

Budget Process in Connecticut

The budget approved by the legislature and signed by the governor is at the heart of state government. It defines state spending and taxing policies thereby indicating what the state values and identifies sources the state will draw upon to raise money. The state constitution, state statutes, policies and procedures set forth by the Office of Policy and Management (OPM), and the rules of the General Assembly, govern the process followed in preparing and approving the state's budget.

There is growing dissatisfaction with the current budget process, which many believe places insufficient emphasis on program outcomes and performance in funding decisions. Connecticut has established statutory requirements for a performance measurement and budgeting system but few have been implemented.

Area of Focus

The focus of this study will be on determining whether the practices followed by Connecticut in preparing the spending side of the budget optimize decision-making and are consistent with sound budget procedures. The study will also examine in detail the performance budgeting process, using workforce development programs as case study.

Areas Of Analysis

I. State Budget Models

- What budget model is used by Connecticut?
- What budget models are used by other states?
- What are the advantages and disadvantages of various budget models?
- What are the advantages and disadvantages of annual and biennial budgeting?

II. Budget Process

- What statutory requirements are imposed on the budget process?
- What policies and procedures does OPM impose on the budget process?
- What process is followed by state agencies in preparing their initial budget request?
- What process is followed by OPM in reviewing agency proposed budgets?
- How do the budgets prepared by state agencies and those recommended by the governor compare with the final approved budgets?
- What is the relationship between an agency's approved budget and actual spending?

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- How does the process for preparing the first year's budget compare with that for the second year's budget?

III. Performance Budgeting for Workforce Development Programs

- What are the benchmarks, goals, and outcome measures for job training and workforce development?
- What are the amounts and sources of funding for workforce development programs currently and over time?
- What roles do the relevant vision and benchmarks set by the Connecticut Progress Council, strategic planning, performance measures, federal funds and incentives, executive and legislative directives, the state spending cap, constituent groups, and negotiations between key parties play in budget decision-making about workforce development programs at the executive and legislative levels?
 - How is the funding provided for individual workforce development programs related to each program's performance?
 - How is administrative efficiency within and across programs promoted?
 - How is duplication and overlap identified and addressed?
 - How is service delivery coordinated and evaluated?
 - How is federal funding for workforce development programs maximized?
- What, if any, changes are needed to improve the efficiency and effectiveness of workforce development programs and implementation of performance budgeting?

Areas not included in the Study

Comprehensive analysis of the revenue side of the budget process will not be included in the study.