OFFICE OF MANAGEMENT AND BUDGET

Citizen Centric Report for Fiscal Year 2019

WHO WE ARE ①

Office of Management and Budget (OMB) created by Article III, Section 9 of the CNMI Constitution under Executive Functions. OMB carries out its mission through three critical processes that are essential to the Governor's ability to plan and implement his priorities across the Executive Branch:

- Budget Formulation & Execution
- Financial Management
- Human Resource Management

In addition, the Office is responsible for improving and coordinating the management of the Commonwealth Government. In this regard, the Special Assistant ensures discipline in government programs and activities for consistency with the Governor's policies and budget, improve government efficiency by reducing duplication and overlaps between and among agencies, and assist department and activity heads in internal organization and management to achieve maximum effectiveness at minimum cost to the taxpayers.

SPECIAL ASSISTANT FOR MANAGEMENT AND BUDGET (SAMB)

Virginia C. Villagomez

ADMINISTRATIVE ASSISTANT

Natalyn M. William

ANALYSTS

Benita F. Sablan

Jazmin L. Camacho

Nadia DLG. Benjamin

Cherese T. Palacios

Angelina L. Phillips

OUR MISSION

The mission of OMB is to serve the Governor in implementing his vision across the executive branch. OMB reports directly to the Governor and helps executive departments and agencies to carry out the commitments and priorities of the Governor.

Operative
efficient; effective; functional

Manageable
managed; controlled; accomplished

Balanced
fair; accurate; practical

STAFF ASSIGNMENT

Benita F. Sablan
Local
- Legislature
- Independent Programs
- Municipality of Rota
- Department of Public Lands

Jazmin L. Camacho
Local & Federal:
- Office of the Gov. & Lt. Gov.
- Municipality of Saipan (MOS) & Northern Islands (NIMO)
- Department of Finance (DOF)
- Department of Corrections (DOCOR)
- Department of Public Safety (DPS)
- Autonomous Agencies

Other:
- Compact Impact
- Monthly Allotments
- Reporting to the Legislature

Nadia DLG. Benjamin
Local & Federal:
- Department of Community and Cultural Affairs (DCCA)
- Department of Fire and EMS (DFEMS)
- Department of Labor (DOL)
- Department of Land and Natural Resources (DLNR)
- Department of Public Works (DPW)

Other:
- Questica Budget Project Lead

Cherese T. Palacios
Local & Federal:
- Judiciary Branch
- Other offices of the Gov. and Lt. Gov.
- Boards and Commissions
- Municipality of Tinian

Angelina L. Phillips
Local & Federal:
- Department of Commerce (DOC)
- Office of the Attorney General (OAG)

Other:
- Census 2020

BUDGET PROCESS

01 BUDGET CALL
Upon receiving revenue projections from the Secretary of Finance, the administration establishes budget ceiling for the proposed fiscal year. SAMB transmits budget call letter to agencies, departments and other programs in January.

02 BUDGET SUBMISSION
Agencies, departments, and other programs submit desired budgets by mid-end February.

03 BUDGET FORMULATION
OMB analysts analyze desired budget considering appropriate measures to stay within budget ceiling for a balance budget.

04 BUDGET REVIEW
SAMB meets with expenditure authorities and assigned OMB analysts to discuss formulated budget and determine if necessary priority based budget changes are needed.

05 BUDGET FINALIZATION
SAMB meets with Gov. & Lt. Gov. to finalize budget, focusing on priority based budget.

06 BUDGET PROPOSAL TRANSMITTAL
Analysts make necessary changes to balance the proposed fiscal year budget. Mayors' council meets to review and approve the proposed budget document. OMB meets April 1st deadline and submits proposed budget to the Legislature.

07 BUDGET DELIBERATION
House Ways and Means and Senate Fiscal Affairs committees deliberate on the proposed fiscal year budget until it's enactment.

08 BUDGET EXECUTION
After both committees reach an agreement, it is transmitted as House Bill/Senate Bill for the Administration's approval. The Administration reviews and makes comments to the appropriation measure, Governor then signs it into Budget Law.
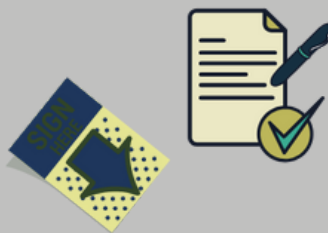
09 BUDGET ALLOCATION
OMB analysts allots budget appropriation according to the Budget Law.

