<b>432</b>	<b>430</b>	<b>0</b>	<b>430</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	53,490,000	54,660,200	54,525,200	1,119,000	<b>55,644,200</b>
Operational	2,240,700	2,258,100	2,259,100	0	<b>2,259,100</b>
<b>Total</b>	<b>\$55,730,700</b>	<b>\$56,918,300</b>	<b>\$56,784,300</b>	<b>\$1,119,000</b>	<b>\$57,903,300</b>
State	55,673,100	56,891,000	56,757,000	1,119,000	<b>57,876,000</b>
Federal	0	0	0	0	<b>0</b>
Other	57,600	27,300	27,300	0	<b>27,300</b>

### 302.08 Child Support Referees

The Child Support Referees program provides personnel and operational funding to ensure the timely fulfillment of financial support by parents in child support cases.

Full-Time	24	24	24	0	<b>24</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>0</b>	<b>24</b>
Payroll	2,085,200	2,119,200	2,119,200	0	<b>2,119,200</b>
Operational	157,900	251,300	252,300	0	<b>252,300</b>
<b>Total</b>	<b>\$2,243,100</b>	<b>\$2,370,500</b>	<b>\$2,371,500</b>	<b>\$0</b>	<b>\$2,371,500</b>
State	762,700	761,700	762,000	0	<b>762,000</b>
Federal	0	0	0	0	<b>0</b>
Other	1,480,400	1,608,800	1,609,500	0	<b>1,609,500</b>

### 302.09 Guardian Ad Litem

The Guardian ad Litem program provides funding for advocates appointed by the court to represent the best interests of an indigent child or a person determined to be incompetent in cases involving dependency, neglect, abuse, or custodial disputes.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	5,046,900	6,047,500	6,047,500	0	<b>6,047,500</b>
<b>Total</b>	<b>\$5,046,900</b>	<b>\$6,047,500</b>	<b>\$6,047,500</b>	<b>\$0</b>	<b>\$6,047,500</b>
State	5,046,900	6,047,500	6,047,500	0	<b>6,047,500</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

### 302.10 Indigent Defendants' Counsel

The Indigent Defendants' Counsel program provides funding for court-appointed counsel, experts, investigators, and other support services for indigents in criminal cases.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	29,467,500	31,468,000	31,468,000	0	<b>31,468,000</b>
<b>Total</b>	<b>\$29,467,500</b>	<b>\$31,468,000</b>	<b>\$31,468,000</b>	<b>\$0</b>	<b>\$31,468,000</b>



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	29,425,600	31,463,000	31,463,000	0	<b>31,463,000</b>
Federal	0	0	0	0	<b>0</b>
Other	41,900	5,000	5,000	0	<b>5,000</b>

### 302.11 Civil Legal Representation Fund

The Civil Legal Representation Fund provides funding for legal services for indigent clients in civil matters.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	3,432,200	3,327,900	3,327,900	0	<b>3,327,900</b>
<b>Total</b>	<b>\$3,432,200</b>	<b>\$3,327,900</b>	<b>\$3,327,900</b>	<b>\$0</b>	<b>\$3,327,900</b>
State	3,432,200	3,327,900	3,327,900	0	<b>3,327,900</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

### 302.12 Verbatim Transcripts

The Verbatim Transcripts program provides funding for personnel and operational costs of court reporting and verbatim transcripts.

Full-Time	49	49	44	0	<b>44</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>49</b>	<b>49</b>	<b>44</b>	<b>0</b>	<b>44</b>
Payroll	2,502,400	3,009,100	2,809,100	0	<b>2,809,100</b>
Operational	1,443,900	1,048,200	1,048,400	0	<b>1,048,400</b>
<b>Total</b>	<b>\$3,946,300</b>	<b>\$4,057,300</b>	<b>\$3,857,500</b>	<b>\$0</b>	<b>\$3,857,500</b>
State	3,946,300	4,057,300	3,857,500	0	<b>3,857,500</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

### 302.16 Council of Juvenile and Family Court Judges

The Council of Juvenile and Family Court Judges provides training and assistance to juvenile courts on state and federal laws, regulations, and policies affecting children and families, as well as keeping judges and court staff informed of services available to children and families. The council is comprised of 17 county-approved juvenile judges and general sessions judges who have juvenile court jurisdiction. Judges serve on the council for eight-year terms.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	157,600	229,400	199,400	0	<b>199,400</b>
<b>Total</b>	<b>\$157,600</b>	<b>\$229,400</b>	<b>\$199,400</b>	<b>\$0</b>	<b>\$199,400</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	45,300	78,400	78,400	0	<b>78,400</b>
Federal	0	0	0	0	<b>0</b>
Other	112,300	151,000	121,000	0	<b>121,000</b>

## Support Services

Support services consist of the Administrative Office of the Courts, Supreme Court Buildings, Tennessee State Law Libraries, Judicial Conference, Judicial Programs and Commissions, State Court Clerks' Conference, and Appellate Court Clerks.

### 302.27 Administrative Office of the Courts

The Administrative Office of the Courts provides services and support to the entire state court system. The office is responsible for preparation and oversight of the court system's budget, administration of the court automation fund and Tennessee court information system, and support services to the courts.

Full-Time	83	78	78	0	<b>78</b>
Part-Time	1	1	1	0	<b>1</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>84</b>	<b>79</b>	<b>79</b>	<b>0</b>	<b>79</b>
Payroll	5,590,800	6,009,600	6,215,800	0	<b>6,215,800</b>
Operational	5,296,100	3,511,200	3,097,300	2,000,000	<b>5,097,300</b>
<b>Total</b>	<b>\$10,886,900</b>	<b>\$9,520,800</b>	<b>\$9,313,100</b>	<b>\$2,000,000</b>	<b>\$11,313,100</b>
State	8,258,400	8,052,300	7,755,600	2,000,000	<b>9,755,600</b>
Federal	773,800	400,000	400,000	0	<b>400,000</b>
Other	1,854,700	1,068,500	1,157,500	0	<b>1,157,500</b>

### 302.05 Supreme Court Buildings

The Supreme Court Buildings allotment funds the operation, maintenance, and security of Supreme Court buildings in Nashville, Knoxville, and Jackson.

Full-Time	16	16	16	0	<b>16</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>16</b>
Payroll	466,500	705,500	705,500	0	<b>705,500</b>
Operational	2,407,600	2,554,700	2,554,700	0	<b>2,554,700</b>
<b>Total</b>	<b>\$2,874,100</b>	<b>\$3,260,200</b>	<b>\$3,260,200</b>	<b>\$0</b>	<b>\$3,260,200</b>
State	2,228,400	2,647,200	2,647,200	0	<b>2,647,200</b>
Federal	0	0	0	0	<b>0</b>
Other	645,700	613,000	613,000	0	<b>613,000</b>

### 302.15 Tennessee State Law Libraries

The three state law libraries provide legal resources to the state judiciary. The libraries are located in Nashville, Knoxville, and Jackson.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	5,400	0	0	0	0
Operational	57,200	74,500	74,500	0	74,500
<b>Total</b>	<b>\$62,600</b>	<b>\$74,500</b>	<b>\$74,500</b>	<b>\$0</b>	<b>\$74,500</b>
State	62,600	74,500	74,500	0	74,500
Federal	0	0	0	0	0
Other	0	0	0	0	0

### 302.18 Judicial Conference

The Judicial Conference provides continuing legal education and legal updates to judges.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	191,700	261,800	261,900	0	261,900
<b>Total</b>	<b>\$191,700</b>	<b>\$261,800</b>	<b>\$261,900</b>	<b>\$0</b>	<b>\$261,900</b>
State	145,500	221,800	221,900	0	221,900
Federal	0	0	0	0	0
Other	46,200	40,000	40,000	0	40,000

### 302.20 Judicial Programs and Commissions

The Judicial Programs and Commissions allotment provides operational funding for commissions appointed by the Supreme Court to study issues, monitor judicial programs, and make recommendations. Programs and commissions include the Court of the Judiciary, Victim Offender Reconciliation Program, Alternative Dispute Resolution, Judicial Nominating Commission, Judicial Evaluation Program, and foreign language interpreters.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	648,200	928,100	928,100	0	928,100
<b>Total</b>	<b>\$648,200</b>	<b>\$928,100</b>	<b>\$928,100</b>	<b>\$0</b>	<b>\$928,100</b>
State	341,500	429,900	429,900	0	429,900
Federal	0	0	0	0	0
Other	306,700	498,200	498,200	0	498,200

### 302.22 State Court Clerks' Conference

The State Court Clerks' Conference provides education and legal updates to the clerks as required by law.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	187,900	259,000	259,000	0	259,000
<b>Total</b>	<b>\$187,900</b>	<b>\$259,000</b>	<b>\$259,000</b>	<b>\$0</b>	<b>\$259,000</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	187,900	259,000	259,000	0	<b>259,000</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

### 302.30 Appellate Court Clerks

The Appellate Court Clerks offices are located at the Supreme Court buildings in Nashville, Knoxville, and Jackson, and are responsible for administrative matters of the Supreme Court, Court of Appeals, and Court of Criminal Appeals.

Full-Time	30	30	30	0	<b>30</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>0</b>	<b>30</b>
Payroll	1,673,000	1,853,300	1,853,300	0	<b>1,853,300</b>
Operational	294,500	290,600	292,200	0	<b>292,200</b>
<b>Total</b>	<b>\$1,967,500</b>	<b>\$2,143,900</b>	<b>\$2,145,500</b>	<b>\$0</b>	<b>\$2,145,500</b>
State	167,000	516,800	518,400	0	<b>518,400</b>
Federal	0	0	0	0	<b>0</b>
Other	1,800,500	1,627,100	1,627,100	0	<b>1,627,100</b>

### Professional Standards

This functional area is responsible for maintaining professional standards of licensed court reporters and attorneys; it includes the Board of Court Reporting, Board of Law Examiners, Board of Professional Responsibility, Tennessee Lawyers Assistance Program, Continuing Legal Education, and Client Protection Fund.

### 302.34 Board of Court Reporting

The Board of Court Reporting is responsible for the licensing of court reporters working in the state. In addition, the board investigates complaints against licensees, establishes and maintains requirements for continuing education, and oversees ethical standards. The board is funded from a dedicated biennial licensure fee paid by court reporters.

Full-Time	2	2	2	0	<b>2</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>
Payroll	48,200	106,800	106,800	0	<b>106,800</b>
Operational	4,300	90,500	60,500	0	<b>60,500</b>
<b>Total</b>	<b>\$52,500</b>	<b>\$197,300</b>	<b>\$167,300</b>	<b>\$0</b>	<b>\$167,300</b>
State	18,300	167,300	167,300	0	<b>167,300</b>
Federal	0	0	0	0	<b>0</b>
Other	34,200	30,000	0	0	<b>0</b>

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 302.35 Board of Law Examiners

The Board of Law Examiners governs the examination and admission of attorneys applying to practice law in Tennessee.

Full-Time	13	13	13	0	13
Part-Time	7	7	7	0	7
Seasonal	0	0	0	0	0
<b>Total</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>0</b>	<b>20</b>
Payroll	456,100	420,200	420,200	0	420,200
Operational	216,900	297,800	298,400	0	298,400
<b>Total</b>	<b>\$673,000</b>	<b>\$718,000</b>	<b>\$718,600</b>	<b>\$0</b>	<b>\$718,600</b>
State	673,000	718,000	718,600	0	718,600
Federal	0	0	0	0	0
Other	0	0	0	0	0

### 302.40 Board of Professional Responsibility

The Board of Professional Responsibility reviews and investigates allegations of attorney misconduct and imposes disciplinary action on those who violate professional standards. Also, the board publishes ethics opinions, conducts seminars, and operates an ethics hotline for attorneys. The board is funded from a dedicated annual registration fee, set by Supreme Court Rule, and paid by each attorney.

Full-Time	31	31	31	0	31
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>0</b>	<b>31</b>
Payroll	2,126,600	2,299,400	2,299,400	0	2,299,400
Operational	1,083,800	751,800	754,400	0	754,400
<b>Total</b>	<b>\$3,210,400</b>	<b>\$3,051,200</b>	<b>\$3,053,800</b>	<b>\$0</b>	<b>\$3,053,800</b>
State	3,000,000	3,051,200	3,053,800	0	3,053,800
Federal	0	0	0	0	0
Other	210,400	0	0	0	0

### 302.50 Tennessee Lawyers Assistance Program

The Lawyers Assistance Program provides education and assistance to members of the bench and bar suffering from physical or mental disabilities that impair their ability to practice or to serve. The program is funded from a dedicated annual registration fee set by Supreme Court Rule, and paid by each attorney.

Full-Time	3	4	4	0	4
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>4</b>
Payroll	309,900	338,100	338,100	0	338,100
Operational	193,200	108,000	110,300	0	110,300
<b>Total</b>	<b>\$503,100</b>	<b>\$446,100</b>	<b>\$448,400</b>	<b>\$0</b>	<b>\$448,400</b>
State	415,900	446,100	448,400	0	448,400
Federal	0	0	0	0	0
Other	87,200	0	0	0	0

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 302.60 Continuing Legal Education

The Continuing Legal Education staff administers Supreme Court Rule 21, governing continuing legal education annual requirements. Supreme Court Rule 21 authorizes the collection of annual certification or recertification fees from each attorney for operation of the program.

Full-Time	5	5	5	0	5
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>
Payroll	372,800	459,200	459,200	0	459,200
Operational	386,800	327,000	331,200	0	331,200
<b>Total</b>	<b>\$759,600</b>	<b>\$786,200</b>	<b>\$790,400</b>	<b>\$0</b>	<b>\$790,400</b>
State	756,500	786,200	790,400	0	790,400
Federal	0	0	0	0	0
Other	3,100	0	0	0	0

### 302.65 Client Protection Fund

The Client Protection Fund reimburses claimants for losses caused by misconduct of attorneys licensed to practice in this state and is funded from the annual registration fee collected by the Board of Professional Responsibility.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	25,000	708,500	208,500	0	208,500
<b>Total</b>	<b>\$25,000</b>	<b>\$708,500</b>	<b>\$208,500</b>	<b>\$0</b>	<b>\$208,500</b>
State	19,900	208,500	208,500	0	208,500
Federal	0	0	0	0	0
Other	5,100	500,000	0	0	0

### 302.00 Total Court System

Full-Time	688	684	677	0	677
Part-Time	8	8	8	0	8
Seasonal	0	0	0	0	0
<b>Total</b>	<b>696</b>	<b>692</b>	<b>685</b>	<b>0</b>	<b>685</b>
Payroll	69,126,900	71,980,600	71,851,800	1,119,000	72,970,800
Operational	52,939,900	54,793,900	53,833,600	2,000,000	55,833,600
<b>Total</b>	<b>\$122,066,800</b>	<b>\$126,774,500</b>	<b>\$125,685,400</b>	<b>\$3,119,000</b>	<b>\$128,804,400</b>
State	114,607,000	120,205,600	119,586,800	3,119,000	122,705,800
Federal	773,800	400,000	400,000	0	400,000
Other	6,686,000	6,168,900	5,698,600	0	5,698,600

# Attorney General and Reporter

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The Attorney General and Reporter is the state's chief legal officer and is appointed by the Tennessee Supreme Court for a term of eight years. The Attorney General has the following responsibilities: represents state officers and agencies in all litigation in state and federal courts; prosecutes criminal cases in the appellate courts; prosecutes securities and state contract fraud cases; represents the interests of Tennessee consumers; institutes proceedings relating to antitrust violations, consumer fraud, and environmental enforcement; provides departments, agencies, and the General Assembly with legal advice; approves all administrative regulations and leases as to form and legality; issues legal opinions to state officials; and reports opinions of the Tennessee Supreme Court, Court of Appeals, and Court of Criminal Appeals.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 303.01 Attorney General and Reporter

This allotment provides funds for the staffing and operational costs of the office of the Attorney General and Reporter.

Full-Time	342	346	317	0	317
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>342</b>	<b>346</b>	<b>317</b>	<b>0</b>	<b>317</b>
Payroll	23,580,400	28,405,800	26,836,900	6,500	26,843,400
Operational	5,588,000	7,662,300	6,879,100	0	6,879,100
<b>Total</b>	<b>\$29,168,400</b>	<b>\$36,068,100</b>	<b>\$33,716,000</b>	<b>\$6,500</b>	<b>\$33,722,500</b>
State	20,575,400	23,719,500	22,606,100	6,500	22,612,600
Federal	0	0	0	0	0
Other	8,593,000	12,348,600	11,109,900	0	11,109,900

### 303.05 Publication of Tennessee Reports

Publication of Tennessee Reports provides funds for publication of opinions of the Tennessee Supreme Court, the Court of Appeals, and the Court of Criminal Appeals. The opinions of the Attorney General and Reporter are published on the Attorney General's web site.

Full-Time	2	2	2	0	2
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>
Payroll	105,900	109,000	109,000	0	109,000
Operational	39,500	62,100	62,100	0	62,100
<b>Total</b>	<b>\$145,400</b>	<b>\$171,100</b>	<b>\$171,100</b>	<b>\$0</b>	<b>\$171,100</b>
State	145,400	171,100	171,100	0	171,100
Federal	0	0	0	0	0
Other	0	0	0	0	0

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 303.08 Special Litigation

The Special Litigation program funds the use of private counsel for complex or special litigation cases requiring particular expertise. Hiring of private counsel requires approval of the Governor and the Attorney General.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	1,145,600	1,178,400	1,078,400	0	1,078,400
<b>Total</b>	<b>\$1,145,600</b>	<b>\$1,178,400</b>	<b>\$1,078,400</b>	<b>\$0</b>	<b>\$1,078,400</b>
State	197,600	289,700	289,700	0	289,700
Federal	0	0	0	0	0
Other	948,000	888,700	788,700	0	788,700

### 303.00 Total Attorney General and Reporter

Full-Time	344	348	319	0	319
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>344</b>	<b>348</b>	<b>319</b>	<b>0</b>	<b>319</b>
Payroll	23,686,300	28,514,800	26,945,900	6,500	26,952,400
Operational	6,773,100	8,902,800	8,019,600	0	8,019,600
<b>Total</b>	<b>\$30,459,400</b>	<b>\$37,417,600</b>	<b>\$34,965,500</b>	<b>\$6,500</b>	<b>\$34,972,000</b>
State	20,918,400	24,180,300	23,066,900	6,500	23,073,400
Federal	0	0	0	0	0
Other	9,541,000	13,237,300	11,898,600	0	11,898,600



# District Attorneys General Conference

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District Attorneys General are elected for each of the state's 31 judicial districts and serve eight year terms. They are the state's prosecutors for all violations of state criminal statutes. In addition, they prosecute all criminal cases in the federal courts that are removed from a state court and give opinions to county officials on criminal law relating to their office. Further, district attorneys and their assistants consult with and advise law enforcement agencies on cases or investigations within their district. Some of the district attorneys enforce court-ordered child support obligations through an agreement with the Department of Human Services.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 304.01 District Attorneys General

The personnel and operational costs of the District Attorneys General, assistant district attorneys general, criminal investigators, and other support staff are funded in this program. The offices also provide an assistance program for victims and witnesses.

Full-Time	737	735	718	0	718
Part-Time	4	4	4	0	4
Seasonal	0	0	0	0	0
<b>Total</b>	<b>741</b>	<b>739</b>	<b>722</b>	<b>0</b>	<b>722</b>
Payroll	64,741,800	69,574,200	68,646,400	1,135,600	69,782,000
Operational	5,606,000	6,510,700	6,229,700	0	6,229,700
<b>Total</b>	<b>\$70,347,800</b>	<b>\$76,084,900</b>	<b>\$74,876,100</b>	<b>\$1,135,600</b>	<b>\$76,011,700</b>
State	62,913,700	68,734,900	68,645,700	992,300	69,638,000
Federal	16,900	0	0	0	0
Other	7,417,200	7,350,000	6,230,400	143,300	6,373,700

### 304.05 District Attorneys General Conference

The District Attorneys General Conference is comprised of all District Attorneys. State law requires a conference to be held annually to consider matters related to members. A second conference is held annually to provide continuing legal education to the members.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	496,900	598,700	596,500	0	596,500
<b>Total</b>	<b>\$496,900</b>	<b>\$598,700</b>	<b>\$596,500</b>	<b>\$0</b>	<b>\$596,500</b>
State	258,400	435,500	435,500	0	435,500
Federal	0	0	0	0	0
Other	238,500	163,200	161,000	0	161,000

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 304.10 Executive Director

The executive director of the District Attorneys General Conference is elected every four years. The office of the executive director provides administrative support services to the 31 elected District Attorneys. Duties include multi-district prosecution coordination; other prosecution assistance; provision of continuing education, budgeting, accounting, payroll, personnel, and property management services; management of federal grants; and liaison with state agencies and the General Assembly.

Full-Time	27	27	27	0	27
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>0</b>	<b>27</b>
Payroll	2,283,000	2,383,900	2,383,900	4,900	2,388,800
Operational	344,100	512,100	512,100	0	512,100
<b>Total</b>	<b>\$2,627,100</b>	<b>\$2,896,000</b>	<b>\$2,896,000</b>	<b>\$4,900</b>	<b>\$2,900,900</b>
State	1,297,000	1,640,000	1,640,000	0	1,640,000
Federal	0	0	0	0	0
Other	1,330,100	1,256,000	1,256,000	4,900	1,260,900

### 304.15 IV-D Child Support Enforcement

Under contract with the Department of Human Services, some of the District Attorneys enforce child support collection orders under Title IV-D of the federal Social Security Act.

Full-Time	326	326	325	0	325
Part-Time	1	1	1	0	1
Seasonal	0	0	0	0	0
<b>Total</b>	<b>327</b>	<b>327</b>	<b>326</b>	<b>0</b>	<b>326</b>
Payroll	16,331,600	16,947,200	16,911,900	114,800	17,026,700
Operational	2,224,200	2,365,400	2,381,300	0	2,381,300
<b>Total</b>	<b>\$18,555,800</b>	<b>\$19,312,600</b>	<b>\$19,293,200</b>	<b>\$114,800</b>	<b>\$19,408,000</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	18,555,800	19,312,600	19,293,200	114,800	19,408,000

### 304.00 Total District Attorneys General Conference

Full-Time	1,090	1,088	1,070	0	1,070
Part-Time	5	5	5	0	5
Seasonal	0	0	0	0	0
<b>Total</b>	<b>1,095</b>	<b>1,093</b>	<b>1,075</b>	<b>0</b>	<b>1,075</b>
Payroll	83,356,400	88,905,300	87,942,200	1,255,300	89,197,500
Operational	8,671,200	9,986,900	9,719,600	0	9,719,600
<b>Total</b>	<b>\$92,027,600</b>	<b>\$98,892,200</b>	<b>\$97,661,800</b>	<b>\$1,255,300</b>	<b>\$98,917,100</b>
State	64,469,100	70,810,400	70,721,200	992,300	71,713,500
Federal	16,900	0	0	0	0
Other	27,541,600	28,081,800	26,940,600	263,000	27,203,600

# District Public Defenders Conference

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As required by the United States Constitution, district public defenders and their staff provide legal representation at trial and through the state appellate process for indigent persons charged with the commission of a crime. In Tennessee, a statewide system of public defenders was created by the General Assembly in 1989. Public defenders may be appointed in any criminal prosecution or juvenile delinquency proceeding involving the possible deprivation of liberty or in any habeas corpus or other post-conviction proceeding. Twenty-nine judicial districts participate directly in the District Public Defenders Conference (DPDC); the public defenders for Shelby and Davidson counties receive direct appropriations with no administrative support or control from the conference.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 306.01 District Public Defenders

This allotment provides funds for offices of 29 district public defenders, including funds for salaries and operational costs of their assistant defenders, investigators, and support staff.

Full-Time	339	340	340	0	340
Part-Time	13	12	13	0	13
Seasonal	1	1	1	0	1
<b>Total</b>	<b>353</b>	<b>353</b>	<b>354</b>	<b>0</b>	<b>354</b>
Payroll	30,676,400	33,276,100	33,306,500	594,900	33,901,400
Operational	3,329,500	3,762,900	3,756,700	0	3,756,700
<b>Total</b>	<b>\$34,005,900</b>	<b>\$37,039,000</b>	<b>\$37,063,200</b>	<b>\$594,900</b>	<b>\$37,658,100</b>
State	32,073,500	35,427,100	35,420,300	594,900	36,015,200
Federal	0	0	0	0	0
Other	1,932,400	1,611,900	1,642,900	0	1,642,900

### 306.03 Executive Director

The executive director of the Public Defenders Conference is elected by the District Public Defenders Conference and serves a four-year term. This office provides administrative support to the conference, such as training, fiscal services, coordination of multi-district cases, legal research, and information technology support.

Full-Time	15	15	15	0	15
Part-Time	1	1	1	0	1
Seasonal	0	0	0	0	0
<b>Total</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>16</b>
Payroll	1,133,100	1,312,600	1,312,600	0	1,312,600
Operational	174,700	247,400	247,500	0	247,500
<b>Total</b>	<b>\$1,307,800</b>	<b>\$1,560,000</b>	<b>\$1,560,100</b>	<b>\$0</b>	<b>\$1,560,100</b>
State	1,307,800	1,560,000	1,560,100	0	1,560,100
Federal	0	0	0	0	0
Other	0	0	0	0	0

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**306.10 Shelby County Public Defender**

This program provides an appropriation to the Shelby County public defender's office.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	2,990,800	3,144,500	3,144,500	0	3,144,500
<b>Total</b>	<b>\$2,990,800</b>	<b>\$3,144,500</b>	<b>\$3,144,500</b>	<b>\$0</b>	<b>\$3,144,500</b>
State	2,990,800	3,144,500	3,144,500	0	3,144,500
Federal	0	0	0	0	0
Other	0	0	0	0	0

**306.12 Davidson County Public Defender**

This program provides an appropriation to the Davidson County public defender's office.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	1,529,500	1,608,200	1,608,200	0	1,608,200
<b>Total</b>	<b>\$1,529,500</b>	<b>\$1,608,200</b>	<b>\$1,608,200</b>	<b>\$0</b>	<b>\$1,608,200</b>
State	1,529,500	1,608,200	1,608,200	0	1,608,200
Federal	0	0	0	0	0
Other	0	0	0	0	0

**306.00 Total District Public Defenders Conference**

Full-Time	354	355	355	0	355
Part-Time	14	13	14	0	14
Seasonal	1	1	1	0	1
<b>Total</b>	<b>369</b>	<b>369</b>	<b>370</b>	<b>0</b>	<b>370</b>
Payroll	31,809,500	34,588,700	34,619,100	594,900	35,214,000
Operational	8,024,500	8,763,000	8,756,900	0	8,756,900
<b>Total</b>	<b>\$39,834,000</b>	<b>\$43,351,700</b>	<b>\$43,376,000</b>	<b>\$594,900</b>	<b>\$43,970,900</b>
State	37,901,600	41,739,800	41,733,100	594,900	42,328,000
Federal	0	0	0	0	0
Other	1,932,400	1,611,900	1,642,900	0	1,642,900

# Office of the Post-Conviction Defender

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The Office of the Post-Conviction Defender was created in 1995 in order to provide for the representation of any person convicted and sentenced to death who is unable to secure counsel due to indigence. This office also provides continuing legal education and consulting services to attorneys representing indigents in capital cases and recruits qualified members of the private bar who are willing to provide representation in state death penalty proceedings.

The Post-Conviction Defender Commission appoints the Post-Conviction Defender and has oversight of the office. The commission is comprised of nine members: two appointed by the Governor, two by the Speaker of the Senate, two by the Speaker of the House of Representatives, and three by the Supreme Court.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 308.00 Office of the Post-Conviction Defender

Full-Time	19	19	19	0	19
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>0</b>	<b>19</b>
Payroll	1,450,400	1,639,400	1,680,900	31,100	1,712,000
Operational	415,900	414,800	414,900	0	414,900
<b>Total</b>	<b>\$1,866,300</b>	<b>\$2,054,200</b>	<b>\$2,095,800</b>	<b>\$31,100</b>	<b>\$2,126,900</b>
State	1,865,800	2,054,200	2,095,800	31,100	2,126,900
Federal	0	0	0	0	0
Other	500	0	0	0	0

# Alcoholic Beverage Commission

## Performance-Based Budget

The Alcoholic Beverage Commission (ABC) regulates the liquor industry and enforces liquor laws and certain drug laws. The commission is governed by three members appointed by the Governor to terms concurrent with the Governor's term.

The ABC's regulatory functions include licensing and inspecting wineries and distilleries, liquor wholesalers and retailers, temporary liquor sales venues, and establishments offering on-premise liquor consumption.

ABC conducts felony investigations originating under its jurisdiction and enforces laws pertaining to the illegal manufacture, transportation, and sale of alcoholic beverages and marijuana. The commission participates in the Governor's Task Force on Marijuana Eradication and enforces laws against under-age drinking. ABC issues server permits to employees of establishments offering on-premise liquor consumption and requires servers to complete alcohol awareness training certified by the commission. The server training program is designed to properly train employees to responsibly sell and serve alcoholic beverages.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.03 Alcoholic Beverage Commission</b>					
Full-Time	66	74	73	0	<b>73</b>
Part-Time	3	3	3	0	<b>3</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>69</b>	<b>77</b>	<b>76</b>	<b>0</b>	<b>76</b>
Payroll	3,196,500	4,570,600	4,539,300	0	<b>4,539,300</b>
Operational	1,366,300	1,649,500	1,638,300	0	<b>1,638,300</b>
<b>Total</b>	<b>\$4,562,800</b>	<b>\$6,220,100</b>	<b>\$6,177,600</b>	<b>\$0</b>	<b>\$6,177,600</b>
State	0	390,200	64,900	0	<b>64,900</b>
Federal	0	0	0	0	<b>0</b>
Other	4,562,800	5,829,900	6,112,700	0	<b>6,112,700</b>

**Standard:** Process renewal of all licenses within two calendar days once a completed renewal application is submitted by issuing licenses to renewal applicants who have properly and timely submitted renewal applications.

**Measure:** Percent of renewals processed timely to qualified applicants.

99%	99%	99%	0	99%
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# Tennessee Rehabilitative Initiative in Correction

## Performance-Based Budget

The Tennessee Rehabilitative Initiative in Correction (TRICOR) mission is to employ inmates in manufacturing, business, and agricultural jobs that integrate work opportunities with educational and vocational training, and to develop good work habits and marketable skills to assist with a successful reintegration into society. TRICOR markets products and services to state agencies, local governments, and not-for-profit organizations.

TRICOR has a central headquarters with 26 operations at ten correctional facilities and warehouse/distribution centers. Manufacturing and service operations include administrative support services; printing, data entry, and document imaging services; K-12 test distribution services; call center services; warehousing and fulfillment services; license plate manufacturing; apparel and textile manufacturing for uniforms and institutional clothing; floor manufacturing; metal fabrication; industrial cleaning supply fulfillment; packaging services; and food manufacturing, storage, and distribution with respect to the cook-chill program.

Agricultural operations are located at West Tennessee State Penitentiary and Southeastern Regional Correctional Facility and include field crops, beef cattle, dairy operation, and juice, tea, and fruit drink production.

To assist inmates with successful reintegration into society, TRICOR also administers a post-release placement program that provides job placement assistance to eligible inmates who have been released from Tennessee Department of Correction custody.

A nine-member Board of Directors oversees the agency, which is headed by an executive director. The board members are appointed by the Governor to four-year terms. The Commissioner of Correction serves as an ex-officio non-voting member of the board.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.08 TRICOR</b>					
Full-Time	218	217	167	0	167
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>218</b>	<b>217</b>	<b>167</b>	<b>0</b>	<b>167</b>
Payroll	7,523,300	11,578,800	9,778,100	0	9,778,100
Operational	25,777,900	19,937,100	23,384,200	0	23,384,200
<b>Total</b>	<b>\$33,301,200</b>	<b>\$31,515,900</b>	<b>\$33,162,300</b>	<b>\$0</b>	<b>\$33,162,300</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	33,301,200	31,515,900	33,162,300	0	33,162,300

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Increase the number of offenders served on an annual basis through occupational skills training, transitional programming, and transitional services.

**Measure:** Number of offenders served.

1,660	1,607	1,663	3	1,666
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**Standard:** Increase the three-year successful transition rate (i.e. the percentage of those offenders who do not return to prison on a permanent basis within three years of release) among eligible offenders.

**Measure:** Three year successful transition rate among eligible offenders.

72.3%	69.5%	70.0%	0.5%	70.5%
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# Board of Parole

## Performance-Based Budget

The Board of Parole protects public safety through the orderly release of incarcerated adult felons. The board conducts parole hearings at state and local prisons and jails, and makes recommendations to the Governor regarding executive clemency. The Board of Parole is comprised of seven full-time members appointed by the Governor. Members serve six-year terms and are eligible for reappointment.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>324.02 Board of Parole</b>					
Full-Time	39	39	39	0	<b>39</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>39</b>	<b>39</b>	<b>39</b>	<b>0</b>	<b>39</b>
Payroll	2,310,500	2,700,000	2,700,000	0	<b>2,700,000</b>
Operational	246,200	414,300	279,400	0	<b>279,400</b>
<b>Total</b>	<b>\$2,556,700</b>	<b>\$3,114,300</b>	<b>\$2,979,400</b>	<b>\$0</b>	<b>\$2,979,400</b>
State	2,556,700	3,114,300	2,979,400	0	<b>2,979,400</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

# Department of Correction

## Performance-Based Budget

The Tennessee Department of Correction (TDOC) protects public safety through the incarceration of felons in a variety of secured institutional settings, supervision of probationers and parolees, and management of community corrections grant programs. In addition, the department provides felons with educational and vocational training, substance abuse treatment, and pre-release programs to prepare them for community re-entrance and reduce re-offences.

The Department of Correction carries out its responsibilities through four major functional areas: Administrative and Other Services, Institutional Operations, Special Purpose Facilities, and Contract Management Facilities.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administrative and Other Services

The Administrative and Other Services functional area includes Administration, State Prosecutions, Tennessee Correction Academy, Correction Release Centers, Major Maintenance, the Sex Offender Treatment Program, Field Supervision, Community Corrections, and the Sentencing Act of 1985.

#### 329.01 Administration

Administration provides department-wide support services, such as fiscal, personnel, policy, planning and research, and communications. Additional department-wide services include: the classification unit, which assigns the most appropriate institution or special program requirements for each inmate; sentence management services, which provides sentence management information, computation of all felony sentences, and monitors and reports release dates; compliance, which ensures operational quality and accreditation by the American Correctional Association; and rehabilitative services, which provides educational, victim, and mental health services, as well as inmate jobs and alcohol and drug treatment.

Full-Time	213	201	195	0	195
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>213</b>	<b>201</b>	<b>195</b>	<b>0</b>	<b>195</b>
Payroll	13,869,800	13,909,100	13,615,200	0	13,615,200
Operational	7,607,000	7,501,500	6,304,700	0	6,304,700
<b>Total</b>	<b>\$21,476,800</b>	<b>\$21,410,600</b>	<b>\$19,919,900</b>	<b>\$0</b>	<b>\$19,919,900</b>
State	15,823,000	15,620,500	15,079,400	0	15,079,400
Federal	648,600	1,114,500	600,000	0	600,000
Other	5,005,200	4,675,600	4,240,500	0	4,240,500

**Standard:** Reduce the average length of hospital stay.

**Measure:** Hospital average length of stay (days).

3.70	3.60	3.50	0	3.50
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Limit the number of substantiated incidents of sexual violence in TDOC managed facilities (excludes Corrections Corporation of America facilities).

**Measure:** The number of substantiated incidents of sexual violence in TDOC managed facilities (excludes Corrections Corporation of America facilities).

	14	12	12	0	12
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### 329.04 State Prosecutions

State Prosecutions reimburses counties for the expense of housing state felons in local jails and for other statutorily authorized felony expenses. The state is liable for county reimbursement when felons are sentenced to serve their time in the local jail; when counties contract with the state to house felons sentenced to the Department of Correction; and when counties house felons who have been sentenced to the Department of Correction and are awaiting transfer. Certain other expenses are paid from the allotment, including court costs associated with felony charges, inmate transportation costs, extradition costs, witness fees, jury boarding costs, and emergency medical expenses.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	135,720,800	148,652,800	113,952,800	36,780,000	150,732,800
<b>Total</b>	<b>\$135,720,800</b>	<b>\$148,652,800</b>	<b>\$113,952,800</b>	<b>\$36,780,000</b>	<b>\$150,732,800</b>
State	134,593,700	147,852,800	113,152,800	36,780,000	149,932,800
Federal	0	0	0	0	0
Other	1,127,100	800,000	800,000	0	800,000

**Standard:** Process invoices promptly.

**Measure:** The percent of invoices processed within 45 days of receipt of all required documents (i.e., board bills, correctional facility summary reports, etc).

	95%	95%	95%	0	95%
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### 329.06 Correction Academy

The Tennessee Correction Academy serves as the state's primary training and staff development center for the Department of Correction, Board of Probation and Parole, and Department of Children's Services. The academy provides pre-service training, in-service training, and specialized training classes in accordance with standards of the American Correctional Association.

Full-Time	74	70	71	0	71
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>74</b>	<b>70</b>	<b>71</b>	<b>0</b>	<b>71</b>
Payroll	3,273,900	3,684,900	3,736,700	0	3,736,700
Operational	1,417,500	1,498,900	1,500,100	0	1,500,100
<b>Total</b>	<b>\$4,691,400</b>	<b>\$5,183,800</b>	<b>\$5,236,800</b>	<b>\$0</b>	<b>\$5,236,800</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	4,578,500	5,118,900	5,171,900	0	<b>5,171,900</b>
Federal	0	0	0	0	<b>0</b>
Other	112,900	64,900	64,900	0	<b>64,900</b>

**Standard:** Continue to deliver training by the academy using non-traditional (non-residential) methodologies.

**Measure:** Total number of training hours delivered by academy using non-traditional (non-residential) methodologies.

	8,460	25,100	27,300	0	27,300
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**Standard:** Increase percentage of correctional officers who attain a 25% or more increase in pre-test to post-test scores following completion of in-service training.

**Measure:** The percent of correctional officers who attain a 25% or more increase in pre-test to post-test scores following completion of in-service training.

	87%	75%	75%	0	75%
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### 329.28 Correction Release Centers

The Correction Release Centers serve as residential programs for TDOC offenders who have been recommended for parole and are within 60 days of release from prison. The centers provide pre-release treatment and job training for offenders as they transition back into society.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	61,100	1,918,800	1,918,800	0	<b>1,918,800</b>
<b>Total</b>	<b>\$61,100</b>	<b>\$1,918,800</b>	<b>\$1,918,800</b>	<b>\$0</b>	<b>\$1,918,800</b>
State	61,100	1,918,800	1,918,800	0	<b>1,918,800</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Create the availability of release center beds.

**Measure:** The number of TDOC Correctional Release Center beds.

	30	120	120	0	120
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### 329.32 Major Maintenance

The Major Maintenance program is responsible for maintenance of the state's prison facilities and the Tennessee Correction Academy whenever costs exceed routine daily maintenance requirements. Also, this program provides information systems services and technology. This includes repair and preventive maintenance of security electronic systems, including fence detection systems, locking-control panels, alarm annunciation panels, closed-circuit TV, paging and intercom systems, mobile mapping systems, and installation and maintenance of the department's computer systems.

Full-Time	51	51	51	0	<b>51</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>51</b>	<b>51</b>	<b>51</b>	<b>0</b>	<b>51</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	2,647,000	3,372,500	3,372,500	0	<b>3,372,500</b>
Operational	6,808,100	2,570,500	3,793,300	0	<b>3,793,300</b>
<b>Total</b>	<b>\$9,455,100</b>	<b>\$5,943,000</b>	<b>\$7,165,800</b>	<b>\$0</b>	<b>\$7,165,800</b>
State	9,455,100	5,943,000	7,165,800	0	<b>7,165,800</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Resolve security system calls within 48 hours.

**Measure:** The percent of security system calls resolved within 48 hours.

91.08%	99.90%	99.90%	0	99.90%
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**Standard:** Respond on-site to emergency electronic problems within four hours.

**Measure:** Percent of emergency electronic problems responded to on-site within four hours.

99%	99%	99%	0	99%
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### 329.50 Sex Offender Treatment Program

The Sex Offender Treatment Program conducts pre-trial evaluations as ordered by the courts for indigent defendants accused of a sex offense. The program also provides funding for therapy required as conditions of probation or parole for indigent offenders. The 13 member Sex Offender Treatment Board, comprised of representatives of the law enforcement, legal, and medical professions, oversees the program and develops standardized procedures for evaluation and treatment of sex offenders.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	475,500	503,600	503,600	0	<b>503,600</b>
<b>Total</b>	<b>\$475,500</b>	<b>\$503,600</b>	<b>\$503,600</b>	<b>\$0</b>	<b>\$503,600</b>
State	475,500	443,600	443,600	0	<b>443,600</b>
Federal	0	0	0	0	<b>0</b>
Other	0	60,000	60,000	0	<b>60,000</b>

**Standard:** Provide annual training to at least 100 treatment providers.

**Measure:** The number of treatment providers receiving annual training.

97	240	100	0	100
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### 329.51 Field Supervision

This program supervises offenders placed on probation by the state criminal and circuit courts and parolees. Probation and parole officers also collect supervision and criminal injuries fees, and write pre-sentence investigation reports for use by the court system and Tennessee Department of Correction.

Full-Time	1,127	1,108	1,105	0	<b>1,105</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>1,127</b>	<b>1,108</b>	<b>1,105</b>	<b>0</b>	<b>1,105</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	53,647,300	57,157,000	56,972,900	0	<b>56,972,900</b>
Operational	16,558,000	16,919,000	16,159,900	110,000	<b>16,269,900</b>
<b>Total</b>	<b>\$70,205,300</b>	<b>\$74,076,000</b>	<b>\$73,132,800</b>	<b>\$110,000</b>	<b>\$73,242,800</b>
State	69,591,000	73,238,800	72,374,100	110,000	<b>72,484,100</b>
Federal	0	0	0	0	<b>0</b>
Other	614,300	837,200	758,700	0	<b>758,700</b>

**Standard:** Improve the offender success rate by decreasing the percentage of parolees who are revoked to 6.8%.

**Measure:** Percent of total parole population served during the year whose community supervision status is revoked during the fiscal year.

10.6%	6.8%	6.8%	0	6.8%
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**Standard:** Improve the offender success rate by decreasing the percentage of probation offenders who are revoked to 5.2%.

**Measure:** Percent of total probation population served during the year whose community supervision status is revoked during the fiscal year.

8.8%	5.2%	5.2%	0	5.2%
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### 329.52 Community Corrections

The Community Corrections program provides grants to locally-operated programs which provide alternatives to incarceration for non-violent felony offenders, as adjudicated by state courts. Felons sentenced to Community Corrections programs are subject to non-custodial intensive supervision, residential treatment, community service work, victim restitution, and supervision fees.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	13,357,400	13,810,500	13,810,600	0	<b>13,810,600</b>
<b>Total</b>	<b>\$13,357,400</b>	<b>\$13,810,500</b>	<b>\$13,810,600</b>	<b>\$0</b>	<b>\$13,810,600</b>
State	13,355,400	13,810,500	13,810,600	0	<b>13,810,600</b>
Federal	0	0	0	0	<b>0</b>
Other	2,000	0	0	0	<b>0</b>

**Standard:** Improve offender success by decreasing the percentage of the total program population who are revoked from the program prior to successful discharge to 8.9%.

**Measure:** Percent of total offender population who are revoked from the program prior to successful discharge.

15.9%	8.9%	8.9%	0	8.9%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 329.99 Sentencing Act of 1985

During the Special Session on Corrections in 1985, the General Assembly passed legislation that included the Sentencing Act of 1985. The law requires that, for any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state correctional facilities, there is to be appropriated from recurring revenues the estimated increased operating cost. The amount appropriated for operating costs, in current dollars, is based upon the highest cost of the next ten years, beginning with the year the additional sentence to be served impacts the correctional facilities population. Appropriations to the Sentencing Act of 1985 are used for capital outlay or for cancellation of construction bonds authorized but not yet sold.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	0	49,380,000	24,887,500	5,927,000	30,814,500
<b>Total</b>	<b>\$0</b>	<b>\$49,380,000</b>	<b>\$24,887,500</b>	<b>\$5,927,000</b>	<b>\$30,814,500</b>
State	0	49,372,500	24,880,000	5,927,000	30,807,000
Federal	0	0	0	0	0
Other	0	7,500	7,500	0	7,500

**Standard:** The TDOC Budget Office will appropriately estimate the operating costs of the proposed laws or amendments affecting revenue.

**Measure:** The percent of fiscal notes attached to proposed laws or amendments affecting revenue or funding for the Department of Correction.

100%	100%	100%	0	100%
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### Institutional Operations

Institutional Operations manages the inmate population in state prisons, including classification centers and time-building institutions.

Classification centers evaluate inmates entering the correctional system, including physical and mental health, work and training experience, educational background, religious affiliation, and family background. Decisions are made about institutional placement or special program requirements. Classification centers are located at the Tennessee Prison for Women, Charles B. Bass Correctional Complex, West Tennessee State Penitentiary, and Morgan County Correctional Complex.

Time-building prisons range in security levels from death-row and maximum-security to minimum-security and work-release. These institutions provide educational, counseling, and treatment programs.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 329.13 Tennessee Prison for Women

The Tennessee Prison for Women (TPW) opened in Nashville in 1898 and relocated to its present site in 1966. The institution is a reception, classification, and time-building prison which houses all levels of female inmates, from those under death sentence to those assigned to work-release. TPW also provides academic and vocational programs.

Full-Time	248	248	248	0	248
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>248</b>	<b>248</b>	<b>248</b>	<b>0</b>	<b>248</b>
Payroll	10,792,400	11,595,100	11,595,100	0	11,595,100
Operational	12,174,800	11,601,100	11,531,500	404,400	11,935,900
<b>Total</b>	<b>\$22,967,200</b>	<b>\$23,196,200</b>	<b>\$23,126,600</b>	<b>\$404,400</b>	<b>\$23,531,000</b>
State	22,254,000	22,353,100	22,283,500	404,400	22,687,900
Federal	0	0	0	0	0
Other	713,200	843,100	843,100	0	843,100

**Standard:** Increase or maintain General Equivalency Diploma (GED) and vocational completions.

**Measure:** The number of GED and vocational recipients.

	88	105	165	0	165
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

	9.46	6.50	8.00	0	8.00
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### 329.14 Turney Center Industrial Complex

Turney Center Industrial Complex, with a main site in Hickman County and an annex in Wayne County, is a time-building institution with emphasis on prison industry. It has a security classification range from minimum to close. Inmates are assigned to industry, academic, farming, or vocational programs, as well as support services inside the main compound.

