

2021 JFAC Budget Hearing Process Guide

The 2021 session budget hearings will use the same format as last session. The format will span three years and include the FY 2020 expenditures, FY 2021 funded line items, and the FY 2022 request and recommendation. The LSO Analyst will coordinate and manage the presentation materials (budget hearing packet) on the screen and speak to some items, but the emphasis will be on the director to address the agency budget and answer questions. Standard committee protocol will be used whereby all questions and answers go through the Chair. Questions may be directed to, and answered by, either the agency director or staff, the LSO analyst, or the DFM administrator or staff. There will be a seat and microphone at the DFM table for agency fiscal staff. The budget hearing materials are listed below with a table that details each step in the hearing process and the expectations of the LSO analyst and agency Director.

Budget Hearing Materials

1. FY 2022 Legislative Budget Book (LBB), organized by budgeted Division
2. 2020 Performance Reports from DFM website
3. Open audit findings (from LSO Audit Division)
4. FY 2020 actual expenditures from SCO and compiled by LSO

Steps in the Hearing Process and Materials on the Screen	LSO Analyst	Agency Director
1. JFAC Co-Chair welcomes agency Director and the LBB Historical Summary page for the Department or Division is on the screen	LSO Analyst identifies the agency and the page number in the LBB where presentation materials begin. Points out the FY 2022 request, Gov. recommendation, and source of funds (Gen/Ded/Fed). This will require less than 1 minute.	
2. LBB - Org chart on the screen	LSO Analyst moves to the org chart for department, institution, or commission.	The Director will have 1-3 minutes for brief opening comments. This will include an overview of the organization and comments on any vacant positions and actions to fill those positions.
3. Performance Report	LSO Analyst displays Part II of the Performance Report and yields to the Director.	The Director will have up to 5 minutes to provide an overview of Part II of the Performance Report and inform committee on the performance measures used and the successes and challenges in attaining them. The Chairman may return to the Performance Report when discussing any FY 2022 line item requests or to address additional questions about the report or specific measures.
4. Audit Finding(s) (if any). The report summary will be shown on screen	LSO Analyst introduces the audit finding(s) and yields to the Director. LSO Audit staff will attend the hearing to answer questions, if necessary.	The Director will address the open finding(s). This should include how long the finding(s) has been open, whether it has been recurring, and the corrective action plan.

Steps in the Hearing Process and Materials on the Screen		LSO Analyst	Agency Director
5.	FY 2020 Actuals - Variance Report	The LSO Analyst will point out any noteworthy transfers, reversions, or expenditures detailed in this report.	The Director or staff may be called on to answer questions regarding FY 2020 actual expenditures.
6.	LBB page with FY 2022 Comparative Summary of Agency Request and Governor's Recommendation	The LSO Analyst will briefly highlight the FY 2022 Agency Request and the Governor's Recommendation, including the percentage increase or decrease to the General Fund.	Address questions if necessary.
7.	LBB page that begins with the FY 2021 approved line items (if any) for each budgeted Division	The LSO Analyst will describe any line items funded for the current FY 2021.	The Director will have an opportunity to comment on the status of FY 2021 line item implementation.
8.	LBB page will continue with the FY 2021 Supplemental Requests, Rescissions, and FY 2021 Request for each budgeted Division	<p>The LSO Analyst will walk through the decision units in the LBB. This will include any supplementals, rescissions, Base adjustments, and maintenance items (including replacement items).</p> <p>When finished with maintenance items the LSO Analyst will display any line item requests on the screen and yield to the Director for details of the request(s).</p>	<p>The Director will have an opportunity to address supplemental requests, rescissions, and the request for onetime replacement items.</p> <p>The Director will then be expected to provide detail and justification for each line item requested. The DFM staff may be called to address the recommendation for any of the line items.</p>
9.	Finish - the Co-Chair will ask if there are any additional items to address	The LSO Analyst may present other information from the LBB, budget submission, or 2021 appropriation bill to assist the committee.	The Director may provide any closing comments.