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October 5, 2004

MEMORANDUM

TO: Fish and Wildlife Committee Members

FROM: Mark Fritsch

SUBJECT: FY 2005 Budget Tracking Process

Over the past few months the Budget Oversight Group (BOG) has defined a budget tracking process for the current fiscal year. It is anticipated that this process will be used to track budgets and modification requests through the fiscal year (see attachment).

At your meeting in October this budget tracking process will be presented for your review and comment by Council, Bonneville (David Thatcher), Columbia Basin Fish and Wildlife Authority (Tom Iverson) staff's.

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FY 2005 BPA Fish and Wildlife Program Budget Tracking Process

Project Level Start Of Year (SOY) Budget

- a. July 2004 - NPCC approved FY 2005 Start of Year Budget that totaled \$146M in planned Expense and \$83M in Capital projects
(<http://www.nwcouncil.org/fw/budget/2005/fy05rec.pdf>).
- b. September 2004 - BPA uses NPCC recommendations to create the FY 2005 Council SOY Budget. After refining the Council SOY budget for any errors, omissions, or changes, the BPA SOY Budget is created and is used as the basis for the BPA Working Budget. The working budget is comprised of the contract-level spending caps plus non-contract costs plus any adjustments made throughout the year.
- c. BPA project budgets and variance reports will be available on the F&W Website
http://www.efw.bpa.gov/cgi-bin/FW/Info_For_Fish_Wildlife_Contractors.cgi under the fiscal information section.
- d. BPA will track the SOY and working budgets including adjustments and variances. BPA provide that information to CBFWA for placement on their website
<http://www.cbfwa.org/default.cfm> per the process outlined below.

Tracking Budget Adjustments Through The Fiscal Year

- a. A work group has been formed that consists of Council state and central staff, BPA staff and CBFWA staff and is referred to as the Budget Oversight Group (BOG). The core members include: Patty O'Toole and Mark Fritsch (Council central staff), Karl Weist (Oregon Council staff), Stacey Horton (Washington Council staff), Joann Hunt (Idaho Council staff), Kerry Berg (Montana Council staff), Dave Thatcher, John Rowan, and Mark Shaw (BPA staff), and Tom Iverson (CBFWA staff).
- b. The BOG will meet once per month to review budget adjustment requests and to track the fiscal year budget.
 - i. This meeting will be held on the Wednesday prior to regularly scheduled, current month's NPCC meetings. See schedule at attachment 1
 - ii. ALL budget adjustment requests must be submitted NO LATER THAN ONE WEEK PRIOR TO THE BOG MEETING for consideration in that month.
 - iii. All requests will be reviewed each month until their status is final (i.e. Council implementation action decision, and BPA final decision in letter form to Council).
 - iv. BOG meetings may be scheduled as needed, in addition to the monthly meetings.
 - v. The BOG meetings will be open to the public and announced on the CBFWA web site.

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- c. BPA will provide a monthly Budget-to-Actuals Report, and a monthly adjustments report with explanations of each adjustment to the BPA Working Budget for each contract. These documents will be updated monthly and posted on CBFWA website.
- d. CBFWA will provide a monthly report tracking all budget adjustment requests and their current status

Budget Adjustment And Scope Change Modifications Process

- a. Project sponsors can request modifications to their project budget and contract spending cap by submitting a project modification request form (available on CBFWA website). There are three possible forms and processes for requests. The appropriate request form can be identified through a decision tree on the CBFWA website. The possible adjustments include: Scope Change, Budget Change, Scope/Budget Change, Reschedule, and New Request.
 - i. All project modification requests must be submitted through the CBFWA website for consideration by NPCC, BPA, and the BOG.
- b. The CBFWA web page will receive all requests, forward a copy of those requests to NPCC staff and BPA staff, track all requests, and post all FY 2005 Budget information including the BOG agendas and supporting material.
- c. The completed request forms will be forwarded to the BOG for review and comment. BOG validates whether request is a reschedule or within year request or something else.
 - i. Reschedules are forwarded to BPA for assessment and funding as funds become available.
 - ii. Within-year and scope change requests are forwarded to BPA for recommendation on the availability of funds.
- d. Budget adjustment requests will be addressed by the appropriate entity following the BOG review.
- e. Notice of possible action (i.e. BOG update) by NPCC will be discussed at the NPCC staff meeting following the current month's NPCC meeting. The BOG meetings are not intended to discuss issues for the following week's Council meetings; rather, to review and discuss issues in advance of the following month's Council meeting.
- f. BPA recommendations regarding any action will be provided to NPCC staff the Friday prior to packet day (approximately 1 ½ weeks prior to next NPCC meeting).
- g. For actions deemed "urgent" by the BOG, Council staff will present the requests to the Council's Fish and Wildlife Committee for recommendation to the full Council at the same meeting. The Council will then make a recommendation to Bonneville regarding funding the requests.

