

Idaho Division of Financial Management (DFM)



FY2020-2023 **STRATEGIC PLAN**

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Administrator

MISSION

Support the Governor's mission by providing reliable budget and policy information and analysis in a timely manner and ensuring uniformity and accountability within state government.

OUTCOME-BASED VISION

The Division of Financial Management will be a customer service-oriented organization that is open and responsive to the concerns of the Governor's Office, the Legislature, and the agencies that comprise state government. The division will be open to alternative points of view and capable of adjusting to changing needs. It will provide reliable information in a transparent and trustworthy manner.

KEY EXTERNAL FACTORS

- ◆ The division serves the Governor; therefore, the duties and responsibilities of the division are subject to change, as the Governor requires.
- ◆ Legislation can alter or significantly impact the functions of the division.
- ◆ Economic conditions within the state, its industries, and its regions are dynamic and constantly evolving, necessitating a constant monitoring of these highly complex systems.
- ◆ Economic conditions may create fluctuations in state revenue that warrant the development of expenditure plan alternatives.
- ◆ Additions or reductions in federal appropriations or program mandates are unpredictable yet dramatically impact state activities and expenditure plans.

GOAL 1

Budget Bureau

Assist agencies with budget requests, oversee Executive Budget development, and monitor budget implementation.

OBJECTIVES

1. Provide guidance and direction to assist state agencies with the formulation of budget requests. Work with LSO to produce the Budget Development Manual (BDM) and help agencies align budget requests with BDM guidelines.
2. Analyze budget requests and prioritize statewide needs. Present analysis to the Governor for consideration and assist with the development of the Governor's Executive Budget Recommendation.
3. Attend legislative budget hearings and provide information to legislators as needed.
4. Ensure that agencies implement budgets as appropriated by the Legislature. Monitor agency base budget use to stay aware of changing needs and priorities.

PERFORMANCE MEASURES

1. Percentage of agency budget recommendations finalized by December 24 each year
Benchmark: 90%¹

¹ Based on internal goal to provide LSO with time to prepare Legislative Budget Book

GOAL 2

Economic Analysis Bureau

Accurately forecast, explain, and monitor General Fund revenues by source and provide meaningful analysis on matters of economic concern to policy makers and the public of Idaho.

OBJECTIVES

1. Produce full General Fund revenue forecasts semi-annually and provide revenue monitoring reports monthly for the Governor and general public. Develop and maintain models using relevant fiscal data from source agencies (SCO, Tax Commission, Dept. of Insurance, etc.) and other external data. Identify departures from historical patterns that could signal revenue-related problems and quickly communicate concerns with interested parties.
2. Produce quarterly economic forecasts for the State of Idaho and monitor key economic and demographic information pertinent to Idaho's economic performance. Develop and maintain models used to produce the economic forecast.
3. Provide for smooth transition for replacing retiring Chief Economist.

PERFORMANCE MEASURES

1. Percentage difference between year-end General Fund revenues and most recent revenue forecast
Benchmark: +/- <5% ²
2. Percentage of publications released by established deadline
Benchmark: 100% ³

² Based on internal target established to encourage accuracy in forecast numbers

³ Performance measure assumes the following deadlines for publications: General Fund Revenue Report, within 5 business days of start of month, or by 15th in July/August; Idaho Economic Forecast, by end of January, April, July, and October. These deadlines were established internally to create consistency in when policy makers and the general public can expect updated numbers from DFM.

GOAL 3

Budget Bureau and Management Services Bureau

Help the Governor by developing and implementing sound executive branch statewide policies and ensuring timely and consistent application.

OBJECTIVES

1. Identify law changes, policy changes, and problematic differences in practice among state agencies that may require guidance or clarification.
2. Work with partners to refine policies and develop guidance to increase consistency. Partners may include the Division of Human Resources, State Controller's Office (SCO), Legislative Services Office (LSO), and relevant external organizations.
3. Communicate with state agencies to ensure that new and existing statewide policies are understood and followed. Provide training as needed.
4. Review agency transactions and submitted materials for compliance with established policies. Such transactions and materials may include personnel/payroll/positions changes, CEC plans, encumbrance requests, strategic plans, performance reports, requests for administrative rule changes, requests for federal funds, and other items for which DFM has a statutory responsibility.