Full-Time	449	448	441	0	441
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>449</b>	<b>448</b>	<b>441</b>	<b>0</b>	<b>441</b>
Payroll	19,015,700	21,112,500	20,787,800	0	20,787,800
Operational	16,004,000	17,636,600	17,511,300	719,200	18,230,500
<b>Total</b>	<b>\$35,019,700</b>	<b>\$38,749,100</b>	<b>\$38,299,100</b>	<b>\$719,200</b>	<b>\$39,018,300</b>
State	33,868,500	37,422,100	36,972,100	719,200	37,691,300
Federal	0	0	0	0	0
Other	1,151,200	1,327,000	1,327,000	0	1,327,000

**Standard:** Increase or maintain GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

	197	195	270	0	270
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

	6.84	5.00	6.00	0	6.00
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### 329.16 Mark Luttrell Correctional Facility

Mark Luttrell Correctional Facility, in Shelby County, is one of two female facilities in the state prison system. Opened in 1976 as a male reception center, the facility has been converted to an all-female unit with a security designation of close.

Full-Time	190	188	186	0	<b>186</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>190</b>	<b>188</b>	<b>186</b>	<b>0</b>	<b>186</b>
Payroll	8,262,900	9,398,800	9,315,000	0	<b>9,315,000</b>
Operational	5,773,100	4,815,400	4,811,800	225,200	<b>5,037,000</b>
<b>Total</b>	<b>\$14,036,000</b>	<b>\$14,214,200</b>	<b>\$14,126,800</b>	<b>\$225,200</b>	<b>\$14,352,000</b>
State	13,596,700	13,672,200	13,584,800	225,200	<b>13,810,000</b>
Federal	0	0	0	0	<b>0</b>
Other	439,300	542,000	542,000	0	<b>542,000</b>

**Standard:** Increase or maintain GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

	105	48	123	0	123
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

	14.17	8.00	8.00	0	8.00
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### 329.17 Charles B. Bass Correctional Complex

Charles B. Bass Correctional Complex, in Davidson County, is a time-building facility for male felons with inmates in custody levels ranging from minimum-trustee to close. The facility provides a sex offender treatment program, educational classes, and a therapeutic community program. Inmates are assigned to community work crews or provide support services inside the prison.

Full-Time	355	354	349	0	<b>349</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>355</b>	<b>354</b>	<b>349</b>	<b>0</b>	<b>349</b>
Payroll	15,716,800	16,511,000	16,262,600	0	<b>16,262,600</b>
Operational	11,431,700	12,890,500	12,946,500	534,200	<b>13,480,700</b>
<b>Total</b>	<b>\$27,148,500</b>	<b>\$29,401,500</b>	<b>\$29,209,100</b>	<b>\$534,200</b>	<b>\$29,743,300</b>
State	26,275,300	28,269,700	28,077,300	534,200	<b>28,611,500</b>
Federal	0	0	0	0	<b>0</b>
Other	873,200	1,131,800	1,131,800	0	<b>1,131,800</b>

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Increase or maintain GED and vocational completions.

**Measure:** The number of GED and vocational recipients. Prior to FY 2011-2012, Charles B. Bass Correctional Complex did not have vocational training (GED only).

26	126	174	0	174
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

3.47	2.30	3.00	0	3.00
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### 329.18 Southeastern Tennessee State Regional Correctional Facility

Southeastern Tennessee State Regional Correctional Facility, in Bledsoe County, is a time-building facility housing male inmates with a close security designation. The facility has academic, substance abuse, and vocational programs. In January 2013, the Bledsoe Correctional Complex will be expanded to house an additional 1,444 inmates.

Full-Time	319	332	335	442	777
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>319</b>	<b>332</b>	<b>335</b>	<b>442</b>	<b>777</b>
Payroll	14,796,300	16,900,100	17,020,800	12,594,000	29,614,800
Operational	7,727,300	9,026,700	8,683,900	14,630,100	23,314,000
<b>Total</b>	<b>\$22,523,600</b>	<b>\$25,926,800</b>	<b>\$25,704,700</b>	<b>\$27,224,100</b>	<b>\$52,928,800</b>
State	21,658,100	25,138,700	24,761,900	26,760,600	51,522,500
Federal	0	0	0	0	0
Other	865,500	788,100	942,800	463,500	1,406,300

**Standard:** Increase or maintain GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

167	125	202	0	202
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

3.07	2.20	3.00	0	3.00
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### 329.41 West Tennessee State Penitentiary

West Tennessee State Penitentiary (WTSP), located near Henning, is the largest state prison for male felons and is a time-building facility. A reception and classification center housing all custody levels, WTSP provides educational and vocational programs.

Full-Time	776	774	749	0	749
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>776</b>	<b>774</b>	<b>749</b>	<b>0</b>	<b>749</b>
Payroll	31,121,100	35,521,300	34,490,200	0	34,490,200
Operational	21,126,200	22,058,200	22,270,000	1,230,400	23,500,400
<b>Total</b>	<b>\$52,247,300</b>	<b>\$57,579,500</b>	<b>\$56,760,200</b>	<b>\$1,230,400</b>	<b>\$57,990,600</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	50,950,400	56,259,300	55,440,000	1,230,400	<b>56,670,400</b>
Federal	0	0	0	0	<b>0</b>
Other	1,296,900	1,320,200	1,320,200	0	<b>1,320,200</b>

**Standard:** Increase or maintain GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

	340	300	495	0	495
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

	7.12	8.07	8.00	0	8.00
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### 329.42 Riverbend Maximum Security Institution

Riverbend Maximum Security Institution (RMSI), in Nashville, is a time-building maximum-security facility. Inmates not assigned to educational, vocational, or industry programs are required to work in support service roles throughout the facility. RMSI houses high-risk male felons, including those sentenced to death. This facility carries out all executions in the state.

Full-Time	324	327	326	0	<b>326</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>324</b>	<b>327</b>	<b>326</b>	<b>0</b>	<b>326</b>
Payroll	14,987,700	15,665,900	15,621,500	0	<b>15,621,500</b>
Operational	9,468,900	10,532,900	10,498,300	359,200	<b>10,857,500</b>
<b>Total</b>	<b>\$24,456,600</b>	<b>\$26,198,800</b>	<b>\$26,119,800</b>	<b>\$359,200</b>	<b>\$26,479,000</b>
State	24,067,900	25,771,900	25,692,900	359,200	<b>26,052,100</b>
Federal	0	0	0	0	<b>0</b>
Other	388,700	426,900	426,900	0	<b>426,900</b>

**Standard:** Increase or maintain GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

	120	59	137	0	137
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

	19.39	16.56	16.00	0	16.00
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### 329.43 Northeast Correctional Complex

The Northeast Correctional Complex (NECX), with sites in Carter and Johnson counties, is a maximum-security time-building prison. NECX houses men of all custody levels and offers educational, mental health, and community service programs.

Full-Time	526	523	523	0	<b>523</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>526</b>	<b>523</b>	<b>523</b>	<b>0</b>	<b>523</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	23,930,200	25,089,200	25,089,200	0	<b>25,089,200</b>
Operational	14,880,200	16,646,900	16,435,100	945,700	<b>17,380,800</b>
<b>Total</b>	<b>\$38,810,400</b>	<b>\$41,736,100</b>	<b>\$41,524,300</b>	<b>\$945,700</b>	<b>\$42,470,000</b>
State	37,311,500	40,419,600	40,207,800	945,700	<b>41,153,500</b>
Federal	0	0	0	0	<b>0</b>
Other	1,498,900	1,316,500	1,316,500	0	<b>1,316,500</b>

**Standard:** Increase or maintain GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

198	110	222	0	222
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

3.42	2.92	5.00	0	5.00
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### 329.45 Northwest Correctional Complex

Northwest Correctional Complex, in Lake County, houses male inmates with a custody level of minimum-trustee to close. The annex houses minimum restricted-custody inmates and youthful offenders. Inmates are assigned to educational or vocational programs or community service crews.

Full-Time	683	683	677	0	<b>677</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>683</b>	<b>683</b>	<b>677</b>	<b>0</b>	<b>677</b>
Payroll	30,023,500	32,902,200	32,666,300	0	<b>32,666,300</b>
Operational	19,263,200	19,331,700	19,265,100	1,130,700	<b>20,395,800</b>
<b>Total</b>	<b>\$49,286,700</b>	<b>\$52,233,900</b>	<b>\$51,931,400</b>	<b>\$1,130,700</b>	<b>\$53,062,100</b>
State	47,728,200	50,501,500	50,199,000	1,130,700	<b>51,329,700</b>
Federal	0	0	0	0	<b>0</b>
Other	1,558,500	1,732,400	1,732,400	0	<b>1,732,400</b>

**Standard:** Increase or maintain GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

468	290	423	0	423
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

9.31	5.71	5.00	0	5.00
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**329.47 Morgan County Correctional Complex**

Morgan County Correctional Complex, located in Wartburg, houses inmates of all custody levels. The facility operates educational, vocational, and substance abuse programs, and community service crews.

Full-Time	755	754	750	0	<b>750</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>755</b>	<b>754</b>	<b>750</b>	<b>0</b>	<b>750</b>
Payroll	34,564,700	36,025,600	35,822,900	0	<b>35,822,900</b>
Operational	22,841,500	25,605,300	25,472,000	1,203,400	<b>26,675,400</b>
<b>Total</b>	<b>\$57,406,200</b>	<b>\$61,630,900</b>	<b>\$61,294,900</b>	<b>\$1,203,400</b>	<b>\$62,498,300</b>
State	56,242,000	59,976,500	59,640,500	1,203,400	<b>60,843,900</b>
Federal	0	0	0	0	<b>0</b>
Other	1,164,200	1,654,400	1,654,400	0	<b>1,654,400</b>

**Standard:** Increase or maintain GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

	338	220	445	0	445
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

	7.64	7.93	8.00	0	8.00
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**Special Purpose Facilities**

**329.46 Lois M. DeBerry Special Needs Facility**

The Lois M. DeBerry Special Needs Facility, in Davidson County, provides quality health care, intensive mental health care, and a geriatric unit. The facility has a maximum-security designation.

Full-Time	471	470	465	0	<b>465</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>471</b>	<b>470</b>	<b>465</b>	<b>0</b>	<b>465</b>
Payroll	26,155,400	24,506,200	24,347,700	0	<b>24,347,700</b>
Operational	20,313,100	14,539,800	14,548,900	508,300	<b>15,057,200</b>
<b>Total</b>	<b>\$46,468,500</b>	<b>\$39,046,000</b>	<b>\$38,896,600</b>	<b>\$508,300</b>	<b>\$39,404,900</b>
State	46,168,300	38,648,600	38,499,200	508,300	<b>39,007,500</b>
Federal	0	0	0	0	<b>0</b>
Other	300,200	397,400	397,400	0	<b>397,400</b>

**Standard:** Increase the number of GED recipients.

**Measure:** The number of GED recipients.

	12	9	11	0	11
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Limit the rate of violent institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

	46.06	25.00	25.00	0	25.00
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### Contract Management Facilities

The state prison system has three prisons operated under contracts: Hardeman County Correctional Facility, Hardeman County Correctional Facility – Whiteville, and South Central Correctional Center.

#### 329.21 Hardeman County Incarceration Agreement

The Hardeman County Correctional Facility is a time-building medium-security prison and offers educational, vocational, and mental health programs. The prison is owned by Hardeman County, which contracts with a private operator.

Full-Time	2	2	2	0	2
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>
Payroll	156,500	164,500	164,500	0	164,500
Operational	37,101,000	39,196,600	39,196,600	548,700	39,745,300
<b>Total</b>	<b>\$37,257,500</b>	<b>\$39,361,100</b>	<b>\$39,361,100</b>	<b>\$548,700</b>	<b>\$39,909,800</b>
State	37,252,600	39,342,200	39,342,200	548,700	39,890,900
Federal	0	0	0	0	0
Other	4,900	18,900	18,900	0	18,900

**Standard:** Increase the number of GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

	325	285	360	0	360
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**Standard:** Reduce the rate of institutional incidents (per 100 inmates).

**Measure:** The violent incident rate (per 100 inmates).

	6.16	5.30	5.00	0	5.00
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#### 329.22 Hardeman County Agreement - Whiteville

The Hardeman County Correctional Facility at Whiteville is a time-building medium-security prison and offers educational, vocational, substance abuse, anger management, and family and pre-release counseling programs. The prison is privately owned and operated for the state's benefit under contract between the state and Hardeman County.

Full-Time	2	2	2	0	2
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>
Payroll	130,300	147,700	147,700	0	147,700
Operational	28,846,000	30,981,400	30,981,400	721,600	31,703,000
<b>Total</b>	<b>\$28,976,300</b>	<b>\$31,129,100</b>	<b>\$31,129,100</b>	<b>\$721,600</b>	<b>\$31,850,700</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	28,965,200	31,110,400	31,110,400	721,600	<b>31,832,000</b>
Federal	0	0	0	0	<b>0</b>
Other	11,100	18,700	18,700	0	<b>18,700</b>

**Standard:** Increase the number of GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

	250	234	294	0	294
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**Standard:** Reduce the rate of institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

	11.61	7.4	5.0	0	5.0
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#### **329.44 South Central Correctional Center**

The South Central Correctional Center is a time-building prison in Wayne County. The facility houses men of minimum, medium, and close custody levels and offers educational, vocational, mental health, and pre-release programs. The prison is state-owned but operated by a private contractor for the state's benefit.

Full-Time	2	2	2	0	<b>2</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>
Payroll	143,600	158,900	158,900	0	<b>158,900</b>
Operational	25,893,100	27,738,000	27,738,000	581,400	<b>28,319,400</b>
<b>Total</b>	<b>\$26,036,700</b>	<b>\$27,896,900</b>	<b>\$27,896,900</b>	<b>\$581,400</b>	<b>\$28,478,300</b>
State	26,025,500	27,878,200	27,878,200	581,400	<b>28,459,600</b>
Federal	0	0	0	0	<b>0</b>
Other	11,200	18,700	18,700	0	<b>18,700</b>

**Standard:** Increase the number of GED and vocational completions.

**Measure:** The number of GED and vocational recipients.

	294	249	414	0	414
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**Standard:** Reduce the rate of institutional incidents (per 100 inmates).

**Measure:** The violent institutional incident rate (per 100 inmates).

	4.73	6.60	5.00	0	5.00
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>329.00 Total Correction</b>					
Full-Time	6,567	6,537	6,477	442	<b>6,919</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>6,567</b>	<b>6,537</b>	<b>6,477</b>	<b>442</b>	<b>6,919</b>
Payroll	303,235,100	323,822,500	321,187,500	12,594,000	<b>333,781,500</b>
Operational	434,849,500	505,356,700	444,721,700	66,559,500	<b>511,281,200</b>
<b>Total</b>	<b>\$738,084,600</b>	<b>\$829,179,200</b>	<b>\$765,909,200</b>	<b>\$79,153,500</b>	<b>\$845,062,700</b>
State	720,297,500	810,083,400	747,686,800	78,690,000	<b>826,376,800</b>
Federal	648,600	1,114,500	600,000	0	<b>600,000</b>
Other	17,138,500	17,981,300	17,622,400	463,500	<b>18,085,900</b>



## Statistical Data Correctional Institutions

	<b>TPW</b> <b>329.13</b>	<b>TCIC</b> <b>329.14</b>	<b>MLCF</b> <b>329.16</b>	<b>CBCC</b> <b>329.17</b>	<b>STRCF</b> <b>329.18</b>
<b>Annual Admissions</b>					
2005-2006	559	1,282	159	2,222	345
2006-2007	668	1,011	114	5,467	470
2007-2008	668	1,046	242	2,079	394
2008-2009	700	746	240	2,400	400
2009-2010	664	1,073	230	1,650	475
2010-2011	548	735	230	1,422	493
2011-2012	700	1,100	245	2,000	495
2012-2013	700	1,100	245	2,000	963
<b>Annual Releases</b>					
2005-2006	548	1,285	158	2,210	343
2006-2007	665	1,014	135	5,670	475
2007-2008	458	1,046	204	2,463	399
2008-2009	475	746	200	2,400	400
2009-2010	414	438	200	1,950	484
2010-2011	521	742	220	1,293	473
2011-2012	445	400	200	2,000	475
2012-2013	445	400	200	2,000	475
<b>Average Daily Census</b>					
2005-2006	733	1,497	416	1,026	944
2006-2007	735	1,494	410	1,031	943
2007-2008	731	1,601	403	1,014	938
2008-2009	736	1,536	403	1,025	929
2009-2010	752	1,515	413	964	917
2010-2011	761	1,550	417	944	913
2011-2012	805	1,572	440	1,110	981
2012-2013	805	1,572	440	1,110	1,386
<b>Cost Per Occupancy Day (Total Expenditures)*</b>					
2005-2006	\$66.00	\$59.37	\$79.89	\$69.71	\$60.30
2006-2007	\$76.96	\$63.44	\$84.43	\$75.03	\$63.00
2007-2008	\$79.06	\$63.55	\$86.98	\$78.61	\$67.95
2008-2009	\$81.27	\$64.67	\$89.84	\$78.00	\$66.97
2009-2010	\$81.27	\$61.99	\$89.50	\$80.21	\$64.30
2010-2011	\$82.69	\$61.90	\$92.22	\$78.79	\$67.59
2011-2012	\$78.73	\$67.35	\$88.27	\$72.37	\$72.21
2012-2013	\$80.09	\$68.00	\$89.36	\$73.41	\$104.63

TPW: Tennessee Prison for Women  
 TCIC: Turney Center Industrial Complex  
 MLCF: Mark Luttrell Correctional Facility

CBCC: Charles B. Bass Correctional Complex  
 STRCF: Southeastern TN State Regional  
 Correctional Facility

N/A: Indicates the facility was not in existence during the reporting period.

\*FY 2005-2006 to 2010-2011 are actual expenditures from all sources; 2011-12 to 2012-13 are estimates.

## Statistical Data Correctional Institutions

	<b>WTSP</b> <b>329.41</b>	<b>RMSI</b> <b>329.42</b>	<b>NECC</b> <b>329.43</b>	<b>NWCC</b> <b>329.45</b>	<b>MCCC</b> <b>329.47</b>
<b>Annual Admissions</b>					
2005-2006	3,075	364	653	1,160	N/A
2006-2007	3,164	337	781	1,070	1,200
2007-2008	3,307	363	679	1,059	1,200
2008-2009	2,600	390	690	1,059	1,800
2009-2010	3,435	390	846	1,122	1,800
2010-2011	3,729	390	758	1,061	2,600
2011-2012	2,600	390	775	1,061	2,600
2012-2013	2,600	390	775	1,061	2,600
<b>Annual Releases</b>					
2005-2006	3,073	369	655	1,154	N/A
2006-2007	3,256	325	785	1,062	1,200
2007-2008	3,361	356	439	1,067	1,200
2008-2009	2,600	380	450	1,067	1,800
2009-2010	3,434	380	596	1,079	2,400
2010-2011	3,702	386	764	1,038	600
2011-2012	2,600	380	475	1,059	600
2012-2013	2,600	380	475	1,059	600
<b>Average Daily Census</b>					
2005-2006	2,476	695	1,801	2,286	N/A
2006-2007	2,434	698	1,787	2,293	972
2007-2008	2,444	702	1,780	2,294	971
2008-2009	2,461	694	1,762	2,300	1,069
2009-2010	2,446	695	1,783	2,316	2,147
2010-2011	2,418	696	1,783	2,354	2,338
2011-2012	2,582	736	1,856	2,425	2,441
2012-2013	2,582	736	1,856	2,425	2,441
<b>Cost Per Occupancy Day (Total Expenditures)*</b>					
2005-2006	\$53.74	\$83.68	\$54.25	\$52.42	N/A
2006-2007	\$55.99	\$91.78	\$57.24	\$54.64	\$63.74
2007-2008	\$58.36	\$94.81	\$61.59	\$58.20	\$78.03
2008-2009	\$57.96	\$94.37	\$60.02	\$57.75	\$82.03
2009-2010	\$57.16	\$94.20	\$58.69	\$56.36	\$68.91
2010-2011	\$59.20	\$96.27	\$59.64	\$57.36	\$67.27
2011-2012	\$60.93	\$97.26	\$61.44	\$58.85	\$68.98
2012-2013	\$61.53	\$98.57	\$62.69	\$59.95	\$70.15

WTSP: West Tennessee State Penitentiary  
RMSI: Riverbend Maximum Security Institution  
NECC: Northeast Correctional Complex

NWCC: Northwest Correctional Complex  
MCCC: Morgan County Correctional Complex

N/A: Indicates the facility was not in existence during the reporting period.

\*FY 2005-2006 to 2010-2011 are actual expenditures from all sources; 2011-12 to 2012-13 are estimates.

## Statistical Data Correctional Institutions

	<b>DSNF</b> <b>329.46</b>	<b>HCCF</b> <b>329.21</b>	<b>HCCF-W</b> <b>329.22</b>	<b>SCCC</b> <b>329.44</b>	<b>Total**</b>
<b>Annual Admissions</b>					
2005-2006	356	869	754	790	10,180
2006-2007	438	855	750	700	10,540
2007-2008	431	875	755	725	11,069
2008-2009	400	900	800	730	11,087
2009-2010	389	827	699	663	10,939
2010-2011	1,713	840	752	670	11,262
2011-2012	1,800	900	800	730	10,800
2012-2013	1,800	900	800	730	11,300
<b>Annual Releases</b>					
2005-2006	429	858	740	777	10,513
2006-2007	355	858	745	700	10,777
2007-2008	435	879	750	720	11,062
2008-2009	400	900	800	730	11,130
2009-2010	433	880	745	710	11,168
2010-2011	1,740	842	749	684	10,437
2011-2012	1,700	900	800	730	11,500
2012-2013	1,700	900	800	730	11,500
<b>Average Daily Census</b>					
2005-2006	641	1,964	1,490	1,628	19,128
2006-2007	687	1,964	1,488	1,632	19,120
2007-2008	711	1,962	1,485	1,626	19,191
2008-2009	714	1,963	1,490	1,631	19,102
2009-2010	692	1,964	1,487	1,619	19,710
2010-2011	711	1,966	1,492	1,631	19,974
2011-2012	800	2,016	1,536	1,676	20,976
2012-2013	800	2,016	1,536	1,676	21,381
<b>Cost Per Occupancy Day (Total Expenditures)*</b>					
2005-2006	\$135.01	\$45.83	\$47.55	\$42.04	\$58.91
2006-2007	\$143.52	\$47.13	\$48.65	\$43.64	\$62.40
2007-2008	\$151.62	\$48.20	\$49.80	\$41.29	\$65.30
2008-2009	\$151.15	\$49.52	\$51.16	\$42.26	\$66.18
2009-2010	\$163.78	\$50.86	\$52.34	\$43.05	\$64.81
2010-2011	\$179.06	\$51.92	\$53.21	\$43.74	\$66.20
2011-2012	\$133.35	\$53.35	\$55.37	\$45.48	\$66.21
2012-2013	\$134.95	\$54.24	\$56.81	\$46.55	\$69.41

DSNF: Lois DeBerry Special Needs Facility

HCCF: Hardeman Co. Correctional Facility

HCCF-W: Hardeman Co. Correctional Facility - Whiteville

SCCC: South Central Correctional Center

\*FY 2005-2006 to 2010-2011 are actual expenditures from all sources; 2011-12 to 2012-13 are estimates.

\*\* Total admissions and releases are department-wide and will not equal the sum of the columns due to double counting caused by movement of inmates among the facilities.

# Military Department

## Performance-Based Budget

The Military Department provides leadership, direction, and organization for the state's Army and Air National Guard and the Tennessee Emergency Management Agency. The Adjutant General, a constitutional officer of the state appointed by the Governor, is responsible for the leadership and command of the Tennessee Army and Air National Guard, the Tennessee Emergency Management Agency, and the Bureau of War Records. The department is organized into three functional areas: Administration, National Guard, and Emergency Management.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administration

Administration performs all fiscal and administrative duties for the Military Department, maintains war records of all soldiers from Tennessee, and oversees the maintenance of Tennessee Army National Guard armories. The Office of the Adjutant General and the Tennessee State Guard are funded from this allotment.

#### 341.01 Administration

Full-Time	43	42	42	0	42
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>43</b>	<b>42</b>	<b>42</b>	<b>0</b>	<b>42</b>
Payroll	2,586,900	2,975,900	2,975,900	0	2,975,900
Operational	544,400	713,800	628,500	0	628,500
<b>Total</b>	<b>\$3,131,300</b>	<b>\$3,689,700</b>	<b>\$3,604,400</b>	<b>\$0</b>	<b>\$3,604,400</b>
State	3,128,700	2,336,600	2,248,400	0	2,248,400
Federal	0	1,350,100	1,353,000	0	1,353,000
Other	2,600	3,000	3,000	0	3,000

**Standard:** Monitor sub-recipient contracts for compliance.

**Measure:** Percent of sub-recipient grant contracts monitored and in compliance.

75%	80%	82%	0	82%
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### National Guard

The National Guard's primary objective is to be prepared as a first-line reserve for the active duty Army and Air Force. The National Guard is comprised of full-time and part-time personnel. At the request of the Governor, the National Guard can be called upon to assist in emergency situations such as riots, rescues, and disasters.

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 341.02 Army National Guard

The Army National Guard provides trained, skilled, and ready reserve defense in support of the state and nation, and assists in recovery from any man-made or natural disasters and emergencies.

Full-Time	76	73	64	0	64
Part-Time	0	0	0	0	0
Seasonal	4	4	4	0	4
<b>Total</b>	<b>80</b>	<b>77</b>	<b>68</b>	<b>0</b>	<b>68</b>
Payroll	3,643,600	5,511,900	5,157,000	0	5,157,000
Operational	2,076,900	1,760,900	1,760,900	0	1,760,900
<b>Total</b>	<b>\$5,720,500</b>	<b>\$7,272,800</b>	<b>\$6,917,900</b>	<b>\$0</b>	<b>\$6,917,900</b>
State	967,900	954,600	954,600	0	954,600
Federal	4,752,600	5,693,300	5,338,400	0	5,338,400
Other	0	624,900	624,900	0	624,900

**Standard:** Process and complete 97% of all maintenance requests.

**Measure:** Percent of processed and completed maintenance requests.

97%	98%	98%	0	98%
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### 341.03 Air National Guard

The Air National Guard operates three air bases located in Nashville, Knoxville, and Memphis, and one unit in Chattanooga. The mission is to provide command and control of the Air National Guard forces and to provide direction for the implementation of administration, personnel, training, security, and fiscal policy while providing a safe and healthy work environment.

Full-Time	233	199	175	0	175
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>233</b>	<b>199</b>	<b>175</b>	<b>0</b>	<b>175</b>
Payroll	7,502,200	9,174,400	8,349,700	0	8,349,700
Operational	5,316,100	6,466,700	6,466,700	0	6,466,700
<b>Total</b>	<b>\$12,818,300</b>	<b>\$15,641,100</b>	<b>\$14,816,400</b>	<b>\$0</b>	<b>\$14,816,400</b>
State	3,260,300	2,376,400	2,261,600	0	2,261,600
Federal	9,092,600	13,260,000	12,550,100	0	12,550,100
Other	465,400	4,700	4,700	0	4,700

**Standard:** Maintain a rating of 92% or more of completed work orders in support of the facilities and equipment used by the full-time work force.

**Measure:** Percent of work orders completed.

95%	96%	97%	0	97%
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**341.07 Armories Maintenance**

Armories Maintenance provides funding for the maintenance of armories, training sites, and aircraft maintenance facilities.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	4,668,300	7,778,400	7,778,400	0	7,778,400
<b>Total</b>	<b>\$4,668,300</b>	<b>\$7,778,400</b>	<b>\$7,778,400</b>	<b>\$0</b>	<b>\$7,778,400</b>
State	467,200	588,200	588,200	0	588,200
Federal	4,191,400	6,845,600	6,845,600	0	6,845,600
Other	9,700	344,600	344,600	0	344,600

**Standard:** Maintain facilities in accordance with U.S. Army standards.

**Measure:** Percent of Military Department Army Guard facilities meeting U.S. Army standards.

85%	87%	87%	0	87%
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**341.10 Armories Utilities**

Armories Utilities provides funds for the cost of utilities at Army National Guard armories, training sites, and aircraft maintenance facilities.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	5,515,100	5,667,500	5,667,500	554,600	6,222,100
<b>Total</b>	<b>\$5,515,100</b>	<b>\$5,667,500</b>	<b>\$5,667,500</b>	<b>\$554,600</b>	<b>\$6,222,100</b>
State	1,856,600	1,830,900	1,830,900	128,200	1,959,100
Federal	3,657,500	3,722,300	3,722,300	426,400	4,148,700
Other	1,000	114,300	114,300	0	114,300

**Standard:** To maintain costs below the regional industrial average of \$1.68 per square foot.

**Measure:** Cost per square foot.

\$1.01	\$1.03	\$1.03	0	\$1.03
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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## Emergency Management

The Military Department provides emergency management services and administers federally funded homeland security grants.

### 341.04 Tennessee Emergency Management Agency

The Tennessee Emergency Management Agency (TEMA) is responsible for planning and management of emergency operations of the state, and for training of and assistance to local governments during man-made or natural disasters.

Full-Time	107	107	107	0	107
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>107</b>	<b>107</b>	<b>107</b>	<b>0</b>	<b>107</b>
Payroll	4,692,100	7,155,700	7,155,700	0	7,155,700
Operational	4,534,000	5,762,300	5,732,200	0	5,732,200
<b>Total</b>	<b>\$9,226,100</b>	<b>\$12,918,000</b>	<b>\$12,887,900</b>	<b>\$0</b>	<b>\$12,887,900</b>
State	1,710,900	2,873,200	2,843,100	0	2,843,100
Federal	7,054,800	9,115,700	9,115,700	0	9,115,700
Other	460,400	929,100	929,100	0	929,100

**Standard:** Increase the number of students trained overall by TEMA in each of four specific program areas: hazardous materials, incident management, search and rescue, and professional development.

**Measure:** The number of students trained overall in four program areas: hazardous materials, incident management, search and rescue, and professional development.

	5,788	8,800	8,800	0	8,800
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### 341.08 Homeland Security Grants

The Homeland Security Grants program provides federal funds to state and local governments to enhance readiness against terrorism. Funds are available for planning, equipment, training, exercises, and program oversight.

Full-Time	5	5	5	0	5
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>
Payroll	489,000	320,000	320,000	0	320,000
Operational	20,989,300	54,736,600	54,736,600	0	54,736,600
<b>Total</b>	<b>\$21,478,300</b>	<b>\$55,056,600</b>	<b>\$55,056,600</b>	<b>\$0</b>	<b>\$55,056,600</b>
State	0	0	0	0	0
Federal	20,145,500	55,056,600	55,056,600	0	55,056,600
Other	1,332,800	0	0	0	0

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** State and local responders from all jurisdictions are able to demonstrate response-level emergency communications within three hours of a significant event as outlined in national planning scenarios.

**Measure:** The percent of state and local agencies are able to demonstrate response-level emergency communications within three hours of a significant event.

	65%	70%	72%	0	72%
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### 341.09 TEMA Disaster Relief Grants

TEMA Disaster Relief Grants is responsible for administering federal and state grants to eligible applicants of presidentially declared disasters. Funds are available for the repair and restoration of damaged bridges, buildings, and other public services and infrastructure.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	1,285,700	0	0	0	0
Operational	75,634,900	148,000,000	9,000,000	0	9,000,000
<b>Total</b>	<b>\$76,920,600</b>	<b>\$148,000,000</b>	<b>\$9,000,000</b>	<b>\$0</b>	<b>\$9,000,000</b>
State	1,999,900	13,000,000	4,000,000	0	4,000,000
Federal	64,475,700	120,000,000	5,000,000	0	5,000,000
Other	10,445,000	15,000,000	0	0	0

**Standard:** Manage public assistance grants to those affected by disaster.

**Measure:** Number of applicants' grants finalized.

	48	56	60	0	60
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### 341.00 Total Military

Full-Time	464	426	393	0	393
Part-Time	0	0	0	0	0
Seasonal	4	4	4	0	4
<b>Total</b>	<b>468</b>	<b>430</b>	<b>397</b>	<b>0</b>	<b>397</b>
Payroll	20,199,500	25,137,900	23,958,300	0	23,958,300
Operational	119,279,000	230,886,200	91,770,800	554,600	92,325,400
<b>Total</b>	<b>\$139,478,500</b>	<b>\$256,024,100</b>	<b>\$115,729,100</b>	<b>\$554,600</b>	<b>\$116,283,700</b>
State	13,391,500	23,959,900	14,726,800	128,200	14,855,000
Federal	113,370,100	215,043,600	98,981,700	426,400	99,408,100
Other	12,716,900	17,020,600	2,020,600	0	2,020,600



# Tennessee Bureau of Investigation

## Performance-Based Budget

The Tennessee Bureau of Investigation (TBI) is responsible for assisting the District Attorneys General and local law enforcement agencies in the investigation and prosecution of criminal offenses. The bureau's operations are organized into five divisions: Criminal Investigations, Drug Investigations, Forensic Services, Information Systems, and Administrative Services.

The Administrative Services Division provides overall direction and support for the bureau, including legal, personnel, payroll, and fiscal services for the agency. The Criminal Investigation Division gathers and disseminates intelligence on criminal activity, terrorism, fugitives, and drug trafficking. TBI also investigates corruption and misconduct at all levels of government, as well as provider fraud and patient abuse within the TennCare system. The Drug Investigations Division has original jurisdiction to investigate violations of Tennessee's drug control laws. Special agents are assigned to one of four regional investigative units, which initiate and investigate cases, targeting upper- and mid-level drug violators and drug distribution organizations. In addition, the division works cooperatively with state and local government agencies, the U.S. Drug Enforcement Administration, and the Federal Bureau of Investigation. The Forensic Services Division provides forensic examinations for the law enforcement community and medical examiners statewide. These examinations are performed at laboratories in Nashville, Knoxville, and Memphis. All three laboratories perform DNA and serology, drug chemistry, and toxicology, which includes blood alcohol analysis. The Memphis and Nashville laboratories perform firearms identification analysis. Additionally, the main laboratory in Nashville specializes in latent fingerprint examination and microanalysis testing. The Information Systems Division provides support to investigative activities through records management, systems operations, fingerprint identification, and uniform crime reporting.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>348.00 Tennessee Bureau of Investigation</b>					
Full-Time	500	493	493	0	<b>493</b>
Part-Time	1	2	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>501</b>	<b>495</b>	<b>493</b>	<b>0</b>	<b>493</b>
Payroll	34,368,200	35,980,000	35,748,800	0	<b>35,748,800</b>
Operational	29,464,100	32,129,200	30,000,200	3,000,000	<b>33,000,200</b>
<b>Total</b>	<b>\$63,832,300</b>	<b>\$68,109,200</b>	<b>\$65,749,000</b>	<b>\$3,000,000</b>	<b>\$68,749,000</b>
State	31,350,400	37,100,200	36,121,200	0	<b>36,121,200</b>
Federal	14,462,000	15,350,000	15,020,700	0	<b>15,020,700</b>
Other	18,019,900	15,659,000	14,607,100	3,000,000	<b>17,607,100</b>

**Standard:** Prevent crime by screening individuals applying for weapons purchased in Tennessee.

**Measure:** Percent of individuals denied the purchase of weapons based on criminal history.

3.0%	4.0%	4.0%	0	4.0%
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<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**Standard:** Deter crime in Tennessee by solving crime incidents initially investigated by the TBI.

**Measure:** Percent of crime incidents, initially investigated by TBI, cleared by arrests or exceptional means.

42%	62%	62%	0	62%
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# Department of Safety

## Performance-Based Budget

The Tennessee Department of Safety (TDOS) works to provide safe highways for Tennessee's citizens and visitors by enforcing the laws governing the use of state and federal roads. Development and management of a comprehensive state homeland security strategy also is a function of the department. The department also provides services to motorists, including drivers license issuance, public safety education, and training assistance to local law enforcement officers. Responsibilities of the department focus on the following areas: Administrative and Support Services, Public Services, Investigation and Enforcement, and Education.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### Administrative and Support Services

Administrative and support services includes Administration, Motor Vehicle Operations, Major Maintenance, and Technical Services.

#### 349.01 Administration

The Administration division provides support services for departmental operations, such as fiscal services, internal audit, human resources, supply, and legal services. Legal services administers asset forfeiture cases that arise out of the seizure of property pursuant to drug control and automobile anti-theft laws, and driver improvement hearings.

Full-Time	95	95	93	0	<b>93</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>95</b>	<b>95</b>	<b>93</b>	<b>0</b>	<b>93</b>
Payroll	5,638,900	6,157,200	6,128,700	0	<b>6,128,700</b>
Operational	2,402,500	2,874,600	2,870,200	0	<b>2,870,200</b>
<b>Total</b>	<b>\$8,041,400</b>	<b>\$9,031,800</b>	<b>\$8,998,900</b>	<b>\$0</b>	<b>\$8,998,900</b>
State	7,505,800	8,485,800	8,452,900	0	<b>8,452,900</b>
Federal	1,100	0	0	0	<b>0</b>
Other	534,500	546,000	546,000	0	<b>546,000</b>

**Standard:** Add further avenues for citizens to access the department's services without visiting an office.

**Measure:** Increase the number of online service transactions by a minimum of 3% annually.

-4.8%	3.0%	3.0%	0	3.0%
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**Standard:** Investigate and resolve complaints concerning the department's employees within 60 days.

**Measure:** Percent of complaints concerning TDOS employees resolved within 60 days.

79%	80%	80%	0	80%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 349.07 Motor Vehicle Operations

Motor Vehicle Operations provides all commissioned officers with a vehicle to enforce traffic laws on state roads. The program also provides pool cars for other departmental staff to carry out services, such as school bus inspections, driver training, and repair of communication towers and radio repeater sites.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	9,731,000	9,931,700	9,933,200	0	9,933,200
<b>Total</b>	<b>\$9,731,000</b>	<b>\$9,931,700</b>	<b>\$9,933,200</b>	<b>\$0</b>	<b>\$9,933,200</b>
State	9,731,000	9,931,700	9,933,200	0	9,933,200
Federal	0	0	0	0	0
Other	0	0	0	0	0

**Standard:** Replace pursuit vehicles at 110,000 miles.

**Measure:** Percent of pursuit vehicles operating with mileage in excess of 110,000 miles.

39%	25%	25%	0	25%
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### 349.12 Major Maintenance

Major Maintenance provides funds for maintenance of Department of Safety buildings and other facilities including radio towers, radio repeater sites, and roadside commercial motor vehicle scales.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	9,702,100	10,200	10,200	0	10,200
<b>Total</b>	<b>\$9,702,100</b>	<b>\$10,200</b>	<b>\$10,200</b>	<b>\$0</b>	<b>\$10,200</b>
State	9,702,100	10,200	10,200	0	10,200
Federal	0	0	0	0	0
Other	0	0	0	0	0

**Standard:** Maintain communication sites so that reliable radio coverage is provided for TDOS law enforcement personnel.

**Measure:** Number of communication sites maintained and managed by TDOS.

42	42	42	0	42
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**Standard:** Maintain communication sites so that reliable radio coverage is provided for TDOS law enforcement personnel.

**Measure:** Percent of communication sites inspected a minimum of three times per year.

100%	75%	75%	0	75%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 349.13 Technical Services

The Technical Services division supports departmental information systems, maintains motor vehicle records, identifies frequent traffic violators for license revocation, and analyzes and processes traffic crashes administered by the Highway Patrol and local police agencies.

Full-Time	84	87	86	0	<b>86</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>84</b>	<b>87</b>	<b>86</b>	<b>0</b>	<b>86</b>
Payroll	3,976,500	4,961,900	4,905,800	0	<b>4,905,800</b>
Operational	2,186,100	2,865,800	2,871,200	0	<b>2,871,200</b>
<b>Total</b>	<b>\$6,162,600</b>	<b>\$7,827,700</b>	<b>\$7,777,000</b>	<b>\$0</b>	<b>\$7,777,000</b>
State	38,000	914,800	864,100	0	<b>864,100</b>
Federal	124,400	173,700	173,700	0	<b>173,700</b>
Other	6,000,200	6,739,200	6,739,200	0	<b>6,739,200</b>

**Standard:** Improve the timeliness, completeness, and accuracy of vital traffic records by increasing the percentage received electronically rather than by paper.

**Measure:** Percent of Tennessee court records received electronically.

	49%	75%	75%	0	75%
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**Standard:** Improve the timeliness, completeness, and accuracy of vital traffic records by increasing the percentage received electronically rather than by paper.

**Measure:** Percent of crash reports received electronically.

	60%	50%	50%	0	50%
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## Public Services

### 349.02 Driver License Issuance

Services provided by the Driver License Issuance division include testing and issuing driver licenses to qualifying motorists, school bus drivers, and commercial drivers; monitoring third party commercial driver license testers; administering graduated driver license provisions; issuing handgun carry permits; issuing photo identifications; collecting organ donor information; processing voter registration applications; and registering individuals for the selective service. This division also administers the Financial Responsibility Law, which involves canceling and restoring driving privileges.

Full-Time	436	472	462	0	<b>462</b>
Part-Time	23	23	23	0	<b>23</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>459</b>	<b>495</b>	<b>485</b>	<b>0</b>	<b>485</b>
Payroll	17,333,500	19,189,300	19,937,300	0	<b>19,937,300</b>
Operational	23,787,800	22,232,100	22,791,400	0	<b>22,791,400</b>
<b>Total</b>	<b>\$41,121,300</b>	<b>\$41,421,400</b>	<b>\$42,728,700</b>	<b>\$0</b>	<b>\$42,728,700</b>
State	9,542,200	8,173,600	1,485,900	0	<b>1,485,900</b>
Federal	1,094,000	2,328,100	2,328,100	0	<b>2,328,100</b>
Other	30,485,100	30,919,700	38,914,700	0	<b>38,914,700</b>

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Provide service to customers in a professional, efficient, and timely manner.

**Measure:** Percent of stations that processed applicants within 30 minutes of issuing a ticket from the queuing system.

30%	40%	45%	0	45%
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**Standard:** Increase the percentage of non-test driver license transactions conducted without requiring the customer to visit a driver service center.

**Measure:** Percent of driver license transactions conducted via Internet, mail, or at a county clerk office.

49%	45%	48%	0	48%
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## Investigation and Enforcement

The department's enforcement efforts focus on roadway safety, criminal investigation, and other safety-related functions through the Highway Patrol and Auto Theft Investigations division. In addition, the Office of Homeland Security develops and manages a comprehensive strategy to secure the state from terrorism threats.

### 349.03 Highway Patrol

The Tennessee Highway Patrol (THP) protects the motoring public through the enforcement of all traffic laws and federal and state commercial vehicle standards. THP's enforcement activities include patrolling the highways, issuing citations, investigating and reconstructing traffic crashes, performing searches and seizures, and inspecting and weighing commercial vehicles. Other activities include pupil transportation safety, security of state officials, drug-abuse resistance education, and assistance to educators in reducing gang and individual violence.

Full-Time	1,092	1,080	1,059	0	<b>1,059</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>1,092</b>	<b>1,080</b>	<b>1,059</b>	<b>0</b>	<b>1,059</b>
Payroll	74,941,700	83,829,800	81,988,700	2,192,900	<b>84,181,600</b>
Operational	16,676,100	18,332,500	17,878,200	0	<b>17,878,200</b>
<b>Total</b>	<b>\$91,617,800</b>	<b>\$102,162,300</b>	<b>\$99,866,900</b>	<b>\$2,192,900</b>	<b>\$102,059,800</b>
State	82,688,000	89,168,100	87,172,700	2,192,900	<b>89,365,600</b>
Federal	2,738,600	6,774,600	6,774,600	0	<b>6,774,600</b>
Other	6,191,200	6,219,600	5,919,600	0	<b>5,919,600</b>

**Standard:** Reduce highway fatalities in Tennessee.

**Measure:** Number of fatalities per 100 million vehicular miles traveled.

1.36	1.35	1.41	0	1.41
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**Standard:** Reduce highway fatalities in Tennessee.

**Measure:** Percent of time that THP is able to respond to fatal/injury crashes within 15 minutes.

49.2%	50.0%	50.0%	0	50.0%
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 349.06 Auto Theft Investigations

The Auto Theft Investigations division provides operational funding to support the work led by the Highway Patrol's automobile theft investigations unit. Seized and forfeited vehicles or parts may be sold by the department and the proceeds used to cover operational expenses of combating automobile theft.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	28,300	350,000	350,000	0	350,000
<b>Total</b>	<b>\$28,300</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$0</b>	<b>\$350,000</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	28,300	350,000	350,000	0	350,000

**Standard:** Offset operational expenses for auto theft investigations through proceeds obtained as the result of selling seized property.

**Measure:** Percent of operational expenses for auto theft investigations funded through the sale of seized property.

6.2%	10.0%	10.0%	0	10.0%
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### 349.15 Office of Homeland Security

The Office of Homeland Security develops, coordinates, and implements a comprehensive strategy to secure the State of Tennessee from terrorist threats and attacks. The office has three regional offices, located in East, Middle, and West Tennessee, to assist local officials with planning, training, and conducting exercises; effectively using federal grants; and improving communications. The state also has 11 homeland security districts that provide coordinated multi-county responses to chemical, biological, radiological, and nuclear threats. The office, with Tennessee Bureau of Investigation assistance, operates the Tennessee Fusion Center, which enhances the state's ability to analyze terrorism information and improves information sharing among state, local, and federal agencies.

Full-Time	28	26	26	0	26
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>28</b>	<b>26</b>	<b>26</b>	<b>0</b>	<b>26</b>
Payroll	1,803,900	2,193,900	2,193,900	0	2,193,900
Operational	960,800	4,449,600	3,649,600	0	3,649,600
<b>Total</b>	<b>\$2,764,700</b>	<b>\$6,643,500</b>	<b>\$5,843,500</b>	<b>\$0</b>	<b>\$5,843,500</b>
State	1,409,900	1,692,200	1,692,200	0	1,692,200
Federal	0	0	0	0	0
Other	1,354,800	4,951,300	4,151,300	0	4,151,300

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Train law enforcement, public and private sector officials in terrorism awareness, prevention, protection, and response to terrorist-related events.

**Measure:** Number of public and private sector officials trained in awareness, prevention, and response to terrorist-related events.

	5,305	4,500	5,000	0	5,000
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## Education

The education function includes the divisions of Motorcycle Rider Education and Driver Education.

### 349.04 Motorcycle Rider Education

The Motorcycle Rider Education program promotes safe motorcycling through training, certifying, and monitoring instructors who provide basic and experienced rider courses.

Full-Time	2	2	2	0	2
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>
Payroll	90,000	123,200	123,200	0	123,200
Operational	399,600	427,800	362,000	0	362,000
<b>Total</b>	<b>\$489,600</b>	<b>\$551,000</b>	<b>\$485,200</b>	<b>\$0</b>	<b>\$485,200</b>
State	489,600	471,000	485,200	0	485,200
Federal	0	0	0	0	0
Other	0	80,000	0	0	0

**Standard:** Increase enrollment in the Basic Rider and Experienced Rider courses.

**Measure:** Number of students enrolled in a certified motorcycle rider education course.

	6,857	8,250	7,800	0	7,800
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**Standard:** Ensure the quality of program instruction through annual site visits.

**Measure:** Percent of Motorcycle Rider Education program training sites inspected a minimum of three times per fiscal year.