10 BUDGET UPDATES
OMB analysts make regular updates to the budget by verifying position allocations that fall within the approved personnel ceiling and budget authority; satisfy request of expenditure authorities by preparing personnel projections and reprogramming when necessary.

Fiscal Year 2019 Appropriations

Given the nature of events that occurred before and in the beginning of Fiscal Year 2019, the effect it had on our financial position generated a reduction to the budgetary resources, a 15.2856% reduction to the net available for appropriation. As a result, a proportionate reduction in the allotment authority of 15.2856% was implemented across the board.
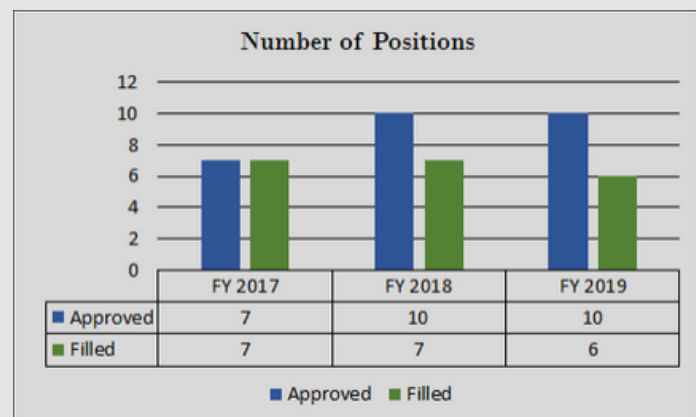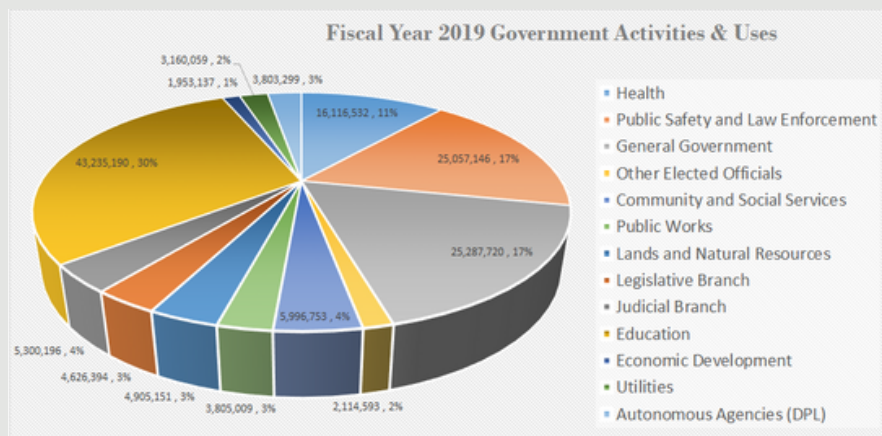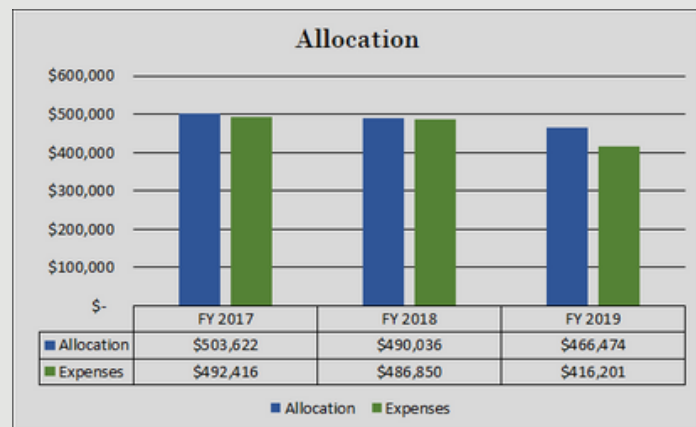
GENERAL FUND

Object Class	Public Law 20-67	15.2856% Reduction	Revised Budget
Personnel	83,922,248	(12,828,019)	71,094,229
All-Others	83,937,195	(12,830,304)	71,106,891
Utilities	3,730,248	(570,191)	3,160,057
Total	171,589,691	(26,228,514)	145,361,177

