

LSC Redbook

Analysis of the Executive Budget Proposal

Office of the Governor

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ATTACHMENTS:

- Catalog of Budget Line Items
- Budget Spreadsheet By Line Item

Office of the Governor

- Executive recommended funding of \$2.9 million in FY 2010 and FY 2011
- Office of Veterans' Affairs moved to Department of Veterans Services created in FY 2009

OVERVIEW

Agency 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. The major duties of the Governor include formulating and implementing administrative policy for state agencies, submitting biennial capital and operating budgets, and appointing judges, agency directors, and board and commission members. The Governor also serves as commander-in-chief of the Ohio National Guard. The Office of the Lieutenant Governor became part of the Office of the Governor in FY 1996. In addition to the office in the Statehouse, the Governor maintains an office in Washington, D.C. to oversee state-federal relations.

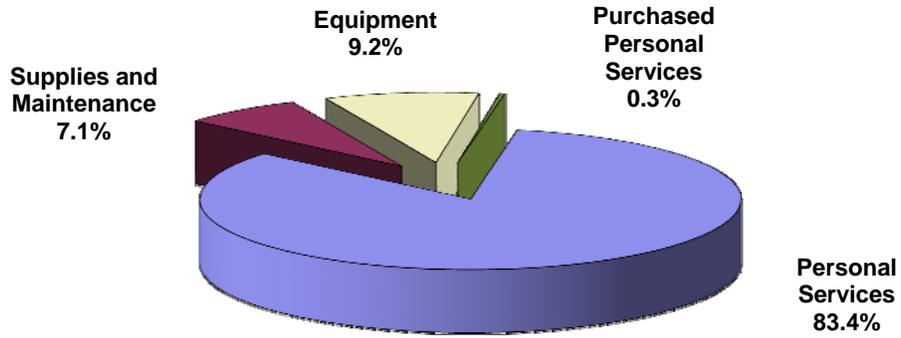
Until passage of S.B. 289 of the 127th General Assembly in the spring of 2008, the Governor's office also housed the Office of Veterans' Affairs. That bill, however, created the Ohio Department of Veterans Services, which assumed responsibility for these matters and reduced the Governor's office staff by four. Overall, the office employs a staff of forty.

Appropriation Overview

The recommended funding for the Governor's office is \$2.9 million in FY 2010 and \$2.9 million in FY 2011, a 17.9% reduction compared to FY 2009 appropriations of \$3.5 million.

Chart 1 below shows this funding recommendation by category of expense. The majority of the office's budget is for payroll and benefits, making up 83.4% of the proposed outlay for FY 2010-FY 2011. The office intends to limit costs in this area by attrition and ceasing a paid internship program. GOV's next largest expenditure is equipment at 9.2%. The remaining 7.4% of GOV's budget is spent on supplies and maintenance and purchased personal services combined, including rent for the Washington, D.C. office and subscriptions to national organizations.

**Chart 1: Recommended FY 2010-FY 2011 Budget
by Type of Expense
(\$2,898,350 in each Fiscal Year)**



ANALYSIS OF EXECUTIVE PROPOSAL

The following table shows the recommended funding levels for the Governor's office.

Recommended Amounts for the Governor's Office				
Fund		ALI and Name	FY 2010	FY 2011
General Revenue Fund				
GRF	040321	Operating Expenses	\$2,332,000	\$2,332,000
GRF	040403	Federal Relations	\$201,201	\$201,201
General Revenue Fund Subtotal			\$2,533,201	\$2,533,201
General Services Fund Group				
5AK0	040607	Federal Relations	\$365,149	\$365,149
General Services Fund Group Subtotal			\$365,149	\$365,149
Total Funding: Governor's Office			\$2,898,350	\$2,898,350

Operating Expenses (040321)

The recommended funding for this GRF line item is \$2.3 million in both FY 2010 and FY 2011, a 19.6% decrease over FY 2009 appropriations. This line item is used to pay the personnel, maintenance, and equipment costs for the Office of the Governor. 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. Funds in this line item are also used to operate the Office of the Lieutenant Governor.