	70%	75%	75%	0	75%
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### 349.08 Driver Education

Driver Education promotes safety on the highways by developing, promoting, and coordinating programs that increase public awareness of safety on Tennessee highways. The program also regulates commercial driving schools.

Full-Time	2	2	2	0	2
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>
Payroll	120,600	169,400	169,400	2,800	172,200
Operational	73,200	177,700	97,700	0	97,700
<b>Total</b>	<b>\$193,800</b>	<b>\$347,100</b>	<b>\$267,100</b>	<b>\$2,800</b>	<b>\$269,900</b>



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	193,800	267,100	267,100	2,800	<b>269,900</b>
Federal	0	0	0	0	<b>0</b>
Other	0	80,000	0	0	<b>0</b>

**Standard:** Increase public awareness of safe driving principles.

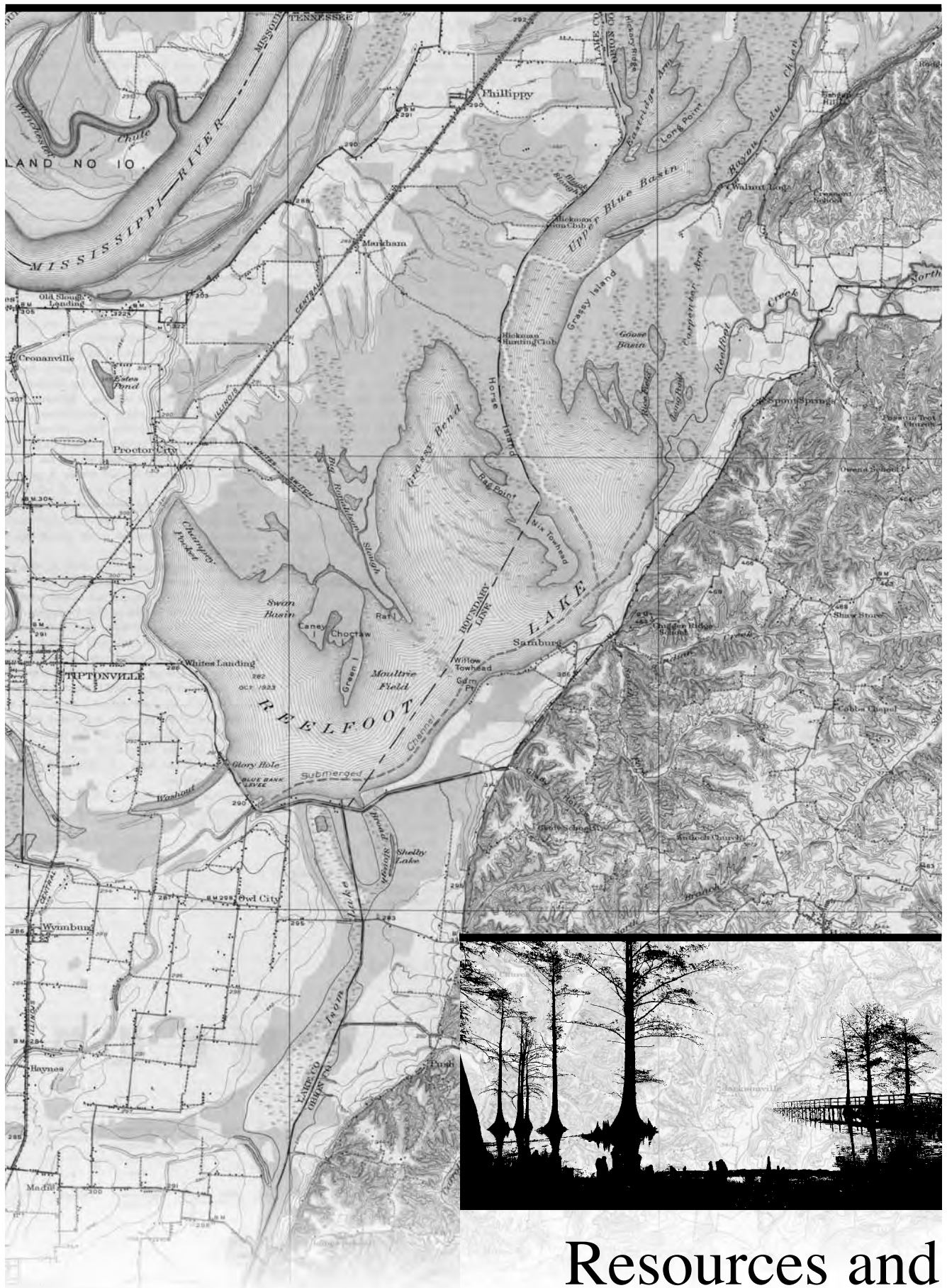
**Measure:** Number of safety education presentations held to promote safe highways.

	3,330	3,500	3,500	0	3,500
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**349.00 Total Safety**

Full-Time	1,739	1,764	1,730	0	<b>1,730</b>
Part-Time	23	23	23	0	<b>23</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>1,762</b>	<b>1,787</b>	<b>1,753</b>	<b>0</b>	<b>1,753</b>
Payroll	103,905,100	116,624,700	115,447,000	2,195,700	<b>117,642,700</b>
Operational	65,947,500	61,652,000	60,813,700	0	<b>60,813,700</b>
<b>Total</b>	<b>\$169,852,600</b>	<b>\$178,276,700</b>	<b>\$176,260,700</b>	<b>\$2,195,700</b>	<b>\$178,456,400</b>
State	121,300,400	119,114,500	110,363,500	2,195,700	<b>112,559,200</b>
Federal	3,958,100	9,276,400	9,276,400	0	<b>9,276,400</b>
Other	44,594,100	49,885,800	56,620,800	0	<b>56,620,800</b>





# Resources and Regulation



# Resources and Regulation



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# Resources and Regulation

Recommended Budget, Fiscal Year 2012 – 2013

**T**he Resources and Regulation functional group includes eight agencies that promote and protect the state's natural, historical, and cultural resources and its consumers and workers.

Three departments promote consumer protection and safety in the work place:

- Department of Commerce and Insurance
- Department of Financial Institutions
- Department of Labor and Workforce Development.

These departments regulate and promote education in businesses and occupations to ensure professionalism and consumer safety; regulate insurance, commercial banking, and money-lending industries to ensure soundness and protect the interests of depositors and policy-holders; and regulate the work place to ensure worker health and safety, fair wages, and compensation for work-related injuries. In addition to these activities, the Department of Commerce and Insurance is responsible for law enforcement personnel training duties.

Three agencies promote and protect cultural and historical resources:

- Tennessee Arts Commission
- Tennessee State Museum
- Tennessee Historical Commission.

Together, these agencies promote interest, education, and participation in the arts through financial support to artists and supporters of the arts; protect and preserve artifacts that are significant to our natural and cultural history; and promote the preservation of and public

access to historical sites across the state through purchase and financial support.

The following two agencies promote and ensure the conservation of Tennessee's agricultural, environmental, and natural resources:

- Department of Environment and Conservation
- Tennessee Wildlife Resources Agency.

These agencies promote preservation of the state's environmental resources, protection from hazardous waste and radiation exposure, and reclamation of abandoned lands; promote recreation on public and private lands, including the state's geological, archaeological, and park resources; protect and conserve all species of wildlife native to the state; administer hunting and boating safety laws; enforce the litter control laws; stabilize river banks; and maintain drainage patterns to conserve agricultural land in West Tennessee.

## Cost Increases and Program Statements

The following section includes: (1) a table on personnel and funding for all agencies in this functional area of state government; (2) a table on recommended budget for each agency by funding source; (3) a statement of recommended cost increases for the ensuing fiscal year; (4) departmental program statements, indicating recommended funding and staffing for the ensuing year, compared with actual amounts for the last year and the amounts budgeted for the current year, and program performance measures.

## Resources and Regulation Total Personnel and Funding

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Recommended 2012-2013</u>
<b>Personnel</b>			
Full Time	5,603	5,552	5,334
Part Time	1,020	1,020	980
Seasonal	329	329	297
<b>TOTAL</b>	<b>6,952</b>	<b>6,901</b>	<b>6,611</b>
<b>Expenditures</b>			
Payroll	\$ 304,310,800	\$ 346,142,200	\$ 340,078,100
Operational	497,891,000	581,022,700	562,741,000
<b>TOTAL</b>	<b>\$ 802,201,800</b>	<b>\$ 927,164,900</b>	<b>\$ 902,819,100</b>
<b>Funding</b>			
State	\$ 330,334,700	\$ 399,347,500	\$ 392,816,400
Federal	316,382,900	329,078,100	318,567,800
Other	155,484,200	198,739,300	191,434,900



**Resources and Regulation**  
**Recommended Budget for Fiscal Year 2012-2013**  
**By Funding Source**

<b>Department</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
316.25 Arts Commission	6,385,600	1,044,000	1,732,200	9,161,800
316.27 State Museum	3,604,300	0	5,000	3,609,300
327.00 Environment and Conservation	175,419,900	72,698,100	108,656,000	356,774,000
328.00 Tennessee Wildlife Resources Agency	50,251,500	21,387,700	7,240,500	78,879,700
335.00 Commerce and Insurance	106,818,100	234,000	61,406,100	168,458,200
336.00 Financial Institutions	8,674,600	0	8,161,100	16,835,700
337.00 Labor and Workforce Development	41,662,400	223,204,000	4,234,000	269,100,400
<b>Total</b>	<b>\$392,816,400</b>	<b>\$318,567,800</b>	<b>\$191,434,900</b>	<b>\$902,819,100</b>

## Resources and Regulation

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>Arts Commission</b>					
• <b>Arts Grants</b>					
To provide funding for arts builds communities, student ticket subsidies, arts education, community enrichment, and other arts grants and program activities. Grant programs promote interest and participation in the performing, visual, and literacy arts by developing cultural resources across the state. Funding is non-recurring from the Arts license plate reserve. An additional core services base adjustment of \$674,900 (\$374,900 recurring from the general fund and \$300,000 non-recurring from the dedicated license plate reserve) restores reductions made in previous years.					
<b>316.25 Arts Commission</b>	\$0	\$0	\$1,194,400	\$1,194,400	0
<b>Sub-total</b>	\$0	\$0	\$1,194,400	\$1,194,400	0
<b>Total Arts Commission</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,194,400</b>	<b>\$1,194,400</b>	<b>0</b>

### State Museum

• <b>Emancipation Proclamation Exhibit</b>					
To provide funding for the State Museum exhibition celebrating the 150th anniversary of the Emancipation Proclamation. The Emancipation Proclamation will be available for viewing for six days in 2013. Tennessee will be the only state in the southeast to display the document.					
<b>316.27 State Museum</b>	\$150,000	\$0	\$0	\$150,000	0
<b>Sub-total</b>	\$150,000	\$0	\$0	\$150,000	0
<b>Total State Museum</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$150,000</b>	<b>0</b>

### Environment and Conservation

• <b>Clean Water and Drinking Water</b>					
To provide additional state funds to fully match the federal allocation available for the Clean Water and Drinking Water State Revolving Fund program. To be eligible for the federal funds, the state must provide a 20 percent match. Funding will be used to provide low interest loans to local governments for waste water and drinking water facility improvements.					
<b>327.33 Clean Water and Drinking Water State Revolving Fund</b>	\$1,415,000	\$0	\$0	\$1,415,000	0
<b>Sub-total</b>	\$1,415,000	\$0	\$0	\$1,415,000	0
• <b>Underground Storage Tanks</b>					
To restore dedicated funding to the Underground Storage Tank Fund that was diverted to the General Fund in fiscal years 2010 through 2012. This program is responsible for regulating and inspecting underground storage tanks and has oversight over assessment and remediation of petroleum contamination caused by leaking underground storage tanks.					
<b>327.41 Underground Storage Tanks</b>	\$3,000,000	\$0	\$0	\$3,000,000	0
<b>Sub-total</b>	\$3,000,000	\$0	\$0	\$3,000,000	0

## Resources and Regulation

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Solid Waste Assistance</b>					
To restore dedicated funding to the Solid Waste Assistance program that was diverted to the General Fund in fiscal years 2010 through 2012. The Solid Waste Assistance program assists in the implementation of the Solid Waste Management Act and provides financial assistance and special services to local governments to ensure compliance with the law.					
<b>327.42 Solid Waste Assistance</b>	\$2,600,000	\$0	\$0	\$2,600,000	0
<b>Sub-total</b>	\$2,600,000	\$0	\$0	\$2,600,000	0
<b>Total Environment and Conservation</b>	<b>\$7,015,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,015,000</b>	<b>0</b>

### Tennessee Wildlife Resources Agency

#### • Statutory Step Raises

To provide funds for salary step increases for the agency's officers, biologists, and other unique positions, as authorized by TCA 70-1-309.

<b>328.01 Wildlife Resources Agency</b>	\$373,300	\$0	\$0	\$373,300	0
<b>328.02 Boating Safety</b>	\$50,900	\$0	\$0	\$50,900	0
<b>Sub-total</b>	\$424,200	\$0	\$0	\$424,200	0

#### • Salary Survey

To provide funding for a 2.5 percent salary increase for the annual salary survey for the agency's officers, biologists, and other unique positions.

<b>328.01 Wildlife Resources Agency</b>	\$640,900	\$0	\$0	\$640,900	0
<b>328.02 Boating Safety</b>	\$87,400	\$0	\$0	\$87,400	0
<b>Sub-total</b>	\$728,300	\$0	\$0	\$728,300	0

<b>Total Tennessee Wildlife Resources Agency</b>	<b>\$1,152,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,152,500</b>	<b>0</b>
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### Commerce and Insurance

#### • 911 Infrastructure Modernization Program [NG-911]

To continue the state's investment in the modernization of Tennessee's E-911 system. Funds will be used to upgrade the state's E-911 system infrastructure from analog to digital to take advantage of widespread improvements in telecommunications technology. The Next Generation 911 (NG911) system will enhance inter-operability and increase the ease of communication between the state's 100 emergency communication districts, allowing immediate transfer of 911 calls, maps, photos, caller information, and other data. Funding is from dedicated fees, with \$8,742,100 non-recurring from the E-911 reserve.

<b>335.08 911 Emergency Communications Fund</b>	\$2,041,200	\$0	\$8,742,100	\$10,783,300	0
<b>Sub-total</b>	\$2,041,200	\$0	\$8,742,100	\$10,783,300	0

## Resources and Regulation

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Statutory Salary Step Increases</b>					
To fund the mandated annual trooper salary step increase, pursuant to TCA 4-7-206.					
<b>335.11 Tennessee Law Enforcement Training Academy</b>	\$14,900	\$0	\$0	\$14,900	0
<b>Sub-total</b>	\$14,900	\$0	\$0	\$14,900	0
<b>• Salary Survey</b>					
To provide funding for a 2.5 percent salary increase for the annual salary survey for the agency's commissioned officers.					
<b>335.11 Tennessee Law Enforcement Training Academy</b>	\$21,300	\$0	\$0	\$21,300	0
<b>Sub-total</b>	\$21,300	\$0	\$0	\$21,300	0
<b>• Police Pay Supplement</b>					
To provide funding for police pay supplements (TCA 38-8-111(a)). Local police officers are eligible for the annual pay supplement (\$600) upon successful completion of at least 40 hours of in-service training.					
<b>335.12 POST Commission</b>	\$149,400	\$0	\$0	\$149,400	0
<b>Sub-total</b>	\$149,400	\$0	\$0	\$149,400	0
<b>• Administration Legislation - Law Enforcement Death Benefit Payment</b>					
To provide funding to broaden the eligibility standards for compensation to the estates of law enforcement officers who die in the line of duty pursuant to TCA 7-51-208.					
<b>335.12 POST Commission</b>	\$25,000	\$0	\$0	\$25,000	0
<b>Sub-total</b>	\$25,000	\$0	\$0	\$25,000	0
<b>Total Commerce and Insurance</b>	<b>\$2,251,800</b>	<b>\$0</b>	<b>\$8,742,100</b>	<b>\$10,993,900</b>	<b>0</b>

## Labor and Workforce Development

### • Southeast Consortium for Unemployment Benefits Integration

To provide funding to build and implement an integrated unemployment insurance benefits system designed by the Southeast Consortium for Unemployment Benefits Integration (SCUBI). The participating states are Tennessee, Georgia, North Carolina, and South Carolina with Tennessee serving as the lead state. The modernized benefits system will reduce system-related over-payments and reduce time spent posting, reconciling, and compiling over-payment data. The total award for Tennessee is \$51,493,000, of which \$1,362,100 is addressed as a fiscal year 2012 expansion.

<b>337.10 Employment Security</b>	\$0	\$50,130,900	\$0	\$50,130,900	10
<b>Sub-total</b>	\$0	\$50,130,900	\$0	\$50,130,900	10

## Resources and Regulation

### Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>• Labor Market and Career Information Website</b>					
To provide non-recurring funding for improvements to the labor market and career information website named "The Source." Funds will be used to show all available jobs from national job boards; local job boards; green job boards; fortune 100 companies; federal, state, and local government sites; national recruiters; military branch sites; major hospitals; major nonprofits; newspapers; volunteer sites; chambers of commerce; and websites of major employers.					
<b>337.01 Administration</b>	\$243,500	\$0	\$0	\$243,500	0
<b>Sub-total</b>	\$243,500	\$0	\$0	\$243,500	0
<b>• Military Spouses' Unemployment Insurance</b>					
To provide funding to allow spouses of military personnel to receive unemployment benefits when their spouse is relocated to another military post.					
<b>337.10 Employment Security</b>	\$280,000	\$0	\$0	\$280,000	0
<b>Sub-total</b>	\$280,000	\$0	\$0	\$280,000	0
<b>• Workers' Compensation Study</b>					
To provide funding for a comprehensive reform study of Workers' Compensation laws.					
<b>337.03 Workers' Compensation</b>	\$150,000	\$0	\$0	\$150,000	0
<b>Sub-total</b>	\$150,000	\$0	\$0	\$150,000	0
<b>Total Labor and Workforce Development</b>	<b>\$673,500</b>	<b>\$50,130,900</b>	<b>\$0</b>	<b>\$50,804,400</b>	<b>10</b>
<b>Total Resources and Regulation</b>	<b>\$11,242,800</b>	<b>\$50,130,900</b>	<b>\$9,936,500</b>	<b>\$71,310,200</b>	<b>10</b>

# Arts Commission

## Performance-Based Budget

The Tennessee Arts Commission promotes interest and participation in the performing, visual, and literary arts by developing cultural resources across the state. The commission provides financial support to artists, arts organizations, and arts supporters through various grant programs and by matching private contributions with federal funds to provide technical assistance and other services.

The commission and its professional staff provide opportunities in the arts for all Tennesseans, especially children. These opportunities include workshops, competitions, and student ticket subsidies for productions across the state. Newsletters and special publications are used to increase public awareness. The Arts Commission also provides program and operational support to the Tennessee State Museum.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.25 Arts Commission</b>					
Full-Time	20	20	20	0	20
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>0</b>	<b>20</b>
Payroll	1,175,700	1,257,100	1,257,100	0	1,257,100
Operational	7,259,700	8,231,400	6,710,300	1,194,400	7,904,700
<b>Total</b>	<b>\$8,435,400</b>	<b>\$9,488,500</b>	<b>\$7,967,400</b>	<b>\$1,194,400</b>	<b>\$9,161,800</b>
State	6,190,700	6,465,200	6,385,600	0	6,385,600
Federal	1,261,800	1,044,000	1,044,000	0	1,044,000
Other	982,900	1,979,300	537,800	1,194,400	1,732,200

**Standard:** Support a full spectrum of arts activities across Tennessee.

**Measure:** Percent of national standard arts disciplines receiving support.

100%	100%	100%	0	100%
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**Standard:** Facilitate successful completion of grant projects to benefit Tennessee communities.

**Measure:** Percent of grantees successfully completing arts projects that benefit their communities.

97%	95%	95%	0	95%
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# State Museum

## Performance-Based Budget

The Tennessee State Museum was created by public law in 1937 to bring together all the collections already owned or managed by the state. The State Museum's mandate is to "procure, preserve, exhibit and interpret objects which relate to the social, political, economic, and cultural history of Tennessee and Tennesseans and to provide exhibitions and programs for the educational and cultural enrichment of the citizens of the state."

The State Museum, located in Nashville, collects, preserves, interprets, and exhibits artifacts that are significant to the natural and cultural history of the state. Through the acquisition, restoration, and stewardship of the collection, the museum's professional staff provides Tennesseans with numerous educational and cultural experiences. Many of the programs reach school-aged children across the state.

The museum secures and sponsors exhibits of distinction from renowned artists and collections to further enrich the citizens of the state. The museum provides technical assistance in conserving and restoring artifacts for historical sites and other museums and organizations in the state. The State Museum maintains administrative oversight of the National Civil Rights Museum in Memphis.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.27 State Museum</b>					
Full-Time	47	47	43	0	43
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>47</b>	<b>47</b>	<b>43</b>	<b>0</b>	<b>43</b>
Payroll	2,137,100	2,421,000	2,234,300	0	2,234,300
Operational	1,699,800	1,701,100	1,225,000	150,000	1,375,000
<b>Total</b>	<b>\$3,836,900</b>	<b>\$4,122,100</b>	<b>\$3,459,300</b>	<b>\$150,000</b>	<b>\$3,609,300</b>
State	3,696,800	3,878,100	3,454,300	150,000	3,604,300
Federal	125,200	239,000	0	0	0
Other	14,900	5,000	5,000	0	5,000

**Standard:** The museum will expose citizens and visitors to the cultural heritage of Tennessee through tours of the museum's permanent, special, and traveling exhibitions, as well as the Tennessee State Capitol.

**Measure:** Number of visitors who toured museum facilities for educational or cultural enrichment.

	130,518	100,000	100,000	0	100,000
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**Standard:** The museum will showcase art and/or artifacts of unique cultural value to statewide audiences by providing changing exhibitions with a focus on Tennessee history.

**Measure:** Number of temporary changing exhibitions dedicated to Tennessee or cultural significance.

	11	3	3	0	3
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# Department of Environment and Conservation

## Performance-Based Budget

The Department of Environment and Conservation enhances the quality of life for all Tennesseans by protecting, preserving, and improving the quality of Tennessee's air, land, and water; providing an understandable and responsive regulatory system; conserving and promoting Tennessee's natural and cultural resources; and providing a variety of quality recreational experiences. The department has three bureaus: Administration, Tennessee State Parks and Conservation Services, and Environment.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administration

#### 327.01 Administrative Services

The Administrative Services division provides departmental management and support services including policy, planning, fiscal services, human resources, information systems, internal audit, legal services, marketing development, and public information. The program also publishes the Tennessee Conservationist magazine, which features articles and photography regarding the protection of the state's natural and cultural resources.

Full-Time	204	196	190	0	190
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>204</b>	<b>196</b>	<b>190</b>	<b>0</b>	<b>190</b>
Payroll	12,215,600	13,268,500	12,893,300	0	12,893,300
Operational	3,727,000	3,045,500	3,069,600	0	3,069,600
<b>Total</b>	<b>\$15,942,600</b>	<b>\$16,314,000</b>	<b>\$15,962,900</b>	<b>\$0</b>	<b>\$15,962,900</b>
State	6,161,300	5,828,200	5,505,700	0	5,505,700
Federal	3,128,100	2,631,400	2,631,400	0	2,631,400
Other	6,653,200	7,854,400	7,825,800	0	7,825,800

**Standard:** Maintain the percentage of Administration's actual expenditures as compared to department's total expenditures.

**Measure:** Percent increase in Administration's actual expenditures as compared to department's total expenditures.

0%	0%	0%	0	0%
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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## Tennessee State Parks and Conservation Services

Tennessee State Parks and Conservation Services provides a variety of services that maintain state natural areas for preservation, historical significance, and outdoor enjoyment.

### 327.03 Recreation Educational Services

The Recreation Educational Services division assists public recreation providers and promotes recreation development through grants, technical assistance, and monitoring local and state planning efforts. The program houses the Parks and Recreation Technical Advisory Service to specifically assist county and municipal governments and other recreation providers.

Full-Time	14	14	14	0	14
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>0</b>	<b>14</b>
Payroll	784,000	905,200	905,200	0	905,200
Operational	3,912,800	4,359,200	4,359,400	0	4,359,400
<b>Total</b>	<b>\$4,696,800</b>	<b>\$5,264,400</b>	<b>\$5,264,600</b>	<b>\$0</b>	<b>\$5,264,600</b>
State	455,900	788,600	788,800	0	788,800
Federal	3,249,100	2,291,300	2,291,300	0	2,291,300
Other	991,800	2,184,500	2,184,500	0	2,184,500

**Standard:** Increase the number of counties that develop or expand a local, state, or federal trail or greenway system.

**Measure:** Number of counties and municipalities that develop or expand a local, state, or federal trail or greenway system.

	148	150	155	0	155
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**Standard:** Increase the number of counties or municipalities in underserved areas that create an organized parks and recreation delivery system.

**Measure:** Number of counties or municipalities in underserved areas that create an organized parks and recreation delivery system.

	79	81	82	0	82
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### 327.04 Historical Commission

The Tennessee Historical Commission administers state historic sites; places historical markers that denote important locations, persons, and events; assists in publication projects; and promotes preservation and interpretation of structures, buildings, sites, and battlefields. The commission implements the National Historic Preservation Act.

Full-Time	15	15	15	0	15
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>0</b>	<b>15</b>
Payroll	876,400	910,000	910,000	0	910,000
Operational	4,156,000	2,718,100	1,828,200	0	1,828,200
<b>Total</b>	<b>\$5,032,400</b>	<b>\$3,628,100</b>	<b>\$2,738,200</b>	<b>\$0</b>	<b>\$2,738,200</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	2,280,600	3,123,500	2,233,600	0	<b>2,233,600</b>
Federal	2,726,200	499,600	499,600	0	<b>499,600</b>
Other	25,600	5,000	5,000	0	<b>5,000</b>

**Standard:** Survey and add properties to the National Register of Historic Places.

**Measure:** Number of properties added to the National Register of Historic Places.

	485	250	250	0	250
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**Standard:** Review projects to ensure they are in compliance with the National Historic Preservation Act of 1966 as amended. (The U.S. National Park Service requires 95% or greater response within 30 calendar days.)

**Measure:** Percent of review and compliance projects reviewed within 30 calendar days from date of formal receipt.

	99%	100%	100%	0	100%
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### 327.06 Land and Water Conservation Fund

The Land and Water Conservation Fund provides grants to assist in preserving, developing, and assuring accessibility to outdoor recreation resources. This federal program provides grants for the acquisition and development of public outdoor recreation areas and facilities. The Recreation Educational Services Division administers these grants to local governments and agencies that provide recreational areas and parks.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	100,000	750,000	750,000	0	<b>750,000</b>
<b>Total</b>	<b>\$100,000</b>	<b>\$750,000</b>	<b>\$750,000</b>	<b>\$0</b>	<b>\$750,000</b>
State	0	0	0	0	<b>0</b>
Federal	100,000	750,000	750,000	0	<b>750,000</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Maintain, at 95%, the annual allocation to be used for acquisition, development, or acquisition/development projects.

**Measure:** Percent of annual allocation to be used for acquisition and/or development projects.

	100%	95%	95%	0	95%
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### 327.18 Maintenance of Historic Sites

The Maintenance of Historic Sites program ensures that state-owned historical sites are properly maintained according to historic preservation standards and for visitation by the public. Sites are maintained through contractual agreements between the Tennessee Historical Commission and non-profit organizations.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	0	0	0	0	0
Operational	237,200	285,000	285,000	0	285,000
<b>Total</b>	<b>\$237,200</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$0</b>	<b>\$285,000</b>
State	225,700	285,000	285,000	0	285,000
Federal	0	0	0	0	0
Other	11,500	0	0	0	0

**Standard:** Maintain the 15 state-owned historic sites according to historic preservation standards for visitation by the public.

**Measure:** Percent of state-owned sites where maintenance projects are initiated within one year of a formal request.

100%                      100%                      100%                      0                      100%

### 327.08 Archaeology

The Archaeology program operates a statewide program of archaeological surveying, excavation, research, publication of findings, custodianship of artifacts, and educational programs. The program is a primary source of information and advice on archaeological matters for the public, professional archaeologists, museums, state agencies, law enforcement agencies, and the private development community. The state reviews all federal undertakings to determine their effect on archaeological sites.

Full-Time	9	9	9	0	9
Part-Time	0	0	0	0	0
Seasonal	5	5	0	0	0
<b>Total</b>	<b>14</b>	<b>14</b>	<b>9</b>	<b>0</b>	<b>9</b>
Payroll	591,700	717,100	679,600	0	679,600
Operational	137,400	187,300	187,400	0	187,400
<b>Total</b>	<b>\$729,100</b>	<b>\$904,400</b>	<b>\$867,000</b>	<b>\$0</b>	<b>\$867,000</b>
State	643,700	806,400	806,500	0	806,500
Federal	0	0	0	0	0
Other	85,400	98,000	60,500	0	60,500

**Standard:** Respond to all requests for opinions, recommendations, site visits, and archaeological information within 30 days.

**Measure:** Percentage of responses within 30 days to all requests for opinions, recommendations, site visits, and archaeological information.

100%                      99%                      99%                      0                      99%

### 327.12 Tennessee State Parks

The Tennessee State Parks program protects, conserves, and manages natural, cultural, and historic resources in 54 state parks located throughout Tennessee. State parks provide opportunities for the public to enjoy outdoor recreation through a variety of activities in rustic, day-use, and resort parks. Rustic and day-use parks provide recreation through swimming, fishing, rafting, camping, and hiking. Resort parks provide inns, restaurants, golf courses, marinas, camping, and other recreational activities.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	1,055	1,054	976	0	976
Part-Time	246	246	241	0	241
Seasonal	324	324	297	0	297
<b>Total</b>	<b>1,625</b>	<b>1,624</b>	<b>1,514</b>	<b>0</b>	<b>1,514</b>
Payroll	47,601,700	50,027,300	48,788,200	0	48,788,200
Operational	32,473,800	29,314,500	29,195,100	0	29,195,100
<b>Total</b>	<b>\$80,075,500</b>	<b>\$79,341,800</b>	<b>\$77,983,300</b>	<b>\$0</b>	<b>\$77,983,300</b>
State	43,769,700	43,128,100	41,151,700	0	41,151,700
Federal	118,400	143,000	121,000	0	121,000
Other	36,187,400	36,070,700	36,710,600	0	36,710,600

**Standard:** Improve self-sufficiency in state parks resort facilities.

**Measure:** Percent of operational self-sufficiency at all Tennessee State Parks' resort facilities (cabins, camping, inns, restaurants, golf courses, gift shops, and marinas).

100%	100%	100%	0	100%
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**Standard:** Protect and preserve Tennessee's biological diversity of plant life.

**Measure:** Percent of targeted rare plant species (S1, S2, and federal listed) with a minimum of at least one protected population in at least one designated or registered state natural area and/or scenic river.

38%	41%	43%	0	43%
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### 327.15 State Parks Maintenance

The State Parks Maintenance program provides funds for maintenance projects at state parks. These projects, because of cost or duration, do not meet the criteria for capital maintenance, for which funds are separately provided in the capital budget.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	2,024,200	2,498,700	2,214,100	0	2,214,100
<b>Total</b>	<b>\$2,024,200</b>	<b>\$2,498,700</b>	<b>\$2,214,100</b>	<b>\$0</b>	<b>\$2,214,100</b>
State	1,853,900	2,214,100	2,214,100	0	2,214,100
Federal	1,300	169,600	0	0	0
Other	169,000	115,000	0	0	0

**Standard:** Effectively complete maintenance projects and coordinate major emergency repairs with available funds.

**Measure:** Percent of major maintenance funds encumbered or spent.

99%	95%	95%	0	95%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 327.17 Elk River Resource Management

The Elk River Resource Management program addresses the preservation and disposition of 6,400 acres of land formerly owned by the Tennessee Valley Authority and the Tennessee Elk River Development Agency. The department distributes the proceeds of Elk River land sales and leases to ten counties in the Elk River watershed.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	623,900	0	0	0	0
<b>Total</b>	<b>\$623,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	623,900	0	0	0	0

### 327.19 Local Parks Acquisition Fund

The Local Parks Acquisition Fund, administered in conjunction with the Department of Agriculture and the Tennessee Wildlife Resources Agency, provides funds for grants to county and municipal governments for the purchase of land for parks, natural areas, greenways, and other recreational facilities. Funding for these grants comes from the real estate transfer tax. Local governments must match the grant on a one-to-one basis.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	2,011,500	3,718,700	3,718,700	0	3,718,700
<b>Total</b>	<b>\$2,011,500</b>	<b>\$3,718,700</b>	<b>\$3,718,700</b>	<b>\$0</b>	<b>\$3,718,700</b>
State	1,994,600	3,718,700	3,718,700	0	3,718,700
Federal	0	0	0	0	0
Other	16,900	0	0	0	0

**Standard:** Effectively and efficiently distribute grants to local governments.

**Measure:** Percent of funds awarded in biennial grant cycle. (Note: Grants are awarded once every other year.)

97%	Not Applicable	95%	0	95%
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### 327.20 State Lands Acquisition Fund

The State Lands Acquisition Fund, administered in conjunction with the Department of Agriculture and the Tennessee Wildlife Resources Agency, provides funds for the acquisition of land for state parks, forests, natural areas, boundary areas along scenic rivers, and easement protection for these areas. Funding also supports trail construction at these sites and historic preservation of old theatres. Funding for these grants comes from the real estate transfer tax.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	4,973,300	3,087,500	3,087,500	0	3,087,500
<b>Total</b>	<b>\$4,973,300</b>	<b>\$3,087,500</b>	<b>\$3,087,500</b>	<b>\$0</b>	<b>\$3,087,500</b>
State	3,112,500	3,087,500	3,087,500	0	3,087,500
Federal	0	0	0	0	0
Other	1,860,800	0	0	0	0

**Standard:** Complete by canceling or closing State Building Commission approved acquisitions within one year of approval.

**Measure:** Percent of State Building Commission approved projects where the acquisition is completed or cancelled within one year.

85%	85%	85%	0	85%
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### 327.22 State Lands Compensation Fund

The funds for this program come from the State Lands Acquisition Fund and are used to make in-lieu-of-tax payments to local governments, recognizing the loss of local property taxes resulting from the purchase of land by the state.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	86,600	100,000	100,000	0	100,000
<b>Total</b>	<b>\$86,600</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$100,000</b>
State	75,000	100,000	100,000	0	100,000
Federal	0	0	0	0	0
Other	11,600	0	0	0	0

**Standard:** Make payment of State Lands Compensation Fund money within a 30-day period of time upon receipt of notification from the Department of Finance and Administration. Current policy requires this within a 90-day period.

**Measure:** Percent of funds released to local governments within 30 days of notification from the Department of Finance and Administration.

100%	100%	100%	0	100%
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### 327.50 Tennessee Heritage Conservation Trust Fund

The Tennessee Heritage Conservation Trust Fund was established in 2005 to protect and conserve significant natural areas throughout Tennessee. Through strategic partnerships with landowners, government agencies, non-profit organizations, and private companies, the program provides funds for acquisition of property and easements that preserve and protect the state's physical, cultural, archaeological, historical, and environmental resources.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	587,400	1,000,000	1,000,000	0	1,000,000
<b>Total</b>	<b>\$587,400</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$0</b>	<b>\$1,000,000</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	587,400	1,000,000	1,000,000	0	1,000,000

**Standard:** Preserve undeveloped open spaces, undeveloped natural areas, and state's heritage because of their importance to citizens' physical and mental health.

**Measure:** Acres conserved (obligations).

328	1,000	Not Applicable	0	Not Applicable
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**Standard:** Use state dollars to leverage funds from partners to support projects that preserve open spaces and state's heritage.

**Measure:** Partner dollars leveraged with state funds (obligations).

\$1,200,000	\$1,250,000	Not Applicable	0	Not Applicable
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### 327.51 Conservation Compensation Fund

The Conservation Compensation Fund provides in-lieu-of-tax payments to local governments to offset the loss of local property taxes on land acquired by the state through the Heritage Conservation Trust Fund.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	12,000	42,000	42,000	0	42,000
<b>Total</b>	<b>\$12,000</b>	<b>\$42,000</b>	<b>\$42,000</b>	<b>\$0</b>	<b>\$42,000</b>
State	11,000	42,000	42,000	0	42,000
Federal	0	0	0	0	0
Other	1,000	0	0	0	0

**Standard:** Make in-lieu-of-tax payments to local governments within a 90-day period of time upon receipt of notification from the Department of Finance and Administration.

**Measure:** Percent of funds released to local governments within 30 days of notification from the Department of Finance and Administration. Current policy requires this within a 90-day period.

100%	100%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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## Environment

The environmental programs in the department are responsible for the preservation and enhancement of the state's environmental resources and for ensuring compliance with state and federal regulations.

### 327.30 Environment Administration

Environment Administration serves as the central organizational unit, providing policy direction and oversight for all environmental activities of the department.

Full-Time	82	80	76	0	76
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>82</b>	<b>80</b>	<b>76</b>	<b>0</b>	<b>76</b>
Payroll	4,413,700	4,637,700	4,511,400	0	4,511,400
Operational	866,300	742,200	742,700	0	742,700
<b>Total</b>	<b>\$5,280,000</b>	<b>\$5,379,900</b>	<b>\$5,254,100</b>	<b>\$0</b>	<b>\$5,254,100</b>
State	1,430,500	1,339,200	1,260,300	0	1,260,300
Federal	60,000	0	0	0	0
Other	3,789,500	4,040,700	3,993,800	0	3,993,800

**Standard:** Maintain and coordinate issuance of enforcement orders to achieve accurate and prompt issuance and deter non-compliance within the regulated community.

**Measure:** Number of enforcement orders issued to achieve accurate and prompt issuance and deter non-compliance within the regulated community.

	815	700	700	0	700
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### 327.11 Geology

The Geology division maps and identifies mineral resources, geology, and geological hazards across the state. The division also serves as a clearinghouse for geological information. Study results are published and distributed in the form of maps and reports. The program maps mineral deposits including coal, oil, and gas and maintains production records for oil and gas wells. The program is a primary source of information, advice, and education about Tennessee's geology, mineral resources, geological hazards, and oil and gas activity for the public, schools, professional geologists, state and federal agencies, environmental regulators, and industries.

Full-Time	13	13	10	0	10
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>13</b>	<b>13</b>	<b>10</b>	<b>0</b>	<b>10</b>
Payroll	803,200	884,200	742,100	0	742,100
Operational	259,000	283,600	271,900	0	271,900
<b>Total</b>	<b>\$1,062,200</b>	<b>\$1,167,800</b>	<b>\$1,014,000</b>	<b>\$0</b>	<b>\$1,014,000</b>
State	375,700	472,300	366,400	0	366,400
Federal	107,400	92,400	92,400	0	92,400
Other	579,100	603,100	555,200	0	555,200



<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Complete four geologic maps and reports for public distribution.

**Measure:** Number of geologic maps and reports completed.

3	4	3	0	3
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**Standard:** Perform 100% of requested geologic hazard assessments.

**Measure:** Percent of requests for geologic hazard assessments conducted.

100%	100%	100%	0	100%
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### 327.23 Used Oil Collection Program

The Used Oil Collection Program promotes the proper disposal of used oil, and staff of the division of Solid Waste Management inspects used oil facilities. The program provides technical and financial assistance to local governments and private agencies that provide used oil collection centers. The program also provides general information to the public on proper disposal of oil, location of oil disposal facilities, and other information pertinent to the proper handling of oil.

Full-Time	4	4	4	0	4
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>4</b>
Payroll	118,200	259,000	259,000	0	259,000
Operational	232,100	1,301,700	842,000	0	842,000
<b>Total</b>	<b>\$350,300</b>	<b>\$1,560,700</b>	<b>\$1,101,000</b>	<b>\$0</b>	<b>\$1,101,000</b>
State	350,100	1,326,800	1,100,000	0	1,100,000
Federal	0	0	0	0	0
Other	200	233,900	1,000	0	1,000

**Standard:** Increase the percent of used oil being collected from do-it-yourselfers for reuse and recycling.

**Measure:** Percent per year increase of used oil collected for reuse and/or recycling.

4%	4%	4%	0	4%
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### 327.26 West Tennessee River Basin Authority

The West Tennessee River Basin Authority (WTRBA), administratively attached to the Department of Environment and Conservation and governed by a board of directors, works to preserve the natural flow and function of the Hatchie, Obion, and Forked Deer rivers. Services include environmentally sensitive stream maintenance in the river basins; maintenance of flood control sediment retention structures; collection of timber easements; and restoration, in a self-sustaining manner, of natural streams and floodplains.

Full-Time	18	17	16	0	16
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>18</b>	<b>17</b>	<b>16</b>	<b>0</b>	<b>16</b>
Payroll	740,200	981,600	921,800	0	921,800
Operational	485,700	503,700	403,800	0	403,800
<b>Total</b>	<b>\$1,225,900</b>	<b>\$1,485,300</b>	<b>\$1,325,600</b>	<b>\$0</b>	<b>\$1,325,600</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	926,800	1,131,300	937,200	0	<b>937,200</b>
Federal	0	0	0	0	<b>0</b>
Other	299,100	354,000	388,400	0	<b>388,400</b>

**Standard:** Perform environmentally sensitive stream maintenance and continue routine maintenance on infrastructure.

**Measure:** Number of flood control/sediment retention minor maintenance projects (mowing, resolving annual inspection issues, and structural deficiencies) completed.

	65	55	55	0	55
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### 327.24 West Tennessee River Basin Authority Maintenance

The West Tennessee River Basin Authority Maintenance program provides funds for maintenance projects for the West Tennessee River Basin Authority. These projects ensure the safe and efficient operation of flood control structures such as dams, sediment retention structures, and grade control structures.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	861,500	1,215,400	580,400	0	<b>580,400</b>
<b>Total</b>	<b>\$861,500</b>	<b>\$1,215,400</b>	<b>\$580,400</b>	<b>\$0</b>	<b>\$580,400</b>
State	861,500	1,215,400	580,400	0	<b>580,400</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Perform major maintenance on structures and construct stream-floodplain restoration projects throughout West Tennessee.

**Measure:** Number of major maintenance or stream-floodplain restoration projects completed.

	3	3	3	0	3
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### 327.28 Tennessee Dry Cleaners Environmental Response Fund

The Tennessee Dry Cleaners Environmental Response Fund provides funds for the cost of oversight, investigation, and remediation of eligible properties contaminated with solvents from currently operating and former dry cleaning facilities. Dry cleaners are required to use practices that minimize the release of dry cleaning solvent.

Full-Time	5	5	5	0	<b>5</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>
Payroll	167,500	466,500	466,500	0	<b>466,500</b>
Operational	560,600	2,056,400	1,433,500	0	<b>1,433,500</b>
<b>Total</b>	<b>\$728,100</b>	<b>\$2,522,900</b>	<b>\$1,900,000</b>	<b>\$0</b>	<b>\$1,900,000</b>
State	725,200	2,522,900	1,900,000	0	<b>1,900,000</b>
Federal	0	0	0	0	<b>0</b>
Other	2,900	0	0	0	<b>0</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Oversee the cleanup of dry cleaning solvent impacted sites that are progressing toward cleanup through ongoing environmental response activities.

**Measure:** Percent of identified dry cleaning remediation sites at which cleanup has been initiated.

	67%	35%	35%	0	35%
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### 327.31 Air Pollution Control

The Air Pollution Control division regulates air contaminants that are emitted into the atmosphere. State, local, and federal agencies monitor air quality at several sites across the state to determine if public health and welfare are protected. Mobile sources of air pollution are subject to a vehicle emission testing program in areas of the state that need the most stringent degree of regulation to meet air quality standards. The state coordinates its air pollution control efforts with the four local government air pollution control programs in Shelby, Davidson, Hamilton, and Knox counties.

Full-Time	149	149	128	0	128
Part-Time	12	12	12	0	12
Seasonal	0	0	0	0	0
<b>Total</b>	<b>161</b>	<b>161</b>	<b>140</b>	<b>0</b>	<b>140</b>
Payroll	8,381,000	10,380,300	9,380,700	0	9,380,700
Operational	4,609,300	9,337,200	8,264,100	0	8,264,100
<b>Total</b>	<b>\$12,990,300</b>	<b>\$19,717,500</b>	<b>\$17,644,800</b>	<b>\$0</b>	<b>\$17,644,800</b>
State	624,500	1,200,500	1,082,400	0	1,082,400
Federal	3,207,500	1,239,500	1,239,500	0	1,239,500
Other	9,158,300	17,277,500	15,322,900	0	15,322,900

**Standard:** Attain the March 12, 2008 EPA national ambient air quality standard (0.075 parts per million) for ozone by the yet to be determined EPA attainment dates, or earlier if EPA approves the use of Early Action Compacts.

**Measure:** Average design values of all ozone-monitoring sites in the state for ozone ambient concentrations in parts per million (ppm).

	0.072 ppm	0.077 ppm	0.076 ppm	0	0.076 ppm
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**Standard:** Attain the new, more restrictive EPA national ambient air quality standard (annual average of 15 µg/m<sup>3</sup> and daily average of 35 µg/m<sup>3</sup>) for fine particulate matter at all monitors in the state by the EPA attainment dates.

**Measure:** Average design values of all ozone-monitoring sites in the state for ozone ambient concentrations in parts per million (ppm).

	11.0	12.7	12.6	0	12.6
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### 327.32 Radiological Health

The Radiological Health division regulates the use and possession of radioactive materials and radiation producing machines throughout the state. The program performs these functions through licensing and registration of x-ray equipment, inspecting registered facilities, and environmental monitoring of specific sites. The division also monitors the environment for radioactivity, particularly near nuclear reactors, and responds to accidents involving radioactive materials.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	63	63	59	0	<b>59</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>63</b>	<b>63</b>	<b>59</b>	<b>0</b>	<b>59</b>
Payroll	3,727,700	4,421,000	4,240,200	0	<b>4,240,200</b>
Operational	1,713,500	1,610,400	1,610,600	0	<b>1,610,600</b>
<b>Total</b>	<b>\$5,441,200</b>	<b>\$6,031,400</b>	<b>\$5,850,800</b>	<b>\$0</b>	<b>\$5,850,800</b>
State	552,200	616,200	600,000	0	<b>600,000</b>
Federal	108,900	70,700	70,700	0	<b>70,700</b>
Other	4,780,100	5,344,500	5,180,100	0	<b>5,180,100</b>

**Standard:** Meet the required percentage of registered inspectors' follow-up inspections in fiscal year 2012-2013.

**Measure:** Percent of inspections performed by registered inspectors that are verified for quality assurance purposes.

10%	10%	10%	0	10%
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### 327.33 Clean Water and Drinking Water State Revolving Fund

The Clean Water and Drinking Water State Revolving Fund provides funds to cities, counties, and utility districts for the creation and maintenance of wastewater and drinking water facilities. This division administers two low-interest revolving-fund loan programs, the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund.

