



MONTANA LEGISLATIVE BRANCH

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Legislative Fiscal Analyst
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DATE: February 8, 2006
TO: Legislative Finance Committee
FROM: Taryn Purdy
Principal Fiscal Analyst
RE: Information Presentations to Subcommittee

A committee member recently requested staff input on how subcommittees might receive more pertinent information from agencies in the subcommittee process, potentially replacing the traditional "dog and pony" presentation currently done. These presentations generally are left to the agency discretion in form and content. The issue is whether the legislature might dictate more of the content based upon subcommittee needs.

The following is designed to stimulate committee discussion of how to best meet information needs. There are two approaches to the issue of information provided to subcommittees and how it can be made more efficient and valuable.

- 1) Specific concentration on agency information to subcommittees
- 2) A holistic approach that looks at the entire cycle of legislative budget development, including how to keep subcommittee members informed during the interim, how to help other legislators and candidates become better versed in both general budgeting and fiscal concepts and particular budget issues, and maintenance of subcommittee experience

Because the request for information was related specifically to subcommittee information, only that issue is briefly addressed. Please note, however, there are a couple of other factors the committee may wish to comment on:

- o How can the budget analysis foster better information exchange (within the current overall structure)?
- o The agency profiles compiled by the Legislative Fiscal Division and used to a limited extent in the last legislative session will be more formalized and include significant information on current and historical expenditures, revenues, how the agency provides services and to whom, and factors impacting the budget in general. However, due to timing considerations they will not include the budget request or base year information, and will not be strictly comparable due to inclusion of all, not just HB 2, funding.

Information Specific to Subcommittees

Before addressing how information may be made more subcommittee specific, one reality is noted:

- o Not all subcommittee members have the same foundational knowledge about the agencies and their structure and mission. Therefore, some information of the sort often

times afforded by the current agency presentations may be necessary for new members and/or as a refresher for returning members.

Consequently, staff does not recommend that the agency presentations as they now are be completely eliminated. Instead, certain information might be presented in more standardized form (potentially a template), potentially following the same outline as the budget analysis to maintain consistency. The information provided should essentially answer the following questions:

- o What does the agency do?
- o Why do they do it? Who does it serve?
- o How do they do it?
- o How do decisions impact those services?

To answer these questions, certain specific information could be provided, including:

- o A functional organization chart
- o Mission, goals, objectives, and customers served and how they relate to statutory and constitutional authority and requirements
- o How the functions and agency structure further the mission, goals, and objectives
- o Progress on goals and objectives, as well as how goals and objectives are addressed by the requested changes (this issue is part of the performance management project currently under way)
- o Expenditures and revenues over a multi-year period, both HB 2 and other, including changes, trends, and challenges
- o FTE, current and historical, by location and key types (correctional officers, etc.)
- o Selected caseload/workload data
- o Overview of the information technology plan, and how the budget relates to the plan
- o A short description of pending legislation impacting the agency
- o How the legislature can assist the agency to meet obstacles or challenges
- o Agency reliance on expenditures for which the legislature historically applies across the board cuts to balance the budget (travel, etc.)
- o Names and phone numbers of key staff

Staff Recommendation

There are a number of areas where information can be standardized. However, it is important to note that there are significant issues that would have to be resolved to ensure the information provided has maximum value. Absent this issue resolution, serious difficulties with data generation and consistency could result. In addition, given the budget cycle decisions would have to be made no later than the June meeting. Consequently, staff recommends that, if the committee wishes to pursue this issue further, that it either narrowly define or ask staff to narrowly define areas where changes could be implemented in a complete fashion and their value determined. Further work could then be done on this issue in the next interim.

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