Federal Relations (040403 and 040607)

The proposed funding for GRF line item 040403, Federal Relations, is \$201,201 in FY 2010 and FY 2011, a 23.6% decrease over FY 2009 appropriations. The funding recommendation for the Fund 5AK0 line item 040607, Federal Relations, is \$365,149 in each fiscal year, equal to the FY 2009 appropriation. These line items are used to pay for costs associated with maintaining relations with the federal government. Approximately \$250,000 annually is spent to maintain an office in Washington D.C., of which \$110,000 is for rent. The Governor's office shares the costs associated with the D.C. office's staff of three employees with the Office of Budget and Management. These line items also pay for Ohio's participation in national or regional associations, such as the National Governor's Association. Fund 5AK0 revenue consists of fees assessed to executive branch agencies which have federal policy interests.

*General Revenue Fund***GRF 040321 Operating Expenses**

2006	2007	2008	2009	2010 Executive Proposal	2011 Executive Proposal
\$3,678,791	\$3,373,324	\$3,204,643	\$2,900,238	\$2,332,000	\$2,332,000
	-8.3%	-5.0%	-9.5%	-19.6%	0.0%

Source: GRF**Legal Basis:** Section 291.10 of Am. Sub. H.B. 119 of the 127th 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 040403 Federal Relations**

2006	2007	2008	2009	2010 Executive Proposal	2011 Executive Proposal
\$420,951	\$341,751	\$231,522	\$263,397	\$201,201	\$201,201
	-18.8%	-32.3%	13.8%	-23.6%	0.0%

Source: GRF**Legal Basis:** Section 291.10 of Am. Sub. H.B. 119 of the 127th 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 040408 Office of Veterans' Affairs**

2006	2007	2008	2009	2010 Executive Proposal	2011 Executive Proposal
\$260,237	\$247,817	\$283,078	\$0	\$0	\$0
	-4.8%	14.2%			

Source: GRF**Legal Basis:** ORC 5902.01; Section 291.10 of Am. Sub. H.B. 119 of the 127th G.A. (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.; it was transferred again to the Ohio Department of Veterans Services in 2008 by S.B. 289)**Purpose:** This line item was previously used to fund the operations of the Governor's Office of Veterans Affairs. S.B. 289 of the 127th General Assembly incorporated this Office into the Ohio Department of Veterans' Services.

General Services Fund Group

5AK0 040607 Federal Relations

2006	2007	2008	2009	2010 Executive Proposal	2011 Executive Proposal
\$209,590	\$261,766	\$126,715	\$365,149	\$365,149	\$365,149
	24.9%	-51.6%	188.2%	0.0%	0.0%

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

Legal Basis: Section 291.10 of Am. Sub. H.B. 119 of the 127th 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.

LSC Budget Spreadsheet by Line Item, FY 2010 - FY 2011

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2008</i>	<i>2009</i>	<i>As Introduced 2010</i>	<i>% Change 2009 to 2010</i>	<i>As Introduced 2011</i>	<i>% Change 2010 to 2011</i>
GOV Office of the Governor								
GRF	040321	Operating Expenses	\$ 3,204,643	\$ 2,900,238	\$ 2,332,000	-19.6%	\$ 2,332,000	0.0%
GRF	040403	Federal Relations	\$ 231,522	\$ 263,397	\$ 201,201	-23.6%	\$ 201,201	0.0%
GRF	040408	Office of Veterans' Affairs	\$ 283,078	\$0	\$0	N/A	\$0	N/A
General Revenue Fund Total			\$ 3,719,243	\$ 3,163,635	\$ 2,533,201	-19.9%	\$ 2,533,201	0.0%
5AK0	040607	Federal Relations	\$ 126,715	\$ 365,149	\$ 365,149	0.0%	\$ 365,149	0.0%
General Services Fund Group Total			\$ 126,715	\$ 365,149	\$ 365,149	0.0%	\$ 365,149	0.0%
Total All Budget Fund Groups			\$ 3,845,958	\$ 3,528,784	\$ 2,898,350	-17.9%	\$ 2,898,350	0.0%