Full-Time	20	20	20	0	<b>20</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>0</b>	<b>20</b>
Payroll	1,113,100	1,527,700	1,527,700	0	<b>1,527,700</b>
Operational	69,130,000	70,039,400	48,356,200	1,415,000	<b>49,771,200</b>
<b>Total</b>	<b>\$70,243,100</b>	<b>\$71,567,100</b>	<b>\$49,883,900</b>	<b>\$1,415,000</b>	<b>\$51,298,900</b>
State	8,185,400	7,285,200	5,268,600	1,415,000	<b>6,683,600</b>
Federal	62,057,700	64,281,900	44,615,300	0	<b>44,615,300</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Complete thorough and appropriate evaluation of loan recipients and their capability to repay loan amounts in full and on time.

**Measure:** Percent of State Revolving Fund loan recipients that repay loan(s) on time and in full.

100%	100%	100%	0	100%
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### 327.34 Water Pollution Control

The Division of Water Pollution Control is responsible for protecting the state's waters through a program of water quality planning, monitoring and assessment, and regulation. The division regulates stream channel modification, wetlands alteration, gravel dredging, and mine water discharge.

Full-Time	227	224	204	0	<b>204</b>
Part-Time	8	8	7	0	<b>7</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>235</b>	<b>232</b>	<b>211</b>	<b>0</b>	<b>211</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	12,753,600	15,281,400	15,281,400	0	<b>15,281,400</b>
Operational	10,001,900	8,441,400	6,990,400	0	<b>6,990,400</b>
<b>Total</b>	<b>\$22,755,500</b>	<b>\$23,722,800</b>	<b>\$22,271,800</b>	<b>\$0</b>	<b>\$22,271,800</b>
State	9,307,400	10,249,300	9,072,800	0	<b>9,072,800</b>
Federal	3,625,700	3,585,900	3,309,000	0	<b>3,309,000</b>
Other	9,822,400	9,887,600	9,890,000	0	<b>9,890,000</b>

**Standard:** Evaluate self-reported permit compliance and inspect major dischargers to determine compliance with permit requirements.

**Measure:** Percent of major National Pollutant Discharge Elimination System (NPDES) discharge facilities in significant compliance.

94%                      90%                      90%                      0                      90%

### 327.35 Solid Waste Management

The Solid Waste Management division protects public health and the environment through the regulation, management, and remediation of solid and hazardous wastes. The division regulates and monitors both solid and hazardous wastes through landfill permits, used oil permits, hazardous waste permits, and lead-based paint abatement.

Full-Time	132	134	128	0	<b>128</b>
Part-Time	8	8	8	0	<b>8</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>140</b>	<b>142</b>	<b>136</b>	<b>0</b>	<b>136</b>
Payroll	8,579,700	9,787,900	9,446,400	0	<b>9,446,400</b>
Operational	2,044,200	3,461,700	3,466,900	0	<b>3,466,900</b>
<b>Total</b>	<b>\$10,623,900</b>	<b>\$13,249,600</b>	<b>\$12,913,300</b>	<b>\$0</b>	<b>\$12,913,300</b>
State	1,409,200	1,876,700	1,799,300	0	<b>1,799,300</b>
Federal	2,112,200	3,779,600	3,779,600	0	<b>3,779,600</b>
Other	7,102,500	7,593,300	7,334,400	0	<b>7,334,400</b>

**Standard:** Increase the percentage of landfill/solid waste facilities in significant operational compliance.

**Measure:** Percent of landfill/solid waste facilities in significant operational compliance.

97%                      97%                      97%                      0                      97%

**Standard:** Increase the percentage of in-progress remediation sites released for reuse.

**Measure:** Percent of total active remediation sites annually cleaned up and released from the program.

10%                      10%                      10%                      0%                      10%

### 327.36 DOE Oversight

The DOE Oversight program, by agreement with the U.S. Department of Energy (DOE), coordinates state government oversight of the federal government's environmental compliance, environmental restoration, waste management, health studies, and public awareness activities on the Energy Department's Oak Ridge reservation. The state, in cooperation with the U.S. Department of Energy, works to achieve clean air, water, and land in Tennessee, while sustaining economic growth.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	51	51	45	0	45
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>51</b>	<b>51</b>	<b>45</b>	<b>0</b>	<b>45</b>
Payroll	3,102,200	3,574,100	3,252,400	0	3,252,400
Operational	1,467,500	3,226,200	3,230,300	0	3,230,300
<b>Total</b>	<b>\$4,569,700</b>	<b>\$6,800,300</b>	<b>\$6,482,700</b>	<b>\$0</b>	<b>\$6,482,700</b>
State	0	0	0	0	0
Federal	4,436,500	6,800,300	6,382,700	0	6,382,700
Other	133,200	0	100,000	0	100,000

**Standard:** Increase the percentage of the Oak Ridge Reservation remediation project in compliance with relevant emissions standards, as measured by acres where remediation is complete.

**Measure:** Percent of Oak Ridge Reservation acres where remediation is complete.

4.0%	3.5%	3.5%	0	3.5%
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### 327.37 Abandoned Lands

The Abandoned Lands program administers the Tennessee surface mining reclamation fund for reclamation and re-vegetation of land affected by surface mining. This program sponsors reclamation projects that remove safety hazards from abandoned mines and restore resources to make them available for economic development and recreational uses. The fund is comprised of fees and forfeited bonds from both active and inactive mining operations.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	73,100	500,000	500,000	0	500,000
<b>Total</b>	<b>\$73,100</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$500,000</b>
State	0	500,000	500,000	0	500,000
Federal	50,700	0	0	0	0
Other	22,400	0	0	0	0

**Standard:** Fund reclamation projects in order to eliminate the safety hazards that are posed by abandoned mine sites.

**Measure:** Percent of emergency reclamation projects for abandoned mine sites that are stabilized or restricted from public access.

100%	100%	100%	0	100%
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### 327.38 Hazardous Waste Remedial Action Fund

The Hazardous Waste Remedial Action Fund supports activities to identify, investigate, and remedy properties contaminated by hazardous substances. Without this program, contaminated properties would remain abandoned and pose a threat to the health of Tennesseans and the environment. In addition to monetary support from the federal government, funds are derived from state appropriations and fees paid by generators and transporters of hazardous waste.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	60	60	52	0	52
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>60</b>	<b>60</b>	<b>52</b>	<b>0</b>	<b>52</b>
Payroll	3,100,800	4,316,200	3,922,000	0	3,922,000
Operational	2,898,000	7,621,700	7,624,100	0	7,624,100
<b>Total</b>	<b>\$5,998,800</b>	<b>\$11,937,900</b>	<b>\$11,546,100</b>	<b>\$0</b>	<b>\$11,546,100</b>
State	1,000,000	1,000,000	1,000,000	0	1,000,000
Federal	1,535,900	1,989,900	1,989,900	0	1,989,900
Other	3,462,900	8,948,000	8,556,200	0	8,556,200

**Standard:** Annually maintain at least 50% of identified hazardous substance remediation sites with cleanup in-progress.

**Measure:** Percent of identified inactive hazardous substance sites with progress during the fiscal year toward investigation and/or cleanup.

69%	50%	50%	0	50%
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### 327.39 Water Supply

The Water Supply program develops groundwater and wellhead protection plans in order to ensure that Tennessee's public water supply complies with state and federal standards. The program also regulates most of the dams across the state and the drilling of public and private wells.

Full-Time	77	76	71	0	71
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>77</b>	<b>76</b>	<b>71</b>	<b>0</b>	<b>71</b>
Payroll	4,720,800	5,381,900	5,141,400	0	5,141,400
Operational	1,318,100	1,880,100	1,882,800	0	1,882,800
<b>Total</b>	<b>\$6,038,900</b>	<b>\$7,262,000</b>	<b>\$7,024,200</b>	<b>\$0</b>	<b>\$7,024,200</b>
State	332,700	1,031,300	950,500	0	950,500
Federal	2,899,000	2,374,600	2,374,600	0	2,374,600
Other	2,807,200	3,856,100	3,699,100	0	3,699,100

**Standard:** Conduct training, inspections, and enforcement actions to ensure community water system customers receive drinking water that meets all applicable health-based standards.

**Measure:** Percent of the population served by community water systems that receive drinking water that meets all applicable health-based drinking water standards.

97%	100%	98%	0	98%
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**Standard:** Conduct a regular inspection program to ensure that Tennessee's public water supplies comply with state and federal drinking health standards, monitoring, reporting, and operational requirements, as well as construction standards to protect the public.

**Measure:** Percent of the Public Water Systems that have been inspected through the Sanitary Survey Process.

100%	100%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 327.40 Groundwater Protection

The Groundwater Protection program regulates subsurface sewage disposal systems. The program grants construction permits, inspects, and approves underground septic systems for wastewater disposal areas lacking wastewater treatment plants. In addition, the division is responsible for inspecting septic tank maintenance and recommending alternative methods of wastewater disposal for areas unable to support conventional underground septic systems.

Full-Time	102	74	74	0	74
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>102</b>	<b>74</b>	<b>74</b>	<b>0</b>	<b>74</b>
Payroll	5,790,300	5,490,100	5,490,100	0	5,490,100
Operational	1,296,400	1,086,600	1,087,300	0	1,087,300
<b>Total</b>	<b>\$7,086,700</b>	<b>\$6,576,700</b>	<b>\$6,577,400</b>	<b>\$0</b>	<b>\$6,577,400</b>
State	3,886,500	2,012,900	2,013,600	0	2,013,600
Federal	0	0	0	0	0
Other	3,200,200	4,563,800	4,563,800	0	4,563,800

**Standard:** Issue construction permits for subsurface sewage disposal systems where suitable soil conditions exist.

**Measure:** Number of subsurface sewage disposal system permits issued.

6,000	6,000	6,000	0	6,000
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### 327.41 Underground Storage Tanks

The Underground Storage Tanks program regulates the installation of underground petroleum storage tanks and performs mandatory inspections of these tanks. The division issues certificates, collects fees, reimburses allowable environmental investigation costs to eligible tank owners and operators, and manages the Tennessee petroleum underground storage tanks fund.

Full-Time	84	84	84	0	84
Part-Time	8	8	8	0	8
Seasonal	0	0	0	0	0
<b>Total</b>	<b>92</b>	<b>92</b>	<b>92</b>	<b>0</b>	<b>92</b>
Payroll	4,594,000	5,565,400	5,565,400	0	5,565,400
Operational	18,832,900	18,213,000	16,452,500	3,000,000	19,452,500
<b>Total</b>	<b>\$23,426,900</b>	<b>\$23,778,400</b>	<b>\$22,017,900</b>	<b>\$3,000,000</b>	<b>\$25,017,900</b>
State	19,461,800	19,939,600	19,940,600	3,000,000	22,940,600
Federal	3,016,900	3,838,800	2,077,300	0	2,077,300
Other	948,200	0	0	0	0

**Standard:** Inspect all active underground storage tanks facilities every three years.

**Measure:** Percent of active, registered underground storage tank facilities inspected annually.

36%	36%	36%	0	36%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 327.42 Solid Waste Assistance

Solid Waste Assistance supports programs that promote planning, development, and maintenance by local governments of comprehensive, integrated solid waste management. The program encourages generators and handlers of solid waste to minimize solid waste incineration and disposal by methods such as source reduction, reuse, composting, and recycling.

Full-Time	18	18	18	0	18
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>0</b>	<b>18</b>
Payroll	1,122,000	1,337,400	1,337,400	0	1,337,400
Operational	4,903,300	7,268,300	7,268,500	2,600,000	9,868,500
<b>Total</b>	<b>\$6,025,300</b>	<b>\$8,605,700</b>	<b>\$8,605,900</b>	<b>\$2,600,000</b>	<b>\$11,205,900</b>
State	5,979,100	8,605,700	8,605,900	2,600,000	11,205,900
Federal	0	0	0	0	0
Other	46,200	0	0	0	0

**Standard:** Increase the percentage of electronic waste collected annually at public collection sites for reuse and recycling.

**Measure:** Percent increase of electronic waste collected annually for reuse and/or recycling.

	10%	10%	10%	0	10%
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### 327.43 Environmental Protection Fund

The Environmental Protection Fund (EPF) collects fees from environmental permits, inspections, and fines. Funds are dispersed from the EPF to other divisions of the department to reimburse expenses of permitting, monitoring, compliance investigating, enforcement, and administration. The divisions of Air Pollution Control, Radiological Health, Water Pollution Control, Ground Water Protection, Solid Waste Management, Administrative Services, and Environment Administration receive funding from the Environmental Protection Fund.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	41,718,600	54,406,700	51,222,600	0	51,222,600
<b>Total</b>	<b>\$41,718,600</b>	<b>\$54,406,700</b>	<b>\$51,222,600</b>	<b>\$0</b>	<b>\$51,222,600</b>
State	41,695,400	54,406,700	51,222,600	0	51,222,600
Federal	0	0	0	0	0
Other	23,200	0	0	0	0

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 327.44 Fleming Training Center

The Fleming Training Center assists and trains operators in the water and wastewater industry. The center offers 14 types of certification for water and wastewater operators requiring that each certified operator possesses certain experience requirements and completes mandatory examinations. The center also provides opportunities for operators to complete the required number of continuing education hours every three years to maintain certification.

Full-Time	9	9	8	0	8
Part-Time	4	4	4	0	4
Seasonal	0	0	0	0	0
<b>Total</b>	<b>13</b>	<b>13</b>	<b>12</b>	<b>0</b>	<b>12</b>
Payroll	380,200	545,300	480,400	0	480,400
Operational	617,300	407,500	407,800	0	407,800
<b>Total</b>	<b>\$997,500</b>	<b>\$952,800</b>	<b>\$888,200</b>	<b>\$0</b>	<b>\$888,200</b>
State	22,500	0	0	0	0
Federal	540,700	233,300	233,300	0	233,300
Other	434,300	719,500	654,900	0	654,900

**Standard:** Ensure that the new operator certification process is conducted in compliance with applicable laws and regulations.

**Measure:** Number of new certificates issued to water treatment, wastewater treatment, distribution system, and collection system operators.

	404	350	350	0	350
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**Standard:** Ensure that the renewal operator certification process is conducted in compliance with applicable laws and regulations.

**Measure:** Number of renewal certificates issued to water treatment, wastewater treatment, distribution system, and collection system operators.

	5,277	5,100	5,100	0	5,100
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### 327.45 Office of Environmental Assistance

The Office of Environmental Assistance provides non-regulatory assistance to businesses, schools, government agencies, industries, organizations, and individuals. Program staff inform and advise these groups to minimize potentially adverse effects on the environment, encourage business compliance efforts, notify affected industries of regulatory requirements, publish information, provide training, conduct inspections, and promote outreach activities.

Full-Time	20	19	14	0	14
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>20</b>	<b>19</b>	<b>14</b>	<b>0</b>	<b>14</b>
Payroll	1,105,300	1,336,100	1,017,800	0	1,017,800
Operational	297,500	122,900	123,200	0	123,200
<b>Total</b>	<b>\$1,402,800</b>	<b>\$1,459,000</b>	<b>\$1,141,000</b>	<b>\$0</b>	<b>\$1,141,000</b>
State	466,500	541,300	270,700	0	270,700
Federal	280,000	272,000	240,500	0	240,500
Other	656,300	645,700	629,800	0	629,800

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**Standard:** Provide businesses, government, schools, and organizations training, assistance, and/or recognition to proactively assist with the prevention and reduction of adverse environmental impacts.

**Measure:** Number of businesses, government agencies, and schools assisted.

5,441	5,000	5,000	0	5,000
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**327.00 Total Environment and Conservation**

Full-Time	2,431	2,388	2,220	0	<b>2,220</b>
Part-Time	286	286	280	0	<b>280</b>
Seasonal	329	329	297	0	<b>297</b>
<b>Total</b>	<b>3,046</b>	<b>3,003</b>	<b>2,797</b>	<b>0</b>	<b>2,797</b>
Payroll	126,782,900	142,001,900	137,160,400	0	<b>137,160,400</b>
Operational	219,249,900	244,832,600	212,598,600	7,015,000	<b>219,613,600</b>
<b>Total</b>	<b>\$346,032,800</b>	<b>\$386,834,500</b>	<b>\$349,759,000</b>	<b>\$7,015,000</b>	<b>\$356,774,000</b>
State	158,176,900	180,395,400	168,404,900	7,015,000	<b>175,419,900</b>
Federal	93,362,200	95,043,800	72,698,100	0	<b>72,698,100</b>
Other	94,493,700	111,395,300	108,656,000	0	<b>108,656,000</b>

# Tennessee Wildlife Resources Agency

## Performance-Based Budget

The Tennessee Wildlife Resources Agency (TWRA) is charged with preserving and managing all species of wildlife in Tennessee. The agency is governed by the Tennessee Wildlife Resources Commission. The commission establishes the agency's objectives; promulgates rules, regulations, and proclamations; approves the agency's budget; and hires the agency's executive director. TWRA generates revenue from a variety of sources, including hunting and fishing licenses and permits; boat registration fees; excise taxes on arms, ammunition, bows and arrows, and fishing equipment; and fines for violations of wildlife, hunting, and boating regulations.

Program responsibilities are divided between the central office and regional offices. Administrative and support services provided by the central office include coordinating the agency's comprehensive planning system; coordinating the geographic information system; administering federal aid programs; publishing Tennessee Wildlife magazine, hunting and fishing guides, and news releases; coordinating law enforcement activities and training; coordinating equipment crews and engineering activities, including building and maintaining boat access areas, levees, and forestry logging roads on agency property; and investigating, reporting, and testifying on environmental issues.

Regional office responsibilities include sponsoring hunting and boating safety workshops and classes; providing technical assistance to farm pond and small lake owners; and developing, maintaining, and operating the wildlife management areas, state lakes, and fish hatcheries.

<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 328.01 Wildlife Resources Agency

The Wildlife Resources Agency manages the state's wildlife resources by enforcing hunting and fishing laws; protecting non-game and endangered species; developing wildlife management plans; issuing hunting and fishing licenses; acquiring and leasing lands for public hunting; managing game and fish habitats; providing hunter education programs; and publishing the Tennessee Wildlife magazine. This division is comprised of the following sections: Wildlife Management, Fish Management, Environmental Services, Law Enforcement, Engineering, Information and Education, and Administrative Services.

Full-Time	632	631	629	0	<b>629</b>
Part-Time	9	10	10	0	<b>10</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>641</b>	<b>641</b>	<b>639</b>	<b>0</b>	<b>639</b>
Payroll	38,109,200	41,517,300	41,311,000	1,014,200	<b>42,325,200</b>
Operational	22,458,500	26,829,900	19,808,800	0	<b>19,808,800</b>
<b>Total</b>	<b>\$60,567,700</b>	<b>\$68,347,200</b>	<b>\$61,119,800</b>	<b>\$1,014,200</b>	<b>\$62,134,000</b>
State	33,458,200	36,635,600	36,088,600	1,014,200	<b>37,102,800</b>
Federal	18,950,800	20,469,700	17,837,700	0	<b>17,837,700</b>
Other	8,158,700	11,241,900	7,193,500	0	<b>7,193,500</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Provide recreational opportunities for the sportsmen in Tennessee.

**Measure:** Annual harvest of white-tailed deer by hunters.

	162,823	170,000	170,000	0	170,000
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### 328.02 Boating Safety

The Boating Safety program provides funds for enforcement of safe boating laws and the registration of watercraft utilizing the state's waterways. In addition to law enforcement measures, this program maintains boat access areas and provides public educational courses on the safe operation of boating equipment.

Full-Time	35	35	35	0	<b>35</b>
Part-Time	45	45	45	0	<b>45</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>0</b>	<b>80</b>
Payroll	4,299,100	5,284,400	5,296,400	138,300	<b>5,434,700</b>
Operational	3,964,700	8,203,700	4,389,700	0	<b>4,389,700</b>
<b>Total</b>	<b>\$8,263,800</b>	<b>\$13,488,100</b>	<b>\$9,686,100</b>	<b>\$138,300</b>	<b>\$9,824,400</b>
State	4,704,300	5,991,300	6,104,100	138,300	<b>6,242,400</b>
Federal	3,516,000	6,874,100	3,550,000	0	<b>3,550,000</b>
Other	43,500	622,700	32,000	0	<b>32,000</b>

**Standard:** Reduce the number of boating fatalities by enforcing boating safety laws.

**Measure:** Number of boating fatalities per 100,000 boats.

	7.1	4.5	4.5	0	4.5
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### 328.03 Wetlands Acquisition Fund

The Wetlands Acquisition Fund provides funds for the acquisition of wetland properties throughout the state. The fund also supports the maintenance and protection of wetland properties through conservation projects including surveying, vegetation control, building and maintaining levees, and the installation of water control structures. The appropriation is from the real estate transfer tax.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	4,581,800	6,521,300	6,521,300	0	<b>6,521,300</b>
<b>Total</b>	<b>\$4,581,800</b>	<b>\$6,521,300</b>	<b>\$6,521,300</b>	<b>\$0</b>	<b>\$6,521,300</b>
State	4,411,300	6,506,300	6,506,300	0	<b>6,506,300</b>
Federal	0	0	0	0	<b>0</b>
Other	170,500	15,000	15,000	0	<b>15,000</b>

**Standard:** Preserve and expand wetlands in Tennessee.

**Measure:** Total acres protected for public use and benefit through the Wetlands Acquisition Fund.

	206,786	209,000	209,000	0	209,000
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 328.04 Wetlands Compensation Fund

The Wetlands Compensation Fund provides in-lieu-of-tax payments to counties in order to offset the loss of local property tax on lands acquired by the state from the Wetlands Acquisition Fund. The appropriation is from the real estate transfer tax allocation to the Wetlands Acquisition Fund.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	365,600	400,000	400,000	0	400,000
<b>Total</b>	<b>\$365,600</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$0</b>	<b>\$400,000</b>
State	364,700	400,000	400,000	0	400,000
Federal	0	0	0	0	0
Other	900	0	0	0	0

**Standard:** Reimburse local governments for wetlands removed from taxation.

**Measure:** Percent of due compensation that is paid to public entities.

100%	100%	100%	0	100%
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### 328.00 Total Tennessee Wildlife Resources Agency

Full-Time	667	666	664	0	664
Part-Time	54	55	55	0	55
Seasonal	0	0	0	0	0
<b>Total</b>	<b>721</b>	<b>721</b>	<b>719</b>	<b>0</b>	<b>719</b>
Payroll	42,408,300	46,801,700	46,607,400	1,152,500	47,759,900
Operational	31,370,600	41,954,900	31,119,800	0	31,119,800
<b>Total</b>	<b>\$73,778,900</b>	<b>\$88,756,600</b>	<b>\$77,727,200</b>	<b>\$1,152,500</b>	<b>\$78,879,700</b>
State	42,938,500	49,533,200	49,099,000	1,152,500	50,251,500
Federal	22,466,800	27,343,800	21,387,700	0	21,387,700
Other	8,373,600	11,879,600	7,240,500	0	7,240,500

# Department of Commerce and Insurance

## Performance-Based Budget

The Department of Commerce and Insurance regulates numerous professions and industries conducting business within the state. The department provides this service through four functional areas: administration, consumer protection, 911 wireless communication, and fire prevention.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administration

The Administration division includes the office of the commissioner, fiscal services, management information services, personnel, legal services, and audit consulting and oversight. This division supports the operations of each division within the department.

#### 335.01 Administration

Full-Time	110	111	109	0	109
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>110</b>	<b>111</b>	<b>109</b>	<b>0</b>	<b>109</b>
Payroll	6,405,100	7,682,400	7,619,100	0	7,619,100
Operational	1,379,700	1,585,100	1,585,900	0	1,585,900
<b>Total</b>	<b>\$7,784,800</b>	<b>\$9,267,500</b>	<b>\$9,205,000</b>	<b>\$0</b>	<b>\$9,205,000</b>
State	0	3,382,500	3,382,500	0	3,382,500
Federal	0	0	0	0	0
Other	7,784,800	5,885,000	5,822,500	0	5,822,500

**Standard:** Respond to and complete requests for information systems services based on type and priority within the following timeframes upon receipt: time sensitive - by date required.

**Measure:** Percent of completed time sensitive requests by the date required.

98%	95%	95%	0	95%
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### Consumer Protection

The Department of Commerce and Insurance strives to ensure Tennesseans' safety in the marketplace and supports education and awareness programs. Services include regulating insurance companies and agents and approving individual and group self-insurance proposals, regulating the securities market, enforcing the Tennessee Consumer Protection Act, promoting fair consumer practices and consumer education, regulating health clubs, and granting payments to consumers who are awarded judgments against real estate and auctioneer licensees.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 335.02 Insurance

The Insurance division protects policyholders and enrollees by regulating insurance industry policies, rates, conduct, and agents and by regulating health maintenance organizations, self-insured entities, and workers compensation insurance. The division collects insurance premium taxes and fees.

Full-Time	120	120	113	0	113
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>120</b>	<b>120</b>	<b>113</b>	<b>0</b>	<b>113</b>
Payroll	6,072,300	7,691,600	7,460,800	0	7,460,800
Operational	4,003,600	7,385,900	5,719,600	0	5,719,600
<b>Total</b>	<b>\$10,075,900</b>	<b>\$15,077,500</b>	<b>\$13,180,400</b>	<b>\$0</b>	<b>\$13,180,400</b>
State	0	103,800	92,900	0	92,900
Federal	256,900	1,517,900	0	0	0
Other	9,819,000	13,455,800	13,087,500	0	13,087,500

**Standard:** Complete financial analysis audit sheet on the financial statements of domestic insurance companies within 90 days of receipt.

**Measure:** Financial analysis audit sheet completed within 90 days of receipt of financial statements.

100%	100%	100%	0	100%
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**Standard:** Complete Financial examination of domestic insurance companies, on a five year basis, within 18 months of as-of date.

**Measure:** Financial examination of domestic companies completed within 18 months from the as-of date.

100%	100%	100%	0	100%
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### 335.05 Securities

The Securities division ensures investor protection by promoting and maintaining the integrity of the securities markets in Tennessee. The division promotes investor protection and market efficiency by examining broker-dealer applications, financial reports, and complaints. The division collects fees from the securities industry.

Full-Time	22	22	22	0	22
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>0</b>	<b>22</b>
Payroll	1,107,400	1,321,300	1,321,300	0	1,321,300
Operational	734,200	713,000	860,900	0	860,900
<b>Total</b>	<b>\$1,841,600</b>	<b>\$2,034,300</b>	<b>\$2,182,200</b>	<b>\$0</b>	<b>\$2,182,200</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	1,841,600	2,034,300	2,182,200	0	2,182,200



<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Examine applications for broker-dealer, agent, and investment adviser registrations within 30 days of receipt.

**Measure:** Percent of applications examined within 30 days pursuant to Tennessee Securities Act.

100%	100%	100%	0	100%
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**Standard:** Examine securities registration applications, notice filings, and exemptions within 20 days of receipt.

**Measure:** Percent of registrations examined within 20 days.

95%	95%	95%	0	95%
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### 335.06 Consumer Affairs

The Consumer Affairs division protects consumers and businesses through the receipt, investigation, and mediation of complaints; and assists with the prosecution of entities found in violation. The division promotes consumer education through public outreach activities and awareness.

Full-Time	17	15	15	0	15
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>17</b>	<b>15</b>	<b>15</b>	<b>0</b>	<b>15</b>
Payroll	695,100	871,600	871,600	0	871,600
Operational	494,000	408,400	408,500	0	408,500
<b>Total</b>	<b>\$1,189,100</b>	<b>\$1,280,000</b>	<b>\$1,280,100</b>	<b>\$0</b>	<b>\$1,280,100</b>
State	1,064,500	1,198,000	1,198,100	0	1,198,100
Federal	0	0	0	0	0
Other	124,600	82,000	82,000	0	82,000

**Standard:** Provide a response to questions, inquiries, and telephone calls from consumers made through the Consumer Affairs' email address within three working days.

**Measure:** Percent of questions, inquiries, and telephone calls in which a response was given within three days.

95%	100%	100%	0	100%
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**Standard:** Upon receipt of the response from the business, Consumer Affairs will forward a reply to the consumer within seven days.

**Measure:** Percent of responses sent to consumers within seven days of receipt.

95%	100%	100%	0	100%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 335.15 Real Estate Education and Recovery Fund

The Real Estate Education and Recovery Fund is available for paying court-awarded claims to consumers. Interest earned by the fund is used to further the education of real estate licensees and consumers.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	29,500	291,300	291,300	0	291,300
<b>Total</b>	<b>\$29,500</b>	<b>\$291,300</b>	<b>\$291,300</b>	<b>\$0</b>	<b>\$291,300</b>
State	0	291,300	291,300	0	291,300
Federal	0	0	0	0	0
Other	29,500	0	0	0	0

**Standard:** Conduct a minimum of eight educational seminars for licensees annually.

**Measure:** Number of seminars conducted annually.

	11	8	8	0	8
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### 335.16 Auctioneer Education and Recovery Fund

Court-awarded claims against auctioneers are paid from the Auctioneer Education and Recovery Fund. Interest on the account provides educational opportunities for both licensees and the general public.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	49,500	81,500	81,600	0	81,600
<b>Total</b>	<b>\$49,500</b>	<b>\$81,500</b>	<b>\$81,600</b>	<b>\$0</b>	<b>\$81,600</b>
State	49,200	81,500	81,600	0	81,600
Federal	0	0	0	0	0
Other	300	0	0	0	0

**Standard:** Conduct one educational seminar for licensees in each grand division of the state annually.

**Measure:** Number of seminars conducted annually.

	3	3	3	0	3
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 335.19 Cemetery Consumer Protection Fund

The Cemetery Consumer Protection Fund was established in 2006 by the General Assembly to provide additional funding to the cemetery registration program within the Division of Regulatory Boards. Additionally, the commissioner is authorized to utilize this fund for costs associated with receivership actions against private cemeteries.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	160,600	363,600	364,200	0	364,200
<b>Total</b>	<b>\$160,600</b>	<b>\$363,600</b>	<b>\$364,200</b>	<b>\$0</b>	<b>\$364,200</b>
State	160,300	363,600	364,200	0	364,200
Federal	0	0	0	0	0
Other	300	0	0	0	0

**Standard:** Reduce the Burial Services reserve deficit.

**Measure:** Percent by which the reserve deficit is reduced using the Cemetery Consumer Protection Fund.

	12%	5%	5%	0	5%
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### 335.20 Pre-Need Funeral Consumer Protection Fund

The Pre-Need Funeral Consumer Protection Fund was established in 2007 by the General Assembly to register pre-need funeral retailers and to provide consumer protection for any receivership action taken against a pre-need funeral seller.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	343,500	100,100	100,100	0	100,100
<b>Total</b>	<b>\$343,500</b>	<b>\$100,100</b>	<b>\$100,100</b>	<b>\$0</b>	<b>\$100,100</b>
State	100,000	100,100	100,100	0	100,100
Federal	0	0	0	0	0
Other	243,500	0	0	0	0

**Standard:** Reduce the Burial Services deficit.

**Measure:** Percent the reserve deficit is reduced using the Pre-Need Funeral Consumer Protection Fund.

	15%	5%	5%	0	5%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 335.04 TennCare Oversight

The TennCare Oversight division provides financial and systems oversight of the managed care organizations (MCOs) participating in the TennCare program, which is the state's Medicaid-waiver health-care program. The division promulgates rules and performs examinations of MCOs that provide TennCare services. Oversight includes the review of contracts, reports, competitive bids, and medical-loss ratios.

Full-Time	19	19	16	0	16
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>19</b>	<b>19</b>	<b>16</b>	<b>0</b>	<b>16</b>
Payroll	1,164,900	1,721,900	1,637,600	0	1,637,600
Operational	529,200	847,800	716,900	0	716,900
<b>Total</b>	<b>\$1,694,100</b>	<b>\$2,569,700</b>	<b>\$2,354,500</b>	<b>\$0</b>	<b>\$2,354,500</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	1,694,100	2,569,700	2,354,500	0	2,354,500

**Standard:** Process TennCare provider requests for independent review of partially or totally denied claims within 20 days of receipt.

**Measure:** Percent of independent review requests processed within 20 days of receipt.

	97%	96%	98%	0	98%
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**Standard:** Perform monthly tests of compliance with the statutory claims processing timeliness standards for all TennCare HMOs, PLHSOs, and TPAs as required by the interagency agreement with TennCare Bureau.

**Measure:** Percent of monthly tests of compliance performed within the statutory claims processing timeliness standards for TennCare HMOs, PLSHOs, and TPAs.

	100%	100%	100%	0	100%
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### 335.10 Regulatory Boards

Regulatory boards ensure that consumers receiving services from any professional regulated by the division are treated fairly, competently, and honestly. The boards, commissions, and licensing programs oversee individuals and entities engaging in various trades and professions within the state. The division provides administrative support to the boards and assists with complaints, inspections, and disciplinary actions. The following professions and businesses are overseen by regulatory boards: cosmetologists; funeral directors and embalmers; land surveyors; engineers; auto racing; polygraph examiners and private investigators; real estate agents and brokers; accountants; alarm contractors; interior designers; barbers; general contractors; collection services; home inspectors; real estate appraisers; private protective services; automotive manufacturers, dealers, and salesmen; geologists; auctioneers; locksmiths; architects and landscape architects; scrap metal dealers; and employee leasing.

Full-Time	178	178	173	0	173
Part-Time	115	115	115	0	115
Seasonal	0	0	0	0	0
<b>Total</b>	<b>293</b>	<b>293</b>	<b>288</b>	<b>0</b>	<b>288</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	7,576,300	9,507,300	9,352,200	0	<b>9,352,200</b>
Operational	6,996,400	10,198,500	10,166,300	0	<b>10,166,300</b>
<b>Total</b>	<b>\$14,572,700</b>	<b>\$19,705,800</b>	<b>\$19,518,500</b>	<b>\$0</b>	<b>\$19,518,500</b>
State	13,537,200	19,107,100	18,919,800	0	<b>18,919,800</b>
Federal	0	0	0	0	<b>0</b>
Other	1,035,500	598,700	598,700	0	<b>598,700</b>

**Standard:** Issue licenses within 60 days of receipt of a completed/approved application.

**Measure:** The percent of licenses issued within 60 days of a completed/approved application.

95%	95%	95%	0	95%
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**Standard:** Resolve consumer complaints or refer them for legal action within 180 days of receipt.

**Measure:** The percent of complaints resolved or referred for legal action within 180 days.

78%	70%	75%	0	75%
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### 335.21 Tennessee Athletic Commission

The Tennessee Athletic Commission, created in 2008, licenses and regulates professional boxing and mixed martial arts participants and events in the state. Administratively attached to the Department of Commerce and Insurance, the commission is funded by dedicated licensing fees, gross receipts taxes, contest permits, and penalty fines. The commission's board is comprised of nine members appointed by the Governor, the Speaker of the Senate, and the Speaker of the House.

Full-Time	1	1	1	0	<b>1</b>
Part-Time	49	49	24	0	<b>24</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>50</b>	<b>50</b>	<b>25</b>	<b>0</b>	<b>25</b>
Payroll	93,500	149,600	149,500	0	<b>149,500</b>
Operational	82,800	201,300	98,500	0	<b>98,500</b>
<b>Total</b>	<b>\$176,300</b>	<b>\$350,900</b>	<b>\$248,000</b>	<b>\$0</b>	<b>\$248,000</b>
State	176,300	350,900	248,000	0	<b>248,000</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Issue licenses to applicants upon submission of completed, approved application.

**Measure:** Number of licenses issued upon receipt of completed, approved application.

206	500	500	0	500
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**Standard:** Regulate permitted events in accordance with the applicable rules and regulations.

**Measure:** Number of permitted events regulated.

13	25	25	0	25
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 335.22 Corrections Institute

Tennessee Corrections Institute (TCI) is responsible for educating local correctional staff and certifying local adult correctional facilities. TCI also establishes standards to inspect and certify local correctional facilities in such areas as physical environment, medical services, and inmate supervision. TCI provides training to local correctional personnel in the following areas: legal issues, report writing, suicide prevention, hostage survival, substance abuse, security measures, communications, and stress management.

Full-Time	13	13	12	0	12
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>13</b>	<b>13</b>	<b>12</b>	<b>0</b>	<b>12</b>
Payroll	625,400	724,200	724,200	0	724,200
Operational	269,200	245,400	245,600	0	245,600
<b>Total</b>	<b>\$894,600</b>	<b>\$969,600</b>	<b>\$969,800</b>	<b>\$0</b>	<b>\$969,800</b>
State	823,500	909,600	909,800	0	909,800
Federal	0	0	0	0	0
Other	71,100	60,000	60,000	0	60,000

**Standard:** Inspect and re-inspect all local facilities within the mandated timeframe to ensure compliance of all standards for the purpose of certification. Facilities are given 60 days from the initial annual inspection to comply with any deficiencies.

**Measure:** Number of facilities inspected by November 1st each year. By completing all inspections by November 1st each year, all facilities are inspected and re-inspected by December 31st, as mandated.

	127	127	127	0	127
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**Standard:** Train and monitor local correctional officers in both basic and in-service training. This is a continuing process because of the high turnover rate in jail environment.

**Measure:** Number of officers trained or monitored in a calendar year.

	6,719	6,476	6,476	0	6,476
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## 911 Wireless Communications

### 335.08 911 Emergency Communications Fund

The 911 Emergency Communications Fund promotes statewide wireless-enhanced 911 service through the activities of the Tennessee Emergency Communications Board (TECB). This enhanced service improves community safety by reducing response times in emergency situations. The board also assists local Emergency Communications Districts (ECDs) in management, operations, and accountability. This program is funded through dedicated fees assessed on all cellular phone users.

Full-Time	10	10	10	0	10
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>10</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	767,900	846,200	846,200	0	<b>846,200</b>
Operational	46,793,200	74,740,100	66,032,400	10,783,300	<b>76,815,700</b>
<b>Total</b>	<b>\$47,561,100</b>	<b>\$75,586,300</b>	<b>\$66,878,600</b>	<b>\$10,783,300</b>	<b>\$77,661,900</b>
State	47,397,700	61,067,800	61,068,100	2,041,200	<b>63,109,300</b>
Federal	0	1,499,600	0	0	<b>0</b>
Other	163,400	13,018,900	5,810,500	8,742,100	<b>14,552,600</b>

**Standard:** Provide sufficient oversight to prevent Emergency Communications Districts (ECDs) from becoming financially distressed.

**Measure:** Of the 100 ECDs, the number of ECDs deemed financially distressed pursuant to TCA 7-86-304(d).

2	2	2	0	2
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**Standard:** Ensure that every ECD is an integral component of the statewide Next Generation 911 Internet Protocol (IP) platform.

**Measure:** Number of ECD's connected to the next generation 911 IP infrastructure.

0	50	80	0	80
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## Fire Prevention

The Department of Commerce and Insurance provides services to promote fire safety education and fire prevention. These efforts include: inspecting institutional facilities and electrical installations; investigating arson; reviewing construction plans; maintaining the Tennessee Fire Incident Reporting System; registering electricians; administering fireworks and explosive user permits; training firefighters and other enforcement personnel; licensing and regulating sprinkler contractors, liquid petroleum gas distributors, and fire extinguisher dealers; establishing training and fire education standards; and regulating the mobile home industry.

### 335.03 Fire Prevention

The Fire Prevention division is committed to enhancing the quality of life for the citizens of Tennessee and protecting property through fire prevention, education, investigation, and enforcement. The division, also known as the state Fire Marshal's Office, performs electrical inspections, bomb and arson investigation, and building codes enforcement.

Full-Time	160	160	154	0	<b>154</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>160</b>	<b>160</b>	<b>154</b>	<b>0</b>	<b>154</b>
Payroll	7,533,500	8,718,400	8,531,500	0	<b>8,531,500</b>
Operational	8,017,800	12,179,700	12,002,300	0	<b>12,002,300</b>
<b>Total</b>	<b>\$15,551,300</b>	<b>\$20,898,100</b>	<b>\$20,533,800</b>	<b>\$0</b>	<b>\$20,533,800</b>
State	0	0	0	0	<b>0</b>
Federal	371,700	291,800	210,000	0	<b>210,000</b>
Other	15,179,600	20,606,300	20,323,800	0	<b>20,323,800</b>

**Standard:** Improve time for processing of renewals of licenses and permits.

**Measure:** Percent of license applications reviewed and responded to within 15 days of receipt.

98%	95%	95%	0	95%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Provide acknowledgement of receipt of initial plans submittals for review within 48 hours of receipt in the plans review section.

**Measure:** Percent of initial plans submittals acknowledged within 48 hours of receipt.

	80%	80%	85%	0	85%
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### 335.07 Fire Service and Codes Enforcement Academy

The Fire Service and Codes Enforcement Academy's objective is to provide effective training to all volunteer and career fire fighters, fire and building code enforcement personnel, and other related service professionals. The academy develops and teaches current methods and practices in fire fighting, fire and building code enforcement, fire prevention, public safety, fire investigation, and related subjects. The academy's curriculum offers advanced training techniques in realistic fire simulations.

Full-Time	26	26	23	0	<b>23</b>
Part-Time	100	100	92	0	<b>92</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>126</b>	<b>126</b>	<b>115</b>	<b>0</b>	<b>115</b>
Payroll	1,797,300	2,210,400	1,943,700	0	<b>1,943,700</b>
Operational	1,933,100	1,790,800	1,715,800	0	<b>1,715,800</b>
<b>Total</b>	<b>\$3,730,400</b>	<b>\$4,001,200</b>	<b>\$3,659,500</b>	<b>\$0</b>	<b>\$3,659,500</b>
State	2,821,500	3,060,500	2,718,400	0	<b>2,718,400</b>
Federal	7,800	25,000	24,000	0	<b>24,000</b>
Other	901,100	915,700	917,100	0	<b>917,100</b>

**Standard:** Provide training to fire service and other emergency first responders.

**Measure:** Percent of basic recruit trainees certified following completion of basic training course.

	99%	99%	99%	0	99%
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### 335.28 Fire Fighting Personnel Standards and Education

The Fire Fighting Personnel Standards and Education Commission promotes and sustains a superior level of fire fighting standards, training, and education and provides the citizens of Tennessee with highly trained fire and emergency service professionals. The commission administers the salary supplement to eligible firefighters who complete required training annually and sets the criteria for performance standards and training.

Full-Time	3	2	0	0	<b>0</b>
Part-Time	9	9	9	0	<b>9</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>12</b>	<b>11</b>	<b>9</b>	<b>0</b>	<b>9</b>
Payroll	119,800	127,200	5,800	0	<b>5,800</b>
Operational	3,770,800	4,230,400	4,121,100	0	<b>4,121,100</b>
<b>Total</b>	<b>\$3,890,600</b>	<b>\$4,357,600</b>	<b>\$4,126,900</b>	<b>\$0</b>	<b>\$4,126,900</b>
State	3,890,600	4,357,600	4,126,900	0	<b>4,126,900</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Increase the number of written certification examinations administered to Tennessee firefighters each year.

**Measure:** The number of written certification examinations administered.

	3,452	3,200	3,500	0	3,500
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## Law Enforcement Training

### 335.11 Tennessee Law Enforcement Training Academy

The Tennessee Law Enforcement Training Academy (TLETA) provides training for all state and local enforcement recruits, excluding those in the four major metropolitan areas. Specialized training for graduated officers is offered in all areas of law enforcement, including topics such as criminal investigations, drug trafficking, traffic control, officer management training, survival techniques, gang enforcement, domestic violence, school violence management, and school officer training.

Full-Time	25	25	22	0	<b>22</b>
Part-Time	2	2	1	0	<b>1</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>27</b>	<b>27</b>	<b>23</b>	<b>0</b>	<b>23</b>
Payroll	1,607,100	1,762,900	1,550,500	36,200	<b>1,586,700</b>
Operational	2,131,100	2,504,800	2,128,100	0	<b>2,128,100</b>
<b>Total</b>	<b>\$3,738,200</b>	<b>\$4,267,700</b>	<b>\$3,678,600</b>	<b>\$36,200</b>	<b>\$3,714,800</b>
State	2,410,400	2,351,600	2,296,700	36,200	<b>2,332,900</b>
Federal	0	0	0	0	<b>0</b>
Other	1,327,800	1,916,100	1,381,900	0	<b>1,381,900</b>

**Standard:** Provide effective training of new law enforcement recruits hired by agencies served by Tennessee Law Enforcement Training Academy (TLETA).

**Measure:** Average number of points gained by class on pre- and post-tests, using the Peace Officers Training (POST) certified Basic Police School knowledge test.

	31.8	30.0	30.0	0	30.0
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**Standard:** Offer a wide variety of specialized training schools for law enforcement officers.

**Measure:** Number of specialized training schools offered to law enforcement officers.

	58	45	45	0	45
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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**335.12 POST Commission**

The Law Enforcement Training Academy staffs the Tennessee Peace Officers Standards and Training (POST) Commission, which is responsible for enforcing standards and training for all local police officers. This commission also administers the salary supplement to police officers who complete required training annually.

Full-Time	6	6	5	0	5
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>0</b>	<b>5</b>
Payroll	281,600	342,400	292,600	0	292,600
Operational	8,231,700	8,518,500	8,518,600	174,400	8,693,000
<b>Total</b>	<b>\$8,513,300</b>	<b>\$8,860,900</b>	<b>\$8,811,200</b>	<b>\$174,400</b>	<b>\$8,985,600</b>
State	8,513,300	8,817,600	8,767,900	174,400	8,942,300
Federal	0	0	0	0	0
Other	0	43,300	43,300	0	43,300

**Standard:** Provide the information necessary for the POST Commission to enforce standards for law enforcement in a timely manner.

**Measure:** Percent of time POST staff responds to a POST Commission request for an investigation/field audit within 60 days.

100%	90%	90%	0	90%
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**Standard:** Pay the salary supplement to full-time officers who have met POST standards for their continuing education.

**Measure:** Number of officers qualifying to receive the salary supplement by completing required POST training.

13,203	13,740	13,770	0	13,770
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**335.00 Total Commerce and Insurance**

Full-Time	710	708	675	0	675
Part-Time	275	275	241	0	241
Seasonal	0	0	0	0	0
<b>Total</b>	<b>985</b>	<b>983</b>	<b>916</b>	<b>0</b>	<b>916</b>
Payroll	35,847,200	43,677,400	42,306,600	36,200	42,342,800
Operational	85,949,900	126,386,200	115,157,700	10,957,700	126,115,400
<b>Total</b>	<b>\$121,797,100</b>	<b>\$170,063,600</b>	<b>\$157,464,300</b>	<b>\$10,993,900</b>	<b>\$168,458,200</b>
State	80,944,500	105,543,500	104,566,300	2,251,800	106,818,100
Federal	636,400	3,334,300	234,000	0	234,000
Other	40,216,200	61,185,800	52,664,000	8,742,100	61,406,100

# Department of Financial Institutions

## Performance-Based Budget

The Tennessee Department of Financial Institutions (TDFI) provides the citizens of Tennessee a supervised and sound system of state-chartered and licensed financial institutions. These include commercial banks; trust companies; savings institutions; credit unions; industrial loan and thrift companies; business and industrial development corporations; deferred presentment and check cashing companies; mortgage lenders, brokers, servicers, and originators; insurance premium finance companies; and money transmitters.

