



**GENERAL BUDGET**  
**PREPARATION PROCEDURES**  
**FOR**  
**PRIORITIZED PROGRAM BUDGET**  
**AMENDED FISCAL YEAR 2027 AND**  
**FISCAL YEAR 2028**

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# **I. Introduction**

## **Approach to Budgeting**

Georgia has historically been, and remains, a strong, fiscally conservative state. That approach has allowed us to weather difficult times while making historic investments for Georgia's future during strong financial periods. Looking ahead, Georgia will continue to prioritize meeting our ongoing financial obligations, plan for sustainable future growth, and providing tax relief to our citizens. Therefore, for Amended Fiscal Year (AFY) 2027 and Fiscal Year (FY) 2028, to ensure state government can continue to effectively meet its responsibilities while providing additional tax relief to hardworking, agencies should maintain current FY 2027 spending levels.

## **Budget Laws**

Title 45-12-78 of the Official Code of Georgia Annotated provides that the head of each budget unit, with the exception of the General Assembly and the Judiciary, shall submit to the Office of Planning and Budget (OPB) estimates of the financial requirements of the budget unit for the next fiscal year, on the forms and in the manner prescribed by OPB, with such explanatory data as is required by OPB by a date determined by the Director of OPB. The submission must be by budgetary program and be within expenditure parameters as established by the Governor. The head of each budget unit should also submit additional supporting data as required by OPB. The estimates submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted.

The budget estimate for the Legislative and Judicial branches shall be prepared and shall be submitted to the director of the budget at the same time as the other budget estimates and in the format and manner designated by OPB. All data relative to the Legislative and Judicial branches of the government shall be for the information and guidance of the Office of Planning and Budget in estimating the total financial needs of the state for the ensuing period, but none of these estimates shall be subject to revision or review by OPB and must be included in the budget report as prepared by them.

This document contains instructions designed to assist managers in meeting submission requirements of the Budget Laws and the Prioritized Program Budgeting process. Agency budget submissions are due to OPB using the Planning and Budget Cloud Services (PBCS) system by **Tuesday, September 1.**

## **II. Guidelines for Budget Development**

### **Amended FY 2027 (AFY) and FY 2028 Budgets**

Budget submissions for AFY 2027 and FY 2028 require agencies to submit budgets equivalent to their current level of funding for FY 2027. Budget requests for additional funds will be allowed only for workload or enrollment driven programs. OPB will notify agencies which programs have been identified for additional funding requests. Any other agency requests for additional funding for budgetary programs must be funded through redirections of other existing agency spending.

Agencies will select their cutoff amendment in PBCS as part of the development process. Detailed training and instructions for selecting a cutoff amendment and entering budget requests are posted to the OPB website.

The budget submission process in PBCS will consist of the steps below:

1. Base Budget (selected by the agency through PBCS)
2. One-Time Deletes (to be communicated by OPB)
3. Workload Adjustments (to be communicated with OPB)
4. Redistributions
5. Other Adjustments

### **Base Budget**

For the AFY 2027 – FY 2028 budget development cycle only, as part of the state's transition to GA@Work and Adaptive Planning, agencies are asked to use their Annual Operating Budget with no subsequent amendments as their base budget. Agencies will select AOB as their cutoff amendment within PBCS and correspondingly select AOB with no amendments as the base budget in Adaptive Planning after it is live in August. This will ensure alignment between the systems for budget development and in entering your FY 2028 annual operating budget next year. In future years, base budget will be selected in Adaptive Planning only and dynamically imported into PBCS for budget request entry.

### **One-Time Deletes**

One-time deletes are non-recurring items of expenditure that are considered one-time purchases in FY 2027 and are deleted from the base. These will be provided by OPB if appropriate for your agency. These items reduce the budget request submitted to OPB. Agencies must select One-time Delete as the change type for these items.

### **Workload Adjustments**

Funding to be included as Workload Adjustments should be limited to formula or enrollment driven increases or legislative mandates. Your OPB budget division will communicate guidelines regarding any

items that may be submitted in PBCS as a workload adjustment. If there are workload items that have not previously been discussed with your budget division, you should reach out to your budget analyst as soon as possible to determine whether they may be included in your PBCS submission.

