

Glen Canyon Dam Adaptive Management Work Group
Agenda Item Form
August 24-25, 2016

Agenda Item

Technical Work Group (TWG) Report: Triennial Budget Process Development

Purpose of Agenda Item

To provide an update to AMWG members on the development of the Glen Canyon Dam Adaptive Management Program (GCDAMP) Triennial Budget Process guidance document.

Action Requested

Information item only; we will answer questions but no action is requested.

Presenter

Vineetha Kartha, AMWG alternate from Arizona and TWG Chair

Previous Action Taken

- AMWG approved the GCDAMP Biennial Budget Process on May 6, 2010: [Attach 02b](#)
 - Memo from Anne Castle directing TWG and AMWG to update the 2010 GCDAMP Biennial Budget Process to a triennial budget process, dated May 17, 2014 and is attached: http://www.usbr.gov/uc/rm/amp/amwg/mtgs/14may27/Attach_02b.pdf
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Relevant Science

N/A

Summary of Presentation

In May 2014, the Secretary's Designee directed GCMRC and Reclamation to create a three-year budget and work plan for the GCDAMP for FY15-17, and to work with the AMWG and TWG to create a new process for development of future three-year budget and work plans. While the GCDAMP FY15-17 Triennial Budget and Work Plan (TWP) was completed and approved by the Secretary, the three-year budget process guidance is still in development. As a part of approving the three-year budget process, the TWG at its June 15th meeting discussed the budget process. This presentation will outline the budget process and the TWG discussion on the budget process.

Background

In 2004, AMWG approved a two-year rolling budget process that helped to provide structure for budget development (see the attached 2010 budget process for details). However, it was a very complicated process that was never fully implemented, and on May 6, 2010, the AMWG directed TWG to develop a non-rolling two-year budget process and to implement that during the 2010-2011 fiscal years.

The goal was to reduce the effort expended on budget development while improving the effectiveness of the Grand Canyon Monitoring and Research Center (GCMRC), TWG, and AMWG. Under the 2010 guidance, the GCDAMP would develop a two-year budget the first year of the process. Then, in the second year the GCDAMP would revisit only year two of the budget and make relatively minor corrections to allow for changes in projects or potential important new starts not envisioned during the development of the two-year budget. The benefit was that substantial effort was saved in year two of the budget process allowing for time and effort to be used on other endeavors of interest to the GCDAMP. The major components of the process included:

- Two-year budget spreadsheets, work plans, and hydrographs.
- Modifications of the year two budget based on specific criteria.
- Fiscal reporting, including expenditures for the previous fiscal year (mid-year and end-of-year reports).
- Project progress reports, including an annual reporting meeting in January.
- Utilization of the TWG Budget Ad Hoc Group (BAHG) to interface with the Bureau of Reclamation (Reclamation) and GCMRC in developing a draft biennial work plan and hydrograph, and to help the TWG develop budget recommendations for AMWG consideration.

While moving from a single year budget to a biennial budget was a big step forward, many Department of Interior representatives and GCDAMP stakeholders felt that there remained room for improvement. In an effort to improve the efficiency of the GCDAMP and to target limited resources to the highest priorities, it was decided that the GCDAMP needed a budget and workplan that would be even more flexible and resilient. Inefficiencies in the biennial process were discussed at the February 2014 AMWG meeting, as follows. The budget is adopted on a fiscal year basis, meaning that it starts on October 1. The first year's fieldwork typically begins the following summer, and the second fiscal year of the biennial budget begins before the first field season has ended. The biennial process called for the program to begin development of the next biennial work plan during the early part of the second fiscal year, but at that point, the results of the first year's data collection efforts are only just becoming available and have not been subject to much interpretation. As structured in the biennial process, the development of a two-year work plan and budget was not well informed by the most recent science because of the overlap between the timing of field work, the time it takes to process and analyze data, and the time frames of fiscal years and the budget development process.

As a result, the Secretary's Designee in a May 2014 memo directed GCMRC and Reclamation to create a three-year budget and work plan for the GCDAMP for FY 2015-17, and to work with the AMWG and TWG to update the GCDAMP Biennial Budget Process to a three-year, or triennial, budget and work plan.

Recent Activities

While the GCDAMP FY 2015-17 Triennial Budget and Work Plan was completed and approved by the Secretary, the three-year budget process guidance is still in development. The BAHG will provide a recommendation to the TWG, and the TWG will offer a recommendation to the AMWG on this subject, in the coming year.