The mission of the Department of Financial Institutions is to provide for and encourage the development of depository financial institutions while restricting their activities to the extent necessary to safeguard the interests of depositors. In addition, the department seeks to ensure compliance by both depository and non-depository financial institutions with governing laws and regulations. None of the department's operating expenditures are funded with general state tax dollars. Revenue is derived solely from supervision, examination, and license fees assessed to those financial institutions regulated by the department.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>336.00 Financial Institutions</b>					
Full-Time	173	161	161	0	161
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>173</b>	<b>161</b>	<b>161</b>	<b>0</b>	<b>161</b>
Payroll	10,957,800	12,792,200	12,892,200	0	12,892,200
Operational	5,100,400	3,940,300	3,943,500	0	3,943,500
<b>Total</b>	<b>\$16,058,200</b>	<b>\$16,732,500</b>	<b>\$16,835,700</b>	<b>\$0</b>	<b>\$16,835,700</b>
State	6,181,800	8,672,200	8,674,600	0	8,674,600
Federal	0	0	0	0	0
Other	9,876,400	8,060,300	8,161,100	0	8,161,100

**Standard:** Pursuant to statute, regulate and examine Tennessee state-chartered banks and Tennessee state-chartered credit unions.

**Measure:** TDFI examinations and joint TDFI /FDIC or FRB examinations of Tennessee state-chartered banks and joint TDFI/NCUA examinations of Tennessee state-chartered credit unions.

175	175	170	0	170
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**Standard:** Regulate licensed non-depository financial institutions for compliance with all applicable state and federal laws and regulations.

**Measure:** Percent of non-depository financial institutions, excluding mortgage businesses, examined by the department's Compliance Division.

100%	100%	100%	0	100%
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<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Regulate licensed non-depository financial institutions for compliance with all applicable state and federal laws and regulations

**Measure:** Percent of non-depository mortgage businesses examined by the department's Compliance Division.

50%	50%	50%	0	50%
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# Department of Labor and Workforce Development

## Performance-Based Budget

The Department of Labor and Workforce Development protects the rights of workers and assists employers in maintaining those rights throughout Tennessee. The department has six functional areas: administration, safety and health, workers' compensation, labor standards, employment and workforce development, and employment security.

	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### Administration

#### 337.01 Administration

The Administration division provides the overall administration to the department and its programs. The commissioner's office formulates policies, procedures, and long-range plans to carry out the mission of the department. The division also provides support services to the department, such as fiscal, personnel, and information system services.

Full-Time	99	97	97	0	97
Part-Time	3	2	2	0	2
Seasonal	0	0	0	0	0
<b>Total</b>	<b>102</b>	<b>99</b>	<b>99</b>	<b>0</b>	<b>99</b>
Payroll	6,678,800	6,687,300	6,687,300	0	6,687,300
Operational	2,924,800	2,778,600	2,841,000	243,500	3,084,500
<b>Total</b>	<b>\$9,603,600</b>	<b>\$9,465,900</b>	<b>\$9,528,300</b>	<b>\$243,500</b>	<b>\$9,771,800</b>
State	2,011,400	2,829,900	2,859,900	243,500	3,103,400
Federal	7,469,100	6,602,000	6,634,400	0	6,634,400
Other	123,100	34,000	34,000	0	34,000

**Standard:** The total administrative cost for the department will not exceed 5% of departmental budget.

**Measure:** Administrative costs for the department as percentage of total budget.

3.96%	5.00%	5.00%	0	5.00%
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**Standard:** The number of repeat financial audit findings will be zero.

**Measure:** Repeat financial audit findings.

0	0	0	0	0
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### Safety and Health

#### 337.02 Tennessee Occupational Safety and Health Administration (TOSHA)

TOSHA ensures the safety and health of Tennessee workers, administers training programs, provides consultant services to employers, and promotes effective safety and health management through the voluntary protection program.

Full-Time	94	94	92	0	92
Part-Time	3	3	3	0	3
Seasonal	0	0	0	0	0
<b>Total</b>	<b>97</b>	<b>97</b>	<b>95</b>	<b>0</b>	<b>95</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	6,282,000	7,212,800	7,138,000	0	<b>7,138,000</b>
Operational	1,604,300	2,045,300	2,050,500	0	<b>2,050,500</b>
<b>Total</b>	<b>\$7,886,300</b>	<b>\$9,258,100</b>	<b>\$9,188,500</b>	<b>\$0</b>	<b>\$9,188,500</b>
State	3,654,000	4,988,800	4,953,400	0	<b>4,953,400</b>
Federal	4,219,200	4,234,700	4,200,500	0	<b>4,200,500</b>
Other	13,100	34,600	34,600	0	<b>34,600</b>

**Standard:** Eliminate serious hazards in workplaces where interventions take place.

**Measure:** Number of serious hazards identified in workplaces during TOSHA interventions.

	6,985	6,500	6,500	0	6,500
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**Standard:** Provide training in occupational safety and health training classes.

**Measure:** Number of people trained in occupational safety and health training classes.

	10,352	10,000	9,000	0	9,000
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### 337.04 Mines

The Mines division promotes the safety and welfare of miners through training and licensing of mine operators and employing mine rescue workers.

Full-Time	6	6	6	0	<b>6</b>
Part-Time	18	18	18	0	<b>18</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>0</b>	<b>24</b>
Payroll	372,500	397,100	397,100	0	<b>397,100</b>
Operational	154,800	217,900	218,200	0	<b>218,200</b>
<b>Total</b>	<b>\$527,300</b>	<b>\$615,000</b>	<b>\$615,300</b>	<b>\$0</b>	<b>\$615,300</b>
State	328,200	374,400	374,700	0	<b>374,700</b>
Federal	138,000	123,600	123,600	0	<b>123,600</b>
Other	61,100	117,000	117,000	0	<b>117,000</b>

**Standard:** Maintain the number of employee training hours in mine safety to ensure preparedness for mine emergencies.

**Measure:** Number of hours that employees are trained in mine safety.

	56	50	50	0	50
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### 337.05 Boilers and Elevators

The Boilers and Elevators division performs safety inspections of boilers and elevators across the state.

Full-Time	56	56	56	0	<b>56</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>56</b>	<b>56</b>	<b>56</b>	<b>0</b>	<b>56</b>
Payroll	3,286,100	3,434,400	3,434,400	0	<b>3,434,400</b>
Operational	804,100	988,100	989,400	0	<b>989,400</b>
<b>Total</b>	<b>\$4,090,200</b>	<b>\$4,422,500</b>	<b>\$4,423,800</b>	<b>\$0</b>	<b>\$4,423,800</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
State	3,871,600	4,362,500	4,363,800	0	<b>4,363,800</b>
Federal	0	0	0	0	<b>0</b>
Other	218,600	60,000	60,000	0	<b>60,000</b>

**Standard:** Maintain the percentage of boiler and pressure vessel delinquents (any boiler or pressure vessel that is overdue for inspection by more than 90 days) at or below 4%.

**Measure:** Percent of delinquent boiler inspections.

5.6%	4.0%	4.0%	0	4.0%
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**Standard:** Maintain a minimum of 120 hours of elevator deputy training annually to ensure the latest state and/or national safety/operational techniques are maintained.

**Measure:** Number of training hours completed by elevator deputy inspectors.

120	120	120	0	120
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## Workers' Compensation

### 337.03 Workers' Compensation

The Workers' Compensation division administers the workers' compensation benefit review program, which determines compensation eligibility and provides mediation services in disputed claims; administers the drug free workplace program, which discourages drug use and abuse in the workplace; approves proposed settlements in disputed claims when the parties have reached agreement on all disputed issues; administers programs for medical case management and utilization review of claims which require medical services; administers the Second Injury Fund; administers safety programs established by the workers' compensation law; maintains the official record for workers' compensation coverage and claims; informs workers of their rights under the law; and ensures benefits paid to injured employees are within statutory requirements.

Full-Time	164	166	161	0	<b>161</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>164</b>	<b>166</b>	<b>161</b>	<b>0</b>	<b>161</b>
Payroll	10,063,900	11,091,600	10,815,100	0	<b>10,815,100</b>
Operational	2,319,200	4,629,500	2,372,300	150,000	<b>2,522,300</b>
<b>Total</b>	<b>\$12,383,100</b>	<b>\$15,721,100</b>	<b>\$13,187,400</b>	<b>\$150,000</b>	<b>\$13,337,400</b>
State	12,251,800	15,689,100	13,155,400	150,000	<b>13,305,400</b>
Federal	0	0	0	0	<b>0</b>
Other	131,300	32,000	32,000	0	<b>32,000</b>

**Standard:** Maintain the percentage of Requests for Assistance (RFAs) settled.

**Measure:** Number/percent of cases settled.

2,959 (69%)	3,000 (67%)	3,000 (67%)	0	3,000 (67%)
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**Standard:** Improve compliance of the Tennessee Workers' Compensation Act by collecting Uninsured Employer Fund (UEF) Penalties.

**Measure:** Total amount of UEF Penalties collected.

\$2,009,311	\$1,300,000	\$1,300,000	0	\$1,300,000
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**337.15 Workers' Compensation Employee Misclassification Education and Enforcement Fund (WCEMEEF)**

Public Acts of 2010, Chapter 1149 created the Workers' Compensation Employee Misclassification Education and Enforcement Fund (WCEMEEF). It authorizes a procedure for sole proprietors, partners in limited (or limited liability) partnership, officers of corporations, and members of limited liability companies engaged in the construction industry to file for an exemption from obtaining workers' compensation insurance to cover themselves.

Full-Time	5	5	5	0	5
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>
Payroll	61,500	273,300	273,300	0	273,300
Operational	362,800	92,900	48,200	0	48,200
<b>Total</b>	<b>\$424,300</b>	<b>\$366,200</b>	<b>\$321,500</b>	<b>\$0</b>	<b>\$321,500</b>
State	374,800	366,200	321,500	0	321,500
Federal	0	0	0	0	0
Other	49,500	0	0	0	0

**Standard:** Conduct investigations of employers each month in order to reduce the number of misclassified employees pursuant to the Workers' Compensation Act.

**Measure:** Number of investigations conducted annually.

Not Applicable	144	144	0	144
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**Standard:** Ensure that investigations are conducted on employers most likely to be in violation.

**Measure:** Percent of employers investigated found to be non-compliant.

Not Applicable	50%	50%	0	50%
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**337.08 Second Injury Fund**

The Second Injury Fund appropriation provides funding to pay the disability claims of previously injured employees that suffer additional injury on the job, resulting in permanent and total disability. In addition, the fund also encourages employers to hire workers with disabilities. Funding is provided from the workers' compensation premium tax.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	5,663,900	11,233,900	10,147,400	0	10,147,400
<b>Total</b>	<b>\$5,663,900</b>	<b>\$11,233,900</b>	<b>\$10,147,400</b>	<b>\$0</b>	<b>\$10,147,400</b>
State	5,338,300	10,958,900	9,872,400	0	9,872,400
Federal	0	0	0	0	0
Other	325,600	275,000	275,000	0	275,000



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Pay awards from the Second Injury Fund to previously disabled employees who suffered an at-work injury that left them permanently and totally disabled, thus unable to ever return to work.

**Measure:** Awards paid from the Second Injury Fund.

	\$4,408,297	\$5,900,000	\$5,900,000	0	\$5,900,000
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## Labor Standards

### 337.06 Labor Standards

The Labor Standards division enforces labor laws, protecting wage earners from unfair practices through the Wage Regulation Act, protecting children through the Child Labor Act, and protecting state-funded construction work through the Prevailing Wage Act. This program also conducts statistical research on work-related injuries, illnesses, and fatalities. The program also provides an employee assistance professional program that assists employees with personal concerns that might hinder job performance.

Full-Time	22	24	23	0	23
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>22</b>	<b>24</b>	<b>23</b>	<b>0</b>	<b>23</b>
Payroll	875,000	1,171,200	1,134,000	0	1,134,000
Operational	268,000	376,200	370,600	0	370,600
<b>Total</b>	<b>\$1,143,000</b>	<b>\$1,547,400</b>	<b>\$1,504,600</b>	<b>\$0</b>	<b>\$1,504,600</b>
State	1,003,300	1,341,300	1,302,200	0	1,302,200
Federal	139,700	206,100	202,400	0	202,400
Other	0	0	0	0	0

**Standard:** Conduct at least 50 lectures per year to promote child labor safety education and awareness.

**Measure:** Number of lectures delivered.

	69	50	50	0	50
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**Standard:** Maintain the number of child labor prohibited occupation violations at or below 5% as a result of increased lecture outreach programs.

**Measure:** Percent of child labor inspections found with prohibited occupation violations.

	0.003%	5.000%	5.000%	0	5.000%
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## Employment and Workforce Development

### 337.07 Workforce Development

The Workforce Development division administers the Workforce Investment Act (WIA), Tennessee career centers, Families First welfare-to-work services, veterans' services, and job service programs. WIA creates a seamless system that addresses employer needs for skilled workers, while assisting job seekers needing training. The Tennessee career centers are used by employers seeking workers and anyone seeking job training, job placement, Families First welfare-to-work services, unemployment insurance, and other employment and training services. The senior community service employment program serves persons with low incomes who are 55 years or older and have poor employment prospects.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	40	40	32	0	32
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>40</b>	<b>40</b>	<b>32</b>	<b>0</b>	<b>32</b>
Payroll	2,915,000	3,701,100	3,383,900	0	3,383,900
Operational	83,279,100	81,919,600	64,984,600	0	64,984,600
<b>Total</b>	<b>\$86,194,100</b>	<b>\$85,620,700</b>	<b>\$68,368,500</b>	<b>\$0</b>	<b>\$68,368,500</b>
State	0	0	0	0	0
Federal	85,916,600	85,542,700	68,290,500	0	68,290,500
Other	277,500	78,000	78,000	0	78,000

**Standard:** Meet or exceed the goal to place into employment 76% of the adult participants who exit the program between July 1, 2011, and June 30, 2012.

**Measure:** Percent of adult participants exiting program and entering employment participants.

71.18%	76.00%	76.00%	0	76.00%
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**Standard:** Meet or exceed the goal to place into employment 83% of the dislocated workers who exit the program between July 1, 2011, and June 30, 2012.

**Measure:** Percent of dislocated-worker participants exiting program and entering employment.

82.03%	83.00%	83.00%	0	83.00%
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### 337.09 Adult Basic Education

The Adult Basic Education program provides adult education and literacy services to assist adults in learning skills necessary for employment and self-sufficiency and in the completion of a secondary school education.

Full-Time	12	12	12	0	12
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>0</b>	<b>12</b>
Payroll	779,800	916,600	862,800	0	862,800
Operational	14,721,500	14,757,200	14,608,300	0	14,608,300
<b>Total</b>	<b>\$15,501,300</b>	<b>\$15,673,800</b>	<b>\$15,471,100</b>	<b>\$0</b>	<b>\$15,471,100</b>
State	2,998,600	3,948,800	3,785,600	0	3,785,600
Federal	12,502,700	11,725,000	11,685,500	0	11,685,500
Other	0	0	0	0	0

**Standard:** Raise the number of General Educational Development (GED) diplomas issued.

**Measure:** Number of GED diplomas issued.

10,800	14,000	16,000	0	16,000
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**Standard:** Raise the percentage of students completing a level of education in the Adult Education program.

**Measure:** Percent of students completing a level of education.

60.5%	70%	80%	0	80%
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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### 337.10 Employment Security

The Employment Security division provides job availability data to the general public. The division's primary programs are unemployment insurance, job service, and labor market information. The unemployment insurance program determines eligibility and pays unemployment insurance benefits to workers who are unemployed through no fault of their own, and collects appropriate premiums from liable employers. The job service program has administrative responsibility for providing a basic labor exchange system, job placement, and development services to special applicant groups, such as veterans, Job Training Partnership Act applicants, senior citizens, food stamp recipients, and Temporary Assistance for Needy Families (Families First) recipients. The Employment Security Division also collects, analyzes, and maintains data on the economic and demographic characteristics of the labor force in Tennessee.

Full-Time	1,057	1,062	1,057	10	<b>1,067</b>
Part-Time	381	381	381	0	<b>381</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>1,438</b>	<b>1,443</b>	<b>1,438</b>	<b>10</b>	<b>1,448</b>
Payroll	53,687,200	62,305,500	62,305,500	0	<b>62,305,500</b>
Operational	35,158,200	34,937,000	23,234,100	50,410,900	<b>73,645,000</b>
<b>Total</b>	<b>\$88,845,400</b>	<b>\$97,242,500</b>	<b>\$85,539,600</b>	<b>\$50,410,900</b>	<b>\$135,950,500</b>
State	373,500	0	0	280,000	<b>280,000</b>
Federal	88,145,200	93,639,100	81,936,200	50,130,900	<b>132,067,100</b>
Other	326,700	3,603,400	3,603,400	0	<b>3,603,400</b>

**Standard:** Pay Unemployment Insurance first benefit payments within 14 days after the week ending date of the first compensable week in the benefit year.

**Measure:** First payment promptness (within 14 days).

79.5%	92.0%	87.0%	0	87.0%
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**Standard:** Exceed the negotiated standard for Wagner-Peyser Entered Employment Rate.

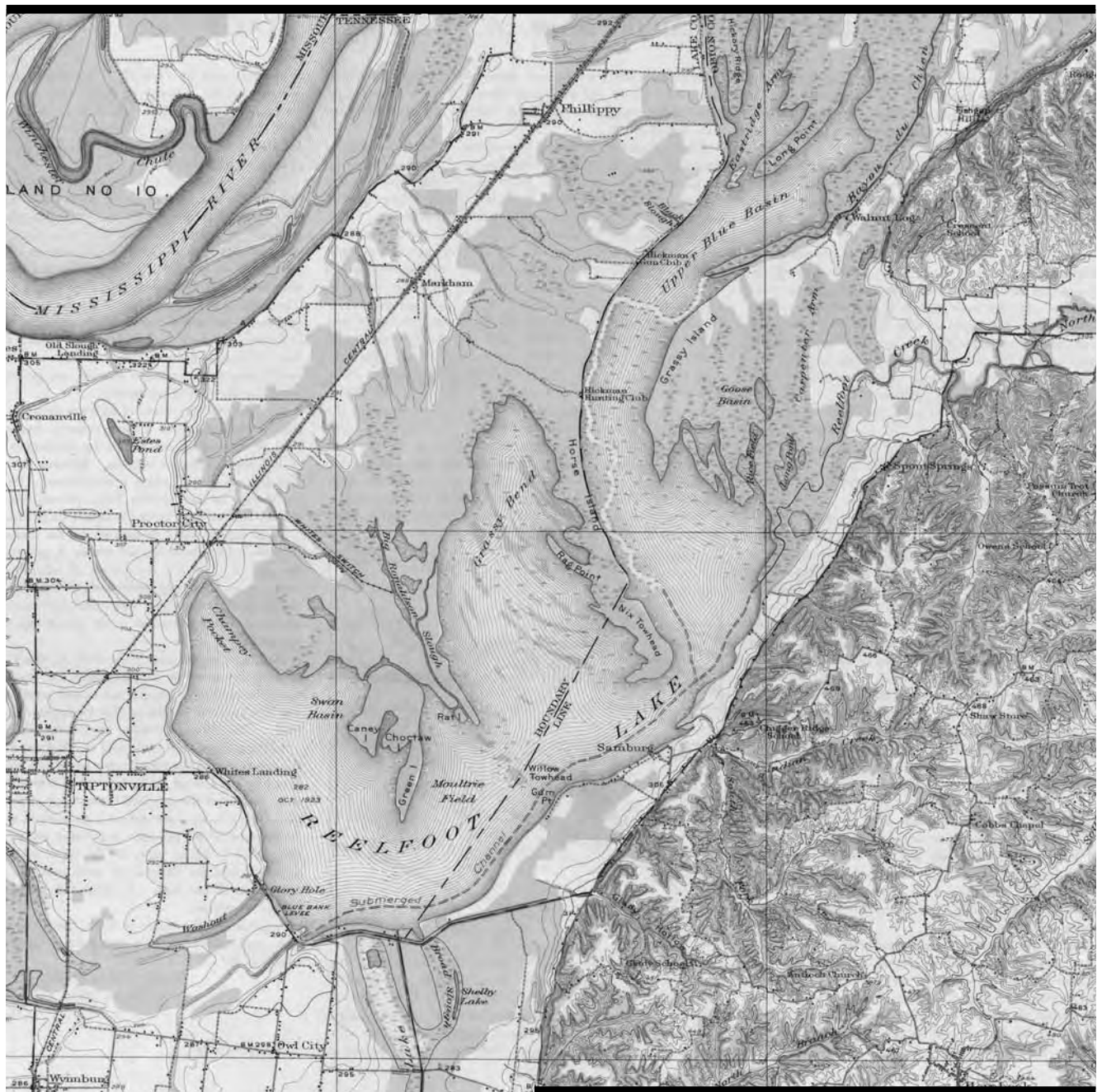
**Measure:** Entered employment rate for Job Service participants.

51%	68%	68%	0	68%
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### 337.00 Total Labor and Workforce Development

Full-Time	1,555	1,562	1,541	10	<b>1,551</b>
Part-Time	405	404	404	0	<b>404</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>1,960</b>	<b>1,966</b>	<b>1,945</b>	<b>10</b>	<b>1,955</b>
Payroll	85,001,800	97,190,900	96,431,400	0	<b>96,431,400</b>
Operational	147,260,700	153,976,200	121,864,600	50,804,400	<b>172,669,000</b>
<b>Total</b>	<b>\$232,262,500</b>	<b>\$251,167,100</b>	<b>\$218,296,000</b>	<b>\$50,804,400</b>	<b>\$269,100,400</b>
State	32,205,500	44,859,900	40,988,900	673,500	<b>41,662,400</b>
Federal	198,530,500	202,073,200	173,073,100	50,130,900	<b>223,204,000</b>
Other	1,526,500	4,234,000	4,234,000	0	<b>4,234,000</b>





# Transportation, Business, and Economic Development



# Transportation, Business, and Economic Development



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# Transportation, Business, and Economic Development

Recommended Budget, Fiscal Year 2012 – 2013

**T**he Transportation, Business, and Economic Development functional group is a diverse collection of agencies responsible for the development of economic activity in Tennessee. This group consists of the following agencies and departments:

- Tennessee Housing Development Agency
- Department of Agriculture
- Department of Tourist Development
- Department of Economic and Community Development
- Department of Transportation.

The common goal among these agencies is the development and promotion of economic activity and improvement of the livelihood of all Tennesseans. This is accomplished through various programs and activities, including creating an environment conducive to the operation of business and industry and the construction and maintenance of sound public infrastructure.

In addition to the above general activities,

this functional group also concentrates on promotion of job growth through development of industrial infrastructure and job training investments; regulation and maintenance of the state agricultural and forest industries; and marketing of the state as a vacation destination.

The Housing Development Agency helps low- and moderate-income Tennesseans secure affordable housing.

## Cost Increases and Program Statements

The following section includes: (1) a table on personnel and funding for all agencies in this functional area of state government; (2) a table on recommended budget for each agency by funding source; (3) a statement of recommended cost increases for the ensuing fiscal year; (4) departmental program statements, indicating recommended funding and staffing for the ensuing year, compared with actual amounts for the last year and the amounts budgeted for the current year, and program performance measures.

## Transportation, Business, and Economic Development Total Personnel and Funding

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Recommended 2012-2013</u>
<b>Personnel</b>			
Full Time	5,906	5,838	5,819
Part Time	10	10	10
Seasonal	215	215	205
<b>TOTAL</b>	<b><u>6,131</u></b>	<b><u>6,063</u></b>	<b><u>6,034</u></b>
<b>Expenditures</b>			
Payroll	\$ 296,288,100	\$ 330,038,300	\$ 338,999,500
Operational	2,232,774,200	2,277,611,100	1,894,833,000
<b>TOTAL</b>	<b><u>\$ 2,529,062,300</u></b>	<b><u>\$ 2,607,649,400</u></b>	<b><u>\$ 2,233,832,500</u></b>
<b>Funding</b>			
State	\$ 1,033,966,600	\$ 1,098,105,300	\$ 948,755,600
Federal	1,398,524,100	1,355,253,600	1,194,560,100
Other	96,571,600	154,290,500	90,516,800

**Transportation, Business and Economic Development  
Recommended Budget for Fiscal Year 2012-2013  
By Funding Source**

<b>Department</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
316.20 Tennessee Housing Development Agency	0	212,297,200	19,772,500	232,069,700
325.00 Agriculture	67,066,000	11,119,700	10,138,500	88,324,200
326.00 Tourist Development	11,797,100	0	8,125,800	19,922,900
330.00 Economic and Community Development	51,592,500	94,170,300	10,266,000	156,028,800
400.00 Transportation	818,300,000	876,972,900	42,214,000	1,737,486,900
<b>Total</b>	<b>\$948,755,600</b>	<b>\$1,194,560,100</b>	<b>\$90,516,800</b>	<b>\$2,233,832,500</b>

## Transportation, Business and Economic Development Cost Increases for Fiscal Year 2012-2013

	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>	<u>Positions</u>
<b>Tourist Development</b>					
• <b>Administration and Marketing</b>					
To provide recurring funds for the continuation of Tennessee's advertising campaign. The campaign will continue to target markets with the highest potential for increasing tourism to the state. These funds also will provide additional marketing support to rural and small communities for various heritage, cultural, and other outdoor recreational activities.					
<b>326.01 Administration and Marketing</b>	\$3,500,000	\$0	\$0	\$3,500,000	0
<b>Sub-total</b>	\$3,500,000	\$0	\$0	\$3,500,000	0
• <b>Welcome Center Staffing and Operations</b>					
To provide funding for 10 positions and operating expenses for a new I-26 welcome center in Sullivan County.					
<b>326.03 Welcome Centers</b>	\$0	\$0	\$508,400	\$508,400	10
<b>Sub-total</b>	\$0	\$0	\$508,400	\$508,400	10
• <b>National Folk Festival</b>					
To provide non-recurring funding for the 2012 National Folk Festival in Nashville. This is the second of three years the festival will be held in Nashville.					
<b>326.01 Administration and Marketing</b>	\$50,000	\$0	\$0	\$50,000	0
<b>Sub-total</b>	\$50,000	\$0	\$0	\$50,000	0
<b>Total Tourist Development</b>	<b>\$3,550,000</b>	<b>\$0</b>	<b>\$508,400</b>	<b>\$4,058,400</b>	<b>10</b>
<b>Economic and Community Development</b>					
• <b>Jobs4TN</b>					
To continue the state's investment in creating new opportunities for Tennessee's workforce and to support the growth and retention of the state's base of traditional jobs. This funding is necessary for the recruitment of new businesses, including support of workforce training, marketing, and education initiatives. An amount of \$10,000,000 is non-recurring.					
<b>330.06 FastTrack Infrastructure and Job Training Assistance</b>	\$20,000,000	\$0	\$0	\$20,000,000	0
<b>Sub-total</b>	\$20,000,000	\$0	\$0	\$20,000,000	0
<b>Total Economic and Community Development</b>	<b>\$20,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,000,000</b>	<b>0</b>
<b>Total Transportation, Business and Economic Development</b>	<b>\$23,550,000</b>	<b>\$0</b>	<b>\$508,400</b>	<b>\$24,058,400</b>	<b>10</b>

# Tennessee Housing Development Agency

## Performance-Based Budget

The Tennessee Housing Development Agency (THDA) provides opportunities for decent, affordable housing to low- and moderate-income Tennesseans. THDA was created in response to a need for housing initiatives in rural areas, but it also performs activities in the major urban centers. The agency is authorized to sell tax-exempt revenue notes and bonds to provide funds for making below-market interest rate mortgage loans. Through the U.S. Department of Housing and Urban Development's Section 8 program, THDA provides rental subsidies to assist renters in need and administers project-based contracts. THDA also administers two federally funded grant programs, the HOME program and the Neighborhood Stabilization program. The HOME program assists local housing providers in implementing affordable housing plans. The Neighborhood Stabilization program provides grants to non-profit organizations and local governments that buy foreclosed homes, rehabilitate, and rent or resell the homes to low- to middle-income families in order to help stabilize the housing market.

Activities of THDA include the rehabilitation and construction of rental and homeowner housing. The low income housing tax credit program, administered by THDA, supports acquisition, rehabilitation, and new construction of rental units for low-income tenants. THDA has a governing board composed of state officials and gubernatorial and legislative appointees who are active and knowledgeable in their respective industries.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
<b>316.20 Tennessee Housing Development Agency</b>					
Full-Time	230	242	242	0	242
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>230</b>	<b>242</b>	<b>242</b>	<b>0</b>	<b>242</b>
Payroll	14,937,700	16,866,300	16,866,300	0	16,866,300
Operational	358,939,000	251,055,700	215,203,400	0	215,203,400
<b>Total</b>	<b>\$373,876,700</b>	<b>\$267,922,000</b>	<b>\$232,069,700</b>	<b>\$0</b>	<b>\$232,069,700</b>
State	0	0	0	0	0
Federal	366,997,600	249,010,400	212,297,200	0	212,297,200
Other	6,879,100	18,911,600	19,772,500	0	19,772,500

**Standard:** Preserve affordable housing stock in Tennessee by annually rehabilitating at least 250 units with HOME funds.

**Measure:** The number of units rehabilitated with HOME funds.

	477	300	250	0	250
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**Standard:** Annually achieve an overall performance rating of "High" in management of the Housing Choice Voucher Program based upon HUD's 14 key indicators of public housing agency performance.

**Measure:** Annual performance rating for management of the Housing Choice Voucher Program.

	High	High	High	0	High
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# Department of Agriculture

## Performance-Based Budget

The Department of Agriculture was established in 1854 with the original purpose of promoting agriculture through fairs and livestock expositions. This tradition continues today as the department helps expand markets for farm and forest products through promotions and industry development activities. The department provides an array of consumer services, from food safety and product quality assurance to pesticide regulation and environmental monitoring. Forestry services include landowner assistance, wildfire suppression, and state forest management. Water quality programs encourage and promote wise stewardship of natural resources. The department's mission is performed within the following four major areas: Administration and Grants, Market Development, Regulatory Services, and Forestry.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administration and Grants

The Administration and Grants program coordinates various duties including policy and strategic planning, budgeting, personnel administration, legal, and information services.

Through cooperation with the National Agricultural Statistics Service, this division collects, analyzes, and publishes reliable data for producers and decision makers in agriculture. In addition, the staff monitors grant-based programs in the areas of soil conservation and water quality, pesticide pollution and abatement, commodity distribution assistance to eligible recipients, forestry incentives, and volunteer fire department assistance. The division administers several programs to help reduce soil erosion on Tennessee farms and forestlands and to improve water quality.

Administration and Grants also provides staff support and data management services for the Tennessee Tobacco Farmers Certifying Board. The board is responsible for certifying tobacco farmers eligible to receive a share of the Phase II National Tobacco Growers Settlement Trust.

#### 325.01 Administration and Grants

The Administration and Grants program includes the commissioner's office, budget office, legal services, personnel office, public affairs, legislative liaison, agricultural crime services, and agricultural statistics services. This program carries out the Nonpoint Clean Water Act services delegated through the Environmental Protection Agency (EPA). This program also distributes commodities under the guidance of various federal laws.

Full-Time	72	71	68	0	68
Part-Time	0	0	0	0	0
Seasonal	1	1	0	0	0
<b>Total</b>	<b>73</b>	<b>72</b>	<b>68</b>	<b>0</b>	<b>68</b>
Payroll	4,952,700	5,116,700	4,902,500	0	4,902,500
Operational	5,612,200	5,835,400	5,837,900	0	5,837,900
<b>Total</b>	<b>\$10,564,900</b>	<b>\$10,952,100</b>	<b>\$10,740,400</b>	<b>\$0</b>	<b>\$10,740,400</b>
State	5,062,500	5,485,500	5,273,800	0	5,273,800
Federal	5,063,400	5,260,000	5,260,000	0	5,260,000
Other	439,000	206,600	206,600	0	206,600

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Improve water quality in Tennessee with federal funds made available by the Environmental Protection Agency (EPA) and approved in the 319 Management Program Document.

**Measure:** Percent of available funds received from EPA encumbered into grant contract to address nonpoint source pollution, consistent with approved program management plans.

100%	100%	100%	0	100%
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**Standard:** Maximize use of commodities allocated from USDA in the School Nutrition Program.

**Measure:** Percent of School Nutrition commodity allocation received from USDA and distributed.

100%	100%	100%	0	100%
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### 325.08 Agricultural Resources Conservation Fund

The Agricultural Resources Conservation Fund provides grants to landowners, producers, and managers for the installation of best management practices aimed at solving water quality problems associated with agricultural operations. Funds also support a variety of educational programs.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	3,330,600	3,250,500	3,187,500	0	3,187,500
<b>Total</b>	<b>\$3,330,600</b>	<b>\$3,250,500</b>	<b>\$3,187,500</b>	<b>\$0</b>	<b>\$3,187,500</b>
State	3,144,100	3,187,500	3,187,500	0	3,187,500
Federal	183,900	63,000	0	0	0
Other	2,600	0	0	0	0

**Standard:** Improve water quality in Tennessee through the installation of Best Management Practices with funding provided through grant contract.

**Measure:** Percent of appropriated funds encumbered into grant contracts pursuant to TCA 67-4-409 (1), to abate nonpoint source water pollution from agricultural operations, consistent with program guidelines.

100%	100%	100%	0	100%
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### 325.12 Grain Indemnity Fund

Monies from the Grain Indemnity Fund are used to protect commodity producers in the event of the financial failure of a commodity dealer or warehouseman and to compensate producers for losses occasioned by the failure of a commodity dealer or warehouseman. Per-bushel assessment fees on grain producers cover the cost of the program. When the fund balance exceeds \$3 million, producer assessments are suspended, as provided by law. Revenues in the program are interest earnings on the fund balance.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	0	0	0	0	0
Operational	85,300	126,700	126,700	0	126,700
<b>Total</b>	<b>\$85,300</b>	<b>\$126,700</b>	<b>\$126,700</b>	<b>\$0</b>	<b>\$126,700</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	85,300	126,700	126,700	0	126,700

**Standard:** Reimburse administrative costs.

**Measure:** Percent of administrative costs recovered.

100%	100%	100%	0	100%
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### 325.14 Certified Cotton Growers' Organization Fund

Monies from the Certified Cotton Grower's Organization Fund are used for boll weevil eradication. Funds are granted to the Tennessee Boll Weevil Eradication Foundation, which oversees the program. The appropriation to this program is from an assessment which cotton growers levy upon themselves.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	2,147,000	607,500	607,500	0	607,500
<b>Total</b>	<b>\$2,147,000</b>	<b>\$607,500</b>	<b>\$607,500</b>	<b>\$0</b>	<b>\$607,500</b>
State	2,142,800	607,500	607,500	0	607,500
Federal	0	0	0	0	0
Other	4,200	0	0	0	0

**Standard:** Maintain boll-weevil free status.

**Measure:** Percent of Tennessee cotton fields that are boll-weevil free.

100%	100%	100%	0	100%
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**Standard:** Maintain collection of assessments.

**Measure:** Percent of assessments collected.

99%	100%	100%	0	100%
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## Market Development

### 325.06 Market Development

The Market Development division works to maximize economic opportunities for Tennessee agriculture through innovative marketing programs and promotional services. The division works to develop domestic and foreign markets for Tennessee agricultural and forest products and to attract agriculture and forest industry to the state. Marketing efforts promote a variety of products, including horticultural material, livestock, fruits and vegetables, value-added products, aquaculture, Tennessee wines, and other products. Grants promote market development initiatives and non-profit agricultural fairs and livestock shows throughout the state.



	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	35	35	33	0	33
Part-Time	2	2	2	0	2
Seasonal	0	0	0	0	0
<b>Total</b>	<b>37</b>	<b>37</b>	<b>35</b>	<b>0</b>	<b>35</b>
Payroll	1,945,300	2,169,200	2,079,200	0	2,079,200
Operational	17,078,500	19,427,200	19,307,800	0	19,307,800
<b>Total</b>	<b>\$19,023,800</b>	<b>\$21,596,400</b>	<b>\$21,387,000</b>	<b>\$0</b>	<b>\$21,387,000</b>
State	16,579,900	21,153,600	20,944,200	0	20,944,200
Federal	642,400	307,800	307,800	0	307,800
Other	1,801,500	135,000	135,000	0	135,000

**Standard:** Increase production improvement opportunities for Tennessee farmers.

**Measure:** Number of projects approved for agricultural enhancement core programs.

	2,943	5,200	5,200	0	5,200
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**Standard:** Encourage investments in Tennessee's agri-economy.

**Measure:** Amount of agri-industry investments facilitated by division's activities.

	\$71,000,000	\$26,000,000	\$26,000,000	0	\$26,000,000
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## Regulatory Services

The Regulatory Services division is dedicated to the two main objectives of agricultural production quality and consumer protection. Responsibilities of the division include sampling the quality of feeds, seeds, and fertilizers; protecting animal and plant health; registering pesticides; ensuring food safety; and inspecting processing establishments. A state-of-the-art laboratory supports regulatory efforts.

### 325.05 Regulatory Services

Regulatory Services monitors agricultural raw materials, products, and services to assure quality, consumer protection, public safety, a fair market place, and a safe and wholesome food supply. Statutes direct responsibility for the registration, licensing, sampling, inspection of items pertaining to human and animal health safety, consumer protection, truth in labeling, and free movement of plants and animals.

Full-Time	218	214	206	0	206
Part-Time	1	1	1	0	1
Seasonal	3	3	3	0	3
<b>Total</b>	<b>222</b>	<b>218</b>	<b>210</b>	<b>0</b>	<b>210</b>
Payroll	12,314,900	12,977,800	12,616,700	0	12,616,700
Operational	5,749,800	6,816,000	6,470,000	0	6,470,000
<b>Total</b>	<b>\$18,064,700</b>	<b>\$19,793,800</b>	<b>\$19,086,700</b>	<b>\$0</b>	<b>\$19,086,700</b>
State	12,021,100	12,960,700	12,263,000	0	12,263,000
Federal	1,128,500	1,509,600	1,509,600	0	1,509,600
Other	4,915,100	5,323,500	5,314,100	0	5,314,100

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Decrease the number of retail food stores scoring below target on routine inspections.

**Measure:** Percent of retail food stores receiving a passing sanitation inspection score on routine inspections.

	99%	98%	98%	0	98%
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**Standard:** Increase pesticide complaint investigations completed on target.

**Measure:** Percent of pesticide-related consumer complaint investigations completed within the established guideline of 90 days.

	81%	85%	85%	0	85%
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### 325.16 Agricultural Regulatory Fund

The Agricultural Regulatory Fund provides funding to the divisions of Administration and Grants and Regulatory Services to help defray the costs of administering regulatory programs. The funds are used for permitting, monitoring, investigating, enforcing, and administering such areas as pesticide product registration, pesticide dealer licenses and fees, plant certification fees, plant and soil testing fees, and pathology. Licensing and product registrations and civil penalties are deposited into the fund.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	3,089,500	2,474,400	2,838,600	0	2,838,600
<b>Total</b>	<b>\$3,089,500</b>	<b>\$2,474,400</b>	<b>\$2,838,600</b>	<b>\$0</b>	<b>\$2,838,600</b>
State	2,354,400	2,354,400	2,718,600	0	2,718,600
Federal	0	0	0	0	0
Other	735,100	120,000	120,000	0	120,000

**Standard:** Maximize work plan expenditures funded with Agricultural Regulatory Fund dollars.

**Measure:** Percent of work plan estimated expenditures transferred at year-end.

	90%	100%	100%	0	100%
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## Forestry

The Forestry division provides operational support and maintenance to Tennessee's abundant public and private forest resources.

### 325.10 Forestry Operations

Forestry Operations provides numerous land management and protection services to Tennessee's forests. These include fire suppression, water quality protection, insect and disease control, landowner assistance, tree improvement, seedling production, product utilization and promotion, urban forestry, and state forest management.

Full-Time	318	317	317	0	317
Part-Time	2	2	2	0	2
Seasonal	211	211	202	0	202
<b>Total</b>	<b>531</b>	<b>530</b>	<b>521</b>	<b>0</b>	<b>521</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	16,885,800	18,217,600	18,153,100	0	<b>18,153,100</b>
Operational	8,496,400	19,816,900	12,039,500	0	<b>12,039,500</b>
<b>Total</b>	<b>\$25,382,200</b>	<b>\$38,034,500</b>	<b>\$30,192,600</b>	<b>\$0</b>	<b>\$30,192,600</b>
State	18,746,800	23,390,200	21,914,200	0	<b>21,914,200</b>
Federal	2,958,400	11,232,300	4,042,300	0	<b>4,042,300</b>
Other	3,677,000	3,412,000	4,236,100	0	<b>4,236,100</b>

**Standard:** Reduce annual losses of forest resources and other assets due to wildfire.

**Measure:** Average size of fires, in acres.

9.6	10.0	10.0	0	10.0
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**Standard:** Increase participation through non-regulatory Best Management Practices (BMPs) used in forestry to minimize the environmental impact of forest management activities.

**Measure:** Number of loggers, landowners, and foresters trained in BMP use.

445	600	600	0	600
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### 325.11 Forestry Maintenance

The Forestry Maintenance program provides funds for maintenance of the division of Forestry facilities and communications equipment.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	123,200	157,200	157,200	0	<b>157,200</b>
<b>Total</b>	<b>\$123,200</b>	<b>\$157,200</b>	<b>\$157,200</b>	<b>\$0</b>	<b>\$157,200</b>
State	123,200	157,200	157,200	0	<b>157,200</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Utilize available funds for needed maintenance.

**Measure:** Percent of available funding used for facilities and communications maintenance.

90%	95%	95%	0	95%
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### 325.00 Total Agriculture

Full-Time	643	637	624	0	<b>624</b>
Part-Time	5	5	5	0	<b>5</b>
Seasonal	215	215	205	0	<b>205</b>
<b>Total</b>	<b>863</b>	<b>857</b>	<b>834</b>	<b>0</b>	<b>834</b>
Payroll	36,098,700	38,481,300	37,751,500	0	<b>37,751,500</b>
Operational	45,712,500	58,511,800	50,572,700	0	<b>50,572,700</b>
<b>Total</b>	<b>\$81,811,200</b>	<b>\$96,993,100</b>	<b>\$88,324,200</b>	<b>\$0</b>	<b>\$88,324,200</b>
State	60,174,800	69,296,600	67,066,000	0	<b>67,066,000</b>
Federal	9,976,600	18,372,700	11,119,700	0	<b>11,119,700</b>
Other	11,659,800	9,323,800	10,138,500	0	<b>10,138,500</b>

# Department of Tourist Development

## Performance-Based Budget

The Department of Tourist Development is responsible for planning and implementing marketing and service programs that increase the economic impact of tourism. These programs are designed to enhance Tennessee's image as a primary tourist destination in order to increase the number of travelers and tourists coming to Tennessee. The department assists smaller communities in developing new tourism programs to positively impact local economic development. In addition, the department provides visitors to Tennessee's welcome centers with a safe, positive impression of Tennessee. The department is organized into two divisions: Administration and Marketing and Welcome Centers.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 326.01 Administration and Marketing

The Administration and Marketing Division is responsible for planning, managing, and implementing marketing programs that increase the economic impact of tourism on the state's economy. The marketing activities are designed to enhance Tennessee's image as a primary tourist destination. These activities include creating, producing, and placing broadcast and print media campaigns; developing direct sales programs that target group tour companies, travel agents, and international tour operators; promoting Tennessee to the media and national travel press by writing and distributing camera-ready travel articles and sponsoring travel writer press trips to Tennessee locations; developing promotional brochures and travel literature for distribution to customers; collecting travel data and developing marketing research information; developing rural and heritage tourism promotional opportunities by directly working with local communities; and providing cooperative advertising, marketing, and promotional opportunities to businesses in the travel industry. This division also is responsible for the overall administration of the department, including financial, information system, and support services.

Full-Time	28	28	28	0	28
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>0</b>	<b>28</b>
Payroll	2,031,700	2,115,900	2,115,900	0	2,115,900
Operational	8,221,700	10,226,800	5,813,400	3,550,000	9,363,400
<b>Total</b>	<b>\$10,253,400</b>	<b>\$12,342,700</b>	<b>\$7,929,300</b>	<b>\$3,550,000</b>	<b>\$11,479,300</b>
State	9,405,700	11,150,200	6,882,100	3,550,000	10,432,100
Federal	0	0	0	0	0
Other	847,700	1,192,500	1,047,200	0	1,047,200

**Standard:** Increase travel generated sales.

**Measure:** Annual gross sales for selected travel-related businesses in Tennessee, as based on actual Department of Revenue data reporting the economic impact trends of tourism on Tennessee's economy.

\$7,324,238,338	\$7,229,580,000	\$6,710,215,000	\$519,365,000	\$7,229,580,000
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 326.03 Welcome Centers

The Tennessee Welcome Centers encourage visitors traveling to and through Tennessee to spend more time in the state and to visit more Tennessee tourism destinations. This division is responsible for the operation of the 14 welcome centers located on Tennessee's interstate highways. These centers are the initial contact point for many travelers entering Tennessee. The staff at the welcome centers provide free travel information, brochures, literature, and reservation services to the millions of visitors that stop at the centers each year.

Full-Time	132	132	132	10	142
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>132</b>	<b>132</b>	<b>132</b>	<b>10</b>	<b>142</b>
Payroll	4,933,500	5,316,100	5,316,100	330,500	5,646,600
Operational	2,728,400	2,753,800	2,619,100	177,900	2,797,000
<b>Total</b>	<b>\$7,661,900</b>	<b>\$8,069,900</b>	<b>\$7,935,200</b>	<b>\$508,400</b>	<b>\$8,443,600</b>
State	1,408,400	1,500,000	1,365,000	0	1,365,000
Federal	0	0	0	0	0
Other	6,253,500	6,569,900	6,570,200	508,400	7,078,600

**Standard:** Encourage travelers to extend their stay in Tennessee by providing free reservation service and increase the annual number of reservations.

**Measure:** Number of reservations.

	11,102	15,600	15,600	0	15,600
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### 326.00 Total Tourist Development

Full-Time	160	160	160	10	170
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>160</b>	<b>160</b>	<b>160</b>	<b>10</b>	<b>170</b>
Payroll	6,965,200	7,432,000	7,432,000	330,500	7,762,500
Operational	10,950,100	12,980,600	8,432,500	3,727,900	12,160,400
<b>Total</b>	<b>\$17,915,300</b>	<b>\$20,412,600</b>	<b>\$15,864,500</b>	<b>\$4,058,400</b>	<b>\$19,922,900</b>
State	10,814,100	12,650,200	8,247,100	3,550,000	11,797,100
Federal	0	0	0	0	0
Other	7,101,200	7,762,400	7,617,400	508,400	8,125,800

# Department of Economic and Community Development

## Performance-Based Budget

The Department of Economic and Community Development (ECD) is the arm of state government concerned with aiding existing businesses in their efforts to expand and create jobs, promoting the location and expansion of business and industry in Tennessee, assisting communities in being prepared for economic development opportunities, managing state and federal programs which provide development resources, and forming strategic partnerships inside and outside state government with the ultimate end of making Tennessee the number one location in the southeast for high quality jobs. The department's programs are presented in five groupings: Administrative Services, Business Development and Services, Job Training and Job Skills, Community Development, and Energy Assistance.

