

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 2600	Department California Transportation Commission	Priority No.
Budget Request Name 2600-401-BCP-BR-2016 -MR		Program 1800-Administration of California Transportation Commission	Subprogram

Budget Request Description
 Personal Service Fund Shift

Budget Request Summary

This proposal shifts funding authority for program support from Proposition 1B Bond funds to the State Highway Account to align Commission funding with current workload.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed		
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date	
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:			

If proposal affects another department, does other department concur with proposal? Yes No
 Attach comments of affected department, signed and dated by the department director or designee.

Prepared By <i>[Signature]</i>	Date 5/11/16	Reviewed By <i>[Signature]</i>	Date 5/11/16
Department Director <i>Susan Krause</i>	Date 5/11/16	Agency Secretary <i>Brian T. Kelly</i>	Date 5/12/16

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

BCP Type: Policy Workload Budget per Government Code 13308.05

PPBA <i>[Signature]</i>	Date submitted to the Legislature MAY 13 2016
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Analysis of Problem

A. Budget Request Summary

The California Transportation Commission's (Commission) current appropriation allocations no longer align with the Commission's workload. In recent years, the Commission experienced a changing workload without a corresponding change to its mix of funding sources. The current State Highway Account budget authority is less than the Commission's program needs and, conversely, their Proposition 1B authority is too high. Based on historical usage and current workload tracking efforts, funding authority shifts are necessary to closer align the Commission's workload with the appropriate fund source.

B. Background/History (Provide **relevant** background/history and provide program resource history. Provide workload metrics, if applicable.)

The majority of the Commission's budget is funded from the State Highway Account and the Public Transportation Account, however, portions of the budget are funded from Proposition 1B funds and through Reimbursements.

In recent years, the Commission's workload has begun to shift from projects funded by Proposition 1B sources to projects primarily funded by State Highway Account and the Public Transportation Account sources. At this time, the Commission needs to make adjustments in its budgetary authority for these items to properly reflect the funding source. In addition to the changing project funding sources, the Commission has recently taken on new responsibilities, requiring modifications to these funding sources. Examples of these include requirements to:

- Develop and adopt asset management plan performance measures and targets for the selection of projects in the \$10 billion State Highway Operation and Protection Program.
- Review and approve the Asset Management Plan.
- Analyze, review, and adopt the State Highway Operation and Protection Program.
- Track, analyze, and report project performance to increase transparency and accountability of the State Highway Operation and Protection Program.
- Establish guidelines for the California Transportation Plan.
- Approve the Interregional Transportation Strategic Plan and the Interregional Transportation Improvement Program.
- Develop specific, action-oriented, and pragmatic recommendations for legislation to improve the state's transportation system.
- Form a Road Usage Charge Technical Advisory Committee to study road usage charge alternatives to the gas tax, make recommendations to the Transportation Agency on the design of a pilot program, seek public input, and other actions necessary to advise and assist the Committee and the Commission in making recommendations to the Legislature regarding the pilot program.
- Carry out responsibilities associated with the Active Transportation Program including developing guidelines, programming projects, interacting with hundreds of stakeholders, coordinating with Caltrans, and evaluating projects and the program.
- Address Senate Bill 375 requirements in Regional Transportation Plan Guidelines and the guidelines of other Commission-administered programs.
- Participate in the freight advisory committee and other related freight planning exercises.
- Allocate Capital Outlay Support costs for Construction Support.

Analysis of Problem

- Increase reporting and improve transparency of Commission-administered programs.
- Develop guidelines, review and approve, and report on toll facilities.
- Develop and issue reports in cooperation with the Legislative Analyst's Office with respect to HOT Lanes and P3s.

This proposal seeks to recognize these workload changes by shifting Commission funding from Proposition 1B and Reimbursement authority to the State Highway Account.

The Commission is currently charging a total of 1 PY to several proposition 1B funds. The Commission recently implemented a spreadsheet based time tracking system to track staff work by program. In the four months for which we have this data, 5 staff have logged 621.25 hours working on Proposition 1B. Using this as a basis for projecting the year, this equates to approximately 1 PY. The Commission, however, is currently allocated for 3.7 PY to be funded by Proposition 1B funds. This proposal will realign the Commission's funding with its existing workload.

The table below reflects the Commission state operations program savings over the last three years.

Support Budget Resource History			
<u>All Funds</u>	2012-13	2013-14	2014-15
Authorized Expenditures	3,482	3,644	3,687
Actual Expenditures	3,020	2,714	2,846
Savings (\$)	462	930	841
Savings (%)	13%	26%	23%
<u>State Highway Account</u>	2012-13	2013-14	2014-15
Authorized	797	814	908
Expended	788	814	908
Savings (\$)	9	0	0
Savings (%)	1%	0%	0%
<u>Public Transportation Account</u>	2012-13	2013-14	2014-15
Authorized	1,323	1,418	1,610
Expended	1,307	1,222	1,609
Savings (\$)	16	196	1
Savings (%)	1%	14%	0%

C. State Level Considerations

This proposal should have no statewide impact. It simply realigns the Commission's funding in order to more accurately reflect its existing workload.

D. Justification

Over time, the Commission's workload has shifted as the Legislature has given the Commission more responsibility and the Proposition 1B programs have come to an end. This proposal is important to ensure that the proper funding source is supporting the Commission's workload.

Analysis of Problem

- E. Outcomes and Accountability** *(Provide summary of expected outcomes associated with Budget Request and provide the projected workload metrics that reflect how this proposal improves the metrics outlines in the Background/History Section.)*

This proposal will not change the Commission's workload, but will better align its work with the proper funding source.

- F. Analysis of All Feasible Alternatives**

Because this proposal shifts funding to better align with the Commission's workload, it is the only feasible alternative.

- G. Implementation Plan**

When this proposal is enacted, the Commission's budget will better reflect its workload beginning July 1, 2016.

- H. Supplemental Information** *(Describe special resources and provide details to support costs including appropriate back up.)*

No supplemental information necessary, as this proposal only shifts the Commission's funding and does not affect the Commission's workload.

- I. Recommendation**

The Commission recommends approving this proposal as it will lead to more transparency in the Commission's budget and ensure that bond funds are only being spent on bond program administration and oversight.