

STATE OF OHIO



DEPARTMENT OF REHABILITATION
AND CORRECTION

SUBJECT: Strategic Plan and Program Budgeting	PAGE <u>1</u> OF <u>3</u>
	NUMBER: 23-BUD-05
RULE/CODE REFERENCE: None	SUPERCEDES: 23-BUD-05 dated 01/01/99
RELATED ACA STANDARDS: 2-CO-1A-09, 21; 1B-01; 4-APPFS-3D-21	EFFECTIVE DATE: May 24, 2016
RELATED AUDIT STANDARDS:	APPROVED: 

I. AUTHORITY

This policy is issued in compliance with Ohio Revised Code section 5120.01 which delegates to the director of the Ohio Department of Rehabilitation and Correction the authority to manage and direct the total operations of all divisions and institutions of the Department.

II. PURPOSE

To establish responsibility, procedures and documentation for strategic planning designed to produce approved program goals and objectives and to accomplish the Director's policy issues. Program Budgeting provides a rationale for making resource allocation decisions which can be justified to internal and external customers of the Ohio Department of Rehabilitation and Correction.

III. APPLICABILITY

This policy applies to all employees of the Ohio Department of Rehabilitation and Correction (DRC).

IV. DEFINITIONS

Budget Planning Team - A virtual team composed of program administrators of the Office of Prisons, Office of Administration, Division of Parole and Community Services, Office of Correctional Health Care and the director or their designee, that meets periodically during the year of budget submission, responsible for the review and assessment of proposed initiatives, their fiscal and agency impact for the next operating budget.

Department Head - An individual who is responsible for a specific sub-unit within a program, e.g. Mental Health Administrator, Health Care Administrator, etc.

Program Administrator - The individuals who are responsible for managing a budget which is necessary for the delivery of a programmed service which may include Managing Directors, Regional Directors, Deputy Directors and Bureau Chiefs.

Program Budgeting Process - A system of requesting resource appropriations which considers DRC policy initiatives and defines program outcome-based goals and objectives. It is a foundation for the development of the Program Budget Request.

Program Budget Request (Operating Budget) - A written document submitted to the Office of Budget and Management (OBM) for the DRC's biennial operating appropriations.

Stakeholder - The managing officer, deputy warden, regional administrator, institutional program department head and any other staff having a "stake" in the decision of a particular plan.

V. POLICY

It is the policy of the Ohio Department of Rehabilitation and Correction (DRC) that the strategic planning process support the Director's new policy issues, strategic imperatives and approved program goals and objectives through an integration of planning and budgeting, in accordance with the Office of Budget and Management and Office of Administration. Program staff should have maximum flexibility within principles of sound fiscal management to dispense resources necessary to meet program goals and objectives.

VI. PROCEDURES

A. Responsibility: The Ohio Revised Code, Section 5120.09, has designated the Division of Business Administration as having the responsibility for initiating and overseeing the development of the DRC's Program Budget Request (Operating Budget). The Division of Business Administration Chief has the responsibility for establishing the guidelines and finalizing the contents of the Program Budget Request for the Department. The program administrators are responsible for communicating initiatives and needs to the Budget Planning Team. The Director has the ultimate authority for the approval of the Program Budget Request.

1. During the budget submission year, the Division of Business Administration shall work with the program administrators to develop the continuation requests and approved new initiatives into a program budget request for the department.
2. The Division of Business Administration shall prepare the operating budget submission in accordance with the established new initiative priorities by the Director and within the Office of Budget and Management's budget submission guidelines, to include budget request limitations. The Division of Business Administration Chief shall present the operating budget submission of the Director for final review and approval. The Director shall submit the operating budget submission to the Office of Budget and Management and is responsible for overseeing the implementation of the approved budget appropriation.

B. Program Budget Request Development: The guidelines for the preparation of the Program Budget Request shall originate from the Division of Business Administration Chief and shall be directed to the program administrators.

The Program Budget Request should be based upon each program's request for funds as set forth below:

1. General Revenue Funds: These funds support an agency's primary mission and activities. The primary source of General Revenue Funds is State of Ohio appropriations by the General Assembly.
2. Federal Funds: These funds are restricted by external sources, but are designated for operating purposes. The primary source of Federal Funds is through grant awards and entitlements.
3. Intra-governmental Service Funds: These funds are generated by an agency enterprise, an entity which exists to furnish goods or services and which charges a fee related to the cost of the goods or services, such as correctional industries or agricultural and food service programs.
4. General Service Funds: These funds may be generated by any agency that is user-charge oriented and limited by specific purposes or funds that are received through interagency grant or service arrangements, such as prisoner's programs and vocational education awards.

All appropriation requests within the intra-governmental service and general service fund groups, whose purposes are defined by the DRC, shall not exceed projected revenues and current reserves.