OMB

Object Class	Public Law 20-67	15.2856% Reduction	Revised Budget
Personnel	467,016	(71,386)	395,630
All-Others	83,627	(12,783)	70,844
Utilities	0	0	0
Total	550,643	(84,169)	466,474

OMB's 3 Year Comparison

Fiscal Year 2019 Government Activities & Uses

Activities	Saipan	Tinian	Rota	Total	%
Health	16,116,532	0	0	16,116,532	11%
Public Safety and Law Enforcement	19,933,788	2,333,351	2,790,007	25,057,146	17%
General Government	18,735,836	3,780,402	2,771,482	25,287,720	17%
Other Elected Officials	1,950,943	81,825	81,825	2,114,593	1%
Community and Social Services	5,191,321	466,366	339,066	5,996,753	4%
Public Works	2,700,257	358,610	746,142	3,805,009	3%
Lands and Natural Resources	3,231,033	789,987	884,131	4,905,151	3%
Legislative Branch	4,626,394	0	0	4,626,394	3%
Judicial Branch	5,300,196	0	0	5,300,196	4%
Education	43,235,190	0	0	43,235,190	30%
Economic Development	1,633,916	131,446	187,775	1,953,137	1%
Utilities	2,615,536	290,380	254,143	3,160,059	2%
Autonomous Agencies (DPL)	3,803,299	0	0	3,803,299	3%
Total	129,074,239	8,232,367	8,054,571	145,361,177	

Allocation

	FY 2017	FY 2018	FY 2019
Allocation	$503,622	$490,036	$466,474
Expenses	$492,416	$486,850	$416,201

Legend: ■ Allocation ■ Expenses

Fiscal Year 2019 Government Activities & Uses

Pie chart legend:
- Health — 16,116,532, 11%
- Public Safety and Law Enforcement — 25,057,146, 17%
- General Government — 25,287,720, 17%
- Other Elected Officials — 2,114,593, 2%
- Community and Social Services — 5,996,753, 4%
- Public Works — 3,805,009, 3%
- Lands and Natural Resources — 4,905,151, 3%
- Legislative Branch — 4,626,394, 3%
- Judicial Branch — 5,300,196, 4%
- Education — 43,235,190, 30%
- Economic Development — 1,953,137, 1%
- Utilities — 3,160,059, 2%
- Autonomous Agencies (DPL) — 3,803,299, 3%

Number of Positions

	FY 2017	FY 2018	FY 2019
Approved	7	10	10
Filled	7	7	6

Legend: ■ Approved ■ Filled

4 FUTURE OUTLOOK

Questica

"Questica's goal is to drive budget transformation by creating a single source of data truth. As a leader of budgeting preparation and management software since 1998, Questica partners with public sector organizations to better enable data-driven budgeting and decision-making, while increasing data accuracy, productivity and improving stakeholder trust. Over 700 local and provincial governments, colleges, universities, K-12 schools, hospitals, healthcare facilities and non-profit organizations across 47 states and 11 provinces and territories have eliminated spreadsheets using our budgeting, performance, transparency and engagement solutions which seamlessly integrate with existing financial and other systems."

-Questica Inc.: Where brilliant begins.

GOALS & OBJECTIVES

To prepare for Fiscal Year 2020, OMB implemented **Questica**, a budgeting software used by governments, education and healthcare professionals around the world. In preparation of the proposed Fiscal Year 2021 Budget, OMB plans to train budget analysts from agencies, departments and other programs to submit their budget requests using Questica.

✓ **Submit Paperless, Priority-Based Budget Document to the Legislature**

NOVEMBER 2019	**DECEMBER 2019**	**JANUARY 2020**	**FEBRUARY 2020**
Registration Registration and orientation for budget analysts from other agencies, departments and programs in Questica	**Training** Train budget analysts from other agencies in test environment	**Live Training** Train budget analysts from other agencies in live environment	**Department Submission** Budget analysts submit department requests in Questica

Agencies Gather Data → Data Used to Measure Performance → OMB Receives Performance Measures → Challenges and Needs Identified → Priority-Based Budget