

Office of the Governor

Senate Finance and Financial Institutions Committee

*Terry Steele, Budget Analyst
Legislative Service Commission*

May 11, 2005

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LSC Redbook

for the

Office of the Governor

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May 11, 2005

Office of the Governor

- Total budget of \$10,053,558 for the biennium
- Office of Veterans' Affairs provides training, certification, and accreditation of more than 600 county veteran service officers, commissioners, and staff

OVERVIEW

The Office of the Governor (GOV) oversees the operations of state government. Under the Ohio Constitution, the Governor is the chief executive officer of the state and is elected to four-year terms. The major duties of the Governor include:

- Formulating and implementing administrative policy for state agencies;
- Ensuring the faithful execution of Ohio's laws;
- Submitting biennial capital and operating budgets;
- Appointing judges, certain agency officials, and board and commission members; and
- Serving as commander-in-chief of the Ohio National Guard.

The Office has a total staff of approximately 75 employees. This reflects those employees paid directly from the budget of the Office of the Governor.

Beginning in FY 1996, the budget for the Office of the Lieutenant Governor was incorporated within the Governor's budget. The Lieutenant Governor oversees select departments and serves as state deputy commander-in-chief, and a cabinet member. The current Lieutenant Governor serves as the Director of the Department of Development. The Governor's office also funds the Office of Veterans' Affairs, which assists veterans in receiving services and benefits, and maintains burial records of Ohio's veterans.

Finally, the Governor's Office also funds Ohio's participation in national and regional associations, such as the National Governor's Association and the National Lieutenant Governor's Association.

FY 2006-2007 Funding Recommendations

The recommended funding for the Governor's Office is \$5,026,779 in both fiscal years, a decline of 1.1% over estimated FY 2005 spending of \$5,083,419.

ANALYSIS OF EXECUTIVE PROPOSAL

Office of the Governor

Purpose: This program series encompasses the activities of the chief executive officer of the state of Ohio. The following table shows the line items that are used to fund this agency, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
General Revenue Fund				
GRF	040-321	Operating Expenses	\$3,981,582	\$3,981,582
GRF	040-403	Federal Relations	\$422,760	\$422,760
GRF	040-408	Office of Veterans' Affairs	\$267,923	\$267,923
General Revenue Fund Subtotal			\$4,672,265	\$4,672,265
General Services Fund				
5AK	040-607	Federal Relations	\$354,514	\$354,514
General Services Fund Subtotal			\$354,514	\$354,514
Total Funding: Office of the Governor			\$5,026,779	\$5,026,779

There are two budgeted programs within the Governor's Office:

- **Office of the Governor**
- **Office of Veterans' Affairs**

Office of the Governor

Program Description: The Office of the Governor oversees cabinet agencies, formulates administrative policy, recommends legislation, proposes operating and capital budgets, and considers and acts upon legislation approved by the General Assembly. The program also includes the costs to operate the Office of the Lieutenant Governor.

Funding Source: GRF, GSF

Line Items: 040-321, 040-403, 040-607

Implication of Executive Recommendation: The Governors' recommendation will enable the Office of the Governor to fulfill his Constitutional and statutory duties.

Temporary and Permanent Law Provisions:

Appointment of Legal Counsel For Governor (Section 203.69). The provision allows the Office to use appropriation item 040-321, Operating Expenses, to hire or appoint legal counsel to be used in proceedings involving the Governor in the Governor's official capacity or the Governor's office only, without the approval of the Attorney General, notwithstanding sections 109.02 and 109.07 of the Revised Code.

Federal Relations (Section 203.69). The provision allows the Governor's Office to use a portion of GRF appropriation item 040-403, Federal Relations, and 040-607, Federal Relations, within Fund 5AK, to support Ohio's membership in national or regional associations.

Related temporary law allows the Office of the Governor to charge any state agency of the executive branch using an intrastate transfer voucher such amounts necessary to defray the costs incurred for the conduct of federal relations associated with issues that can be attributed to the agency. Amounts collected shall be deposited to the Office of the Governor Federal Relations Fund (Fund 5AK).

Office of Veterans' Affairs

Program Description: This program provides operational oversight of the 88 county Veterans' Service offices and provides training, certification, and accreditation of more than 600 county veteran service officers, commissioners, and staff. This office also serves as the custodian of approximately 2.0 million veterans' records and provides oversight of the Ohio Veterans' Plaza, and the Ohio Veterans' Hall of Fame.

Funding Source: GRF

Line Items: 040-408

Implication of Executive Recommendation: The Governors' recommendation will enable the Office to address the concerns and needs of Ohio's veterans and active military duty personnel.

