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**MEMORANDUM**

**To: State Budget Committee**

**From: Zachary Q. Jackson, State Budget Director**

**Re: SEA 134-2022 (Appropriation of Donated Money) Report**

**Date: November 30, 2023**

As shown below, Section 2 of SEA 134-2022 requires the State Budget Agency to submit a report to the State Budget Committee regarding the use of “donated money” for paying salaries for state employees.

**SECTION 2. IC 4-12-1-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. (a) To ensure transparency in state government, on or before June 30, 2022, and on or before June 30 of each year thereafter, all state agencies shall submit to the budget agency a report of each individual state employee employed by the state agency whose salary is funded in whole or in part from donated money.**

**(b) If the donation of money is to the secretary of state, the report shall specify whether the money was or will be distributed to political subdivisions for preparing, administering, or conducting elections, and, if so, the specific types of uses for which the donated money will be used by those political subdivisions.**

**(c) On or before December 1, 2022, and on or before December 1 of each year thereafter, the budget agency shall annually submit to the budget committee a report of the information submitted under subsections (a) and (b) that specifies and identifies each individual state employee whose salary is funded in whole or in part from donated money.**

**(d) Before January 31, 2023, and before January 31 of each year thereafter, the report submitted under subsection (c) in the preceding year shall be posted and made available on the Indiana transparency Internet web site established under IC 5-14-3.5-2.**

Since “donated money” is not defined in the Indiana Code, we have separated this data into two categories – “donations” and “private grants”. The generally accepted definition of a donation is an unrestricted gift of cash made to an organization to help it accomplish its goals for which the donor receives nothing of value in return; whereas a private grant is generally a restricted award that is made with certain expectations, deliverables, and/or required uses. A private grant is often documented by a written agreement.

The table on the following page illustrates the universe of agencies that received either donations or private grants in FY 2023 that may have been used for to pay for salaries. In most situations, donations and/or private grants are deposited in funds with other sources of revenues – making it impossible to determine if the donation and/or private grant was used for salaries or instead for other operating expenses. Since it is not possible to determine if donations and/or private grants were used to pay for salary expenses 8 of the 12 lines on the following page, the number of employees paid for from the fund has been included rather than names.

No donations or private grants were received by the Secretary of State, so there is no data to report in response to subsection (b).

**Agencies That Received Donations or Private Grants in FY 2023 That May Have Been Used for Salaries**

<b>BU</b>	<b>Agency</b>	<b>Fund Name</b>	<b>Fund #</b>	<b>Donations</b>	<b>Private Grants</b>	<b>Payroll Salaries &amp; Wages</b>	<b>Comments</b>
30	Governor/CEIOO	Private Grants	43929			\$547,278	Private grants received in prior years were used in whole or in part for the salaries of Josie Fasoldt, Karrah Herring, Conchita Hudson, Anthony Phillips, Joseph Pinnell, Celeste Croft and 4 interns.
100	IN State Police	DONATION NOT FOR PROFITS	44510	\$49,090		\$1,768,846	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 202 employees were paid from this fund.
258	Civil Rights Commission	WOMEN SPECIAL FUND	45860	\$2,500		\$45,000	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 1 employee was paid from this fund.
260	IN Economic Development Corp	INDIANA PROMOTION FUND	48340	\$142	\$500,000	\$2,080,792	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 24 employees were paid from this fund.
300	Dept of Natural Resources	STATE PARKS DIV - MEMORIALS	39310	\$6,625		\$32,541,769	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 2,188 employees were paid from this fund.
300	Dept of Natural Resources	ENFORCEMENT DIVISION	39720	\$245		\$22,107,901	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 240 employees were paid from this fund.
300	Dept of Natural Resources	FISH & WILDLIFE	39745	\$228		\$5,417,145	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 328 employees were paid from this fund.
300	Dept of Natural Resources	FORESTRY	39810	\$272		\$6,850,760	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 196 employees were paid from this fund.
300	Dept of Natural Resources	NATURE PRESERVES REVOLVING FUND	44158	\$520		\$2,585	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 2 employees were paid from this fund.
300	Dept of Natural Resources	DNR USE FUND	47330	\$78,229		\$14,525	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 8 employees were paid from this fund.
300	Dept of Natural Resources	IN Natural Heritage Protect	50310	\$838,800		\$6,908	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 2 employees were paid from this fund.
300	Dept of Natural Resources	DNR DOI F&W Fund	61670	\$13,208		\$11,803,000	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 390 employees were paid from this fund.
400	IN State Department of Health	ISDH DHHS Fund	61910		\$38,139	\$36,162,918	It is unclear if donation money was used to fund employee salaries or instead used for other operating expenses. 406 employees were paid from this fund.
700	Dept of Education	Private Grant-Literacy	43945		\$50,000,000	\$126,714	Used in whole or in part to fund the salaries of Jared Marsh, Josiah Colombo-Espinosa, Karrienne Polk-Meek, Melanie Hazelwood, and Shaiya Badgley.