

Agenda Item No:	9
Work Plan:	Administrative
Topic:	Agency Budget Development and Request
Presentation Title:	2017-19 Biennial Budget Approval
Date of Presentation:	July 20, 2016
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SUMMARY AND CONTEXT

Planning and development of the next biennial budget continues. Following review and discussion, this agenda item seeks Board approval of the Agency Request Budget and its submission to the Department of Administrative Services by September 1, 2016. This recommendation for approval follows and builds upon the Board's previous budget discussions and deliberations since early 2016.

BACKGROUND AND ANALYSIS

Strategic thinking and planning drives the Board and agency's budget development process. The strategic framework within which legislative concepts and budget development and implementation occur includes:

- The missions and statutory policy, responsibilities and obligations of the Board, the State Forester, and the Department;
- The Board and Department strategic planning efforts;
- The Department's core operational and support functions, which represent the essence of the agency and our fundamental "reason for being" as an organization; and
- The Department's biennial budget guiding principles which are used by agency staff in building the budget itself.

The budget development process is then structured around the following elements:

- Instruction and direction from the Governor's office and the Department of Administrative Services;
- The identification of agency legislative concepts and budget focus areas which address current and projected issues, needs, opportunities and outcomes; and
- Stakeholder involvement and input at various stages of the process.

The primary budget building blocks include (1) the current service level (which reflects the delivery of current services), and (2) the adjustments or enhancements to the current service level in the form of Policy Packages (POPs).

Attachment 1 summarizes the Agency Request Budget and will be the review and discussion document on July 20, 2016.

In previous biennia, as a means to communicate strategic thinking and vision, the Board has developed a letter of transmittal to the Governor to be submitted along with the Agency Request Budget document. This letter has served to both highlight the budget resources that are needed to achieve the mission and goals of the Executive Branch of state government and to address the Board's concerns regarding possible further budget reductions. In this context, and in keeping with past practice, a draft letter will once again be prepared for the Board's consideration. For example and context, Attachment 2 is the transmittal letter sent with the 2015-17 budget in September 2014.

RECOMMENDATION

At the July 20, 2016 meeting, the Department recommends that the Board approve the 2017-2019 Agency Request Budget; review and approve, in concept, the Board letter of transmittal to the Governor; and authorize the Board Chair to sign the letter following final drafting and direct the Department to submit both documents concurrently to the Department of Administrative Services by the September 1, 2016 deadline.

NEXT STEPS

Following Board approval and inclusion of any Board input at the July 20, 2016 meeting, the Agency Request Budget will be submitted to the Department of Administrative Services by September 1, 2016.

ATTACHMENTS

- 1) 2017-19 ODF Agency Request Biennial Budget Summary (*available before the Board meeting*)
- 2) 2015-17 Biennial Budget Board of Forestry Letter of Transmittal (*as an example for drafting of a 2017-19 transmittal letter*)