At its June 15, 2016 meeting, TWG discussed the budget process and heard the following comments from stakeholders, classified into categories.

Guiding Documents

- Double-check the appropriateness of the projects.
- Look at foundational documents; maybe list them.
- I am not sure we need to say that we will follow the law; this is assumed. Maybe a presentation from DOI or the Solicitor's office to talk to us about the Grand Canyon Protection Act (GCPA) and its requirements.
- LTEMP may provide an opportunity to re-focus: bring us back to priorities. Make sure the science plan is aligned with these foundational documents. Do the expenditures meet the goals? Are we using the funds wisely?
- Include a step in the budget process where we see if we are meeting the guidance in the GCPA and guidance in the Loveless document.
- What legal requirements are there? Focus on those.
- The budget process relies on strategic science plans and core monitoring plans. We need to revisit those that are out of date and keep them up to date.

Budget Timeframe

- Timeline for triennial process. There is one on page 5.
- Changing the work cycle of the work plan would affect GCMRC significantly. The three-year budget and work plan improved our productivity. I do not want to return to the annual treadmill of budget development. I also want to work with everyone and be responsive. It takes us six months to develop the budget and work plan, and I prefer to have our scientists doing their work than focusing more on budget. It seems to me that we have the flexibility to make changes and the process is working.
- The AS-WS (Secretary's Designee) tasked us to develop a three-year budget process. We can consider other things, though we might need to get further direction from DOI. Revising the budget is in the process; these were also provided by DOI. We can consider changing, but would need to be in accord with DOI.
- The larger discussion is our job. We need to advise the Secretary on resources and implications of alterations of flow dynamics. We need models and rigorous science. Our job is to have predictive modeling on dam operations effects on resources. That said, we can talk about strategies for modifications to the three-year budget planning process, but out of respect to GCMRC, we have to be clear what our process is to the U.S. Geological Survey (USGS). Adjustments need to be clear and not change so GCMRC doesn't need to re-write plans. Changing the rules in midstream is difficult. Aim for a clear statement about the rules for budget process.
- Look at the three-year budget cycle. It is hard to change once approved. The next year might be set, the year after that we might want to make changes, and the third year should be flexible. It should be rolling three-year budget process: always looking at three years of budget.

Prioritization

- Lack of priorities. There are so many documents that guide us; this fails to give any priority at all.
- I support comments on priorities needed.
- Continue to focus on program priorities, and focus budgeting for things legally required, not "neat to do."

TWG Report: Triennial Budget Process Development, continued

Budget Interface with 106 Compliance

- How do we incorporate into the overall budget and work plan the Bureau's portion of the budget that does projects—mostly cultural - for 106 compliance? There is not a good process to incorporate those projects into the rest of the science plan so some projects never happen. Interface of Reclamation, GCMRC, and other projects.

Budget Modification

- Criteria for changes. Are they limiting the conversation? Is that bad?
- Send out most recent version of the draft process, and consider amendments in October.
- Following the Knowledge Assessment (annual reporting meeting) every year, here are the issues that come from that, what do we have to do to understand the impacts and the issues? Then, can they be successfully addressed by dam operations? If not, have another process where we figure out how to address them outside GCDAMP funding.
- During the Triennial Budget Process, have a way to adjust when we have learned enough about an issue that we can set it aside and move on to something else. Have to be able to adjust the process and modify the budget during the three-year period.

Reporting Requirements

- Mid-year and end-year fiscal reporting on carryover. I am not a fan of mid-year review; things are in flux then and we are still waiting on allocations from Reclamation, depends on when Congress acts. So things are in flux at that time; might not be informative. End year reporting is already being done by GCMRC; I think that is sufficient.

Other

- Kudos to Shane! For development of the process and his ability to describe it.

TWG REPORT

TRIENNIAL BUDGET PROCESS DEVELOPMENT

AMWG

August 24, 2016

Background

2014

Direction to create a triennial budget & workplan for FY 15-17

Work with AMWG & TWG to create a process for future budgets

2016

TWG discussion on the budget process

History

2004

- AMWG approved a 2-year rolling budget process

2010

- AMWG directed the TWG to work on a non-rolling two-year budget process

2014

- SD directed GCMRC and Reclamation to create a 3-year budget and work plan

Recent Activities

- **Three-year budget process is still in development**
- **TWG discussion on June 15, 2016**
 - Guiding Documents
 - Budget Timeframe
 - Prioritization
 - Environmental Compliance
- **The BAHG will provide a recommendation to the TWG and the TWG will offer a recommendation to the AMWG in the coming year**