

## MEMORANDUM

<b>DATE</b>	<b>August 28, 2018</b>
<b>TO</b>	ALL Board Executive Officers/Bureau Chiefs
<b>FROM</b>	Janice Shintaku-Enkoji, Chief Fiscal Officer Budget Office
<b>SUBJECT</b>	<b>DCA FI\$Cal Implementation Status Update</b>

FI\$Cal is the new statewide system for budgets, accounting and procurement that the State of California has implemented for all state departments. Participation in the system is mandated by the state legislature and the Governor.

DCA integrated into FI\$Cal in July 2017. While the transition has and continues to be challenging, the system is working and capturing all expenditure and revenue transactions for DCA programs. During system implementation, DCA – among other state entities -- have encountered interface and other technical system issues that have hampered our ability to conduct timely month end closing and produce reconciled monthly expenditure and revenue reports. In response to these issues, the DCA Executive Office has met with the FI\$Cal Director and its executive team to relay our system concerns and address the technical system issues. As a result, DCA and FI\$Cal technical staff have been in contact on a weekly basis to work through and address programming, reporting and other technical concerns.

DCA continues to operate in FI\$Cal and is working towards closing its first full fiscal year in the system, however processing and workload issues associated with the system have yet to be fully resolved. Significant hurdles must be overcome for DCA to close and reconcile expenditure and revenue figures for year-end. As a result, DCA will be unable to close the fiscal year and produce official financial year-end statements until later this fiscal year (currently estimated for March 2019). Please note that this is a situation that is not unique to DCA but rather a statewide issue impacting many of the Departments that are transitioning to the FI\$Cal system. See the State Auditor's recent [FI\\$Cal status letter](#) for additional context.

To provide programs with estimated year-end expenditure and revenue figures, DCA will be producing preliminary fiscal month 12 (June) financial statements from FI\$Cal that will be disseminated to programs in late August. These reports will be utilized for year-end estimates until the official financial statements can be prepared.

DCA understands your concerns and share many of the same frustrations in not being able to provide timely reports that detail all expenditures and revenues for programs in a consolidated and understandable format.

DCA is fully dedicated to a successful transition into the FI\$Cal system. We appreciate your patience and understanding as we continue to address these technical and workload challenges.

# FISCAL REPORT

Agenda Item: 03  
Meeting Date: 10/26/18

## REVENUE

Revenue Category	2016/17 Actual	2017/18*	2018/19 Projected	Projected Workload 2018/19	Current Fees 2018/19
Application (CA)	\$356,723	\$362,701	\$360,000	1,200	\$300
Application (Foreign)					
Application (O-O-S)					
Renewal	\$2,199,130	\$2,360,786	\$2,612,500	9,500	\$275
Delinquent Fees	\$80,490	\$72,421	\$83,875	275/15	\$550
Endorsement	\$14,500	\$13,050	\$13,750	550	\$25
Duplicate License	\$4,000	\$4,375	\$4,625	185	\$25
Cite and Fine	\$42,248	\$38,183	\$40,000	var	var
Miscellaneous	\$27,854	\$28,867	\$20,990	var	var
<b>Total Revenue</b>	<b>\$2,724,945</b>	<b>\$2,880,383</b>	<b>\$3,135,740</b>		

## EXPENDITURES

Expenditure Items	2016/17 Actual	2017/18*	2018/19 Projected	Actual Exp. thru 09/30/18	Budgeted 2018/19*	
Salary & Benefits	\$1,693,107	\$1,744,491	\$1,725,000	<b>NOT AVAILABLE</b>	\$1,716,000	
Training	\$1,446	\$0	\$2,000		\$12,000	
Travel	\$42,533	\$29,614	\$30,000		\$42,000	
Printing	\$17,794	\$5,644	\$10,000		\$28,000	
Postage	\$20,974	\$36,629	\$40,000		\$41,000	
Equipment	\$1,651	\$18,099	\$5,000		\$0	
ProRata <sup>1</sup>	\$625,812	\$680,632	\$694,000		\$694,000	
Fingerprints	\$6,419	\$4,898	\$5,000		\$55,000	
All Other Fixed Expenses <sup>2</sup>	\$247,435	\$166,718	\$175,000		\$481,000	
Division of Investigation	\$7,473	\$5,476	\$0		\$0	
Attorney General	\$454,649	\$374,709	\$400,000		\$462,000	
Office of Admin Hearings	\$61,809	\$32,685	\$45,000		\$137,000	
Court Reporter Services	\$2,410	\$5,476	\$6,000		\$0	
Evidence and Witness	\$34,450	\$31,105	\$32,000		\$32,000	
<b>Total Expenditures</b>	<b>\$3,217,962</b>	<b>\$3,136,176</b>	<b>\$3,169,000</b>		<b>\$0</b>	<b>\$3,700,000</b>

<sup>1</sup> ProRata includes ONLY departmenta services. Statewide pro rata is now taken directly from the fund as noted below..

<sup>2</sup> All Other Fixed Expenses include general expenses, communications, facility operations, data processing maintenance, consultant and professional services, examinations and Teale Data Center.

## FUND CONDITION\*

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Beginning Reserve, July 1	\$1,335	\$1,080	\$951	\$1,049	\$934	\$819
Prior Year Adjustments						
Fee Increase \$25 eff. 7/1/18		\$247	\$247	\$247	\$247	\$247
Fee Increase \$25 eff. 7/1/19			\$247	\$247	\$247	\$247
Fee Increase \$30 eff. 7/1/20				\$287	\$287	\$287
Revenues		\$2,889	\$2,900	\$2,900	\$2,900	\$2,900
Total Revenues	\$2,880	\$3,136	\$3,394	\$3,681	\$3,681	\$3,681
<b>TOTAL RESOURCES</b>	<b>\$4,215</b>	<b>\$4,216</b>	<b>\$4,345</b>	<b>\$4,730</b>	<b>\$4,615</b>	<b>\$4,500</b>
Budget Expenditure	\$3,136	\$3,169	\$3,200	\$3,700	\$3,700	\$3,700
Statewide ProRata	\$178	\$242	\$242	\$242	\$242	\$242
Disbursements (SCO)	\$4	\$4	\$4	\$4	\$4	\$4
Reimbursements	(\$183)	(\$150)	(\$150)	(\$150)	(\$150)	(\$150)
<b>TOTAL EXPENDITURES</b>	<b>\$3,135</b>	<b>\$3,265</b>	<b>\$3,296</b>	<b>\$3,796</b>	<b>\$3,796</b>	<b>\$3,796</b>
<b>RESERVE, JUNE 30</b>	<b>\$1,080</b>	<b>\$951</b>	<b>\$1,049</b>	<b>\$934</b>	<b>\$819</b>	<b>\$704</b>
<b>MONTHS IN RESERVE</b>	4.0	3.5	3.3	3.0	2.6	2.3

\* Due to the unavailability of final FY 17/18 Fi\$Cal budget reports, the information reported above reflects figures that have been received to date, as well as historical budget projections, and is subject to change.