

2013 – 2015 Budget Development and Process

State Budget Committee

November 27, 2012

Provided by the State Budget Agency

Overview

- Budget development process
- Explanation of documents and Hyperion reports
- Explanation of performance metrics

Budget Development Process

- Oracle's Hyperion Planning and Budgeting replaced BudSTARS in Spring of 2011
- Budget instructions
 - Distributed in July 2012; due September 28, 2012
 - Separate instructions for operating and capital requests
 - Instructions posted here: www.in.gov/sba/2596.htm
- Budget Committee hearings
 - November 14th – December 17th
 - Hearings for approximately 40 agencies/institutions
 - Included all requests from the four caucuses
 - Hearing schedule and documents: www.in.gov/sba/2600.htm

Budget Development Process

- Executive branch agencies directed to set their base budgets equal to FY13 spending target
 - For most agencies, base budgets = FY13 appropriations minus 3%
 - Agencies provided discretion with how they spread their 3% reduction across programs
 - Requests for any additional funds submitted as “change packages”

Agency Reports

- Each agency will have up to 5 different documents prepared for your review:
 - Agency Transmittal Letter(s)
 - Operating budget report (from Hyperion)
 - Capital budget report (from Hyperion)
 - Examples of agency and program performance metrics
 - Agency presentations/handouts

Operating Reports

- In addition to the agency transmittal letter, an agency operating report will be distributed for each agency reflecting their operating budget request for the upcoming biennium
- Report includes the following information:
 - 2 years of history (FY11 and FY12)
 - Current year appropriations (FY13)
 - A current year estimate (FY13)
 - A base calculation
 - 2 years of requests (FY14 and FY15)

Funding Sources

- General Fund
 - Appropriations from the state general fund
- Dedicated Funds
 - Appropriations from dedicated revenue sources
- Federal Funds
 - Appropriated by U.S. Congress and shown for information purposes only
- Transferred Funds
 - Reflect funds appropriated elsewhere

Change Packages

- Reflect requests above or below the base calculation
- Associated with specific funds/budgeting levels
- Associated with general, dedicated, or federal funds
- All new programs or projects are reflected as change packages

Capital Budget Requests

- Capital requests are detailed in the provided Hyperion reports
 - Type (PM, Repair and Rehabilitation, or Line Item)
 - Funding Source (General Fund or Dedicated Fund)
- Executive branch agencies directed to keep PM requests at FY12-13 appropriation levels and to prioritize all capital projects/line items
- Some requests will be redundant with FY12-13 budget requests as some projects have not yet been initiated

Performance Measurement

- Focus on outcomes and outputs striving for continuous improvement
- Indiana Transparency Portal: www.in.gov/itp
 - ITP contains information on the following topics:
 - Performance and Accountability
 - Key Performance Indicators and Program Measures
 - Budget Information
 - State Expenditures
 - State Contracts
 - Local Government
 - State Revenue
 - State Employees
 - ARRA
 - Debt Overview

Questions?