The department's headquarters are located in Nashville with nine regional jobs base camps across the state and foreign office representatives in China, Canada, Japan, and Germany maintaining and providing ECD's presence, assistance, and programs in Tennessee and internationally.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### Administrative Services

#### 330.01 Administrative Services

Administrative Services provides administrative and support services to the department and is responsible for the daily operations and procedures of the department. Activities include internal policy, legal, communications (including public information), graphic and media services, research, human resources, information technology, internal audit and consulting, fiscal services, and budgeting. Administrative Services is subdivided into eleven sections: commissioner's office, budget and fiscal, human resources, legal, internal audit and consulting, contracting, contract monitoring, information technology, research and special projects, communications and creative services, and smart growth.

Full-Time	75	66	54	0	54
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>75</b>	<b>66</b>	<b>54</b>	<b>0</b>	<b>54</b>
Payroll	4,806,100	4,970,500	4,312,200	0	4,312,200
Operational	2,096,500	1,923,600	1,585,500	0	1,585,500
<b>Total</b>	<b>\$6,902,600</b>	<b>\$6,894,100</b>	<b>\$5,897,700</b>	<b>\$0</b>	<b>\$5,897,700</b>
State	6,274,300	5,977,800	5,038,800	0	5,038,800
Federal	195,000	367,100	309,700	0	309,700
Other	433,300	549,200	549,200	0	549,200

**Standard:** Process contracts within 30 days of initiation to the time the contract is submitted to the Department of General Services, Procurement Office.

**Measure:** Percent of contracts processed within 30 days.

95%	70%	75%	0	75%
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<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Process cost reallocations for expenditures related to federal grant expenditures within 30 days of the end of the month in which the expenditure occurred.

**Measure:** Percent of federal grant cost allocations that are completed within 30 days of the end of the month in which the expenditure occurred.

Not Applicable	50%	60%	0	60%
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## Business Development and Services

### 330.02 Business Development

Business Development has the responsibility to attract and recruit new investments and create new jobs for Tennessee. Business Development's recruitment and retention responsibilities require the staff to be in contact with clients statewide, nationwide, and internationally. This also includes close contact with regional industrial development agencies, regulatory boards, utility districts, professional associations, local officials, and local chambers of commerce. Business Development also promotes the development of jobs through small, minority, and women-owned businesses. Business Development is subdivided into four areas representing the following: project management; regional business development and services; administrative functions of the FastTrack Infrastructure Development and Jobs Training Assistance Programs, and the Tennessee Film, Entertainment, and Music Commission, an organization tasked with promoting economic development by attracting entertainment industry business to Tennessee.

Full-Time	41	53	49	0	49
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>41</b>	<b>53</b>	<b>49</b>	<b>0</b>	<b>49</b>
Payroll	2,849,600	4,397,900	4,163,200	0	4,163,200
Operational	27,195,600	41,706,100	2,284,100	0	2,284,100
<b>Total</b>	<b>\$30,045,200</b>	<b>\$46,104,000</b>	<b>\$6,447,300</b>	<b>\$0</b>	<b>\$6,447,300</b>
State	28,737,300	6,709,600	5,724,500	0	5,724,500
Federal	295,100	375,000	375,000	0	375,000
Other	1,012,800	39,019,400	347,800	0	347,800

**Standard:** Attract and recruit new jobs by assisting existing business and industry and through the recruitment of new business and industry to the state.

**Measure:** Number of jobs created as a result of recruitment and expansion projects.

12,538	13,250	13,500	0	13,500
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**Standard:** Promote new investment in the state through the recruitment of new and existing industry to locate and expand in the state.

**Measure:** Private capital investment leveraged as a result of recruitment and expansion projects.

\$2,250,492,265	\$1,900,000,000	\$2,000,000,000	0	\$2,000,000,000
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 330.05 Innovation Programs

Innovation Programs is tasked with raising the state's profile in innovation-based economic development by focusing on innovation, commercialization, investment, technology, and entrepreneurship. Innovation is the process that translates knowledge into economic growth and social well-being through a consideration of scientific, technological, organizational, financial, and commercial activities.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	161,900	10,463,600	10,471,400	0	10,471,400
<b>Total</b>	<b>\$161,900</b>	<b>\$10,463,600</b>	<b>\$10,471,400</b>	<b>\$0</b>	<b>\$10,471,400</b>
State	160,000	10,257,900	257,900	0	257,900
Federal	0	205,700	10,213,500	0	10,213,500
Other	1,900	0	0	0	0

**Standard:** Promote new investment in the state by supporting innovation, entrepreneurship, commercialization, and access to capital.

**Measure:** Total investment resulting of Innovation Program activities.

	\$30,923,533	\$73,500,000	\$82,000,000	0	\$82,000,000
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**Standard:** Attract, support, and recruit new jobs by assisting early-stage companies and existing business by providing expanded access to capital and other support services.

**Measure:** Total jobs resulting from Innovation Program activities.

	356	1,400	1,600	0	1,600
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### 330.20 Headquarters Relocation Assistance

The Headquarters Relocation Assistance program assists companies to locate their regional, national, or international headquarters in Tennessee. The state will offer tax credits to companies that establish or expand a qualified headquarters facility.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	20,000,000	34,000,000	6,000,000	0	6,000,000
<b>Total</b>	<b>\$20,000,000</b>	<b>\$34,000,000</b>	<b>\$6,000,000</b>	<b>\$0</b>	<b>\$6,000,000</b>
State	20,000,000	34,000,000	6,000,000	0	6,000,000
Federal	0	0	0	0	0
Other	0	0	0	0	0



	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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## Job Training and Job Skills

### 330.13 Tennessee Job Skills Program

The Tennessee Job Skills program is a workforce development incentive grant program designed to assist existing employers in elevating the skills of their employees, enhancing employment opportunities, and meeting the needs of existing and new industries through the provision of training grants to eligible employers. Priority is given to the creation and retention of jobs and employers in industries that promote high-skill, high-wage jobs. Industries of particular focus include technology, emerging occupations, and skilled manufacturing jobs.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	3,463,400	5,285,200	5,285,200	0	5,285,200
<b>Total</b>	<b>\$3,463,400</b>	<b>\$5,285,200</b>	<b>\$5,285,200</b>	<b>\$0</b>	<b>\$5,285,200</b>
State	0	0	0	0	0
Federal	0	0	0	0	0
Other	3,463,400	5,285,200	5,285,200	0	5,285,200

**Standard:** Assist in the creation and retention of jobs through the provision of training assistance to elevate the skills of Tennessee workers and enhance employment opportunities.

**Measure:** Number of jobs created or upgraded.

941	800	500	0	500
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## Community Development

The Community Development area works with communities to ensure they develop and maintain the leadership, organizations, and community facilities essential for economic growth. The FastTrack Infrastructure Development Program assists communities with economic growth by providing grants for infrastructure improvements, industrial site preparation, and industrial training. Community Development also administers federal Community Development Block Grants, Appalachian Regional Commission grants, and Delta Regional Authority grants; and administers the Main Street, Tennessee Downtowns, Retire Tennessee, and Three-Star community preparedness programs.

### 330.04 Policy and Federal Programs

The Policy and Federal Programs division works to drive economic and community development policy and manage and execute the department's federal programs. The division provides professional project administration and technical assistance to all communities in the state. Included in this division's purview are the following federal programs: the Community Development Block Grant, the Appalachian Regional Commission, and the Delta Regional Authority.

Full-Time	12	9	9	0	9
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>12</b>	<b>9</b>	<b>9</b>	<b>0</b>	<b>9</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	688,100	684,200	684,200	0	<b>684,200</b>
Operational	29,867,600	153,942,600	77,493,200	0	<b>77,493,200</b>
<b>Total</b>	<b>\$30,555,700</b>	<b>\$154,626,800</b>	<b>\$78,177,400</b>	<b>\$0</b>	<b>\$78,177,400</b>
State	121,800	880,200	682,000	0	<b>682,000</b>
Federal	30,234,800	153,678,700	77,427,500	0	<b>77,427,500</b>
Other	199,100	67,900	67,900	0	<b>67,900</b>

**Standard:** The Community Development Block Grant (CDBG) projects ensure at least 70% of those served will be persons of low- to moderate- income.

**Measure:** Percent of low- to moderate- income persons served.

70%	70%	70%	0	70%
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**Standard:** Within the CDBG program, target areas of economic distress.

**Measure:** Percent of CDBG projects awarded in distressed areas.

40%	42%	40%	0	40%
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### 330.15 Economic Development District Grants

The Development District Act of 1965 established nine development districts in order to provide the most effective and efficient means for cities and counties to conduct regional planning and economic development. The districts prepare and maintain long-range plans and policies for regional development, including transportation, water and wastewater infrastructure, water and air quality, solid waste management, and open space and recreation planning. This allotment provides funding for state grants to the development districts. Local government contributions are required to receive funding.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	1,470,400	1,500,100	1,500,100	0	<b>1,500,100</b>
<b>Total</b>	<b>\$1,470,400</b>	<b>\$1,500,100</b>	<b>\$1,500,100</b>	<b>\$0</b>	<b>\$1,500,100</b>
State	1,470,400	1,500,100	1,500,100	0	<b>1,500,100</b>
Federal	0	0	0	0	<b>0</b>
Other	0	0	0	0	<b>0</b>

**Standard:** Build an open and communicative business relationship with development districts across Tennessee to foster a coordination of development efforts.

**Measure:** Number of times department representatives have met with development districts.

Not Available	36	36	0	36
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 330.06 FastTrack Infrastructure and Job Training Assistance

The FastTrack Infrastructure Development and Job Training Assistance program provides industrial water, wastewater, and transportation infrastructure grants to local governments and businesses for job creation and retention. Additionally, the program provides training grants when there is a commitment by an eligible business for the creation or retention of private sector jobs or when there is a direct impact on employment and investment opportunities in the future. Training includes classroom and on-the-job instruction for both pre- and post- employment needs.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	16,503,200	107,597,900	10,497,900	20,000,000	<b>30,497,900</b>
<b>Total</b>	<b>\$16,503,200</b>	<b>\$107,597,900</b>	<b>\$10,497,900</b>	<b>\$20,000,000</b>	<b>\$30,497,900</b>
State	16,134,300	76,257,400	10,157,400	20,000,000	<b>30,157,400</b>
Federal	0	0	0	0	0
Other	368,900	31,340,500	340,500	0	<b>340,500</b>

**Standard:** Assist in the creation of jobs through the provision of infrastructure development and training assistance.

**Measure:** Number of jobs created or upgraded in which job training assistance was provided.

	7,468	15,850	10,500	2,000	12,500
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**Standard:** Promote new investment in the state through the provision of infrastructure development and training assistance.

**Measure:** Private capital investment leveraged as a result of infrastructure development and training assistance.

	\$3,778,285,615	\$2,255,000,000	\$1,600,000,000	\$200,000,000	\$1,800,000,000
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### 330.17 Film and Television Incentive Fund

The Film and Television Incentive Fund, established by a 2006 law, provides incentive grants to encourage the production of films, movies, and television shows in Tennessee. To be eligible, such productions must meet criteria established by the Tennessee Film, Entertainment and Music Commission.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	1,425,700	5,580,300	48,600	0	<b>48,600</b>
<b>Total</b>	<b>\$1,425,700</b>	<b>\$5,580,300</b>	<b>\$48,600</b>	<b>\$0</b>	<b>\$48,600</b>
State	0	2,500,000	0	0	0
Federal	0	0	0	0	0
Other	1,425,700	3,080,300	48,600	0	<b>48,600</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Create job opportunities for experience and exposure to Tennessee film and television professionals in order to foster a viable film and television production industry in the State of Tennessee.

**Measure:** Full time equivalent jobs created as a result of film and television productions that receive incentives under the program.

Not Available	50	50	0	50
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### 330.07 Community and Rural Development

The Community and Rural Development division is responsible for providing advice and technical assistance on community development, economic development, planning, and other services to local governments, chambers of commerce and other agencies, groups, and individuals. Included within the division are the Main Street Program, the Tennessee Downtowns program, and the Retire Tennessee Program.

Full-Time	72	5	5	0	5
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>72</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>
Payroll	4,093,100	1,479,200	830,700	0	830,700
Operational	4,046,600	3,121,500	1,587,100	0	1,587,100
<b>Total</b>	<b>\$8,139,700</b>	<b>\$4,600,700</b>	<b>\$2,417,800</b>	<b>\$0</b>	<b>\$2,417,800</b>
State	369,900	3,740,700	2,197,000	0	2,197,000
Federal	262,200	173,800	220,800	0	220,800
Other	7,507,600	686,200	0	0	0

**Standard:** Through the provision of the Three Star Program, provide cities and counties with a strong community development foundation.

**Measure:** Number of Tennessee counties certified as Three-Star Benchmark III communities.

19	17	15	0	15
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**Standard:** Through provision of the Main Street Program and related principals, assist cities in development of a plan to revitalize downtown districts.

**Measure:** Number of certified Main Street communities and those pursuing Main Street principals through the Tennessee Downtowns program.

34	40	56	0	56
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## Energy Assistance

### 330.08 Energy Division

The Energy Division promotes efficient and economic use of energy by the public and private sectors. Through grants from the U.S. Department of Energy, the division renders technical and financial assistance to existing businesses, local governments, schools, and hospitals in order to reduce energy costs.

Full-Time	10	8	8	0	8
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>10</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>8</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	703,600	809,000	809,000	0	<b>809,000</b>
Operational	54,019,800	23,065,000	3,276,400	0	<b>3,276,400</b>
<b>Total</b>	<b>\$54,723,400</b>	<b>\$23,874,000</b>	<b>\$4,085,400</b>	<b>\$0</b>	<b>\$4,085,400</b>
State	34,800	34,800	34,800	0	<b>34,800</b>
Federal	49,231,200	23,839,200	423,800	0	<b>423,800</b>
Other	5,457,400	0	3,626,800	0	<b>3,626,800</b>

**Standard:** Promote energy cost and dollar savings.

**Measure:** Projected energy costs savings to homeowners, businesses, and local governments as a result of energy programs.

	\$3,380,000	\$2,400,000	\$2,400,000	0	\$2,400,000
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### 330.10 Small Business Energy Loan Program

The Small Business Energy Loan Program is organized as a revolving loan program available to existing small businesses of less than 300 employees or \$3.5 million in annual gross receipts. Eligible and approved applicants can receive low interest loans for energy efficient related projects. The program also focuses on assistance to businesses in identifying ways to improve energy usage and reduce energy costs.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	0	100,000	100,000	0	<b>100,000</b>
<b>Total</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$100,000</b>
State	0	0	0	0	<b>0</b>
Federal	0	100,000	100,000	0	<b>100,000</b>
Other	0	0	0	0	<b>0</b>

### 330.11 Local Government Energy Loan Program

The Local Government Energy Loan Program provides loans to local government facilities for energy efficiency retrofits. This program also provides free energy savings assessments to identify needed energy efficiency measures.

Full-Time	0	0	0	0	<b>0</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	<b>0</b>
Operational	0	100,000	100,000	0	<b>100,000</b>
<b>Total</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$100,000</b>
State	0	0	0	0	<b>0</b>
Federal	0	100,000	100,000	0	<b>100,000</b>
Other	0	0	0	0	<b>0</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 330.12 Tennessee Energy Loan Program

The Tennessee Energy Loan Program is organized as a revolving loan program to assist for-profit businesses, non-profit organizations, private institutions or higher education, and units of local governments in becoming more energy efficient. Eligible and approved applicants can obtain a low interest loan of up to \$500,000 and repay it over a period of up to seven years. Loans must be for energy efficiency projects or renewable energy measures on existing facilities that are at least one year old or on other energy saving processes and operations located in Tennessee.

Full-Time	0	0	0	0	0
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payroll	0	0	0	0	0
Operational	0	5,000,000	5,000,000	0	5,000,000
<b>Total</b>	<b>\$0</b>	<b>\$5,000,000</b>	<b>\$5,000,000</b>	<b>\$0</b>	<b>\$5,000,000</b>
State	0	0	0	0	0
Federal	0	5,000,000	5,000,000	0	5,000,000
Other	0	0	0	0	0

### 330.00 Total Economic and Community Development

Full-Time	210	141	125	0	125
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>210</b>	<b>141</b>	<b>125</b>	<b>0</b>	<b>125</b>
Payroll	13,140,500	12,340,800	10,799,300	0	10,799,300
Operational	160,250,700	393,385,900	125,229,500	20,000,000	145,229,500
<b>Total</b>	<b>\$173,391,200</b>	<b>\$405,726,700</b>	<b>\$136,028,800</b>	<b>\$20,000,000</b>	<b>\$156,028,800</b>
State	73,302,800	141,858,500	31,592,500	20,000,000	51,592,500
Federal	80,218,300	183,839,500	94,170,300	0	94,170,300
Other	19,870,100	80,028,700	10,266,000	0	10,266,000

# Department of Transportation

## Performance-Based Budget

The Department of Transportation (TDOT) plans, designs, constructs, and maintains the state's highway network. The department also is responsible for other modes of transportation, such as aeronautics, public transit, railroads, and waterways. The Department of Transportation consists of eight allotment codes: Headquarters, Bureau of Administration, Bureau of Environment and Planning, Bureau of Engineering, Field Engineering, Field Construction, Field Maintenance Operations, and Garage and Fleet Operations.

<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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### 401.00 Headquarters

Headquarters' services include the licensing of Tennessee's public-use airports, monitoring of compliance with federal grant assurances, and providing flight services for state government. Sales tax collected on aviation fuel, as part of the Transportation Equity Fund, is used for construction and capital improvements of airports. Other Headquarters' functions include community relations, constituent services, civil rights, legal, internal audit, and payment of risk management fund premiums for property and liability insurance.

Full-Time	153	141	141	0	141
Part-Time	5	5	5	0	5
Seasonal	0	0	0	0	0
<b>Total</b>	<b>158</b>	<b>146</b>	<b>146</b>	<b>0</b>	<b>146</b>
Payroll	8,082,200	10,124,500	10,304,300	0	10,304,300
Operational	142,405,500	69,125,100	132,257,000	0	132,257,000
Reallocated	0	0	0	0	0
<b>Total</b>	<b>\$150,487,700</b>	<b>\$79,249,600</b>	<b>\$142,561,300</b>	<b>\$0</b>	<b>\$142,561,300</b>
State	107,222,000	61,249,600	89,368,300	0	89,368,300
Federal	39,661,600	14,500,000	49,631,700	0	49,631,700
Other	3,604,100	3,500,000	3,561,300	0	3,561,300

**Standard:** Utilize the TDOT website, news releases, social media, new capabilities to produce videos and other communication efforts to promote the Tennessee 511 system.

**Measure:** Number of incoming calls to the Tennessee 511 system.

899,848	900,000	910,000	0	910,000
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### 402.00 Bureau of Administration

Bureau of Administration services include management of highway safety grants; administration of overweight and oversized vehicle permits; reproduction of technical drawings, specifications, forms, contracts, and official documents; purchase of alternative fuel vehicles; management of radio licenses; and coordination of radio frequencies for government agencies. Finance, strategic planning, human resources, and information technology services also are provided by this bureau.

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Full-Time	282	267	267	0	267
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>282</b>	<b>267</b>	<b>267</b>	<b>0</b>	<b>267</b>
Payroll	15,844,200	16,818,300	17,056,600	0	17,056,600
Operational	40,772,000	48,130,200	45,729,200	0	45,729,200
Reallocated	0	0	0	0	0
<b>Total</b>	<b>\$56,616,200</b>	<b>\$64,948,500</b>	<b>\$62,785,800</b>	<b>\$0</b>	<b>\$62,785,800</b>
State	36,495,800	40,448,500	49,910,400	0	49,910,400
Federal	14,337,700	24,500,000	12,433,600	0	12,433,600
Other	5,782,700	0	441,800	0	441,800

**Standard:** Increase seatbelt usage in Tennessee.

**Measure:** Percent of usage of seat belts in Tennessee.

87.0%	85.0%	88.0%	0	88.0%
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#### 405.00 Bureau of Environment and Planning

The Bureau of Environment and Planning provides transportation and traffic planning, monitors environmental impacts of transportation projects, and distributes mass transit grants. Sales tax collected on commercial water vessels and rail fuel, as part of the Transportation Equity Fund, is used for construction and capital improvements of water port facilities and shortline rail systems. In addition, this division ensures the safety of the state's waterways and railways through routine inspections. The bureau also controls outdoor advertising and easements.

Full-Time	256	279	279	0	279
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>256</b>	<b>279</b>	<b>279</b>	<b>0</b>	<b>279</b>
Payroll	15,003,800	18,876,900	19,007,100	0	19,007,100
Operational	82,947,900	200,424,500	111,843,200	0	111,843,200
Reallocated	0	0	0	0	0
<b>Total</b>	<b>\$97,951,700</b>	<b>\$219,301,400</b>	<b>\$130,850,300</b>	<b>\$0</b>	<b>\$130,850,300</b>
State	52,432,400	83,664,300	61,841,200	0	61,841,200
Federal	43,287,900	134,861,800	68,159,900	0	68,159,900
Other	2,231,400	775,300	849,200	0	849,200

**Standard:** Provide for continuing, comprehensive, and cooperative planning, and maintain the state's eligibility for federal transportation funds by ensuring that at least 90% of Tennessee Metropolitan Planning Organizations (MPOs) are meeting federal requirements.

**Measure:** Percent of MPOs that have met federal transportation planning and/or transportation air quality conformity requirements during the state fiscal year.

91%	90%	90%	0	90%
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<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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**Standard:** Reduce the fatality rate on Tennessee roadways by 2% annually through systematic statewide safety improvements and low-cost safety improvements to existing roadways and at-grade railroad crossings.

**Measure:** The number of fatalities per 100 million vehicular miles traveled.

1.46	1.43	1.40	0	1.40
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#### 403.00 Bureau of Engineering

The Bureau of Engineering provides the programming and scheduling of transportation pre-construction activities. Responsibilities include development of construction standards, administration of highway and bridge maintenance programs, and maintenance of materials standards. Improvement of state highways, not classified as construction or reconstruction projects, are administered under the Highway Betterments program. Connector routes to the interstate system are funded with a 50 percent state match through the Local Interstate Connector. The bureau also administers the Capital Improvements program, providing funding for the construction or replacement of Department of Transportation facilities. Other services provided by the bureau include administration of roadway and bridge design, right-of-way acquisition, highway incident management, and intelligent transportation systems.

Full-Time	488	487	487	0	<b>487</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>488</b>	<b>487</b>	<b>487</b>	<b>0</b>	<b>487</b>
Payroll	31,779,900	36,047,900	43,504,500	0	<b>43,504,500</b>
Operational	221,621,700	83,910,600	142,757,700	0	<b>142,757,700</b>
Reallocated	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$253,401,600</b>	<b>\$119,958,500</b>	<b>\$186,262,200</b>	<b>\$0</b>	<b>\$186,262,200</b>
State	62,801,100	77,934,600	88,199,000	0	<b>88,199,000</b>
Federal	172,418,000	40,378,500	91,962,900	0	<b>91,962,900</b>
Other	18,182,500	1,645,400	6,100,300	0	<b>6,100,300</b>

**Standard:** The sum of the deck area for those bridges on the state system not classified as structurally deficient will be 94% or greater of the total deck area for all bridges.

**Measure:** Percent of bridge deck area on all bridges maintained by TDOT that is not structurally deficient.

96%	95%	95%	0	95%
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**Standard:** Reduce the fatality rate by 2% annually on Tennessee roadways by expanding traffic safety information systems and other engineering efforts.

**Measure:** Percent reduction in the number of fatalities per 100 million vehicular miles traveled.

0%	2%	2%	0	2%
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	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
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#### 412.00 Field Engineering

Field engineering services include preliminary engineering, roadway and bridge design, traffic engineering, utility relocations, right-of-way acquisitions, construction, materials testing, and maintenance on the statewide highway system. The State Aid program provides transportation funding to local governments. Funding to pave roads in the State Aid system are provided on a 75% state/25% local funding basis; funds to replace or rehabilitate bridges are provided on an 80% state/20% local funding basis.

Full-Time	910	924	924	0	924
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>910</b>	<b>924</b>	<b>924</b>	<b>0</b>	<b>924</b>
Payroll	47,079,600	54,412,900	55,625,900	0	55,625,900
Operational	191,278,100	116,775,100	174,698,700	0	174,698,700
Reallocated	0	0	0	0	0
<b>Total</b>	<b>\$238,357,700</b>	<b>\$171,188,000</b>	<b>\$230,324,600</b>	<b>\$0</b>	<b>\$230,324,600</b>
State	145,130,400	104,935,300	137,123,600	0	137,123,600
Federal	89,967,300	64,050,100	80,245,000	0	80,245,000
Other	3,260,000	2,202,600	12,956,000	0	12,956,000

**Standard:** International Roughness Index (IRI) rating on interstate pavement will be good or very good on 93% of pavement.

**Measure:** Percent of interstate mileage with an International Roughness Index (IRI) pavement rating of good or very good.

93%	95%	95%	0	95%
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**Standard:** The average clearance time for all highway lane blockage incidents in urban HELP service areas should be within 90 minutes for 97% of the HELP Operator responses. Lanes closed for construction or maintenance activities are not included.

**Measure:** Percent of highway lane blockage incidents in urban HELP service areas cleared within 90 minutes.

94%	98%	96%	0	96%
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#### 418.00 Field Construction

Field Construction performs a variety of project work, including civil engineering, geological surveying, planning, and construction of highways and bridges. Construction is provided through the state highway construction, interstate construction, and state industrial access programs. Projects consist of maintenance of the interstate highway system, construction and maintenance of industrial highways and industrial access roads under contract agreement with local governments, and high priority projects. Other services include congestion mitigation, hazard elimination, highway safety, emergency relief, and air quality improvements.

Full-Time	725	714	714	0	714
Part-Time	0	0	0	0	0
Seasonal	0	0	0	0	0
<b>Total</b>	<b>725</b>	<b>714</b>	<b>714</b>	<b>0</b>	<b>714</b>

	<u>Actual 2010-2011</u>	<u>Estimated 2011-2012</u>	<u>Base 2012-2013</u>	<u>Cost Increase 2012-2013</u>	<u>Recommended 2012-2013</u>
Payroll	31,182,000	38,981,500	39,455,700	0	<b>39,455,700</b>
Operational	924,271,200	885,873,600	769,208,900	0	<b>769,208,900</b>
Reallocated	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$955,453,200</b>	<b>\$924,855,100</b>	<b>\$808,664,600</b>	<b>\$0</b>	<b>\$808,664,600</b>
State	364,318,900	269,737,300	222,643,900	0	<b>222,643,900</b>
Federal	576,978,100	625,740,600	568,435,900	0	<b>568,435,900</b>
Other	14,156,200	29,377,200	17,584,800	0	<b>17,584,800</b>

**Standard:** The percent of contracts completed by original contract completion date plus TDOT approved time extensions will be 92%.

**Measure:** Percent of contracts completed by original contract completion date plus TDOT approved time extensions.

88%	92%	92%	0	92%
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**Standard:** The percent of contracts completed by original contract completion date will be 78%.

**Measure:** Percent of contracts completed by original contract completion date.

73%	78%	78%	0	78%
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#### 419.00 Field Maintenance Operations

Field Maintenance Operations provides routine maintenance of state and interstate highways and bridges. The Forest Highways program is administered in this code which provides funds for the construction and maintenance of park roads, parkways, and public-land highways, including the Foothills Parkway in the Great Smoky Mountains. Other responsibilities of Field Maintenance Operations include highway incident management, highway beautification, and environmental compliance.

Full-Time	1,579	1,586	1,586	0	<b>1,586</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>1,579</b>	<b>1,586</b>	<b>1,586</b>	<b>0</b>	<b>1,586</b>
Payroll	64,511,600	67,625,900	68,551,100	0	<b>68,551,100</b>
Operational	46,361,200	140,116,800	73,178,600	0	<b>73,178,600</b>
Reallocated	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$110,872,800</b>	<b>\$207,742,700</b>	<b>\$141,729,700</b>	<b>\$0</b>	<b>\$141,729,700</b>
State	105,723,300	206,979,200	134,917,100	0	<b>134,917,100</b>
Federal	4,681,000	0	6,103,900	0	<b>6,103,900</b>
Other	468,500	763,500	708,700	0	<b>708,700</b>

**Standard:** TDOT's Maintenance Rating Index (MRI) related to maintaining roadways will be equal to or greater than 90.

**Measure:** The condition level for the combination of interstate and state-maintained roads.

89	90	90	0	90
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	<u>Actual</u> <u>2010-2011</u>	<u>Estimated</u> <u>2011-2012</u>	<u>Base</u> <u>2012-2013</u>	<u>Cost Increase</u> <u>2012-2013</u>	<u>Recommended</u> <u>2012-2013</u>
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#### 430.00 Garage and Fleet Operations

The Garage and Fleet Operations allotment acquires, maintains, and repairs the department's mobile equipment, including its vehicle fleet. This division is also responsible for the acquisition of consumable inventory items and fixed assets as well as the maintenance and repair of equipment. In addition, responsibilities of the division's staff range from support duties to mechanical and maintenance duties at state garages.

Full-Time	270	260	260	0	<b>260</b>
Part-Time	0	0	0	0	<b>0</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>270</b>	<b>260</b>	<b>260</b>	<b>0</b>	<b>260</b>
Payroll	11,662,700	12,030,000	12,314,700	0	<b>12,314,700</b>
Operational	7,264,300	17,321,200	21,993,700	0	<b>21,993,700</b>
Reallocated	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$18,927,000</b>	<b>\$29,351,200</b>	<b>\$34,308,400</b>	<b>\$0</b>	<b>\$34,308,400</b>
State	15,551,000	29,351,200	34,296,500	0	<b>34,296,500</b>
Federal	0	0	0	0	<b>0</b>
Other	3,376,000	0	11,900	0	<b>11,900</b>

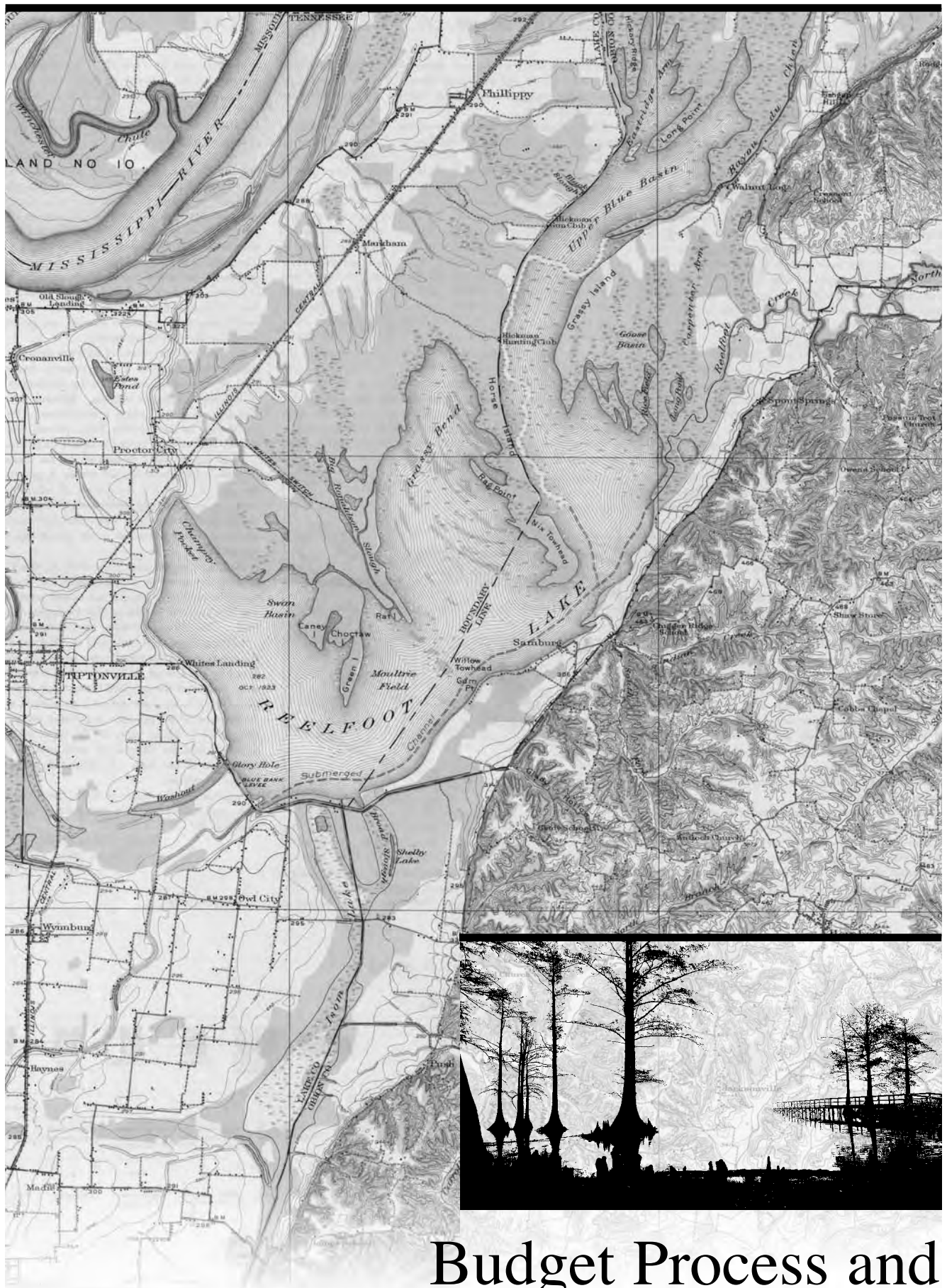
**Standard:** Seventy-five percent of total mechanic available work hours will be charged to work orders.

**Measure:** Percent of total mechanic available work hours charged to garage work orders for the maintenance, service, or repair of vehicles in the state system.

74%	75%	75%	0	75%
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#### 400.00 Total Transportation

Full-Time	4,663	4,658	4,658	0	<b>4,658</b>
Part-Time	5	5	5	0	<b>5</b>
Seasonal	0	0	0	0	<b>0</b>
<b>Total</b>	<b>4,668</b>	<b>4,663</b>	<b>4,663</b>	<b>0</b>	<b>4,663</b>
Payroll	225,146,000	254,917,900	265,819,900	0	<b>265,819,900</b>
Operational	1,656,921,900	1,561,677,100	1,471,667,000	0	<b>1,471,667,000</b>
Reallocated	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$1,882,067,900</b>	<b>\$1,816,595,000</b>	<b>\$1,737,486,900</b>	<b>\$0</b>	<b>\$1,737,486,900</b>
State	889,674,900	874,300,000	818,300,000	0	<b>818,300,000</b>
Federal	941,331,600	904,031,000	876,972,900	0	<b>876,972,900</b>
Other	51,061,400	38,264,000	42,214,000	0	<b>42,214,000</b>



# Budget Process and Program History



# Budget Process and Program History

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# The Budget Process

Preparation of the Governor’s annual budget for the State of Tennessee is the responsibility of the Commissioner of Finance and Administration, who is the State Budget Director.

Within the Department of Finance and Administration, the Division of Budget is responsible for budget development. Preparation, deliberation, and execution of the budget is a continual process throughout the year. This process regularly involves the legislative and executive branches, with occasional counsel from the judicial branch. The following table indicates the participants in the budgetary process and an approximate time schedule.

<b>Function</b>	<b>Participants</b>	<b>Schedule</b>
Preparation of Strategic Plans	Departments and Agencies Budget Division	April May June
Planning and Estimation	Budget Division Departments and Agencies	July August September
Preparation of the Operational and Capital Budgets	Budget Division	October November December * January
Legislative Deliberation	General Assembly	* February -May
Budget Execution	Budget Division Legislative Committees Departments and Agencies	July-June
Legislative Review of Strategic Plans	Departments and Agencies Commissioner of F&A Governmental Accountability Commission Finance Committees	Following Year January-May
Comptroller’s Performance Review	Comptroller of the Treasury	Following Year July-June

\*Note: The law requires the Governor to submit the Budget to the General Assembly prior to February 1, except at the beginning of a gubernatorial term, when the deadline is prior to March 1; unless, in either case, the General Assembly by joint resolution authorizes a later date.

## Planning and Estimation

Immediately after a new fiscal year begins each July, the staff of the Division of Budget begins making plans for the budget that will be considered by the General Assembly for the subsequent fiscal year. These plans include designing and updating the forms and instructions used by departments and agencies in presenting their operational and capital budget requests to the Division of Budget.

These electronic forms and instructions are distributed to the agencies in August. The deadline for completion and transmission of the budget requests is the first of October. During this preparation period, the staff of the Division of Budget meets as needed with agencies’ fiscal, capital, and program personnel to answer questions and provide assistance in developing their budget requests.

In addition to projecting expenditure levels, estimates of the major revenue sources, such as the sales, franchise, excise and gasoline taxes, are prepared for both the current and next fiscal years. The revenue estimates are prepared by the Commissioner of Finance and Administration after receiving advice from the State Funding Board, as required by TCA section 9-4-5202. All revenue estimates, including estimates for licenses and fees, are part of the budget review by the Commissioner of Finance and Administration, the Governor, and their staffs.

## Preparation of the Budget

Chapter 33 of the Public Acts of 1937 granted the Governor the authority and duty to develop and submit to the General Assembly a recommended budget. The law directs the Commissioner of Finance and Administration to prepare the budget in accordance with the Governor’s directives.

After the receipt of agency operational and capital budget requests, analysts with the Division of Budget begin the process of

balancing expenditures against estimated revenues. Within this constraint, funds must be provided for Administration initiatives of high priority, activities mandated by state or federal statute, and the day-to-day operation of state government.

Instructions for the agency operational budget requests include the submission of two levels of requests: (a) a base request, which accommodates the continuation of current services, and (b) a cost increase request, which includes funds to implement mandated requirements, compensate for revenue reductions, initiate new programs, or enhance the base level due to increased costs of providing current services.

Capital Budget requests are submitted to the Division of Budget along with agency operating budget requests, where they are reviewed in conjunction with the Real Estate Asset Management office. Based on these reviews and available funding, recommendations are made to the Commissioner of Finance and Administration and the Governor for consideration in the Budget.

Following analysis of the requests by the Division of Budget, detailed recommendations are made to the Commissioner of Finance and Administration. Meetings are convened with commissioners and directors of the departments and agencies by the Commissioner of Finance and Administration. A consensus is sought with the agencies as to the appropriate funding level for the upcoming year.

After these meetings are completed, the Budget Division staff makes any revisions that have been agreed upon and presents the estimates to the Commissioner of Finance and Administration for his and the Governor's consideration. The Governor and the commissioner review the recommendations resulting from these hearings and consider necessary alterations to fit within the scope of the Administration's initiatives and estimated revenues. The Governor may choose to conduct meetings or budget hearings with agency heads and may direct them to submit plans for further adjustments to their budgets.

After gubernatorial decisions have been finalized, the staff of the Division of Budget prepares the Budget Document for printing. Meanwhile, work begins on the Governor's Budget Message. The Budget must be presented to the General Assembly prior to February 1, or prior to March 1 when a newly elected Governor takes office, unless the General Assembly by joint resolution allows submission on a later date.

At the time the Budget Document and Budget Message are presented, the appropriation process is initiated. The Appropriations Bill, prepared by the Department of Finance and Administration, is introduced and referred to the Finance, Ways, and Means committees of both houses of the Legislature. The various standing committees of the houses may review those parts of the Appropriations Bill that fall within their purviews. The departments often are invited to testify before these committees on issues relating to their budgets.

After these committees report their reviews, the Finance, Ways and Means committees begin hearings on the budget in its entirety. Again, the departments may testify, and the Commissioner of Finance and Administration is invited to discuss the budget recommendations. Considerations made by the committees include the fiscal impacts caused by other legislation introduced by the members of both houses, recommendations of other legislative committees, and Appropriations Bill amendments filed by members of the Legislature. The Finance, Ways and Means committees of each house report out the Appropriations Bill with any amendments they recommend.

The Appropriations Bill then is sent to Calendar committees of each house to be scheduled for floor action. The Senate and House of Representatives must pass the same Appropriations Bill in the same form for it to be enacted into law. Approval of the General Appropriations Bill usually occurs during the last week of the legislative session.

In signing the bill into law, the Governor may line-item veto or reduce specific appropriations. Or, he could veto the entire bill; but this rarely would be done. Any veto may be over-ridden by a majority of the elected members, each house acting separately.

Tennessee has a tradition of enacting a single General Appropriations Act each year.

### **Budget Execution**

When passage of the Appropriations Bill is complete and is signed or enacted into law, the execution of the act begins. Two important concepts are involved: preparation of work programs and development of allotment controls.

Invariably, there are changes to the Budget Document presented by the Governor to the General Assembly. These changes are made by amending the Appropriations Act during the adoption process. Analysts of the Division of Budget and fiscal personnel in the departments and agencies have the responsibility of reconciling the approved Appropriations Act with the Budget Document. This may involve increases or decreases to the agency allotments. The Division of Budget establishes an annual allotment for each agency and division using the reconciled Appropriations Act. This annual allotment, called the official work program, is provided to the Division of Accounts as a means of spending control. The agencies and divisions spend against these allotments during the fiscal year.

Budget execution is a process that continues throughout the fiscal year. In addition to the daily review of numerous operational and personnel transaction requests, the budget analysts must ensure that the legislative intent of the Appropriations Act is being followed by the various departments and agencies.

Further legislative review and control is maintained through the Fiscal Review

Committee, other oversight committees, and the Finance, Ways and Means committees.

In addition to the review of agency activities by these bodies, the Finance, Ways and Means committees must be informed of any new or expanded programs resulting from unanticipated departmental revenues. These revenues usually are new federal grants, but also may be other departmental revenues. When notice of unexpected revenue is received by an agency, the Commissioner of Finance and Administration, if he wants to approve the program expansion, may submit an expansion report to the chairmen of the finance committees for acknowledgement. Upon the chairmen's acknowledgement of the expansion report, the Commissioner of Finance and Administration may allot the additional departmental revenue to implement the proposed or expanded program.

Agencies may not expand programs or implement new programs on their own authority. This expansion procedure is not used to increase allotments funded from state tax revenue sources. No appropriations from state tax sources may be increased except pursuant to appropriations made by law.

A transfer of appropriations between allotments for purposes other than those for which they were appropriated may not occur without the approval of the Commissioner of Finance and Administration and a committee comprised of the Speakers of the House and the Senate and the Comptroller of the Treasury.

Throughout the fiscal year, the Budget Division staff reviews the status of the various allotments and advises the Commissioner of Finance and Administration of any problems. At the end of the fiscal year, the Division of Budget has the responsibility of executing revisions to the annual allotments as a function of the accounts closing process.

## **Audit and Review**

Post-audit and review also are functions that continue throughout the fiscal year. Post-audit is a responsibility of the Comptroller of the Treasury, an official elected by the General Assembly. The Division of State Audit, within the Comptroller's Office, has the duty of conducting, supervising, and monitoring the audits of all state departments and agencies. Intermediate care facilities receiving Medicaid funds also are within the purview of this division, and state grants to other entities also are subject to audit. In addition, program audits are performed to determine whether agencies are functioning efficiently.

The General Assembly also participates in a continuing review throughout the fiscal year. The Fiscal Review Committee, a bipartisan committee comprised of members from both houses, meets regularly when the General Assembly is not in session. Following a set agenda, members of this committee review audit reports and departmental personnel respond to inquiries about activities and programs under the department's jurisdiction. In addition, legislative oversight committees conduct extensive review in areas of special interest.

## **Governmental Accountability: Performance-Based Budgeting and Strategic Planning**

Chapter 875 of the Public Acts of 2002 enacted the Governmental Accountability Act. This law altered the budget law to require strategic planning and to begin the phase-in of performance-based budgeting in fiscal year 2004-2005. Although executive branch departments and some smaller agencies have developed strategic plans for years, all agencies now will be required by law to do so, beginning a year before being phased in to performance-based budgeting.

By July 1 each year, executive branch agencies, including higher education, will submit strategic plans to the Commissioner of Finance and Administration, who may require modifications. He must consolidate approved plans and submit them to the

Governor and General Assembly by September 1 each year, beginning in 2003 for the performance-based agencies. All executive branch agencies have been phased in and submit performance-based budgets. The judicial branch, Comptroller of the Treasury, State Treasurer, Secretary of State, Attorney General and Reporter, and legislative branch are not subject to strategic plan review by the Commissioner of Finance and Administration. They must submit plans separately to the General Assembly and Governor by September 1. The General Assembly retains final approval authority for agency strategic plan and performance measures through the general appropriations act.

In addition to setting forth program objectives, strategic plans must include performance measures and standards for each program, partly defined as a budgetary unit. Under this law, instructions for development of strategic plans and performance measures will be issued to executive branch agencies by the Commissioner of Finance and Administration, who under other law also issues budget instructions to all agencies.

In 2002, at the direction of the Commissioner of Finance and Administration, a strategic planning function, previously free-standing in the department, was transferred into the Division of Budget. In these ways -- by definition of programs as budgetary units, by common authority to issue planning and budget instructions, and by inclusion of the strategic planning unit in the central executive Budget Office -- planning and budgeting in the executive branch now are closely linked.

The recommended Budget Document must include a program statement and performance measures. The Governmental Accountability Act requires the Commissioner of Finance and Administration to report annually, for agencies subject to performance-based budgeting, on compliance with strategic plans and performance measures. The report must be made to the Governor and the

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## The Budget Process

Senate and House Finance, Ways and Means committees. The Governmental Accountability Commission -- comprised of the Comptroller of the Treasury, Executive Director of the Fiscal Review Committee, and the Director of the Office of Legislative Budget Analysis -- must comment in writing to the Senate and House Finance committees on the commissioner's performance report. The Accountability Commission also may make recommendations to the Finance committees on the strategic plan and actual performance of agencies subject to performance-based budgeting, on the reasonableness of recommended performance measures and standards, and on any other matter regarding strategic planning and program performance.

The performance report and commission comments must be made at a time to allow consideration of the reports while the Appropriations Bill is being considered by the Finance committees.

Also under the Governmental Accountability Act, as well as under other law, each state agency is subject to performance review by the Comptroller of the Treasury.

As enacted in 2002, the Governmental Accountability Act continues the Tennessee tradition of strong executive management of the line agencies, begun with the Governmental Reorganization Act of 1923, and strong executive budget development and budget execution responsibility, begun with the budget law of 1937. At the same time, the 2002 Act continues the prerogative of the General Assembly to alter agency plans and executive recommendations through the Appropriations Act and to alter policy and exert oversight through the legislative and performance review processes.

For further discussion of strategic planning and performance based budgeting, see the "Performance-Based Budget" section.

