

**FY22 Budget Performance Review
Commissioners of the Land Office-41000**

Lead Administrator: Secretary Elliot Chambers

Lead Financial Officer: Karen Johnson, CPA

Agency Mission

Managing Assets to Support Education

Division and Program Descriptions

Note: Please define any acronyms used in program descriptions.

Division or Program Number and Name

Program 1 - Agency Operations Administration - Division 1000001. Responsible for the administration, management, and internal audit function of the Land Office

Program 1 - Agency Operations Real Estate Management - Divisions 1000002, 2000001 . Responsible for the management of surface leases, land sales, and land management of the Land Office. Fund 2200001 is used with the agency's Revolving Fund (200) for expenditures related to overseeing Commercial Real Estate (CRE) Investment acquisitions and fund property management and maintenance items related to CRE investments. Fund 2000001 is used with the agency's Revolving Fund (200) to fund Soil Conservation projects to maintain and improve agency surface (land) assets.

Program 1 - Agency Operations Financial Services - Division 1000003. Responsible for all accounting, financial reporting, purchasing, budgeting, and investing functions of the Land Office.

Program 1 - Agency Operations Minerals Management - Division 1000004. Responsible for the subsurface assets for the School Land Trust and maximizes return on mineral assets.

Program 1 - Agency Operations Royalty Compliance - Division 1000005. Responsible for reviewing royalty payment and lessee production for accuracy and compliance.

Program 1 - Agency Operations Records Management - Division 1000006. Responsible for agency documents, archiving, record retention, and record destruction.

Program 1 - Agency Operations Legal Administration - Divisions 1000009, 1900001. Responsible for advising and counseling Commissioners, Secretary, and agency personnel on legal matters. Division 1900001 used in the Agency's Revolving Fund (200) when legal fees are awarded or paid with a legal settlement. These fees are deposited as revenues to pay current legal fees or fund future legal matters.

Program 1 - Agency Operations Commercial Real Estate - Divisions 1000022, 2200001. Responsible for management of the agency's commercial real estate investment properties including acquisition, sale, and property management.

Program 1 - Agency Operations Information Technology - Division 8800001. Responsible for agency computer support, IT security, and IT services.

FY'21 Budgeted Department Funding By Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
1000001	Administration	\$1,060,009	-	\$0			
1000002	Real Estate Management	\$1,780,897	-	\$0			\$1,780,897
1000003	Financial Services	\$1,511,233	-	\$0			\$1,511,233
1000004	Minerals Management	\$951,215	-	\$20,000			\$971,215
1000005	Royalty Compliance	\$699,151	-	\$0			\$699,151
1000006	Records Management	\$273,054	-	\$0			\$273,054
1000009	Legal	\$878,226	-	\$0			\$878,226
1000022	Commercial Real Estate	\$0	-	\$0			\$0
8800001	Information Technology	\$1,225,491	-	\$344,400			\$1,569,891
2000001	Soil Conservation	\$0	-	\$250,000			\$250,000
2200001	Commercial Real Estate - Maintenance	\$0	-	\$200,000			\$200,000
1900001	Legal Settlements	\$0	-	\$200,000			\$200,000
1100001	Commercial Real Estate Projects	\$0	-	\$350,000			\$350,000
Total		\$8,379,276	\$0	\$1,364,400	\$0	\$0	\$9,743,676

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable for each departme

**FY22 Budget Performance Review
Commissioners of the Land Office-41000**

Lead Administrator: Secretary Elliot Chambers

Lead Financial Officer: Karen Johnson, CPA

FY'20 Carryover by Funding Source

	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
Carryover	\$200,000	\$0	\$0	\$0	\$0	\$200,000
	\$0					\$0

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable:

What changes did the agency make between FY'20 and FY'21?

1.) Are there any services no longer provided because of budget cuts?

All agency services are still provided.

2.) What services are provided at a higher cost to the user?

No additional cost to users. Fees will be reviewed in the upcoming year to ensure costs to perform services are covered.

3.) What services are still provided but with a slower response rate?

All services are being provided at the same rate for the same service fee.

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

Any pay raises by the agency not legislatively required were due to promotion or additional assignment of duties.

FY'22 Requested Funding By Department and Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Other ¹	Total	% Change
1000001	Administration	\$841,276	\$0	\$0	\$0	\$841,276	
1000002	Real Estate Management	\$1,468,500	\$0	\$0	\$0	\$1,468,500	-21.27%
1000003	Financial Services	\$1,525,000	\$0	\$0	\$0	\$1,525,000	-14.37%
1000004	Minerals Management	\$1,027,500	\$0	\$20,000	\$0	\$1,047,500	-30.69%
1000005	Royalty Compliance	\$700,000	\$0	\$0	\$0	\$700,000	-27.93%
1000006	Records Management	\$350,000	\$0	\$0	\$0	\$350,000	-49.94%
1000009	Legal	\$900,000	\$0	\$0	\$0	\$900,000	229.61%
1000022	Commercial Real Estate (Operations)	\$360,000	\$0	\$0	\$0	\$360,000	-59.01%
8800001	Information Technology	\$1,207,000	\$0	\$0	\$0	\$1,207,000	-23.12%
2000001	Soil Conservation	\$0	\$0	\$250,000	\$0	\$250,000	0.00%
2200001	Commercial Real Estate	\$0	\$0	\$200,000	\$0	\$200,000	0.00%
1900001	Legal Settlements	\$0	\$0	\$200,000	\$0	\$200,000	0.00%
1100001	Commercial Real Estate Projects	\$0	\$0	\$350,000	\$0	\$350,000	
Total		\$8,379,276	\$0	\$1,020,000	\$0	\$9,399,276	-3.53%

1. Please describe source(s) and % of total of "Other" funding for each department:

FY'22 Top Five Operational Appropriation Funding Requests

Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1: No changes requested for FY 2022		
Top Five Request Subtotal:		\$0
Total Increase above FY-21 Budget (including all requests)		\$ -
Difference between Top Five requests and total requests:		#REF!

