

BUDGET CHANGE PROPOSAL FORMAT

For Budget Change Proposals
And Hiring or Spending Freeze Exemption Request

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MONTEREY COUNTY ADMINISTRATIVE OFFICE
BUDGET AND ANALYSIS DIVISION

INTRODUCTION

A Budget Change Proposal (BCP) is required when a department desires to:

- Increase budgeted appropriations and/or position allocations,
- Request an exemption to the hiring freeze for one or more individual positions
- Request an exemption to the hiring freeze for departmental authority to hire for an entire classification

(For example, the Probation Department may request an exemption for the classification of “Juvenile Institution Officers” so that the Department may hire these mandated positions as deemed necessary by the Department)

- Request an exemption for the purchase of a fixed asset
- Enter into a new contract or modify or extend an existing contract when approval by the Board of Supervisors is required.

This BCP format assists applicable staff in understanding, analyzing and weighing each budget related proposal/request initiated by a County department. In accordance with the Board of Supervisors’ Goals and Objectives, the County’s first priority is to remain fiscally solvent and to provide essential services. This document aids the County in achieving this mandate within the available resources.

It is essential that proposals be timely, complete, informative and accurate. Proposal consideration directly relates to information provided via this format. It is important that clear, empirical facts and evidence support all assumptions, especially when stating benefits of increased services or hiring/spending exemptions.

The narrative sections of the BCP form have been structured to effect detailed statements to justify each proposal’s potential tangible benefits, anticipated revenue generation, and real fiscal costs.

Some sections of the BCP form may not be relevant to every proposal/exemption request – if a section is not relevant, please indicate so in that section. However, departments are encouraged to provide whatever narrative and analytical information is required to make their strongest case as to why their BCP should be considered.

PROPOSAL COMPLETION INSTRUCTIONS

I. SUMMARY OF PROPOSAL/EXEMPTION REQUEST

Provide a brief, clear and concise description of:

- What appropriations and/or position exemptions are being requested
- The purpose/intended use of requested appropriations and/or positions
- Which Department and division(s) will receive requested appropriations/positions

Hypothetical example:

Requesting hiring freeze exemption for one FTE Supervising Animal Control Officer, and fixed asset freeze exemption one new Ford Ranger truck, at a cost of \$17,460 for Animal Care and Control, domestic pet operations.

II. GENERAL INFORMATION

Provide useful general information that will help introduce and explain the BCP and its importance.

Some examples:

- Provide background on this division, program or service if applicable.
- Who/what does the division or program serve?
- Has the Department made similar proposals or instituted similar programs?
- Has the Department previously requested these allocations in prior years' budgets?
- What other similar activities have addressed this general area and are they effective/efficient?
- Is this request in an area of service that requires strengthening? How so?
- What are the strengths, opportunities and weaknesses in the BCP?
- What are the motivating factors for presenting the BCP at this time?
- How does this proposal relate to the Department's strategies, goals and objectives
- How does this proposal relate to the Department's other perceived needs?

III. DESCRIPTION AND SUBSTANTIATION OF BENEFITS

Why is this proposal/exemption request needed? Describe in narrative form the detailed benefits that are expected and/or desired to be realized directly as a result of this budget proposal. Description of benefits should be specific and in real, quantifiable, tangible terms with performance measures to the extent

possible. Substantiate each benefit with clear, detailed reasoning, such as past and future performance measurements or comparable case examples.

Examples of benefits include:

- Increased levels of services to the public in areas of need
- Increased revenues or user fees
- Increased safety for public and/or county workforce
- Increased County quality of life
- Increased workforce productivity
- Compliance with State, Federal or Constitutional law
- Economic development, Environmental Protection, Historical and Cultural benefits
- Decreased overtime or other Departmental costs

Description of benefits should be specific and in real quantifiable, tangible terms and measures to the extent possible. Substantiate each expected benefit with clear, detailed reasoning, such as past performance or comparable case examples.

IV. AFFECTS OF NON-FUNDING OF PROPOSAL

Quantifiably describe expected negative consequences of non-approval of this proposal/exemption request.