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- h. For “routine” actions, Council staff will present the requests to the Council’s Fish and Wildlife Committee for recommendation to the full Council at the next Council meeting. The Council will then make a recommendation to Bonneville regarding funding the requests.
- i. See attachment 3 for flowchart of the budget adjustment and scope change process.

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FY 2005 BPA Fish and Wildlife Program Budget Tracking Process

Budget Oversight Group Meeting Schedule:

2004 - October 6, November 10, December 8

2005 – Will be updated after receipt of Council meeting schedule

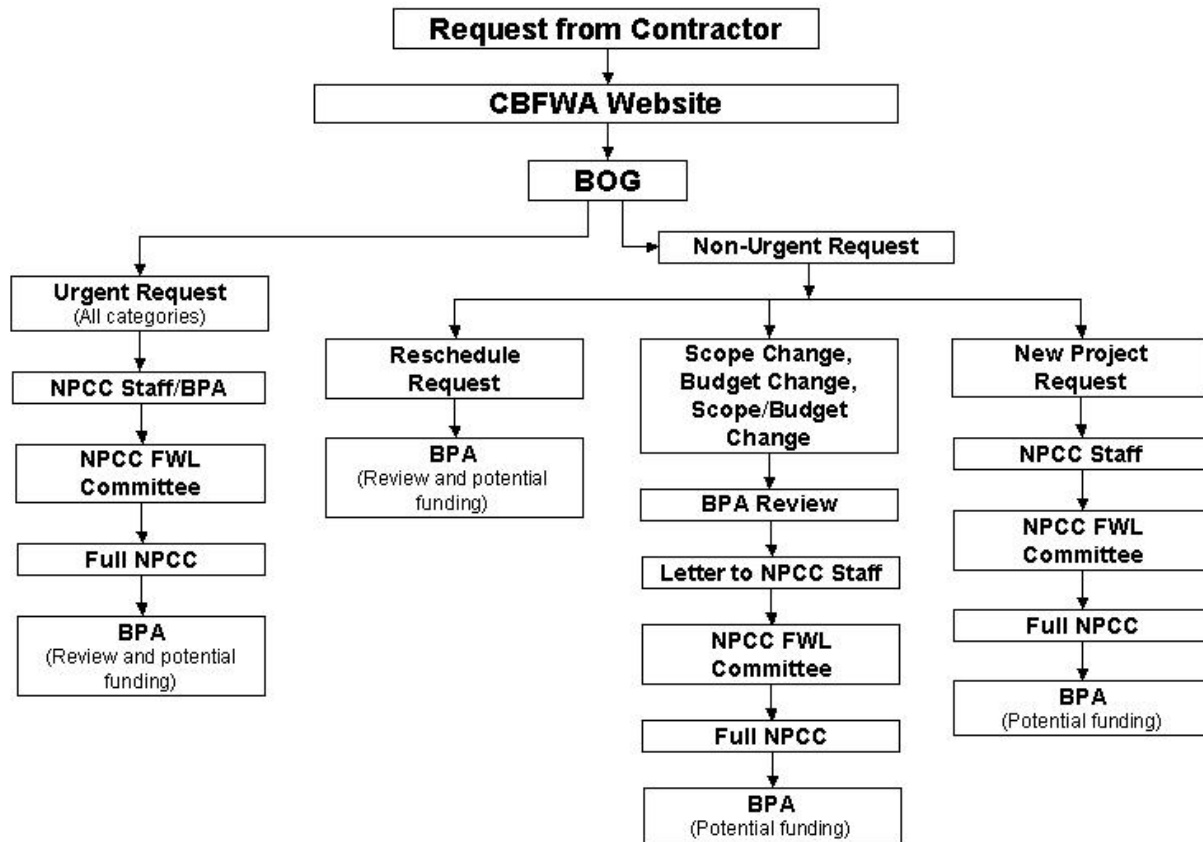
FY 2005 BPA Fish and Wildlife Program Budget Tracking Process

Example of Project Modification Request Timeline:

Date	Day of action	Action
Oct 20	1	Submit Request to COTR for review
Oct 27	7	COTR review and return to Sponsor
Nov 3	14	Last Day to Submit Request to CBFWA Website
Nov 10	21	BOG review
Dec 14	48	Request presented to F&W Committee (if needed)
Jan 12	77	Request presented to Full Council (if needed)

FY 2005 BPA Fish and Wildlife Program Budget Tracking Process

Budget Adjustment and Scope Change Modification Process



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