# Performance-Based Budget

The Governmental Accountability Act was enacted by Chapter 875 of the Public Acts of 2002 (codified at Tennessee Code Annotated, Title 9, Chapter 4, Part 56, and in some sections of budget law at Part 51). The Accountability Act required the phase-in of strategic planning and performance-based budgeting by 2011-2012 for all executive branch agencies.

The following table shows the annual timetable for planning and budgeting:

Function	Participants	Schedule
Preparation of Strategic Plans	Departments and Agencies Budget Division	April May June
Planning and Estimation of the Budget	Budget Division Departments and Agencies	July August September
Preparation of the Budget	Budget Division	October November December January
Performance-Based Budget Execution	Budget Division Legislative Committees Departments and Agencies	July-June
Legislative Review of Strategic Plans	Departments and Agencies Commissioner of F&A Governmental Accountability Commission Finance Committees	Following Year January-May
Comptroller's Performance Review	Comptroller of the Treasury	Following Year July-June

## Preparation of Strategic Plans

Each agency submitting a performance-based budget has also submitted a strategic plan. Each spring, the staff of the Division of Budget issues guidelines to state agencies regarding the strategic planning process. The guidelines are based on the requirements of the Governmental Accountability Act and provide direction as

to the content and format of the strategic plans. After the plans are submitted to the Commissioner of Finance and Administration, the commissioner is authorized to review, revise, and approve strategic plans and program performance standards and measures. The Commissioner of Finance and Administration has the responsibility to evaluate the validity, reliability, and appropriateness of each performance standard and measure and how the strategic plan and the performance measures are used in management decision-making and other agency processes.

The Commissioner of Finance and Administration must submit the Agency Strategic Plans document to the Governor and the General Assembly by September 1.

## Planning and Estimation of the Budget

Immediately after a new fiscal year begins each July, the staff of the Division of Budget begins making plans for the budget that will be considered by the General Assembly for the subsequent fiscal year. These plans include designing and updating the forms and instructions used by departments and agencies in presenting their budget requests to the Division of Budget.

Budget law, as amended by the 2002 Governmental Accountability Act, directs that, in addition to performance standards and measures, certain other performance-based budget information be included in agency budget requests. This includes identification of program clients, the purpose of each program or client benefits, program costs and funding sources, fee collections and the adequacy of fees to support the program, assessment of whether each program is conducive to performance-based budgeting, and assessment of the time needed to develop meaningful performance measures.

### **Preparation of the Budget**

The Governmental Accountability Act amended budget law to require that performance-based budgeting agencies include in budget requests the program performance standards and measures, as reviewed and revised by the Commissioner of Finance and Administration. These standards and measures are the ones included in the Agency Strategic Plans document. After budget requests are submitted, the program performance measures, along with other strategic plan and budget request information, will assist staff of the Budget Division in analyzing agency budget requests.

In reviewing budget requests and transmitting the budget document to the General Assembly, the Governor, with assistance of the Commissioner of Finance and Administration, may revise, add, or delete performance measures and standards as the Governor deems necessary.

### **Performance-Based Budget Execution**

When passage of the appropriations bill is complete and it is signed or enacted into law, the execution of agency performance-based budgets begins.

Annually, at the time the enacted budget (called the “work program” in budget law) is established, agencies may request adjustments to the performance measures and standards, based on changes in the program appropriations during the enactment of the General Appropriations Act. These adjustments require the approval of the Commissioner of Finance and Administration, who must maintain the official record of adjustments and must report adjustments to the chairmen of the Senate and House Finance, Ways and Means committees. The law provides that agencies themselves may not change the performance measures.

During the fiscal year, modifications to program performance standards and measures are allowed if an agency is required to modify its operations because of (a) court action resulting in a restraining

order, injunction, consent decree, or final judgement; (b) law or executive order; and (c) additional federal or other funding.

All adjustments to performance standards and measures during the year also are subject to approval of the Commissioner of Finance and Administration, who must report the changes to the chairmen of the Senate and House Finance, Ways and Means committees.

As enacted in 2002, the Governmental Accountability Act continues the Tennessee tradition of strong executive management of the line agencies, begun with the Governmental Reorganization Act of 1923, and strong executive budget development and budget management responsibility, begun with the budget law of 1937. At the same time, the 2002 Act continues the prerogative of the General Assembly to alter agency plans and executive recommendations through the Appropriations Act and to alter policy and exert oversight through the legislative and performance review processes.

### **Legislative Review of Strategic Plans**

The General Assembly has final approval of all strategic plans, performance measures, and standards through the General Appropriations Act.

Beginning in fiscal year 2005-2006, the Commissioner of Finance and Administration must evaluate annually each performance-based agency’s compliance with its strategic plan and performance measures and report to the Finance, Ways and Means committees of the Senate and House of Representatives on this subject. The report is to be made at a time that will allow the finance committees to consider the performance report while they are considering the General Appropriations Bill.

To further assist the General Assembly in review of agency performance, the 2002 public act created the Governmental Accountability Commission. It is comprised of officials who hold office by legislative appointment. They are the Comptroller of the Treasury, who serves as chairman; the Executive Director of the Fiscal Review

Committee, who serves as vice chairman; and the Director of the Office of Legislative Budget Analysis, who serves as secretary of the commission.

Following the performance report by the Commissioner of Finance and Administration, the Governmental Accountability Commission is to review the commissioner's report and submit to the finance committees its written comments on the commissioner's report. The Accountability Commission also may make recommendations to the finance committees on the performance of agencies, the reasonableness of performance standards and measures recommended in the budget document for the performance-based agencies, and on other strategic plan and program performance matters.

### **Comptroller's Performance Review**

Aside from executive and legislative review of agency strategic plans and program performance, the 2002 public act provides that each state agency is subject to performance review of its activities by the Comptroller of the Treasury. This provision grants discretion to the Comptroller to determine the matters to be reviewed related to the manner in which the state agency is delivering services and achieving objectives.

This performance review, according to the law, will at least include consideration of the efficient use of state and federal funds, additional non-state revenue or cost savings that could be achieved, and the extent to which strategic plan objectives are achieved.



# Basis of Budgeting and Accounting

## Budgeting Basis

The annual budget of the State of Tennessee is prepared on the modified accrual basis of accounting – the method under which revenues are recognized when they become available and measurable, and expenditures are recognized when the liability is incurred. Most appropriations generally lapse at the end of each fiscal year. Appropriations for contractual obligations in the Highway Fund do not lapse at year end, but are carried forward for subsequent year expenditures. In addition, it is the state’s budgetary practice to appropriate matching dollars for jointly funded projects in the year of federal apportionment. Most revenue collection estimates are presented on a modified accrual basis, consistent with the basis of accounting explained below.

The law requires the Governor to present his proposed budget to the General Assembly annually. The General Assembly enacts the budget through passage of a general appropriations act. This act appropriates funds at the program level. Before signing the Appropriations Act, the Governor may veto or reduce any specific appropriation, subject to legislative override. Once passed and signed, the budget, in the form of the Appropriations Act, becomes the state’s financial plan for the coming year.

Budgetary control is maintained at the program level by the individual departments and agencies, acting in conjunction with the Department of Finance and Administration. The latter has a Division of Budget and a Division of Accounts to execute budgetary controls. The Budget Document details the separation between payroll and operational funds by program. Any movement of funds between the payroll and operational funds requires approval and a revision to the budget by the Budget Division on behalf of the Commissioner of Finance and Administration and the Governor. Other budget revisions during the year, reflecting program changes or intradepartmental transfers of an administrative nature, require certain executive and legislative branch approval, pursuant to law. This is

discussed in detail in the “Budget Process” subsection. With proper legal authority, the Division of Budget, acting on behalf of the Governor and Commissioner of Finance and Administration, may execute allotment (or budget) revisions. The line agencies may not make these revisions themselves. In Tennessee, as in other states, appropriation of funds is a legislative power, not an executive power. No expenditures may be made, and no allotments increased, except pursuant to appropriations made by law.

For Budget Document purposes, all funds are classified as **General Fund** except for the Department of Transportation (Transportation, or Highway, Fund), Capital Outlay (Capital Projects Fund), Facilities Revolving Fund, Debt Service (or Sinking) Fund, and Cities and Counties – State-Shared Taxes (Local Government Fund). The Education Trust Fund, including the Lottery for Education Account, for which state tax revenues are estimated separately, is included in the General Fund in the presentation of the Budget Overview, although a separate fund balance statement for this fund is included in the “Financial Statements” section of the Budget Document.

The presentation of all the operating budgets within the **General Fund** in the Budget Document, except for Transportation, is done for ease of budget presentation and understanding. In the Budget, revenue estimates for Special Revenue, Internal Service, and Enterprise Fund programs, funded by dedicated revenues, are included in the state tax revenue and departmental revenue estimates in the General Fund, as are those programs’ expenditures.

**Special Revenue Fund** programs reflected in the General Fund in the Budget Document are:

- Wildlife Resources Agency
- Boating Safety
- Wetlands Acquisition Fund
- Wetlands Compensation Fund
- Tennessee Regulatory Authority

Agricultural Resources Conservation Fund  
Certified Cotton Growers' Organization Fund  
Agricultural Regulatory Fund  
Local Parks Acquisition Fund  
State Lands Acquisition Fund  
State Lands Acquisition Compensation Fund  
Used Oil Collection Program  
Tennessee Dry Cleaners Environmental  
Response Fund  
Abandoned Lands  
Hazardous Waste Remedial Action Fund  
Underground Storage Tanks  
Solid Waste Assistance  
Environmental Protection Fund  
Criminal Injuries Compensation  
911 Emergency Communications Fund  
Motorcycle Rider Education  
Driver Education  
Anti-Theft Unit  
Board of Professional Responsibility  
Tennessee Lawyers Assistance Program  
Continuing Legal Education  
Help America Vote Act.

**Internal Service Fund** programs reflected in the General Fund in the Budget Document are:

Risk Management Fund  
TRICOR  
Office of Information Resources  
Division of Accounts  
Enterprise Resource Planning  
Postal Services  
Motor Vehicle Management  
Printing and Media Services  
Procurement Office  
Warehousing and Distribution.

**Enterprise Fund** programs reflected in the General Fund in the Budget Document are:

Tennessee Housing Development Agency  
Grain Indemnity Fund  
Client Protection Fund.

In the “Budget Overview,” **Education Trust Fund** programs are presented in the General Fund, although the tax apportionments for the Education Fund are separately estimated. This, again, is done for ease of presentation and understanding of the budget. It also is done because the taxes earmarked and apportioned to the Education Fund are less than the Education appropriations, requiring General Fund tax support for Education programs.

The programs in the Education Trust Fund are: (1) Department of Education (K-12), including general-source programs and the dedicated-source After-School Programs Special Account, funded by 100% of unclaimed lottery prizes; (2) Higher Education, including state appropriations for the University of Tennessee, the State University and Community College System (Board of Regents), and the Foreign Language Institute; and the dedicated-source appropriation in the Lottery for Education Account; and (3) all funding sources for programs of the Higher Education Commission and the Student Assistance Corporation.

In the Budget Document, certain institutional revenues for the two university systems are estimated. These include unrestricted educational and general revenues (E&G), and auxiliary enterprise funds. Examples of unrestricted E&G funds are student tuition and fees; unrestricted state, federal, local, and private gifts, grants, and contracts; local appropriations; and sales and services related to academic programs. Restricted funds are not reflected in the Budget Document.

Although presenting the operating budgets in this consolidated fashion makes the budget easier to understand, the Comprehensive Annual Financial Report (CAFR) does deal with all of the Special Revenue and other funds as separate from the General Fund. The Division of Accounts provides that document to the General Assembly and the public.

## Accounting Basis

*(From Division of Accounts, Comprehensive Annual Financial Report)*

The financial statements of the State of Tennessee are prepared in conformity with generally accepted accounting principles, as prescribed by the Governmental Accounting Standards Board (GASB). These principles require that the financial statements present the primary government and its component units, or the entities for which the government is considered to be financially accountable. Component units are discretely presented in a separate column in the government-wide financial statements to emphasize legal separation from the primary government.

In the government-wide financial statements, the financial activities of the state are reported as governmental or business-type activities. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

In the fund financial statements, the state's major **governmental funds** include:

**General Fund** – used to account for all financial transactions not required to be accounted for in other funds;

**Education Fund** – used to account for revenues and expenditures associated with programs involving the Department of Education and Higher Education. Funding is provided primarily from the dedicated sales and services taxes and federal monies received from the U.S. Department of Education. Net education lottery proceeds and 100% of unclaimed lottery prizes fund higher education scholarships and K-12 education pre-school, early childhood education, and after-school programs; and,

**Highway Fund** – used to account for revenues and expenditures associated with the Department of Transportation. Funding is provided from dedicated highway user taxes and funds received from the various federal transportation agencies.

The state's non-major **governmental funds**, reported in a single column, include:

**Special Revenue Fund** – used to account for specific revenues earmarked to finance particular or restricted programs and activities;

**Debt Service Fund** – used to account for the payment of principal and interest on general long-term debt;

**Capital Projects Fund** – used to account for the acquisition or construction of all major governmental capital facilities; and,

**Permanent Funds** – used to account for legally restricted funds where only earnings, not principal, can be spent.

All of the governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis, revenues are recognized as soon as they are both measurable and available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are typically recorded only when payment is due.

Sales and gross receipt taxes, petroleum and vehicular related taxes and fees and other similar measurable fines, are considered to be available if received in the first 60 days of the new fiscal year. Federal grants, departmental services, and interest associated with the current fiscal period are all considered to be available if received in six months; however, tobacco settlement monies are considered available if received in twelve months. All other revenue items are considered to be measurable and available only when cash is received by the state.

The state's **proprietary fund** financial statements include:

**Enterprise Funds** – used to account for the operations of self-sustaining state agencies providing goods or services to the general public on a user-charge basis. Two of these funds are considered major funds – Sewer

Treatment Loan Fund and Employment Security Fund. Non-major funds are reported in a single column; and,

**Internal Service Funds** – used to account for goods or services provided to other departments or agencies of the state or other governments, on a cost reimbursement basis. These funds are reported in a single column.

The proprietary funds are accounted for on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The state's **fiduciary funds** financial statements include:

**Pension Trust Fund** – used to account for the activities of the state-administered retirement system;

**Employee Benefit Trust Fund** – used to account for the funds contributed by employees under the IRC Section 125 cafeteria plan;

**Investment Trust Fund** – used to account for the activities of the state-sponsored external investment pool;

**Private-Purpose Trust Funds** – used to report trust arrangements under which the principal and income benefit individuals,

private organizations, or other governments; and,

**Agency Funds** – used to account for amounts held in custody of others.

Fiduciary fund types are used to account for resources legally held in trust. The fiduciary funds are accounted for on the accrual basis of accounting, except for agency funds, which do not recognize revenues and expenditures and do not present the results of operations.

**Discretely presented component units** include:

Tennessee Student Assistance Corporation (TSAC)

Community Services Agencies

Tennessee Certified Cotton Growers' Organization

Tennessee Housing Development Agency

Tennessee Local Development Authority

Tennessee State Veterans' Homes Board

Tennessee State School Bond Authority

Tennessee Board of Regents

University of Tennessee Board of Trustees

Tennessee Education Lottery Corporation

Access Tennessee.

# *Tennessee Program History*



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## **Education**

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### ***K-12 Education***

In 1992, the state made a significant commitment to improve K-12 public education. The funding formula established by the 1992 Education Improvement Act is called the Basic Education Program (BEP). Educational components are divided into three categories: instructional, classroom, and non-classroom. The instructional category includes items such as teachers' salaries and related benefits. The classroom category includes items such as instructional equipment, supplies, materials, and textbooks. The non-classroom category includes such items as transportation, superintendents' salary, construction, maintenance, and operations. On average, the state funds 70 percent of the instructional category; 75 percent of the classroom category; and 50 percent of the non-classroom category.

Since 1991-1992, over \$2.65 billion in new recurring funds will have been invested in the BEP as of 2012-2013.

During the 2004–2005 fiscal year, a fundamental change to the BEP formula was made to address funding for instructional positions. These funds (\$35 million) addressed the state constitutional issue of teacher salary equalization pursuant to the Tennessee Supreme Court's decision in "Tennessee Small School System, et al. v. Ned Ray McWherter, et al." ("Small Schools III"). The BEP instructional

salary component was originally set at \$34,000, up from the starting average of all Local Education Agencies of \$28,908, and has since been increased to \$38,700. The Commissioner of Education prepared a revised state minimum salary schedule (BEP Salary Schedule) to complement the distribution of these additional instructional salary funds. The process includes an annual review to provide an early warning of salary disparity among school districts and to review the cost-driven salary component. The plan directed funds to the lowest-paying systems. An estimated 122 systems with 48,600 teachers received new instructional salary dollars through the BEP funding formula. A hold-harmless provision ensured that no system received less BEP instructional salary funding than received during the 2003–2004 fiscal year. After implementation, Tennessee's average instructional salary increased above the Southeast average.

According to the Department of Education's 21st Century Schools Report Card, between 1991-1992 and 2009-2010, average expenditures per student grew from \$3,732 to \$9,084, an increase of 143.41 percent.

In 2007, the state made another significant change to the BEP formula by implementing what became known as BEP 2.0. Fully implemented, BEP 2.0 will move the state share of the instructional component to 75 percent; increase the instructional salary unit cost; install a new methodology of

calculating fiscal capacity; eliminate the Cost Differential Factor; begin funding English Language Learners at 1:20 teachers to students and 1:200 translators to students; fund at-risk students at 100 percent; set a minimum state share of the non-classroom component at 25 percent; and provide 50 percent of funding for medical insurance premiums for instructional positions. The initial changes made infused \$290.1 million new recurring dollars into K-12 education. There have been no further infusions of BEP 2.0 since fiscal year 2007-2008. The hold-harmless provision, as mentioned above, is no longer applicable with the BEP 2.0 changes.

## ***Higher Education***

Tennessee public higher education is a vast and diverse enterprise composed of two systems of higher education: the University of Tennessee institutions governed by the University of Tennessee Board of Trustees, and the state universities, community colleges, and technology centers governed by the Tennessee Board of Regents. There are currently nine public universities, 13 community colleges, and 27 technology centers in Tennessee that, according to early estimates, served approximately 260,000 students in fall 2011. During the academic year 2010-2011, public institutions awarded just over 37,000 undergraduate degrees and certificates as well as 7,800 graduate and professional degrees.

### ***The Higher Education Public Agenda***

In January 2010, Tennessee passed the Complete College Tennessee Act (CCTA), a comprehensive reform agenda transforming public higher education through changes in academic, fiscal, and administrative policies at the state and institutional level. At the center of these reforms is the need for more Tennesseans to be better educated and trained, while also acknowledging the state's

diminished fiscal capacity to support higher education.

Among other charges, the CCTA directed the Tennessee Higher Education Commission to develop a master plan that holds higher education accountable for increasing the educational attainment level of Tennesseans. As instructed by TCA 49-7-202(c)(1) this plan must: address the state's economic development, workforce development and research needs; ensure increased degree production within the state's capacity to support higher education; and use institutional mission differentiation to realize statewide efficiencies through institutional collaboration and minimized redundancy in degree offerings, instructional locations and competitive research. In higher education publications, the term "Public Agenda" is often substituted for "Master Plan" to reflect the shared, collaborative process required to develop this public policy agenda. As a result, the 2010-2015 *Public Agenda for Tennessee Higher Education* targets full implementation of the letter and spirit of the CCTA.

The overarching goal of the Public Agenda is to have Tennessee meet the projected national average in educational attainment by 2025. The primary state policy levers for addressing the state's educational needs include promoting: productivity and efficiency through an outcomes-based funding formula; quality assurance through revised performance funding standards; economic and workforce development through responses to a study of labor market supply and demand; efficiency and effectiveness through purposeful reporting; efficiencies through mission and sector differentiation; efficiencies through inter-institutional collaboration and reduced duplication; and efficiencies through incentives for extramural support.

It is recognized that this mandate to increase educational attainment within currently

available or declining resources and with no decrease in instructional quality comes during an era of significant state government divestment in higher education in Tennessee. In 2000, Tennessee public universities received approximately 60 percent of total operating revenues from state appropriations. By 2010-2011, that portion had fallen to 39 percent, as public universities were more reliant on student tuition revenue than taxpayer appropriations. Similarly, community colleges in 2000 received approximately 70 percent of their operating revenue from state appropriations, a number that had fallen to 45 percent by 2010-2011. Approximately 63 percent of unrestricted educational and general expenditures were allocated to core functional areas in 2010-2011: instruction, research, public service and academic support. The remaining 37 percent of expenditures were allocated to student services, scholarships, and institutional operations.

### ***Tennessee Education Lottery Scholarship***

The Tennessee Education Lottery Scholarship (TELS) program was designed to meet the unique needs of the State of Tennessee by incorporating the hallmark elements of existing merit-based aid programs in other states. The TELS program aims to address the following broad public policy objectives: improve academic achievement in high school through scholarship incentive; provide financial assistance as a means of promoting access to higher education; retain the state's "best

and brightest" students in Tennessee colleges and universities; and enhance and promote economic and community development through workforce training.

The TELS program has grown steadily since its inception in 2004-2005, reaching maturity with five classes of students in 2007-2008. The program grew from expending \$93.4 million in its initial year to \$298 million in 2010-2011. Over 71,000 students received HOPE, ASPIRE, General Assembly Merit Scholarship, or non-traditional grant awards in the 2010-2011 academic year. These five programs accounted for more than 92 percent of the entire expenditure for TELS programs. Currently, a shortfall exists between the scholarship program expenditures and revenues. It is estimated that the program will expend \$316 million in 2011-2012; the long-range projection for 2014-2015 is \$317 million. The Senate Lottery Stabilization Task Force met throughout the fall of 2011 to consider policy options for bringing annual scholarship expenses into alignment with annual net lottery proceeds, while better aligning scholarship policy with the college completion agenda. The Task Force issued its final report and recommendations on December 2, 2011.

Through implementation of these and other policy initiatives, higher education is poised to meet the educational and workforce needs of Tennessee. Through strategic redirection of students and resources, higher education will continue to develop one of the state's most under-utilized resources, the inherent human capital potential of its citizenry.

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## ***Economic Opportunity***

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### ***Economic and Community Development***

Leading companies from around the world are discovering the advantages of doing business in Tennessee. With Tennessee's prime geographic location, skilled workforce, outstanding transportation

network, and pro-business environment, Tennessee has earned a solid reputation as a premier business location. From the automotive industry to technology development, to printing and publishing, to warehousing and distribution, the diverse business base speaks volumes as to the wealth of economic and lifestyle advantages and opportunities that, quite simply, help companies build better products more efficiently in Tennessee. Building on these strengths, Tennessee is also positioning itself as a leading location in six strategic industry clusters. These clusters include automotive; chemical products and plastics; transportation, logistics and distribution services; business services; healthcare; and advanced manufacturing and energy technologies.

Tennessee's bright business climate, along with quality of life and cultural diversity, offers companies more options than ever. Tennessee remains committed to enhancing community quality of life and increasing family income by creating better-paying, higher-skilled job opportunities with a future and making Tennessee the number one location in the Southeast for high-quality jobs. The state engages in the following activities to accomplish these goals:

***On the FastTrack*** — Tennessee's FastTrack initiative guarantees a complete response to business inquiries regarding job growth within three days. The department has built strategic partnerships with key state agencies that play vital roles in jobs development. These partners work closely with Economic and Community Development (ECD) to help respond to businesses seeking information on possible building sites and locations, job training programs, infrastructure development, and other needs. ECD is committed to tailoring job training programs for businesses within five business days after receiving details from a business on its training needs and commitment to invest in new jobs. The department's Creative Services Division provides in-house creative services for the

marketing programs of ECD and other state agencies, which reduces cost, as well as turn-around time associated with the development of marketing information. Furthermore, ECD works to review and revise areas in Tennessee regulatory practices that hinder the state's maintenance of a business friendly environment.

***Business Development*** — Business Development provides the assistance communities and employers need to attract, retain, and increase jobs in Tennessee. New and existing businesses of all sizes and types are engaged with a one-on-one, customer service methodology. Emphasis is placed on handling business inquiries at the speed of business, not bureaucracy. Recruiting and retention efforts have been re-tooled to increase response and success. The department has established nine regional jobs base camps located across the state with the goal of providing hands-on, accessible support and assistance to communities from within those communities. The department works with a network of organizations statewide to assure the success of new and existing business and to encourage their expansion. The approach to business development has been refocused to enhance job development activities on the regional level by networking community-based resources. Business and industry recruitment and retention occurs both domestically and internationally. Business Development activities include:

- Providing prospects with a general or prospect-specific packet with information on taxes, transportation systems, labor statistics, and environmental regulations and incentives.
- Initiating a strategic research-based approach to identifying and recruiting new job creation prospects. High growth industry targets were identified via research and are the focus for generating prospect leads.



- Coordinating community efforts to develop a more regionally-based approach to job development and economic growth through regional jobs base camps and tailored regional strategic plans.
- Tracking, certifying, and recommending available facilities or industrial sites to prospects through the department's TNPremier sites program.
- Expanding international recruitment. Foreign investment plays a vital role in the creation of jobs for Tennesseans. Japan is Tennessee's largest foreign investor. There are also a large number of Canadian and European companies located in Tennessee. ECD maintains offices in Tokyo, Toronto, Düsseldorf, and in the Republic of China.
- Increasing Tennessee exports is the focus of the TNTrade initiative. The initiative will provide small and diverse businesses with the tools necessary to enter new export markets.
- Working with communities and regions to provide industrial infrastructure and financial support on issues like water, sewer, and rail sidings through the FastTrack Infrastructure Development Program. FastTrack serves as an incentive in the process of encouraging private sector firms to locate or expand their financial investments in Tennessee.
- Providing the primary source of financial support for new, expanding, or retooling business and industry training needs through the FastTrack Job Training Assistance Program (FJTAP). With the state's network of educational facilities serving as prime delivery agents, blended with the company's staff and other vendors, FastTrack works directly with the company to develop and implement the necessary skills and knowledge training programs.

It also administers financial resources to support training needs of industry and other business either locating in Tennessee or expanding or needing to retrain in order to retain employees.

- Providing training grants to eligible businesses through the Tennessee Job Skills program. This program primarily serves existing businesses wanting to expand or needing to retrain workers in order to retain their workforce.
- Investing in innovation creates opportunities to nurture ideas, spur commercialization and harvest jobs from Tennessee's vast research and development resources. ECD's Innovation, Coordination, Entrepreneurship, Capital and Commercialization (INCITE) initiative provides the framework for Tennessee's innovation effort. This effort is supported by the creation of nine regional accelerators, the StartUp Tennessee program, the INCITE Co-investment Fund, and TNInvestco.

Within Business Development, the Business Enterprise Resources Office (BERO) assists in the establishment and growth of small, rural, minority- and women-owned businesses through the provision of technical assistance, consultation, and educational programs. BERO coordinates with federal and local government agencies, trade associations and community organizations to assist small business. It partners with the Governor's Office of Diversity Business Enterprise to help small, minority- and women-owned businesses compete for public and private sector contracts on goods and services. BERO also coordinates with the Tennessee Small Business Development Center network, which provides entrepreneurs and small business owners with easily accessible counselors in 14 center locations statewide to assist them in starting and growing their small businesses.

***Community and Rural Development*** — Community and Rural Development works with Tennessee communities to prepare and compete for economic development and to improve quality of life.

- The Three-Star Program encourages and recognizes communities for their community development efforts. In the face of increased competition for new job growth and job retention challenges, Three-Star criteria and performance measures have been established and are periodically revised to encourage communities to work even harder at local development and planning. A primary requirement is for each community to develop an asset-based strategic plan. Communities achieving levels of success in the program are eligible for Three-Star grants, earn additional points for community development and FastTrack grant applications to ECD, and receive lower match requirements on these grants.
- The Tennessee Main Street Program provides assistance to communities revitalizing their downtown and central business districts, which are vital components of economic development and job growth. To be considered a Main Street Community, cities must meet specific performance standards that range from having both public and private financial support for the revitalization process to agreeing to historical preservation. Tennessee Downtowns is a new initiative based on Main Street principals to help communities revitalize their downtowns.
- The Energy Division provides grant, loan, education technical assistance, and training programs to improve energy efficiency, reduce energy consumption, expand availability and use of biofuels and renewable energy systems, and support the further development of Tennessee's clean energy technology. The division also has primary

responsibility for coordinating and overseeing all statewide energy assurance activities under the framework established by the Tennessee Energy Management Plan.

### ***Tourist Development***

The travel and tourism industry is an important factor in Tennessee's economy. Based on a 2011 study by the Research Department of the Travel Industry Association of America, domestic and international travelers to Tennessee spent more than \$14.1 billion in calendar year 2010. As a result of spending by travelers, tourism provides jobs for over 174,900 Tennesseans, and tax revenues for state and local governments totaling over \$1.1 billion. More than 79.7 million people visited Tennessee in 2010, maintaining Tennessee's position in the top ten states for day-stays and overnight stays in the United States.

Because of the jobs and tax revenues produced by tourism, the competition to attract tourists continues to be high. In order to stay competitive, Tennessee aggressively markets and promotes the state's tourism attractions and destinations. Some of the Department of Tourist Development's marketing activities include the design and production of an advertising campaign; the placement of advertising in media such as broadcast, print, on-line, and social media; and participation in sales programs that target group tour companies, travel agents, and the international travel market. In addition, the department provides public relations and marketing assistance to the tourism industry through three regional offices; develops educational programs and communicates to the public and the travel industry the activities and services provided by the department; promotes Tennessee to the media and national travel press; develops and maintains a Tennessee travel website that provides a comprehensive resource for travel information about Tennessee;

produces Tennessee vacation and travel publications that are distributed to customers; maintains a knowledge of current travel marketing trends and develops new programs to respond to those trends such as the Tennessee Civil War Sesquicentennial, Discover Tennessee Trails and Byways promotion, and the Sustainable Tourism

Initiative; and provides services such as telemarketing and fulfillment, research, and operational support necessary to support the department's strategies. The department also operates the state's 14 welcome centers, which provide literature, information, and reservations to the millions of travelers who visit Tennessee.

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## ***Children***

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The Department of Children's Services (DCS) is the unitary state agency charged by the Legislature with providing services to children and families when children are either in state custody or at risk of entering state custody. Broadly speaking, DCS serves children who are or who are likely to be abused and neglected, truant or runaway, or delinquent.

### ***DCS' Structure and Function***

The services provided by the department include protection from abuse and neglect, care for children who cannot remain in their own home, stabilization and preservation of families, and the rehabilitation of delinquent youth through residential or community-based treatment. The department is comprised of three major sections: Protection and Permanency, Juvenile Justice, and Administration and Training.

### ***Protection and Permanency***

The department's primary responsibility is always to protect children from abuse and neglect. In order to uphold this responsibility, DCS investigates reports of abuse and neglect, working with families to resolve issues that may threaten the safety or well-being of children. DCS also works to maintain children in their own homes whenever safe and appropriate.

The department also is responsible for providing care for children who cannot

remain in their own homes. This includes temporary out-of-home care for children whose safety is in jeopardy in their own homes. The department works with families and other involved parties to achieve permanency and stability in the child's living situation. When it has been determined that a child cannot safely return home, the department strives to provide a nurturing permanent home through placement with relatives, friends, or adoption.

### ***Juvenile Justice***

The Division of Juvenile Justice (DJJ) was created by the Legislature during the 2006 legislative session to coordinate statewide services to adjudicated delinquent youth and their families. The division's programs consist of probation and aftercare services, contracted custody services for youth with less serious offenses or developmentally challenged youth, and Youth Development Centers (YDCs) serving youth with more serious delinquent offenses.

Youth Development Centers – Each YDC is a hardware secure residential facility that provides treatment for delinquent youth ages 13 through 18. Upon admission each youth receives a comprehensive assessment from which an individualized program plan is developed. Within the context of a behavioral management program, each YDC provides special and regular education, GED preparation, pre-vocational education,

medical and dental services, recreational programs, and programs to help youth develop independent living skills. Specialty services include therapy for a broad range of needs, alcohol and drug treatment, and speech therapy.

**Probation and Aftercare Services** – Probation and Aftercare Services provide case management and supervision to youth who have been adjudicated delinquent and are living at home. These services include regular contact with the youth, their families, their schools, and other involved agencies. Staff members help youth change behaviors and re-channel their energies into developmentally appropriate, legal activities.

**Intensive Aftercare Program** – DJJ contracts with private agencies to provide intensive aftercare supervision programs. The program begins while a youth is incarcerated in a YDC. Services continue to support the youth upon their return home. Agency staff members act as liaisons with educational programs and employment programs, and facilitate the delivery of other services including mental health services. The primary goal of the intensive aftercare program is to decrease the number of youth re-entering the juvenile justice system.

### ***Administration and Training***

DCS is responsible for the New Case Manager Certification Program, training both new and current staff to advance its mission of implementing family-focused, culturally responsive child welfare practices with children and families.

### ***Legal History and Status***

**1996** – DCS is created by the Legislature. This action brings together under one agency a variety of services to children and families that had historically been provided by a number of different state agencies, notably the Department of Human Services, which served abused and neglected children,

and the Department of Youth Development, which served Tennessee’s delinquent youth.

**2000** – DCS is targeted by the Brian A. federal civil rights class action lawsuit filed by Children’s Rights, Inc. The Brian A. lawsuit alleges that Tennessee’s more than 9,000 foster children are poorly served by an overburdened and mismanaged system. Specifically, the suit alleges that children are placed in large, orphanage-style institutions at one of the highest rates in the nation; that children linger in “emergency” shelter placements for six or more months due to the lack of suitable foster care placements; that caseworkers are overburdened by caseloads of more than 9,000 abused and neglected children in state custody; and that children are unnecessarily and frequently moved while in foster care because DCS lacks sufficient placements tailored to children’s individual needs and therefore places children based on available “slots.”

**2001** – After more than a year of litigation, negotiations, and mediation, DCS and the Brian A. plaintiffs sign a wide-ranging and detailed settlement agreement under which DCS agrees to a number of requirements aimed at bettering the agency’s performance for the children and families it serves. Among those, DCS agrees to certain educational and training requirements for workers; to reduce workers’ caseloads; to assure regular visits between children and their workers and families; to place children near their homes of removal; to reduce its use of congregate or group care in favor of more family-like foster home settings; to reduce foster children’s length of stay, number of placements in and rate of reentry into foster care; to place sibling groups together when possible; and to take steps to meet children’s educational and physical and mental health needs, including assuring that medication and physical restraints are properly used. The settlement agreement establishes both an individual monitor and a Technical Assistance Committee (TAC) to oversee and aid DCS’ compliance efforts.

**2003** – After several monitor’s reports detail DCS’ compliance struggles, the Brian A. plaintiffs file papers in federal court alleging contempt of the settlement agreement. DCS and the plaintiffs resolve the dispute with a stipulation under which the department commits to more action plans. The TAC assumes full monitoring and technical assistance responsibilities. DCS begins compliance reform across the agency’s activities.

**2005-2010** – A series of reports from the TAC chronicle DCS’ increasing success not only in complying with various provisions of the Brian A. lawsuit but also in launching other initiatives and improvements. DCS reduces or eliminates unnecessary emergency and congregate care placements of foster care children. DCS moves children from in-house institutional schools to mainstream public schools. DCS reduces caseloads from dozens of children per individual worker down to 15 or 20, depending upon the worker’s level of experience. DCS places sibling children together rather than breaking them up at a higher rate than other states. DCS drives down children’s length of stay in foster care. DCS gains recognition as a national leader in moving children into permanent adoptive families; for example, fiscal year 2006-2007 sees 1,225 children adopted, which is an impressive increase from the 431 finalized adoptions just eight years before.

**2010** – In January 2010, DCS gains accreditation from the Council on

Accreditation. DCS is one of only seven public agencies to earn such recognition nationwide.

In November 2010, DCS and the Brian A. plaintiffs file with the federal court a Modified Settlement Agreement and Exit Plan that lays out a path for DCS to exit from the lawsuit and federal court jurisdiction. The parties recognize that DCS has made substantial progress toward that goal. The parties award the TAC final authority to determine DCS’ compliance with the lawsuit’s pared-down provisions. When DCS achieves compliance with those provisions for two consecutive reporting periods, DCS may exit the lawsuit.

**2011** – DCS provides services to families to prevent children’s entry into custody and at the same time reduced the length of time in which children stay in custody. In the process, DCS has reduced Brian A. custody numbers from some 9,000 children at the time the lawsuit was filed to well under 7,000 children at the current time. Families are strengthened at a lower cost. As another example, DCS’ dramatically increased adoption numbers mean that children are more quickly moved into permanent families, which reduces the burden on state resources. The agency continues its commitment to best marshal scarce state resources to produce optimum results for children and families.

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## **Public Health**

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### ***TennCare***

TennCare is the state’s Medicaid program that provides health insurance through a managed care system to low-income children, pregnant women, and people with disabilities.

**1994** – The State of Tennessee submits a federal demonstration waiver to launch an innovative health care plan known as TennCare. The initiative is designed to expand Tennessee’s Medicaid program by using managed care principles to deliver health care to a larger number of people for

the same amount of money. At the time of its launch in January 1994, TennCare has 12 Managed Care Organizations (MCOs) and more than 800,000 enrollees who are eligible for Medicaid. Within the first 12 months, the program enrolls an additional 400,000 uninsured and uninsurable residents. By the end of the year; however, TennCare is struggling to manage financial commitments, enrollee volume, and information systems. Enrollment to the uninsured closes in December.

**1998** – TennCare is mired in legal difficulties. A series of consent decrees, or legal agreements entered into by the state beginning in the mid-1990s, make it increasingly difficult to control costs within the program. The most burdensome agreement, the Grier Consent Decree, places limits governing the denial of TennCare services to enrollees. A second agreement, the Rosen Agreed Order, affects the state's ability to verify eligibility and later is used to force the reinstatement of thousands of Tennesseans who had been removed from the rolls. A third agreement, the John B. Consent Decree, requires the state to meet goals beyond federal law governing child health treatment and screening.

**1999** – TennCare is seriously ill: financially, legally, and administratively. An actuarial study reveals the program is underfunded by as much as \$290 million. Separately, revisions to the Grier Consent Decree effectively prevent the state from placing reasonable limits on the use of prescription drugs. At the same time, the managed care component of TennCare is collapsing. The total number of MCOs falls to nine. One MCO, Xantus Healthplan, goes into court-ordered receivership and TennCare later terminates its contract.

**2002** – The state, in an effort to control rising costs, submits a new federal demonstration waiver that temporarily relieves MCOs of risk and closes new enrollment in the demonstration categories for all but the very poorest. The new waiver

comes amid continued instability in TennCare's managed care network. Following the high-profile failures of Xantus Healthplan and Access MedPlus, Universal Care is placed under administrative supervision; TennCare later terminates its contract as well.

**2003** – From January through May, a new administration works to balance the budget amid an economic recession. In an effort to control skyrocketing drug costs, the state negotiates changes in the consent decrees that allow the state to implement a preferred drug list. The administration is clear that if changes are not sufficient to bring TennCare into balance, it will seek further modification of the decrees. That summer, the state asks TennCare stakeholders, including BlueCross BlueShield of Tennessee and Health Corporation of America (HCA), to fund an independent study to determine whether TennCare can be viable moving forward. McKinsey & Co., a global management consulting firm, is hired to perform the assessment.

**2004** – In February, the state announces a sweeping series of TennCare reforms including controls on pharmacy spending, cost-sharing with enrollees, and benefit limits in a "last chance" effort to salvage the program. The administration warns that substantive reform cannot be achieved unless the state gains immediate relief from legal consent decrees and lawsuits by enrollee advocates. The strategy, designed to preserve full enrollment by reducing benefits for the expansion population rather than cutting people from the program, is endorsed by stakeholders, including TennCare enrollees, the Tennessee Medical Association, the Tennessee Hospital Association, the Tennessee Pharmacists Association, and the Children's Hospital Alliance of Tennessee. The reform package passes the General Assembly in May with overwhelming bipartisan support. Less than two weeks following passage of the legislation, enrollee advocates go to court in an effort to block the reform strategy. The

state proceeds with its plan, submitting a major waiver amendment to the federal government in September. In a final effort to gain relief from consent decrees, the state meets with the attorney for enrollees to ask for his cooperation. He declines, citing an unbridgeable philosophical difference. As a result, in November the state announces that it will reduce TennCare enrollment in a return to traditional Medicaid, but notes the decision can be reversed if the attorneys stand down from legal challenges. They agree to temporarily suspend portions of the consent decrees, but insist that most provisions remain in force and even threaten to bring new lawsuits challenging reform. The threat of ongoing litigation makes reductions unavoidable.

**2005** – In January, the state announces an intent to move forward with TennCare changes under a plan that stops short of returning to Medicaid by preserving full coverage for children and by limiting benefits and reducing enrollment for adults. Despite the continued opposition of advocates, the state pursues the ability to manage the program by seeking legal relief from consent decrees. The state receives legal relief from the U.S. Sixth Circuit Court of Appeals in the Rosen case. The state also receives partial relief from the district court in the Grier case. This needed legal relief allows the administration to preserve coverage for 97,000 of the most vulnerable and needy TennCare enrollees in an optional Medicaid category called Medically Needy Spend Down. The Legislature appropriates the needed funds to continue coverage for the non-pregnant adults in the Medically Needy population at the administration's request. The preservation of coverage for this group is included in an extension to the TennCare waiver that would eventually be granted by the Centers for Medicare and Medicaid Services (CMS) in October 2007.

In addition to legal victories, TennCare implements many pharmacy reforms and returns the MCOs to shared-risk arrangements in 2005. TennCare's financial

situation is stable and improving. With TennCare growth under control, the state will be able to make needed improvements in other important areas of government, as well as healthcare infrastructure.

**2006** – TennCare awards contracts to two new MCOs in Middle Tennessee, Amerigroup Corporation and UnitedHealth Plan of River Valley. This marks the first time TennCare has used a competitive bid process to recruit managed care plans into the state. It results in financially strong and nationally experienced plans entering the market. Both MCOs accept full financial risk contracts and provide integrated behavioral and physical health services to a total of 170,000 enrollees starting April 1, 2007. The full-risk managed care model will allow greater emphasis on case management and disease prevention.

TennCare consolidates all home and community based programs for seniors into the statewide program managed by the Commission on Aging and Disability. TennCare doubles the number of services available to Home and Community Based Services (HCBS) participants. The number of slots available in the statewide HCBS program is expanded to 3,700, representing the largest increase in the history of the HCBS program.

TennCare reform continued during 2006, resulting in unprecedented budget stability in the program. TennCare closed fiscal year 2006 under budget, which represents a significant savings from pre-reform estimates. Aggressive pharmacy utilization controls, expanding drug purchasing power, enrollment reductions, and disease management programs helped to constrain budget growth. TennCare ends 2006 with 1,195,000 enrollees.

**2007** – TennCare continues to demonstrate operational stability and fiscal responsibility. The increased efficiency is reflected in the lowest growth rate in its history, spurred by a \$1.2 billion savings in

its pharmacy program alone. TennCare manages to improve operations and lower costs at a time when, across the nation, Medicaid costs are showing marked increases and are projected by media reports to reach a record \$330 billion. Another benefit of TennCare's improved fiscal operations is the bureau's increased ability to accommodate a changing and increasingly uncertain federal funding atmosphere.

Being on much more solid fiscal ground enables TennCare to focus more on the medical needs of its enrollee population. A study by the University of Tennessee finds that 90 percent of TennCare enrollees are satisfied with the quality of care they receive. The U.S. Office of Inspector General recognizes TennCare as one of a few state Medicaid agencies across the country using technological innovation to serve their enrollee populations. A TennCare grant to a pediatrics organization enables a groundbreaking autism-screening effort.

Another reflection of TennCare's improved operations is its successful transition of its Middle Tennessee Grand Region back to full-risk managed care. Toward the close of the year, the bureau releases its request for proposal to begin the process of returning the East and West Grand Regions back to full-risk managed care.

TennCare is granted a three-year waiver extension by CMS.

**2008** – Effective September 1, 2008, the home health and Private Duty Nursing (PDN) benefit is modified for members aged 21 and over to address the unexpected and rapidly increasing costs associated with these benefits. The major changes to this benefit include eliminating PDN except for ventilator-dependent individuals; and limiting the combined hours of home health nursing and aide care permitted each week to 35 hours, with the possibility of

increasing to 40 hours for individuals eligible for level 2 nursing facility care.

On April 1, 2007, TennCare returns a portion of eligibles in Middle Tennessee to a full risk capitated model. On November 1, 2008, TennCare returns a portion of eligible members in West Tennessee to a full risk capitated model. The new capitation arrangements cover all medical and behavioral health services under one capitation arrangement. This causes a shift in budget reporting from the BHO to MCO contracts in these regions for behavioral health services. Pharmacy and dental services for eligibles in each region remain under the fee for service program.

TennCare also began using a more balanced payment methodology for all Medicare Crossover Part B payments in order to treat all providers equally and fairly.

TennCare's focus on improvement was affirmed by the release of the fiscal year 2008 audit, which reflected zero audit findings, down from 39 findings the bureau had in fiscal year 2002.

**2009** – On January 1, 2009, TennCare begins to return a portion of eligible members in East Tennessee to a full risk capitated model and completes the model phase-in in September.

In July 2009, TennCare receives approval from CMS to move to a fully integrated program. Full integration means a single managed care entity can provide all the services a TennCare enrollee needs, including medical, behavioral, and long-term care services.

TennCare begins implementation of the Long-Term Care Community Choices Act of 2008. CMS approves an amendment to the TennCare waiver that will allow managed care organizations to coordinate all of the care a TennCare member needs, which now includes medical, behavioral, and long-term care. A record number of



people, approximately 6,000 Tennesseans who would otherwise need nursing home care, are instead receiving Home and Community Based Services (HCBS), getting the quality health care services they need in their own homes instead of receiving care in a nursing facility. Implementation of the Act will fundamentally restructure how long-term care is handled in the TennCare program by providing elderly and disabled Tennesseans with a richer set of choices and a simpler process for accessing them.

**2010** – The Long-Term Care CHOICES program was launched in the Middle Tennessee region on March 1, 2010.

TennCare’s recipient satisfaction level remains high for 2010 with 94 percent satisfied with the program according to a satisfaction survey performed by the Center for Business and Economic Research at the University of Tennessee.

**2011** - TennCare continued to beat national Medicaid and commercial insurance cost inflation trends while continuing to provide high-quality services to its members. In the 2011 Health Plan Employer Data and Information System report that evaluates TennCare quality, the state once again performed well in the area of child health, with statewide weighted average scores exceeding the 2010 national Medicaid average for measures such as childhood immunization status, lead screening in children, appropriate testing for children with pharyngitis, use of appropriate medications for people with asthma, and children and adolescents’ access to primary care practitioners. Improvement was also noted in measures related to women’s health, including timeliness and frequency of prenatal care and rates of screening for breast cancer, cervical cancer, and chlamydia. Also in 2011, TennCare satisfaction was at an all-time high. The 2011 report conducted by the University of Tennessee, showed 95 percent of those who responded were satisfied with their TennCare coverage.

TennCare continued to see a shift in long-term care enrollment due to the CHOICES program. More members chose to receive services in the home or community instead of in a nursing facility.