For example:

- What would the impact be if the BCP were not recommended?
- Is this a time sensitive proposal and what are applicable milestones?
- How would delay of implementation affect the proposal costs?
- Would grant or other funding opportunities be lost?
- Would other one-time or unique opportunities to act be yielded?
- What would be the impact, if any, on other Departmental operations?

V. REVENUES – SUBSTANTIATE ANTICIPATED REVENUES

Explanation:

- Provide detailed and specific information on any revenues that are proposed to be received as a result of this proposal/exemption request
- Describe specific grant revenues that are contingent upon approval of this proposal of freeze exemption request
- If a hiring freeze exemption request, describe how much of the position's cost is grant funded and if the revenue is already built into the FY 2008-09 budget. If it is, what revenue account(s) specifically?

- Substantiate revenue assumptions with specific operational information as to the correlation between the requested augmentations and the proposed increase in revenues.
- Revenue assumptions should be realistic and erring on conservative - describe how anticipated revenues meet this principle.

Tracking:

How will the Department quantify and verify the new revenue being brought in as a result of this BCP? What procedures or tracking system, if any, will be used to track actual revenue amounts produced directly as a result of the implementation of this proposal/exemption?

VI. HIRING OR SPENDING FREEZE EXEMPTION – MISSION CRITICAL

Please explain how the hiring/spending freeze exemption request is “mission critical” or “business essential”. Describe, if applicable, how the exemption is required to protect public health, welfare and/or safety.

VII. ALTERNATIVES – DESCRIBE ALTERNATIVE SOLUTIONS

Describe potential alternative service delivery solutions to the BCP. Include analysis such as:

- What other ways has the Department examined to address the needs of this proposal?
- Can this proposal/program/position be phased in?
- Could proposal be held off until next year’s budget process?
- Could the Department and/or County enter into agreements with other Departments, government agencies or non-governmental agencies to perform the proposed functions? Might doing so result in some cost savings?
- Would it be more efficient/effective to explore contracting out portions or all of the proposed services (if any)?

VIII. CRITERIA FOR SUCCESS OR BENEFIT ASSESSMENT

Describe the specific, quantifiable performance measures, if any, that the Department will employ to determine the efficiency of the previously described desired objectives of this Budget Change Proposal? How will these performance measures be collected, evaluated and reported and by whom?

IX. BUDGETARY SUSTAINABILITY

Describe the on-going financial sustainability of this BCP:

- If the Department's approved appropriations in subsequent years provide for only baseline, or even reduced, dollars, could the Department retain the resources requested in this BCP? How?
- If new anticipated revenues are part of this BCP, how will the Department cover any unforeseen shortfall in these expected revenues?
- What economies or efficiencies can be realized to reduce appropriations costs while retaining the desired outcomes of the BCP?
- If anticipated funding is comprised in whole or in part of funding other than General Fund allocations, what is the sustainability of those funding sources? How long are they guaranteed (if at all)?
- Does this BCP create a new or increased user clientele/constituency? If so, what is the Department's exit strategy if proposed services must be reduced or eliminated due to funding decreases?

X. ADDITIONAL COMMENTS/CONSIDERATIONS

Provide any additional information regarding this BCP that is important and relevant to the Budget Change Proposal evaluation and decision making process as related to the Board of Supervisors' goals and objectives.

EXHIBITS

A. APPROPRIATIONS AND REVENUES CHANGE DETAIL

(Not required for hiring or spending freeze exemption requests)

Complete Auditor-Controller level budget adjustment detail by Budget Unit and individual account item. See an example of the completed format of the following page.

B. HIRING AND SPENDING FREEZE EXEMPTION REQUEST COVER FORM

(Required only for hiring & expenditure freeze exemption requests)

If the request is approved by the County Administrative Office, attach the CAO approved cover form to either the:

- Human Resources' *Personnel Action Form* ("P.A.") associated with the position recruitment, or
- The Purchase Requisition ("Req") associated with the fixed asset or spending request.