Proposed Fiscal Year 2026-27 BSG Budget and Description of Line-item Changes

Staff are presenting a State Fiscal Year (SFY) 2026-27 BSG budget of $8,167,000. The budget reflects a slight decrease in budget from 2025-26 due to a projected decrease in operational spending.

The budget assumes a Basic State Grant award amount consistent with the previous FFY 2025 award of $8,032,000. Given higher personnel and operational costs, staff have prepared a proposed balanced budget supported by the anticipated BSG award amount and a transfer of Estimated Unexpended Funds ($135,000).

Personal Services (Salaries and Wages, and Benefits)

This spending category is proposed to decrease from $6,672,000 to $6,381,000. This $291,000 decrease represents a 4% decrease to the category. The change reflects staff allocation changes more towards contracted program work. The proposed budget also presumes an 8% percent vacancy rate based on position vacancy trends ($535,000).

Temporary Help/Honorarium

This line-item is budgeted at $148,000, anticipating that there will be limited expenditures in Temporary Help for 2026-27. This is a $118,000 increase from previously budgeted $30,000. The increase is to account for a blanket position that may become permanent in the future.

The Council member honorarium portion of this line-item is unchanged from 2025-26.

Operating Expenses and Equipment

Staff propose to realign line-items to better reflect recent spending trends. As a result, most line-items will show modest increases from the SFY 2025-26 budget. The proposed changes increase the OE&E budget from $1,719,000 (SFY 2025-26) to $1,786,000 (SFY 2026-27). This $67,000 increase represents a 4% increase.

General Expense

This category includes expenses such as office supplies, non-IT equipment purchases, and conference facilities. The budget proposes to increase this line-item from $38,000 for SFY 2025-26 to $125,000 for SFY 2026-27. This is an $87,000 increase.

Printing

This line-item covers the production of printed material such as Council and committee packets, pamphlets and brochures, reports, business cards, and copy paper. The budget proposes to increase this budget from $20,000 to $34,000. This is a $14,000 increase.

Communications

This category funds telecommunications and related expenses such telephones. Spending patterns support increasing this budget from $45,000 to $76,000 for SFY 2026-27. This is a $31,000 increase.

Postage

The budget proposes to slightly increase this line-item by $3,000, from $7,000 to $10,000. Expenses under this category include postage meter rental and repair, supplies, and FedEx delivery services.

Travel In-State

This line-item is budgeted at $175,000, an increase of $25,000 from SFY 2025-26 budget of $150,000. Regular use of remote meetings will continue in SFY 2026-27.

Travel includes:

- Commercial airfare
- Train fare
- Overnight lodging
- Meals
- Private car mileage and rental car charges
- Public transit, Lyft, shuttles, etc.

Travel Out-of-State

This line-item is consistent with the SFY 2025-26 budget: $7,000. The category includes approved out-of-state trips for required meetings with the Administration on Community Living, NACDD and other DD Act partners as required as part of our Basic Support Grant.

Training

Expenses under this item include:

- Tuition and registration for all required and job-related skills development and leadership development training to rank and file and managerial staff
- Contract with CalHR and external trainers for staff training and development

The budget decreases this item from $29,000 to $25,000 and is consistent with spending in recent years to support required and staff development-related training. This is a $4,000 decrease.

Facilities Operations

This line-item is increased from $585,000 to $633,000 to reflect current year spending, minor cost increases for leased space, and a new lease for the North State Regional Office. This is a $48,000 increase. This includes:

- Rents/leases for SCDD offices
- DGS planning and lease management services
- Janitorial services
- Security/alarm services

Utilities

This line-item budget of $8,000 remains unchanged for SFY 2026-27. It funds electricity, gas, water, and waste management services for SCDD offices where utilities are not included in the site's rent or lease.

Interdepartmental Services

This line-item decreased from $250,000 to $100,000 due to recent spending trends. This is a $150,000 decrease. It supports various interagency agreements with state partners for support and technical services:

- $50,000 allocated for annual the contract with the Department of Social Services for administrative support services
- Contracts with other state agencies for their services (State Treasurer, State Controller, Attorney General, CalHR, etc.)
- Audit charges for SCDD audits by control agencies (State Auditor, State Personnel Board, Department of General Services, Department of Finance, etc.)

External Contract Services

This line-item, unchanged from SFY 2025-26, is budgeted at $360,000 and supports interpreting, translation, and captioning services.

Information Technology

The budget proposes a modest increase from $190,000 to $203,000 for SFY 2026-27. This is a $13,000 increase. This funding pays for:

- CDT website hosting and data line charges for all SCDD offices
- Software purchases and licenses
- IT hardware such as PCs and accessories such as monitors and docking stations.

We are purchasing several new laptops for department staff in the current year as part of our IT refresh schedule, and we anticipate purchasing additional devices in SFY 2026-27.

SWCAP

This line-item represents SCDD's share of state administrative overhead and is statutorily capped at $25,000.

Other Items of Expense

This line-item is projected to remain unchanged from the previous year and represents expenses that do not fall under any of the above categories: $5,000.

Community Program Development Grants

As previously approved by the Council, this item remains budgeted at $0 for SFY 2026-27. The historical amount of $260,000 was reallocated within External Contract Services to support increasing need and cost for interpretation services and other State Plan contracting needs.