

## Agenda Item Summary

### BACKGROUND

The goal of the Governor's 10 Year Plan for Oregon is to implement a 10 year outcome-based investment framework and budget process for the state. To that end, seven high level outcomes have been identified for state government (Attachment 2: Outcomes & Indicators).

Staff will provide an overview of the framework and how it will be used to develop the 2013-15 Governor's Recommended Budget. Staff will brief the Commission on a proposed timeline and public process for developing ODFW's budget given this new budget process.

### PUBLIC INVOLVEMENT

- Presented draft outcomes to ODFW's External Budget Advisory Committee (Attachment 3) on August 22, 2011. Comments from EBAC were submitted to the Department of Administrative Services (DAS) on August 31, 2011.
- Presented Governor's 10 Year Plan and Recommended Budget Process for 2013-15 to EBAC on November 30, 2011.

### ISSUE

For the 2013-15 biennium, state agencies will be using a new budget development process. Agencies will need to prepare for timelines, criteria, and review processes that are different than prior biennia.

### ANALYSIS

The Governor's 10 Year Plan for Oregon is based on the following guiding principles:

- Create a common statewide vision of the future;
- Ensure accessibility and accountability to all Oregonians;
- Create fiscal sustainability over time;
- Develop a plan to save resources in good times to maintain services in bad times;
- Provide decision makers and the public with data on results to foster informed decision making.

As part of this strategic framework, the effectiveness of state government will be measured in seven outcome areas:

- Economy & Jobs
- Education
- Good Government
- Healthy People
- Healthy Environment
- Livable Communities
- Safety

The Department of Administrative Services (DAS) has mapped ODFW programs to three of these outcomes. Most of the Department's programs are mapped to the Healthy Environment area. Hatchery Management and Capital Improvements are mapped to Economy and Jobs. Administration, Debt Service and Major Construction/Acquisition are mapped to Good Government. The Governor will allocate funding levels to each outcome

area. Budgets for all agencies within an outcome area cannot exceed this allocation. Agencies will submit proposals for each of their programs to the Funding Team responsible for the outcome area. Funding Teams, which are yet to be determined, will make recommendations to the Governor on the budget for each program within an outcome area. Funding Teams will be led by a Governor's Policy advisor, or other designee, and will include individuals not directly associated with the proposing agencies. Funding teams will review proposals to make sure agency proposals provide evidence the program impacts the desired outcome and provides measures to demonstrate program performance. Agencies will not be part of the funding teams.

Specific instructions on preparing proposals for the Program Funding Teams will be given to agencies after the February 2012 Legislative Session. Round 1 proposals will be conceptual in nature and are due to Funding Teams on June 15, 2012. Funding Teams will provide initial feedback on proposals, including areas that need additional refinement or evidence to bolster the agency proposal, connections to program areas that may not traditionally work together, and guidance on connections to other stakeholder groups that may need to be included in the proposal.

Agencies will revise their proposals as necessary to meet Funding Team direction and provide detailed Round 2 proposals to the Funding Team by September 1, 2012. Round 2 proposals will be considered the Agency Request Budget for 2013-15. Funding Teams will complete their analysis and make recommendations to the Governor. Funding Teams will prioritize agency proposals based on their outcome area criteria and the long term strategies necessary to achieve the 10 year outcomes. Funding Team recommendations are due to the Governor by October 15, 2012. The Governor will make final budget decisions on his recommended budget after reviewing Funding Team recommendations and incorporating the most recent revenue forecast. The 2013-15 Governor's Recommended Budget will be released on December 1, 2012.

**OPTIONS**

Not applicable

**STAFF  
RECOMMENDATION**

Not applicable

<b>DRAFT MOTION</b>	Not applicable
<b>EFFECTIVE DATE</b>	