REQUESTS NOT FUNDED

The request for the Office of the Governor was fully funded at \$5,026,779 in each fiscal year.

General Revenue Fund**GRF 040-321 Operating Expenses**

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$4,362,900	\$3,981,000	\$3,601,970	\$3,981,582	\$3,981,582	\$3,981,582
	-8.8%	-9.5%	10.5%	0.0%	0.0%

Source: GRF

Legal Basis: Section 51 of Am. Sub. H.B. 95 of the 125th G.A. (originally authorized by Article III of the Ohio Constitution)

Purpose: Moneys appropriated to this line item pay for personnel, maintenance, and equipment for the Office of the Governor.

GRF 040-403 Federal Relations

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$163,056	\$55,541	\$321,152	\$479,400	\$422,760	\$422,760
	-65.9%	478.2%	49.3%	-11.8%	0.0%

Source: GRF

Legal Basis: Section 51 of Am. Sub. H.B. 95 of the 125th G.A.

Purpose: These moneys are used for costs associated with Ohio's participation in national or regional associations and related personnel, maintenance, and equipment costs.

GRF 040-408 Office of Veterans' Affairs

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$243,447	\$267,670	\$232,420	\$267,923	\$267,923	\$267,923
	10.0%	-13.2%	15.3%	0.0%	0.0%

Source: GRF

Legal Basis: Section 51 of Am. Sub. H.B. 95 of the 125th G.A.; ORC 5902.01 (Office of Veterans' Affairs was transferred from the Adjutant General's Office to the Office of the Governor in 1991 by Am. Sub. H.B. 298 of the 119th G.A.)

Purpose: This line item pays for the operating expenses of the Office of Veterans' Affairs.

General Services Fund Group

5AK 040-607 Federal Relations

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
\$0	\$0	\$0	\$354,514	\$354,514	\$354,514
	N/A	N/A	N/A	0.0%	0.0%

Source: GSF: Charges to state agencies of the executive branch that use an intrastate transfer voucher.

Legal Basis: Section 51 of Am. Sub. H.B. 95 of the 125th G.A.

Purpose: Moneys in this line item pay for costs associated with Ohio's participation in national or regional associations and related personnel, maintenance, and equipment. The line item was funded at \$500,000 in FY04 and FY05, although through a different fund number, Fund 412.

LSC Budget Spreadsheet by Line Item, FY 2006 - FY 2007

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>Estimated 2005</i>	<i>As Introduced 2006</i>	<i>House Passed 2006</i>	<i>% Change Est. 2005 to House 2006</i>	<i>As Introduced 2007</i>	<i>House Passed 2007</i>	<i>% Change House 2006 to House 2007</i>
GOV Office of the Governor									
GRF	040-321	Operating Expenses	\$3,981,582	\$ 3,981,582	\$ 3,981,582	0.0%	\$ 3,981,582	\$ 3,981,582	0.0%
GRF	040-403	Federal Relations	\$479,400	\$ 422,760	\$ 422,760	-11.8%	\$ 422,760	\$ 422,760	0.0%
GRF	040-408	Office of Veterans' Affairs	\$267,923	\$ 267,923	\$ 267,923	0.0%	\$ 267,923	\$ 267,923	0.0%
General Revenue Fund Total			\$ 4,728,905	\$ 4,672,265	\$ 4,672,265	-1.2%	\$ 4,672,265	\$ 4,672,265	0.0%
5AK	040-607	Federal Relations	\$354,514	\$ 354,514	\$ 354,514	0.0%	\$ 354,514	\$ 354,514	0.0%
General Services Fund Group Total			\$ 354,514	\$ 354,514	\$ 354,514	0.0%	\$ 354,514	\$ 354,514	0.0%
Total All Budget Fund Groups			\$ 5,083,419	\$ 5,026,779	\$ 5,026,779	-1.1%	\$ 5,026,779	\$ 5,026,779	0.0%

As Introduced (Executive)

(CD-808-GOV) Appointment of Legal Counsel for the Governor

Section: 206.39

Authorizes the Governor's office to expend a portion of GRF appropriation item, 040-321 Operating Expenses, to hire or appoint legal counsel to be used in proceedings involving the Governor in the Governor's official capacity, without the approval of the General Assembly.

As Passed by the House

Section: 206.39

Same as the Executive.

(CD-809-GOV) Federal Relations

Section: 206.39

Authorizes a portion of GRF appropriation item 040-403, Federal Relations, and 040-607, Federal Relations, Fund 5AK within the general services fund group, to be used to support Ohio's membership in national or regional associations.

Section: 206.39

Same as the Executive.