PERFORMANCE MEASURES

1. Median number of days for analyst to recommend/not recommend grant requests
Benchmark: <5
2. Percentage of agencies for which encumbrance request is reviewed by SCO deadline
Benchmark: 100%⁴
3. Percentage of memos released by established deadline
Benchmark: 100%⁵

⁴ Based on need to assist SCO with timely processing of all encumbrance requests

⁵ Performance measure assumes the following deadlines for memos: Fiscal Year-end Memo, March 1; CEC Memo, three business days after first appropriation bill is signed by Governor; Strategic Plan memo, April 15; Executive Agency Legislation Memo, April 15; Performance Report memo, June 15. These deadlines were established internally to create consistency in when agencies can expect DFM guidance and increase the time available for agencies to prepare plans and reports requiring DFM review.

GOAL 4

Budget Bureau and Economic Analysis Bureau

Provide sound and timely fiscal analysis for all proposed legislation and matters of tax policy.

OBJECTIVES

1. Analyze and ensure the accuracy of fiscal impacts for all legislative proposals and legislation and provide feedback or information when appropriate.
2. Provide data and analysis upon request for questions concerning tax policy. Apply fiscal analysis tools, economic principles, and public finance theory to develop reliable information that can be communicated clearly and concisely.

PERFORMANCE MEASURES

1. Percentage of bills with fiscal analysis completed before being delivered to Governor
Benchmark: 100%⁶

⁶ Based on need to provide timely analysis to Governor prior to his consideration of bills pending signature

GOAL 5

Management Services Bureau

Provide effective management for the State of Idaho on all inter- and intra-governmental financial issues.

OBJECTIVES

1. Act as a liaison, negotiator, and mediator between state agencies, federal government entities, and other various oversight organizations with respect to overall financial management activities. Prepare and negotiate the annual Statewide Cost Allocation Plan, Cash Management Improvement Act agreement.
2. Act as fiscal agent for state agencies as needed. Ensure that state agencies requiring fiscal assistance follow established statewide policies and procedures.

PERFORMANCE MEASURES

1. Number of audit exceptions for agencies using DFM as a fiscal agent
*Benchmark: 0*⁷

⁷ Based on absence of audit exceptions being deemed an indicator of effective management

GOAL 6

Regulatory and Legislative Services Bureau

Coordinate the implementation and reporting requirements of the Red Tape Reduction Act, the Licensing Freedom Act, and oversee all executive agency legislation.

OBJECTIVES

1. Help to implement the Red Tape Reduction Act and measure the outcomes
2. Ensure successful review and implementation of the Licensing Freedom Act
3. Help transition and integrate the Office of the Rules Coordinator to the Division of Financial Management
4. Support agencies in the EALS process and ensure that approved EALS make it into the Legislative Process

PERFORMANCE MEASURES

1. Using the 2018 regulatory baseline, eliminate 20% of all regulatory chapters statewide; work toward elimination of 20% of page count and restrictions across the life of the strategic plan.
2. Ensure implementation of the 200+ recommendations made to the then-Lieutenant Governor as part of the 2017 Licensing Freedom Act.
3. Publish all editions of the Idaho Administrative Bulletin within timeframes established in law.
4. All approved EALS submitted to the House and Senate by the second day of the legislative session.

ADDENDUM: CYBERSECURITY COMPLIANCE PLAN

As a technology customer of the Office of the Chief Information Officer (OCIO) in the Department of Administration, we are using the cybersecurity systems and technical expertise in OCIO to fulfill requirements related to Executive Order 2017-02. Staff from OCIO briefed the NIST Core Framework, CIS Controls 1-5, and their plan for adoption of the NIST Cybersecurity Framework in a customer meeting on Feb 23, 2017. Key actions by our organization to support OCIO cybersecurity efforts are to *Identify* (NIST Core Framework first function) critical data in our systems to OCIO. Identifying sensitive data allows OCIO to address the other NIST Core Framework functions: Protect, Detect, Respond, and Recover. We will also participate in DHR and OCIO administered cybersecurity training, as awareness is a critical component of an effective cybersecurity program. As briefed by OCIO staff, implementation of the CIS Controls 1-5 will be their responsibility for the systems they operate and, as technological tools applied to the computer systems, largely invisible to us as a customer.