

The Research and Consulting Center Government Finance Officers Association

September 8, 2010

The Honorable Pat Quinn Office of the Governor James R. Thompson Center 100 W. Randolph, 16-100 Chicago, IL 60601

Subject: Budgeting for Results Commission

Dear Governor Quinn:

Statute (15 ILCS 20/50-25, Appendix I) created the Budgeting for Results Commission. Budgeting for Results represents a vast process improvement over traditional budgeting. Rather than starting with last year's budget and adding or subtracting, BFR starts by asking the question "What results does the public need and want?" and employs a step-by-step process for building a budget that focuses – very transparently – on those needs and wants. BFR is transformative; over time, if done well, it changes the budget process from "what do we cut," to "what programs should we fund to achieve the *most important results* for our residents and businesses." It also leads to better solutions by building internal capacity for learning and improving.

Traditional budgeting worked when government revenues were relatively stable. In the new normal, governments need a better tool for prioritizing the demand for very scarce resources. BFR has been an effective tool for many state governments for setting spending priorities in post-recessionary times.

The BFR Commission has been instrumental in recommending changes to the budget process and in identifying approaches to measuring performance in state government departments. It is very encouraging to know that the State is making use of a best practices-based budget process to address its budget situation and that the BFR Commission continues to focus on using the budget process to improve results for Illinois.

Sincerely,

Anne Spray Kinney Research and Consulting Director The Government Finance Officers Association of the United States and Canada