A smoking cessation benefit for all members was added to the program on July 1, 2011. Previously, the benefit was only available to minors under the age of 21 and pregnant women.

### ***Health Care Safety Net***

The Health Care Safety Net was established in 2005 to ease the transition of those persons losing TennCare coverage due to reform efforts and to assist those in need of medical care who were uninsured or who lacked financial resources to secure medical care. The state’s ambitious TennCare program, an expansion waiver Medicaid program launched in 1994, had become financially unsustainable. TennCare changes preserved full coverage for children, pregnant women, and the medically needy, but resulted in approximately 177,000 adults losing coverage.

The General Assembly passed legislation in June 2005 that appropriated \$105.8 million for the Safety Net. These funds were augmented with an additional \$35.4 million contingency appropriation. No other state has appropriated resources of this magnitude to ease the transition of disenrollees from an expansion program of this type. With the exception of expanding access to primary care, most programs put in place in calendar year 2005 were designed specifically for the disenrolled population.

Moving quickly to implement the recommendations of the Safety Net Task Force and requirements of the Safety Net legislation, an inter-departmental team from the departments of Health, Mental Health and Developmental Disabilities, Commerce

and Insurance, and Finance and Administration developed and implemented the Safety Net programs. Referral access hotlines, mail order and retail pharmacy assistance programs, and mental health services were in place by the end of July 2005. Within a few months, the pharmacy program had been expanded to include additional pharmaceutical assistance for insulin-dependent diabetics and those with Severe and Persistent Mental Illness (SPMI). Additionally, grants had been disbursed to Federally-Qualified Health Centers (FQHCs) and faith-based clinics to augment primary care resources for the uninsured.

As funds became available, the Safety Net established programs for special needs populations among the disenrolled. In December 2005, the administration announced that due to strong fiscal management, funds were available to allow the Safety Net to extend transitional assistance for disenrollees into calendar year 2006. Pharmacy assistance for disenrollees dually eligible for Medicaid and Medicare were extended to allow ample time to enroll in the new implementation of Medicare Part D, which began January 1, 2006. All other disenrollees were extended assistance through fiscal year 2006-2007.

In fiscal year 2005-2006, there were four key components to the assistance offered by the Safety Net:

- Behavioral Health Safety Net
- Access to Primary Care
- Special Population Assistance
- Pharmacy Assistance.

***Behavioral Health Safety Net*** — Community Mental Health Agencies provided services for the SPMI such as:

- Assessment, evaluation, diagnostic, and therapeutic activities
- Case management
- Psychiatric medication management
- Labs related to medication management

- Pharmacy assistance and coordination.

***Access to Primary Care*** — Access to Primary Care was expanded through:

- FQHC - Grants totaling \$4.6 million in recurring funds were made to FQHC and FQHC “look-alikes” to expand access to primary care for all uninsured Tennesseans.
- Community health centers and faith-based clinics - Grants totaling \$6.0 million were made to community- and faith-based clinics to expand access to primary care for all uninsured Tennesseans.
- Essential Access Payments - Payments were set aside for hospitals to treat the uninsured.
- Physician Incentives - Through Safety Net funding, TennCare increased practitioner funding by 1.5 percent and increased the reimbursement level for evaluation and management codes for TennCare physicians.

***Special Population Assistance*** — The following special populations were provided assistance:

- Chemotherapy - Disenrollees who had been prescribed or were in the midst of a course of chemotherapy for cancer at the point of disenrollment.
- Transplants - Pharmaceutical assistance, doctor’s visits, and hospital stays for disenrollees who received a solid organ transplant while on TennCare.
- Dialysis - Pharmaceutical assistance for dialysis patients through a grant to the National Kidney Foundation.
- Hemophilia - Assistance connecting disenrollees with hemophilia to specialty insurance coverage through a

grant to the National Hemophilia and Bleeding Disorders Foundation.

**Pharmacy Assistance** — Pharmacy Assistance was developed to include:

- A formulary designed on a chronic disease model to provide more than 55 generic drugs available to disenrollees for free, through either mail order or retail pharmacy.
- An Express Access Drug Discount Card to provide all disenrollees with a discount of up to 10 percent off brand name drugs and 50 percent off generic drugs.
- Supplemental assistance for individuals with severe and persistent mental illness.
- Automatic enrollment into a Medicare-approved drug discount card plan, called Pharmacy Care Alliance, for disenrollees who were eligible for Medicare. The addition of \$300 on the card from Medicare was automatically made for those individuals with incomes less than 135 percent of the federal poverty level. The card provided discounts until the individual's enrollment in Medicare's prescription drug program (Medicare Part D) or May 15, 2006, whichever came first.
- Assistance to disenrollees to apply for free or deeply discounted drug programs.
- A call center was established to answer disenrollee questions specifically related to programs for disenrollees or the broader uninsured population.

Focus has since shifted from programs to assist TennCare disenrollees to a system of care for Tennesseans without insurance. The state began programs that expanded access to primary care and programs for the

SPMI population. These programs were established with recurring funds as a cornerstone for longer-term solutions. However, due to a decline in state revenues, grant funds for the FQHCs and community health clinics and faith-based clinics have been appropriated on a non-recurring basis. Programs for special populations, such as chemotherapy and solid organ transplants, have been discontinued. In addition, the state developed longer-term programs that create affordable insurance options for children, small businesses, and uninsurable individuals, as well as provide pharmacy assistance for low-income, high-need populations with no access to insurance. Finally, the state will be seeking grant-funding opportunities to facilitate community initiatives and public/private partnerships that expand access to care through infrastructure investments and high-yield initiatives.

### ***Cover Tennessee Health Care***

Cover Tennessee, enacted in 2006, was developed to create health insurance options that are affordable and portable for the uninsured through four programs. CoverTN, AccessTN, and CoverKids provide health insurance to adults and children who are uninsured or uninsurable; and CoverRx provides pharmacy assistance for low-income adults without pharmacy coverage. These programs are designed to operate within budgetary limitations, serving only as many people as the budget can support.

**CoverTN** — CoverTN creates a partnership between the state, small employers, and individuals to offer affordable, portable, basic health benefits for working Tennesseans who are uninsured. In addition, the program is available to Tennesseans between jobs and other working adults without insurance.

**AccessTN** — AccessTN provides a health coverage option for adults and children with chronic conditions or who are seriously ill. Applicants can afford health coverage but have been turned down by insurance companies as uninsurable.

**CoverKids** — CoverKids creates a partnership between the state and federal government to offer health and dental insurance to uninsured Tennessee children that are ineligible for TennCare Medicaid coverage and cannot afford private insurance. Pregnant women may receive maternity coverage through CoverKids HealthyTNBabies if she has no other maternity coverage.

**CoverRX** — CoverRx expands the state's successful safety net program for affordable medication to other low-income Tennesseans.

Cover Tennessee health care programs have three guiding principles:

- Accessibility – to make health coverage options affordable for children, the working uninsured, and the chronically ill.
- Effectiveness – to pay for basic care first, including preventive care, primary care, and generic drugs, and to pay for what works, including best practices and disease management.
- Personal Responsibility – to have everyone pay something and to have individuals be responsible for their health-care decisions.

## ***Mental Health and Substance Use Disorders***

The Tennessee Department of Mental Health (TDMH) is the state's mental health,

substance use disorders, and opioid authority. TDMH is responsible for system planning; setting policy and quality standards; licensing personal support services agencies, mental health, substance abuse services and facilities and intellectual disabilities facilities; system monitoring and evaluation; disseminating public information and advocacy for persons who have mental illness, serious emotional disturbance and substance use disorders. TDMH also provides inpatient psychiatric services through its operation of the five Regional Mental Health Institutes (RMHIs).

In 1953, upon recommendation of the governor, the Department of Mental Health and Mental Retardation was created by enactment of the General Assembly to provide for the better treatment and welfare of persons with mental illness or mental retardation. In 1973, under the Comprehensive Alcohol and Drug Treatment Act, the General Assembly gave the department responsibility for developing programs for treating and preventing alcohol and drug abuse. In July 1991, the Division of Alcohol and Drug Abuse Services was transferred to the Department of Health, and in February 2007, the division was transferred back to the department from the Department of Health by executive order, which was codified in 2009. This transfer expanded the department's authority to coordinate, set standards, plan, monitor, and promote the development and provision of services and supports for persons with substance use disorders.

Beginning in 1978, the department was charged with licensing facilities that provide services to persons with mental retardation, mental illness, and alcohol and drug abuse. The responsibility for management and operation of the Division of Mental Retardation Services was transferred to the Department of Finance and Administration by executive order in 2002.

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## ***Families First***

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Families First is Tennessee's Temporary Assistance to Needy Families (TANF) program. The program emphasizes personal responsibility, work requirements, and time limits on assistance.

***Personal Responsibility*** — The foundation of Families First is personal responsibility. All participants must:

- Cooperate with child support enforcement in identifying the absent parents of dependent children, establishing paternity, and securing court orders for support (unless good cause is established),
- Ensure that all eligible children attend school, and
- Ensure that children are immunized and their health checks are current.

Failure to comply with these program requirements results in the reduction or termination of Families First benefits.

***Work Requirements*** — Families First participants who do not meet exemption criteria are required to participate in work activities totaling 30 hours per week. Failure to comply with this program

requirement results in the termination of Families First benefits.

Participants facing barriers on their path toward self-sufficiency may receive assistance through the Family Services Counseling (FSC) program. FSC counselors provide assessment, counseling, and referral services for clients with mental health issues, drug and alcohol problems, learning disabilities, domestic violence issues, and problems stemming from a child's health and/or behavior.

***Time Limited Benefits*** — Families First is a time-limited program. Benefits are limited to five years over the course of a lifetime. Families meeting certain criteria such as disability or incapacity of the caretaker, caretaker over the age of 65, etc. may receive additional months of assistance at the end of the five-year limit.

***Transitional Benefits*** — In order for families to sustain self-sufficiency, some benefits are extended beyond the end of cash assistance, including child care and Food Stamps. Although no longer a transitional benefit at the close of Families First, families may continue to qualify for Medicaid in a separate Medicaid category for low-income families with children.

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## ***Natural Resources***

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### ***The Environment***

The Tennessee Department of Environment and Conservation (TDEC) safeguards human health and the environment for all Tennesseans by protecting and improving the quality of land, air, and water for present and future generations. In 2011, the department effectively managed through a

variety of challenges, including the continued comprehensive response to the extraordinary 5.4 million cubic yard coal ash spill at the Tennessee Valley Authority (TVA) Kingston Fossil plant in Roane County and exceptional response and recovery activities related to significant flood and tornado events across Tennessee. In 2012, Tennessee State Parks will

celebrate its 75<sup>th</sup> Anniversary with events and activities to honor our heritage, highlight the present, and look forward to a bright future.

***Water Quality*** – Tennessee is blessed with more than 60,000 miles of rivers and streams featuring some of the most biodiverse waterways in the nation. The Division of Water Pollution Control is responsible for protecting the state’s waters through a coordinated approach of permitting, monitoring, compliance assessment, and water quality management that focuses on planning and regulatory programs.

TDEC continues to help communities across the state improve their wastewater treatment services. Tennessee awarded more than \$63 million to local governments from the Clean Water State Revolving Fund in fiscal year 2011.

***Water Resource Management*** – TDEC continues to implement the Inter-Basin Water Transfer Act of 2000. This law addresses demands for water and protects supply for downstream users. In calendar year 2011, TDEC reissued one inter-basin transfer permit and will review reissuance of six permits set to expire in 2012. TDEC received annual reports from utilities whose water transfers required permit decisions from the department. Carefully considering the average flows in Tennessee’s water bodies, current inter-basin transfers are assisting communities in meeting water demand while redistributing manageable and sustainable amounts of water.

TDEC supports the Water Resources Technical Advisory Committee created by statute in 2002. The department is finalizing water resource planning efforts in cooperation with the Corps of Engineers, U.S. Geological Survey, The Nature Conservancy, the Tennessee Association of Utility Districts, Tennessee Advisory Commission and Intergovernmental Relations and Tennessee Wildlife Resources

Agency. The outcome of that effort to date is two regional water supply plans: one in the Sumner County/North Central part of the state and another in the South Cumberland area. Both areas were highlighted during the drought of 2007-2008.

***Drinking Water*** – More than 96 percent of Tennessee citizens receiving public drinking water are served by public drinking water systems meeting all the federal requirements. The department continues to work with the University of Tennessee and Oak Ridge National Lab researchers to improve detection for potential emerging contaminants in source and finished water production.

Tennessee awarded more than \$20 million in funds from the Drinking Water State Revolving Fund in fiscal year 2011 to improve local drinking water treatment facilities.

***Ground Water Protection (GWP)*** – Tennessee’s varied topography requires effective programs to protect both its surface and subsurface water flows. GWP regulates the on-site disposal of wastewater in Tennessee through site evaluation, plans review, construction and repair permit issuance, inspection, and complaint resolution for subsurface sewage disposal systems. There are more than 1.2 million onsite wastewater systems in the state. GWP directly administers the onsite wastewater program for 86 of Tennessee’s 95 counties and maintains general oversight for the other 9 county-administered programs.

GWP also evaluates property subdivision proposals and provides soil-mapping services to the public. GWP permits subsurface sewage disposal system installers, septic tank pumpers, and maintenance providers for advanced treatment systems.

***Air Quality*** – Tennessee continues working toward attaining new, more stringent federal air quality standards. The goal is to achieve

cleaner air for citizens and meet federal standards in order to avoid the designation of non-attainment. The Division of Air Pollution Control maintains a statewide air quality monitoring network, issues emission permits, and conducts site inspections of major air pollution sources while working with the State Air Pollution Control Board to establish rules that promote a balanced approach to cleaner air and economic development.

While fine particulate matter (PM<sub>2.5</sub>) pollution levels were formerly a statewide problem, the only area in violation of the new, stricter federal PM<sub>2.5</sub> standard is the East Tennessee River Valley. TDEC is working with TVA to switch to lower sulfur coals and install flue gas desulfurization equipment on critical power plants. TVA is also retiring older coal-fired units that are too old to warrant add-on air pollution controls and replacing them with gas-fired combustion turbines and relying more upon nuclear energy. TDEC is also working to ensure that the fuels used for vehicles meet the new lower sulfur content standards. These two programs should continue to reduce the formation of fine particulate pollution.

The most recent data for ground-level ozone shows that ozone levels decreased in Tennessee in 2009, increased in 2010, and remained stable in 2011. Likely explanation was a combination of weather conducive to the formation of ozone, decreased availability of hydroelectric power production in 2010, and the recovering economy. The continued progression of air pollution control measures being implemented would tend to offset some of the rising trends observed in 2010. However, the federal government is expected to promulgate an even more stringent ground level ozone standard and is anticipated to make final announcement of this standard in July 2014.

New National Ambient Air Quality Standards for lead, nitrogen dioxide, and

sulfur dioxide have recently been promulgated, and the division is assessing Tennessee's status related to these new standards. Tennessee has one lead nonattainment area around Bristol, but if the current clean lead air quality monitoring data trend continues, Tennessee will be in a position to ask the federal government to reclassify the area to attainment.

Stringent sulfur dioxide ambient air quality standards will be challenging to meet. Although the federal government has not yet made designations, it appears that there will be a few nonattainment areas based upon monitoring data. Work is under way to determine what would be required to enable these regions to predict attainment. As with fine particle pollution previously discussed, reducing sulfur in fuels, repowering coal fired units to natural gas and adding air pollution controls to the remaining coal-fired boilers in the state should result in attainment of the standards. Tennessee currently measures attainment of the nitrogen dioxide standards in areas with monitors.

The federal government has promulgated certain regulations pertaining to greenhouse gases to combat climate change. Tennessee has met current federal requirements expected of states. Tennessee will carefully evaluate future federal requirements pertaining to the expected regulation of greenhouse gases.

Working with nine other southeastern states, TDEC has also prepared a federally mandated plan to improve and protect visibility in special areas of the state such as the Great Smoky Mountains National Park.

***Radiological Health*** – The Division of Radiological Health conducts a comprehensive radiological health program to protect public health and safety and the environment from the potentially harmful effects of ionizing radiation from all sources. Additionally, the division responds

to citizen concerns and questions about radiation issues.

Major program activities include regulating the use of x-ray equipment and radioactive materials; protecting workers and the general public from excessive or unnecessary radiation exposure; preventing contamination of the environment; and conducting planning, training, and exercise activities. The division also works with federal and state agencies to improve security at facilities using radioactive material and emergency response to radiation incidents while preventing illicit trafficking in radioactive materials.

***Solid and Hazardous Waste*** – In 2011, the Division of Solid Waste Management (SWM) continued to regulate more than 800 permitted nonhazardous waste facilities including Class I, II, and III/IV landfills, coal ash fills, county convenience centers, land application operations, transfer facilities, and tire storage facilities, as well as solid waste processors. SWM also conducted more than 2,100 inspections of facilities that generate and manage hazardous waste, universal waste, and used oil. Staff reviewed approximately 2,400 annual reports from hazardous waste generators, transporters, and treatment, storage, and disposal facilities to ensure the proper management of hazardous waste. Additionally, the division investigated more than 600 illegal solid waste disposal complaints.

SWM also manages the Toxic Substances Program, which protects the people of Tennessee from environmental and health hazards caused by three toxic substances: lead, asbestos, and Polychlorinated Biphenyls (PCBs). State and federal statutes and regulations are the foundation of this compliance monitoring and enforcement program.

SWM provided a range of solid waste financial and technical assistance to local governments and businesses. Since 2003,

over \$61 million has been distributed to local governments through solid waste assistance to help plan and execute comprehensive programs for solid waste management. Grants were also provided for recycling waste tires, used oil, and other commodities. Technical assistance was provided through contracts with the University of Tennessee, Development Districts, and the Recycling Marketing Cooperative of Tennessee. The state's mobile household hazardous waste collection program conducted 19 events and provided 10 milk runs serving 2,726 households. Approximately 140,800 pounds of household hazardous waste were collected preventing their disposal at local landfills. SWM has provided training and consulting services for counties to conduct electronic scrap recycling collection events. Counties reported recycling approximately 2,359 tons of electronic scrap in fiscal year 2011.

The division continues to work with the Solid Waste Disposal Control Board in meeting Tennessee's waste reduction and diversion goals.

***Cleanup of Contaminated Lands*** – TDEC directs investigation and cleanup activities at inactive hazardous substance sites, brownfield sites, and drycleaner sites. These investigations and cleanups protect public health and the environment and allow previously contaminated properties to be placed back into productive use. Addressing these sites also protects drinking water and surface water resources. Private and federal funds, as well as dedicated state programmatic funds such as the Dry Cleaners Environmental Response Fund and the Hazardous Waste Remedial Action Fund, are used to investigate and cleanup these sites.

The Division of Remediation works with entities contemplating development and undergoing property transfers to assess and clean up abandoned or underutilized properties that may have real or perceived



contamination so the properties can be returned to productive use. This helps create jobs, generate state and local taxes, as well as make more property available for beneficial reuse by citizens of the state.

Recent success stories include acquiring U.S. Environmental Protection Agency (EPA) grant funding for local governments to access and clean up brownfields; working with a potentially responsible party to investigate, stabilize and remediate several bridges containing mercury; redeveloping two former manufactured gas plants into a greenbelt bike/walking trail and an urban pocket park including a wellness center and clinic; continued coordination with EPA on recovery of the Ocoee River; and working with other state and federal agencies to develop a central storage program whereby law enforcement could cost effectively store chemicals seized at clandestine methamphetamine laboratories until they can be collected and properly disposed.

***Petroleum Underground Storage Tanks –***

The department takes action to prevent future petroleum Underground Storage Tank (UST) releases and clean up existing petroleum underground storage tank contamination. Through fiscal year 2011, TDEC was able to close 53 percent of the active UST remediation cases, discovered during the fiscal year, representing 66 case closures. The number of active cases was reduced from 486 in fiscal year 2010 to 482 in fiscal year 2011. TDEC inspected 48 percent of the open facilities in the state in fiscal year 2011, representing 2,532 inspections of 5,295 active facilities. The division also continues to provide diverse educational opportunities for all tank owners while earning recognition as a national leader in completing cleanups.

***Environmental Assistance –*** TDEC's Office of Environmental Assistance features a range of programs providing information and non-regulatory support to businesses, schools, local governments,

industries, organizations, and individuals in order to prevent and reduce environmental impacts. Particular emphasis is placed on education, outreach, and partnerships for communities and small businesses. A number of these environmental programs have received national recognition from the U.S. EPA for their results and performance. Tennessee's State Employee Recycling Program was inducted into the U.S. EPA WasteWise Hall of Fame after receiving National Partner of the Year Award for six consecutive years.

The department's Fleming Training Center in Murfreesboro is a key reason Tennessee is a national leader for water programs. Fleming offers cutting-edge technology and advanced classes in a variety of water areas to assist certified operators with ongoing training and services as they complete their continuing education requirements. It educates and certifies thousands of treatment plant and water management staff every year.

***Fair Enforcement to Ensure Compliance –***

The department has developed an online application that enables the public to search its enforcement database. This searchable database is a valuable public information tool available to all. TDEC issued 694 enforcement orders and assessed more than \$7.9 million in penalties plus \$180,869 in damages for fiscal year 2011. Natural Resource Damages Assessments included a total of \$241,934 for 2011.

In 2011, Tennessee entered into a comprehensive settlement agreement with TVA that will provide more than \$26 million to fund energy conservation, alternative energy and/or pollution reduction projects in Tennessee. This agreement builds on previous TVA improvements as TVA will make investments to reduce harmful emissions from 11 coal-fired power plants and retire 18 older coal fired units. Implementing these new emissions controls will produce major reductions in emissions such as nitrogen oxides and sulfur dioxides.

TVA's commitment to an estimated \$3 billion to \$5 billion investment on new and upgraded state-of-the-art pollution controls will make the region's air cleaner, help provide predictability for TVA and its commercial users, and assist the effort to make Tennessee's business climate as attractive for investment as possible.

The department continues to work with the Office of the Attorney General on environmental compliance issues. The focus of this enforcement initiative is repeat violators, the submittal of false information, false claims, and subrogation actions.

### ***Parks and Conservation***

Tennessee's state parks and natural areas afford Tennesseans and visitors a wide range of recreational and educational opportunities. State parks and conservation initiatives also protect ecologically significant lands and preserve important cultural and historic sites.

***State Parks*** – In fiscal year 2011, Tennessee State Parks and Natural Areas added nearly 3,000 acres of total parklands and hosted more than 30 million visits. Park staff presented 28,900 interpretive programs to more than 935,000 participants.

Demand for state park inn rooms, cabins, and dining tends to mirror general economic trends and overall consumer confidence. In fiscal year 2011, guest volumes and revenues for State Parks' hospitality services were flat compared to prior year but overall parks' revenue collection showed improvement. State parks' hospitality services continued their aggressive expense control programs in order to improve overall efficiency and reduce waste. These management efforts produced results for state parks' hospitality facilities that moved the system toward achieving operational self-sufficiency targets.

Significant capital projects completed included new visitor centers at Tims Ford and Johnsonville State Historic Park. New cabins at David Crockett, the first U.S. Green Building Council LEED Silver certified vacation homes in any state park in the nation, continue to be popular with visitors and are very energy-efficient.

Targeted capital improvements for turf, equipment, and facilities on the Tennessee Golf Trail produced increased revenues, as well as greater operational efficiencies and improved player experiences. A new golf shop was opened at Montgomery Bell. All nine state park golf courses have now been certified as Audubon Cooperative Sanctuaries by Audubon International, the first and only state park system in the nation to have all courses Audubon certified.

Researchers from the University of Tennessee noted state parks have a significant impact on Tennessee's economy and creates thousands of jobs in many rural areas of the state where jobs are needed most. *Economic Impacts of Tennessee State Parks* projected \$725.2 million in annual direct expenditures by state park visitors supported almost 12,000 jobs across Tennessee. Combining direct and indirect expenditures, the impact of Tennessee State Parks to the state's economy was \$1.5 billion in total industry output. Direct benefits visitors gain also have significant economic benefits to Tennessee by reducing physical and mental health costs and increasing overall productivity. Tennessee's economic well-being is also improved by State Parks increasing the state's attractiveness to outside industries, retirees, and people seeking to relocate in areas rich in natural amenities.

***Natural Areas and Scenic Rivers*** – State Natural Areas feature 82 sites that protect Tennessee's biological diversity by conserving ecologically significant areas and habitat for rare plant and animal species throughout Tennessee.

The 13 legislatively designated State Scenic Rivers preserves valuable selected rivers in their free flowing natural or scenic conditions and protects their water quality and adjacent lands.

***Heritage Conservation Trust Fund*** – The Trust Fund was established so the state could better respond to emerging opportunities for preservation of priority open spaces. Since 2005, the Heritage Conservation Trust Fund has approved close to \$30 million dollars in grants to leverage \$115,745,986 in conservation purchases to protect approximately 39,595 acres of priority land in Tennessee. Even though the Trust Fund has not been active in 2011, over the past five years the state’s seed investments were effectively leveraged through effective public-private partnerships. The Trust Fund continues to support and promote land conservation across Tennessee through monitoring and easement activities.

***Recreation Education Services*** – The Recreation and Planning Resources section maintains three regional offices serving the state’s grand divisions. This section provides planning, grant, and technical assistance to recreation professionals across the state and coordinates the state’s greenways and trails program through the Greenways and Trails Advisory Council. The Land Management and Funding Resource section provides oversight and records management of department-owned lands. It also provides monitoring of financial compliance for all acquisitions

made through the State Land Acquisition Fund program.

In 2011, the department processed 270 grants for the Recreation Trail Program, Local Parks and Recreation Fund, Tennessee Recreation Initiative Program (TRIP), high priority projects, and Land and Land Water Conservation Fund programs, totaling more than \$39.5 million. In addition, land acquisitions of 4,276 acres through the State Land Acquisition Fund and other fund programs were completed, totaling approximately \$4.9 million.

The division also expanded its parks and recreation benchmarking tool for local governments to compare performance against peer entities. There are 28 benchmarked communities in Tennessee using this system to value the quality and effectiveness of recreation services. Germantown was first city to achieve Level IV. Three new local Parks and Recreation Departments were established for the Town of Atoka, City of Millersville, and City of Unicoi with a \$50,000 state TRIP grant.

***Archaeology*** - The Division of Archaeology added 225 new sites to the total statewide database of more than 25,000 known archaeological sites in 2011. The division also issued 30 permits for archaeological investigations on state lands while reviewing and commenting on 594 federal projects that could have involved archaeological sites. The division also achieved a 100 percent response rate for requests for archaeological information, assistance, and advice.

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## ***Homeland Security***

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The Tennessee Office of Homeland Security and the Governor’s Homeland Security Council were created in 2003 in response to the September 11, 2001 terrorist attack on America. The Office of Homeland Security

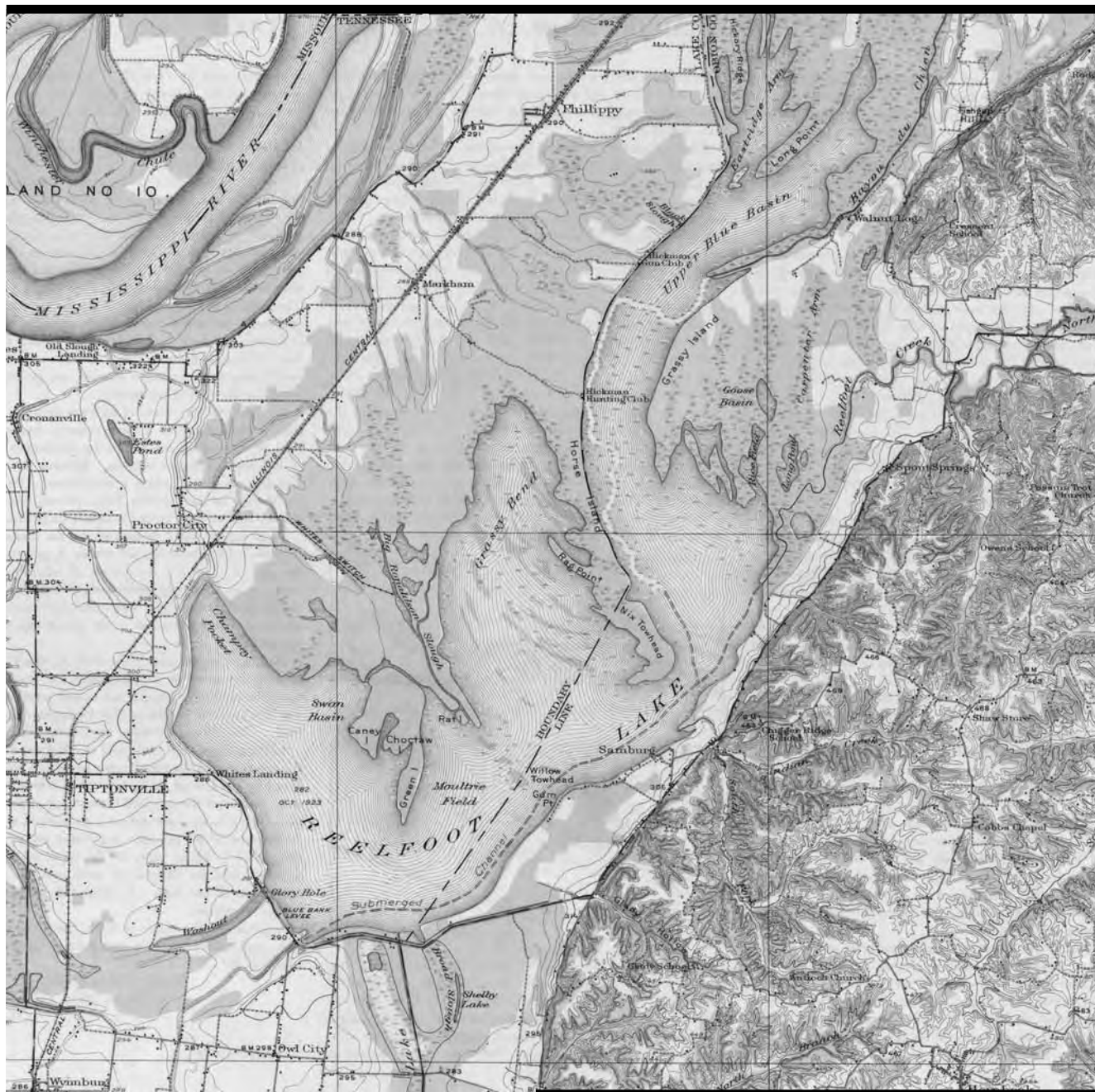
merged into the Department of Safety in 2007. The 23-member Homeland Security Council is comprised of 17 state officials and six local government representatives.

The office has primary responsibility and authority for directing homeland security activities, including but not limited to planning, coordinating, and implementing all homeland security prevention, protection, and response operations. This responsibility includes developing and implementing a comprehensive, coordinated strategy to secure the state from terrorist threats and attacks. The office serves as the liaison between federal, state, and local government agencies, and the private sector on matters of homeland security.

Federal homeland security funds have been provided to state and local agencies to enhance capabilities to prevent, protect, and respond to terrorism. Funds have been provided for enhanced information sharing; procuring chemical, biological, radiological, nuclear, and explosive response equipment; upgrading communications equipment; planning and conducting training exercises; and citizen outreach programs. At the local jurisdiction level, homeland security funds have been allocated to law enforcement, fire, emergency management, emergency medical, public utilities, and emergency communications agencies to enhance regional capabilities.

At the state level, funds have been allocated to the Office of Homeland Security, other Department of Safety programs, Department of Agriculture, Department of Environment and Conservation, Department of General Services, Department of Military (TEMA), Department of Commerce and Insurance, Department of Education, Department of Transportation, Department of Health, Department of Finance and Administration, Department of Correction, Tennessee Bureau of Investigation, and Tennessee Wildlife Resources Agency. Funding has helped to establish three regional homeland security offices to assist local leaders with the homeland security mission; enhance state building security; improve public safety communications; provide essential monitoring, detection, and laboratory equipment; and provide terrorism prevention capabilities.

The Tennessee Office of Homeland Security and the agencies of the Governor's Homeland Security Council continue to assess critical infrastructure throughout the state to determine and develop plans to reduce vulnerabilities. The office works closely with key federal agencies in Tennessee.



# Glossary and Index



# Glossary and Index

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# Glossary of Budget Terms

## A

**Accrual Basis of Accounting** - Records revenues in the period in which they are earned and become measurable; expenses are recorded in the period incurred, if measurable.

**Agency** - Any department, commission, board, authority, government-owned corporation, or other independent governmental entity.

**Allotment** - Funds established for agency expenditure, in accordance with the appropriations made by the General Assembly.

**Allotment Code** - The five-digit number used to designate a program or programs for budgeting and accounting purposes.

**American Recovery and Reinvestment Act (ARRA), U.S. Public Law 111-5** - A multi-year, non-recurring federal economic package making supplemental appropriations for job preservation and creation; infrastructure investment; energy efficiency and science; assistance to the unemployed; and state and local fiscal stabilization.

**Appropriation** - The amount authorized by the General Assembly to be allocated from a fund to an allotment code. Also, in the context of funding type, the general state revenue allocated to an allotment code by the General Assembly.

**Appropriations Bill** - Annual legislation authorizing the allocation and expenditure of funds for a two-year period: the year of bill passage and the subsequent year. The bill also sets policies, assigns certain responsibilities, and at times, specifies legislative intent on certain issues.

**Authorized Positions** - The maximum number of positions an agency may establish at any given time; authorized positions must receive legislative approval by legislation, by expansion, or by inclusion in the Governor's recommended budget document.

## B

**Balanced Budget** - A budget in which the expenditures incurred during a given period are matched by revenues.

**Base Budget** - The estimated expenditures and associated revenues or appropriation necessary to maintain the current level of service or activity.

**BEP** - The Basic Education Program is the formula that determines the funding level each school system needs in order to provide a basic level of service for all students.

**BHO** - Behavioral Health Organizations are responsible for managing the behavioral and substance abuse services for the TennCare program.

**Biomass Fuels** - An alternative to petroleum produced from woody materials, such as corn stalks and switchgrass.

## Glossary of Budget Terms

**Brian A.** - A settlement agreement, signed in July 2001, which requires reform of child welfare services provided by the Department of Children's Services.

**Budget Request** - The annual spending and revenue plan submitted by each agency for review by the Department of Finance and Administration, the State Comptroller, and the Fiscal Review Committee.

### C

**Capital Budget** - The portion of the budget devoted to proposed additions or maintenance to capital assets and the means of financing those additions.

**Capital Maintenance** - Major non-routine repairs and replacements unrelated to new construction. Improvements of this type have a cost of \$100,000 or more.

**Capital Outlay** - Expenditures which result in the acquisition of or addition to major fixed assets (e.g., land, buildings, and equipment related to construction).

**Capital Projects Fund** - The fund used to account for financial resources related to the acquisition, construction, or maintenance of major capital facilities.

**Cellulosic Ethanol** - Ethanol produced from biomass of various kinds, including waste from urban, agricultural, and forestry sources.

**Clean Air and Water Acts** - Federal laws designed to restore and maintain the nation's air and water supply.

**Component Unit** - Entities for which the state is considered financially accountable.

**ConnecTen** - A Department of Education initiative to provide Internet access to all public schools in Tennessee.

**Cost Increases** - Increases in departmental budgets needed to implement mandated requirements, compensate for revenue reductions, initiate new programs, or enhance the base level.

**CPI** - Consumer Price Index – For purposes of the judges' salary adjustment, state law requires use of the CPI. A year-to-year comparison of the average CPI (For All Urban Consumers: All Items) is used to index the statutory adjustment.

**Current Services Revenue** - Program funds generated by a specific activity to support that activity. This includes fees and assessments, gifts, and interest from reserves or endowments (e.g., licenses, permit and certificate fees, and inspection fees).

### D

**Debt Rating** - A measure of a governmental entity's ability to pay debt on bonds, etc.

**Debt Service** - Expenses for principal, interest, and discounts on bonds and other types of borrowed money.

**Debt Service Fund** - Funds used to retire bonds in an orderly process over the bonds' life. Each year, the state sets aside a sum of money equal to a certain percentage of the total bond issue.

**DNA** - Deoxyribonucleic acid is a nucleic acid that is the molecular basis of heredity.

## Glossary of Budget Terms

### E

**Earmarked Revenue** - Funds that are legislatively limited in how they can be expended.

**eCMATS** - The Case Management Activity Tracking System is utilized by the Department of Labor and Workforce Development to track contacts between the agency and its customers.

**Econometric Model** - A quantitative forecasting method used to project revenues based on historical data and growth estimates for the economy.

**Education Trust Fund** - The fund into which all revenues earmarked and allocated exclusively for educational purposes are deposited.

**EEO** - Equal employment opportunity is a series of policies and procedures enacted by the Department of Human Resources to comply with federal laws governing fair employment practices as provided in the Equal Employment Opportunity Act.

**EMS** - Emergency medical services provide pre-hospital emergency medical care and medical transportation systems, primarily ambulatory services.

**Encumbrance** - Commitments related to unexecuted contracts for goods and services issued by the Division of Purchasing, Department of General Services.

**Environmental Protection Fund (EPF)** - A fund, administered by the Department of Environment and Conservation, to improve performance in permitting, monitoring, investigation, enforcement, and administration of the department's function under each regulatory program.

### F

**Facilities Revolving Fund** - A self-perpetuating fund for the maintenance and renovation of state-owned buildings and the leasing of office space.

**Families First** - This program, administered by the Department of Human Services, replaced Aid to Families with Dependent Children (AFDC) and provides time-limited cash grants, education, job training, child care, employment assistance, and transitional benefits to poor or low-income Tennesseans in order to reduce or eliminate welfare dependency.

**FDIC** - The Federal Deposit Insurance Corporation insures bank deposits up to \$100,000.

**Federal Funds** - Funds received from federal government agencies for the support of programs at state and local levels. Federal funds are received by way of block grants, entitlement programs, and specific grants.

**Federal Mandates** - A provision of federal law or regulation which requires state government implementation. This includes the creation of new programs, changes in existing programs, and increases in state financial participation in jointly funded federal programs.

**Fiscal Year** - A 12-month accounting period; in Tennessee, July 1 through June 30.

**Full-time Equivalent (FTE) Enrollment** - A standard measure of student enrollment designed to equate part-time students to full-time students on the basis of total hours of course work for which they are registered.

## Glossary of Budget Terms

**Fund** - A repository of money set aside for a specific purpose.

**Fund Balance** - Excess of the assets of a fund over its liabilities and reserves.

### G

**Geier Desegregation Settlement** - A settlement agreement implemented in January 2001 to end the Geier higher education lawsuit, originally filed in 1968. The agreement resulted in dismissal of the lawsuit in September 2006. The agreement was intended to create a system of public higher education that preserves and enhances access and opportunities at Tennessee's public colleges and universities.

**General Fund** - The fund maintained by the Treasurer into which revenues collected by the state, other than highway taxes, are deposited for appropriation by the General Assembly to support the operation of state agencies.

**Geographic Information System (GIS)** - A computer-based system for managing spatial data and mapping applications. Spatial data includes roads, elevation data, streams and lakes, imagery, and parcel boundaries.

**Governmental Accountability Act** - Law enacted by the Public Acts of 2002, which requires the phase-in of strategic planning and performance-based budgeting.

### H

**Highway Fund** - The fund maintained by the Treasurer into which certain revenues collected by the state are deposited for appropriation by the General Assembly to the Department of Transportation.

Revenues generated mostly from petroleum-related taxes comprise the Highway Fund.

**HMO** - Health Maintenance Organizations arrange basic health services to enrollees based on a prepaid basis. The TennCare Oversight program in the Department of Commerce and Insurance reconciles claims submitted by HMOs.

**HUD** - The federal Housing and Urban Development Agency provides income-eligible individuals with resources to assist with their housing needs.

### I

**IGT** - An intergovernmental transfer; specifically, revenue collected as state revenue from a city or county government.

**Interdepartmental Revenue** - Revenue received by one entity of state government from another entity of state government. These funds are received as reimbursement of shared costs, as a grant, or as some other inter-agency agreement.

### L

**LSTA** - The federal Library Services and Technology Act provides for the sharing of resources among libraries to promote equal delivery of library services to the public.

**LEA** - Local education agencies, which are defined as any county, city, or special school district, unified school district, school district of any metropolitan form of government, or any other school system established by law.

**Liability** - An obligation that legally binds the state to settle a debt.

## Glossary of Budget Terms

### M

**MCO** - Managed Care Organizations are responsible for managing the distribution of medical services for the TennCare program.

**Modified Accrual Basis of Accounting** - Recognizes revenues in the period in which they become available and measurable; revenues are considered available when they will be collected, either during the current period or soon enough after the end of the period to pay current year liabilities.

### N

**NAIC** - The National Association of Insurance Commissioners provides policy development and technical support to state insurance regulators.

**NCUA** - The National Credit Union Administration charters and supervises federal credit unions, and insures Tennessee's state-chartered credit union deposits up to \$100,000.

**Ned McWherter Scholars Program** - In-state scholarships offered to academically outstanding Tennessee high school students, to encourage them to attend college in Tennessee.

**Non-Recurring Funds** - Funds that are appropriated to be used for a one-time expense.

### O

**Oak Ridge National Laboratory** - A division of the United States Department of Energy.

**OBE** - The Office of Business Enterprise, within the Department of Economic and Community Development, provides assistance to disadvantaged businesses to foster equal competition among businesses.

**Operating Budget** - That money which is necessary to maintain a program, excluding the cost of capital construction.

**Organic Farming** - The process of raising crops and livestock without the use of artificial nutrients or hormones, and with a focus on conservation of natural resources.

**Other Revenue** - A collection of funding sources, excluding state appropriations and federal funds. These funding sources are generally from local governments, current services, and interdepartmental activities.

**Overappropriation** - The anticipated savings resulting from position vacancies and other unexpended funds.

**Overlaps** - Term used when an appointing authority places more than one incumbent in a single position in an overlap status. This is subject to budgetary limits as well as approval of the Commissioner of Human Resources.

### P

**Performance-Based Budgeting** - Process to identify objectives, activities, and performance indicators for each budget unit. This process has been fully implemented in all executive agencies as of fiscal year 2011-2012.

**Performance Measure** - A quantitative or qualitative indicator that is used to assess performance.

## Glossary of Budget Terms

**Performance Standard** - A desired level of performance of a program, measured by outcome or output.

**PLHSO** - Prepaid Limited Health Service Organizations arrange limited health care services, such as vision or dental services, for enrollees on a prepaid basis. The TennCare Oversight program in the Department of Commerce and Insurance reconciles claims submitted by Prepaid Limited Health Service Organizations.

**Pre-Need Funeral Contracts** - Contracts entered into with funeral establishments for services required at a later date.

**Program** - Any of the major activities of an agency expressed as a primary function.

## R

**Rainy Day Fund** - A fund established to ensure stability in the event of an extended economic downturn (also referred to as the Revenue Fluctuation Reserve Fund).

**RDA** - The Records Disposition Authority is the primary record management agency for state government and directs the disposition of all records, including electronically processed records and computer output microfilm records.

**Reappropriation** - The extension of the termination date for the availability of appropriated money.

**Reclassification** - A change in the duties and responsibilities of a state employee's job.

**Recommended Funds** - The funds proposed by the Governor for legislative approval, including the base budget and cost increases.

**Recurring Funds** - Funds that are appropriated on an ongoing basis.

**Reserve Funds** - Funds held for future needs or a special purpose.

**Reversion** - The return of the unused portion of an appropriation to the fund from which the appropriation was made.

**Revolving Fund** - A fund provided to carry out a cycle of operations. The amounts expended from a fund of this type are restored by earnings from operations or by transfer from other funds. Thus, the fund is always intact in the form of cash, receivables, inventory, or other assets.

**Rural Opportunity Fund** - A fund created to provide small-business loans to small, minority, and women-owned rural businesses that are unable to access traditional loan capital.

## S

**Second Injury Fund** - A fund providing money for judgments against the State of Tennessee and for legal costs awarded by the state in order to encourage employers to hire workers with prior injuries or disabilities.

**Section 8** - A federally funded rental subsidy program offered through the Tennessee Housing Development Agency for individuals and families with very low incomes.

**Sinking Fund** - See **Debt Service Fund**.

**Special Schools** - Schools operated by the state Department of Education to provide educational opportunities in residential settings for legally blind, deaf, and multi-disabled children ages preschool to 21, and to provide a model rural high school.

## Glossary of Budget Terms

**State Taxpayers Budget** - The section of the budget that includes only state appropriations and state revenues from general tax sources. The State Taxpayers Budget section excludes appropriations from dedicated taxes and fees which are narrowly levied and earmarked for specific purposes, federal revenues, and all other departmental revenues.

**Supervision Fees** - Fees collected from felons under the supervision of the Department of Correction, used to defray the costs of supervision and rehabilitation.

**Supplemental Appropriation** - Additional appropriations to the original allotment authorized by the General Assembly after the beginning of the fiscal year.

## T

**TANF** - Temporary Assistance for Needy Families is a federal program administered by the Department of Human Services and provides cash grants for families with financial need and dependent children deprived of support or care.

**Taxpayers Budget** - See **State Taxpayers Budget**.

**TCAP** - The Tennessee Comprehensive Assessment Program is used to assess academic progress of Tennessee students at specified points in their academic career.

**Tennessee Valley Authority** - A federal power-producing and economic development program.

**Three-Star Program** - Comprehensive plan developed and administered by the Department of Economic and Community Development to assist local communities in their development efforts.

**TLDA** - The Tennessee Local Development Authority is given the responsibility of issuing bonds and notes to provide funds to local governments and certain other entities for projects related to economic development and specific environmental and public health concerns.

**TMDL** - The total maximum daily load is a calculation of the maximum amount of a pollutant that a body of water can receive while still meeting federal water quality standards.

**TNKids** - Internet initiative to coordinate data from various state departments dealing with children and youth.

**Tobacco Master Settlement Agreement** - A settlement agreement, signed by attorneys general representing 46 states in November 1998, with the major cigarette companies to settle all lawsuits seeking to recover the Medicaid costs of treating smokers. The agreement imposes restrictions on advertising, marketing, and promotion and requires the manufacturers to make annual payments to states through 2025.

**TPA** - Third Party Administrators contract with life and health insurance companies to collect premiums and adjust or settle claims relative to Tennessee residents' insurance coverage. The TennCare Oversight program in the Department of Commerce and Insurance reconciles claims submitted by Trading Partner Agreements.

**TRUST** - The Title and Registration User's System of Tennessee automates title processing between county clerks, the general public, and the Department of Revenue.

## Glossary of Budget Terms

### U

**USDOE** - The U.S. Department of Energy is a federal agency charged with oversight of the distribution of funds for various energy-related initiatives.

### W

**West Tennessee River Basin Authority** - Preserves the natural flow and function of the Hatchie, Obion, and Forked Deer river basins.

**Workers' Compensation Reform Act** - Legislation that revised the state workers' compensation program.



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State of Tennessee

# The Budget

## Fiscal Year 2012-2013

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