Allowable workload items must be supported by clear enrollment, caseload, or other mandatory cost driver data for the coming year and be unavoidable in order to maintain the agency's current scope of services and customer service support. Workload requests may not include proposals for new funding that would "grow government," such as expanding the scope of or further enhancing current services for the existing population served, beginning new initiatives, increasing pay for existing staff, or creating pilot programs that would require additional future support.

Workload adjustments are not subject to a maximum allowable amount for submission; however, agencies must work with OPB staff to establish budgetary need and amounts prior to request submission. Workload adjustments not discussed with OPB ahead of time will not be able to be submitted in the Planning and Budgeting Cloud System (PBCS). Agencies should select Workload Adjustment in PBCS as the change type when submitting these requests.

## Redistributions

Agencies who have additional projected needs for the current or upcoming fiscal year or that wish to further improve their service delivery model are encouraged to identify savings within their organization that that may be shifted among programs to meet those needs.

Agencies are expected to manage their expenditures needs through the flexibility provided in program budgeting. If requesting a redirection of funds to meet a programmatic need, the total of all redistributions and increased funding needs must net to zero

Redistribution among object classes and among sub-programs *within a program* should be requested as an amendment to the current budget and should **NOT** be included as part of the agency's budget request. However, requests for redistribution of funds *between programs* must be submitted in PBCS as part of the budget request.

## Other Adjustments

Funding to be included as Other Adjustments are select items that do not fall within formula or enrollment driven increases. Any items included in this category should be limited to mandatory or urgent needs that cannot otherwise be met through a redirection of existing funding without negatively impacting existing agency service delivery. Such funding requests should not expand the scope of current agency services or create further outyear fiscal needs. Any identified needs that your agency believes may fall within this category must be communicated with OPB prior to budget submission.

**Budget requests that do not adhere to the budget instructions will be rejected in PBCS and returned to the agency.**

Technical guidelines with detailed instructions regarding data entry and submission requirements for PBCS will be available through the OPB website at [opb.georgia.gov](https://opb.georgia.gov).

## Performance Management

OPB will continue monitoring ongoing program performance for all budgetary programs and require agencies to provide updates to their program performance measures. Performance information provides crucial information for state decision-makers and establishes the context for the state's annual budget. Measuring results contributes to the analysis of the effectiveness of programs and helps identify where improvements can be made. Quality performance measures should provide decision-makers with data on how the program is operated, how well its customers are being served, and whether the program is achieving its intended outcomes. Agencies should use performance data in developing their budget requests to focus funding on programs with higher returns on state investment.

Agencies will enter performance measures in the Planning and Budget Cloud Services system for FY 2028 budget development. Performance measures and data will be carried forward from last year's data entry and agencies need only add the most recent year's data along with any new performance measures, associated data, or other revisions previously agreed to with your budget division. Measures should be entered and submitted alongside your budget submission.

Ideally, all programs will have at least three measures, including one for each of the following categories for FY 2023 through FY 2026:

- **Workload**: These measures are primarily based on **inputs**. They can be simple counts of services requested or of the population being served, or they can be basic calculations of caseload per employee or other agency resource. *This type of measure addresses the questions – How many people are we serving, and how many agency resources are allocated to those people and services?*
- **Result**: These measures are primarily based on **outputs**, the immediate product of agency activities or services provided to the population being served within a defined period, usually annually. Examples include “number of drug samples tested” or “number of degrees conferred”. Result measures may also assess efficiency (e.g. “percentage of calls answered in under one minute”) or other indicators of direct operational quality such as backlog or waiting list sizes. *This type of measure addresses the questions – How much work are we doing, and how well are we doing it?*
- **Performance**: These measures are primarily based on **outcomes**, the broader, more long-term effects of agency activities. These measures evaluate the agency's impact on the serviced population as a whole and whether the agency is fully accomplishing its core mission. Examples include three-year recidivism rates or rates of disease per capita. *This type of measure addresses the question – Are Georgians better off?*

It is important that measures are based on reliable data, that agencies document the data sources used, and provide information on any limitations on the measures.

