

Glen Canyon Dam Technical Work Group
Agenda Item Information
September 30, 2009

Agenda Item

Biennial Budget Process Development

Action Requested

- ✓ Consider how to move forward with the development of a biennial budget process – use BAHG or other group?
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Presenters

Shane Capron, TWG Chair

Previous Action Taken

- ✓ By AMWG (August 2009): AMWG directs TWG to develop a two-year, FY11-12 two-year, non-rolling budget; and that a description of that process be provided by TWG to AMWG at its next meeting.
Motion was passed by consensus. The next AMWG meeting is scheduled for February 3-4, 2010.
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Background Information

In 2009, TWG developed a discussion paper on the potential use of a two-year non-rolling budget vs. a two-year rolling budget. This was forwarded to AMWG at the June 2009 TWG meeting. AMWG considered the FY 2010-11 budget and the discussion paper and passed a motion to instruct TWG to a) develop a non-rolling budget for FY 2011-12, and b) develop a draft description of this budget process for AMWG at their February 3-4, 2010, meeting.

The following document was developed based on that discussion paper and the outline that was found in the most recent budget description from the AMP Strategic Plan, which included a document from 2001 describing the budget issues. This is meant as a starting template to begin consideration of the budget description. This provides only a rough outline in an attempt to capture the major topics which need to be discussed. TWG should consider how best to move forward, to assign a new ad hoc or utilize the BAHG in the development of this budget description.

BIENNIAL BUDGET PROCESS Draft outline for TWG Review

At its August 12-13, 2009 meeting, the AMWG directed TWG to develop a 2-year non-rolling budget beginning in 2011-12. This document describes the biennial (2-year) non-rolling budget approach and some of the history that led up to its development. The goal is to reduce the effort currently expended on the budget process while maintaining a high-quality adaptive management program.

MOTION: AMWG directs TWG to develop a two-year, FY11-12 two-year, non-rolling budget; and that a description of that process be provided by TWG to AMWG at its next meeting.

Motion was passed by consensus

Background

The previous budget process was approved by AMWG in 2004 and helped to bring some needed structure to the budget process. Within that structure, the primary element was a biennial budget and work plan which would roll the second year of the budget into the first year of the next budget such that each year TWG would develop a 2-year work plan. This approach was intended to provide some planning benefits in looking forward a few years and provided opportunity for non-federal entities to lobby for additional federal funding.

The major components of the 2004 budget process were described as:

- Two year budget and work plans with rollover of year 2 into year 1 of the next biennial budget, and would include (yet undeveloped) criteria for reopening the budget
- Appropriations request for Federal agency budget or for Congressional write-in
- Strategic 5-year outlook to forecast major changes, determine need for contingencies, and develop draft out-year projects
- Fiscal Reporting, expenditures for the previous fiscal year
- Project Progress Reports, mid-year and end end-of-year reports
- Budget Spreadsheet and work plan
- Formation of the Budget Ad Hoc Group (BAHG)

Since adoption of the new process in 2004, the AMP implemented many aspects of the budget process (outlined above), especially those dealing with reporting, work plans, and budget spreadsheets. However, it was not until 2009 that the AMP developed the first biennial budget for FY 2010-11. During this process it became clear that this process would not reduce effort spent on the budget and may have actually increased the amount of effort needed by the program. Thus, an alternative to the rolling budget (i.e., non-rolling biennial budget) was described in general terms to AMWG and adopted by the AMWG for the FY 2011-12 budget cycle (see AMWG motion above).

Description of a Two-year Non-rolling Budget Process

The general approach is to use a process similar to that taken by the upper basin RIP with the goal of reducing the effort expended on the annual budget process while improving the effectiveness of TWG, GCMRC, and AMWG. TWG would develop a two-

year budget the first year of the process. Then, in the second year the AMP would revisit year-two of the budget and make only small corrections in the budget to allow for minor changes in projects or potential new starts not envisioned during year one. The key benefit to this process is that substantial effort may be saved in year-two of the budget process allowing for time and effort to be used on other endeavors of interest to the AMP.

The major components of the 2009 two-year budget process would include:

- Two-year budgets and work plans,
- Modifications of the year-two budget based on specific criteria,
- Fiscal reporting, including expenditures for the previous fiscal year (mid-year and end end-of-year reports),
- Project progress reports, including an annual reporting meeting in January
- Budget spreadsheet and work plan, and
- Utilization of a Budget Ad Hoc Group (BAHG) of the TWG
- Strategic outlook? (5 years)

Much of the rest of the process would be as described in 2004, reporting requirements, budget spreadsheets and a work plan would all be developed. TWG and GCMRC would also still hold the annual reports meeting workshop in January to review progress on the previous year's work plan. The following describes the specific elements of the budget process and describes responsibilities.

Budget Principles

Budget based on the following:

- AMP Strategic Plan, updated AMWG priority questions and SSQs
- GCMRC MRP and SSP, outside input (e.g., PEP reviews)
- Input from BAHG/TWG/AMWG

Timeline

The timing of TWG and AMWG budget considerations within the budget process has been a problem and has been discussed. We need to describe a timeline with roles

Budget process components

Budget Ad Hoc Group (BAHG)

TWG consideration of the budget has been facilitated by a small ad hoc group which has worked with the USBR and GCMRC throughout the entire budget process. TWG should utilize this sub-group to work through issues from the initial formulation to formal budget presentations and on through the execution phases. This group should work with USBR and GCMRC in the budget process, do required liaison with TWG members, and help USBR and GCMRC bring to the TWG budgets that have had comprehensive review where the major issues have been discussed, and are prepared for full TWG discussion and recommendation.

Other issues/notes: 1) timeline has been challenging, 2) has the BAHG had the appropriate focus, detail vs. priorities?, can we describe that focus better here?, 3) describe responsibilities,

Priorities

All parties (AMWG, TWG, GCMRC, USBR, USGS) recognize the fact that not all funds needed and requested will always be made available. Prioritization of work is essential to the budgeting process. This is especially true as we move toward a budget that may include core monitoring and management actions. A system must be devised that gives the TWG /AMWG a clear idea as to how available funds will be allocated if there are more projects than funding available.

The Strategic Plan, the Goals and Management Objectives, and especially the prioritized Information Needs should serve as the base for determining budget priorities. At its basic level the budget should put the baseline monitoring and high priority information needs ahead of other activities. This will necessarily be modified year to year by hydrology and other scientific considerations.

Other issues/notes: 1) how will core monitoring fit in,

Mid-year and end of year fiscal reporting, including carry over

January reporting meeting

Budget spreadsheet and work plan

Criteria for year-two review and revisions

TWG Chair

The chairman of the TWG assure that TWG agenda gives appropriate time for full discussion of the budget, and that budget documents are furnished to TWG members sufficiently in advance to allow for their review prior to the meeting.

Roles

AMWG's role – priority list, update SSQs,

BOR role

GCMRC role

TWG role

Management actions: what role will they, if any, in the budget process?