**FY22 Budget Performance Review
Commissioners of the Land Office-41000**

Lead Administrator: Secretary Elliot Chambers

Lead Financial Officer: Karen Johnson, CPA

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?

Not Applicable as the agency has no federal employees.

How would the agency be affected by receiving the same appropriation for FY '22 as was received in FY '21? (Flat/ 0% change)

No Change.

How would the agency handle a 2% appropriation reduction in FY '22?

The agency would delay planned infrastructure IT purchases and may not be able to fill personnel vacancies.

Is the agency seeking any fee increases for FY '22?

Agency will be reviewing fees to ensure costs are being covered. Fees can be approved by Commissioners and updated through resolution, Increase 1 Increase 2 Increase 3	Fee Increase Request (\$)	Statutory change required? (Yes/No)

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

Description of request in order of priority	Appropriated Amount (\$)	Submitted to LRCPC? (Yes/No)
Priority 1 IT Purchase of new servers and implementation	\$90,000	No
Priority 2		
Priority 3		

Federal Funds

CFDA	Federal Program Name	Agency Dept. #	FY 21 budgeted	FY 20	FY 19	FY 18	FY 17

Federal Government Impact

<p>1.) How much federal money received by the agency is tied to a mandate by the Federal Government? N/A</p> <p>2.) Are any of those funds inadequate to pay for the federal mandate? N/A</p> <p>3.) What would the consequences be of ending all of the federal funded programs for your agency? N/A</p> <p>4.) How will your agency be affected by federal budget cuts in the coming fiscal year? N/A</p> <p>5.) Has the agency requested any additional federal earmarks or increases? N/A</p>
--

FY22 Budget Performance Review
Commissioners of the Land Office-41000

Lead Administrator: Secretary Elliot Chambers

Lead Financial Officer: Karen Johnson, CPA

FY'21 Budgeted FTE							
Division #	Division Name	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
1000001	Administration	1	1	5.5	0	5	2
1000002	Real Estate Management	14	12	2	0	12	2
1000003	Financial Services	3	3	7.5	0	7.5	3
1000004	Minerals Management	3	5	3	0	5	3
1000005	Royalty Compliance	2	1	6	0	5	2
1000006	Records Management	1	2	1	0	3	0
1000009	Legal	1	0	5	0	2	3
1000022	Commercial Real Estate	1	0	3	0	3	0
8800001	Information Technology	2	3	2	0	3	2
Total		28	27	35	0	45.5	17

FTE History						
Division #	Division Name	2021 Budgeted	2020	2019	2017	2012
1000001	Administration	7.0	9.0	8.0	6.0	6.0
1000002	Real Estate Management	14.0	18.0	17.0	16.0	17.0
1000003	Financial Services	10.5	11.0	11.0	12.0	10.0
1000004	Minerals Management	8.0	8.0	8.0	8.0	8.0
1000005	Royalty Compliance	7.0	7.0	7.0	8.0	7.0
1000006	Records Management	3.0	4.0	4.0	3.0	0.0
1000009	Legal	5.0	5.0	4.0	5.0	4.0
1000022	Commercial Real Estate	3.0	0.0	0.0	3.0	0.0
8800001	Information Technology	5.0	5.0	5.0	5.0	4.0
Total		62.5	67.0	64.0	66.0	56.0

Performance Measure Review					
Program Name	FY 20	FY 19	FY 18	FY 17	FY 16
Agency Operations - Measure 1 <i>Beneficiary Distributions</i>	\$ 126,969,109	\$ 131,852,046	\$ 137,642,491	\$ 137,473,478	\$ 134,328,656
Agency Operations - Measure 2 <i>Permanent Trust Investments - portfolio</i>	\$2.27 Billion	\$2.35 Billion	\$2.26 Billion	\$2.26 Billion	\$2.1 Billion
Agency Operations - Measure 3 <i>Preservation of Land Assets - Soil Conservation Capital Projects</i>	26 Projects \$192,891	27 Projects \$145,361	29 Projects \$176,734	35 Projects \$183,504	35 Projects \$230,315
Agency Operations - Measure 4 <i>Commercial Real Estate Investments</i>	\$ 99,751,000	\$ 79,111,604	\$ 66,109,779	\$ 52,170,560	\$ 29,978,617
Agency Operations - Measure 5 <i>Oil and Gas Royalty Revenue</i>	\$ 30,452,570	\$ 61,448,005	\$ 62,698,947	\$ 66,792,689	\$ 56,165,000

Revolving Funds (200 Series Funds)			
Please provide fund number, fund name, description, and revenue source	FY'18-20 Avg. Revenues	FY'18-20 Avg. Expenditures	June '20 Balance
Fund number: Fund name			
200 Agency Revolving Fund , Title 64 Section 1011	\$365,061	\$536,032	\$2,125,993
210 CLO Multi-Year Education Distribution, Stabilization Fund (Five Year Rolling Average), Title 64 Section 1069	\$2,708,514	\$6,657,391	\$7,964,321