## **Strategic Priorities**

The Governor has provided his vision, direction, and priorities of the state through the state goals. These priorities steer the development of the agency's strategic plan, which should identify and communicate the specific action plan the agency will implement to meet its core objectives.

In developing the FY 2028 budget requests, agencies should prioritize goals and consider how they support not only the statutory responsibilities of the agency but also statewide initiatives and initiatives within the agency. Existing programs and initiatives, as well as any proposed strategic reductions and redistributions, will be evaluated against state and agency strategic plans during the budget process.

## Capital Outlay Requests

### FY 2028 Bond Planning Amounts

Bond planning amounts have been established for many (but not all) agencies with ongoing capital programs that request capital projects each year. The FY 2028 planning amounts will be communicated directly via correspondence from OPB to those agencies receiving planning amounts. The amounts are established so agencies can prepare funding requests that align with the state's strong debt management plan and the continued receipt of the highest possible bond ratings, thereby realizing the lowest possible debt payments for the state.

The planning amounts are established after careful review of recent appropriations, agency plans, programs and projects underway and proposed, and the current expected overall financial resources of the state. ***The planning amounts for a given agency are not guaranteed, nor are they to be considered absolute maximum amounts.*** A comprehensive evaluation of all funding requests will be conducted. ***Agencies are strongly encouraged to identify and address all critical capital needs and prioritize accordingly within their planning amounts.*** Agencies may also identify needs above the planning amounts; however, these will only be considered on a priority basis with other requests within the overall state's financial resources.

Planning amounts were not established for agencies that have smaller and/or infrequent capital project requests. These agencies have been notified that planning amounts were not established and that specific capital requests from the agency will be evaluated on a project-by-project basis.

### Requirements for Submission

Agencies must submit their Capital Outlay requests and out-year projections to OPB using PBCS.

Due to their relatively high cost and long service lives, the vast majority of Capital Outlay requests are funded by the authorization of general obligation bonds with the debt service funded through state appropriations. The state may also choose to directly fund smaller capital requests using state general funds (cash) appropriated in the operating budget.

Agencies should follow this general guidance in preparing and submitting capital funding requests:

- Submit project requests for lower cost items ( $\leq \$100,000$ ) with useful service lives of less than five years through **PBCS** as budget redistributions from other funding within an agency's budget. Do not request as additional funding.
- Submit project requests for higher cost capital projects ( $\geq \$100,000$ ) having useful service lives of five years or more through **PBCS** as a capital request item. This includes requests for annual funding allocations for repairs, improvements, and renovations at facilities, and vehicle fleet replacements of 10 or more vehicles.

A funding request should only be submitted once either as an operating budget or capital budget item. If necessary, OPB will make modifications to handle a project if the recommended funding differs from that submitted; do not submit duplicate requests for the same item.

All projects must have a priority ranking in PBCS prior to submitting their request to OPB. It is the state's priority to fund construction for existing projects for which we have already authorized funding for the design. Agency funding requests should explicitly prioritize previous partially funded major projects within their established planning amount per the above guidance before requesting funds to initiate new major capital projects. Agencies should also weigh any additional project funding considerations (urgency, operational importance, expected impact/benefit, and leveraging of state funds) in establishing their priority ranking.

Once project information is entered and confirmed in PBCS for all requested and future projected funding, the agency "submits" the projects to OPB. Agencies should contact their OPB budget analyst if there are questions regarding capital outlay requests and projections or the PBCS web-based submittal process. Agencies must submit their completed capital project information to OPB by September 5.

## **Information Technology (IT) Budgets**

Agencies requesting to redirect existing agency funds for the purpose of funding information technology projects must follow the statutory requirements established in OCGA 50-29-3(b). All executive branch state agencies (including boards, authorities and commissions) must submit a written business case to the Georgia Technology Authority (GTA) and the Office of Planning and Budget (OPB) for any IT project with a value of more than \$1 million. Agencies must submit these business cases to GTA no later than August 1, and a revised version must then be submitted to OPB with agency budget requests.

### **Definition of IT Investment**

For the purposes of this requirement, an Information Technology investment is defined as the commitment of resources to any product or service that consists of, or relies upon, information technology to capture, process, store, share, or otherwise manipulate data that is managed by a state entity.

### **Development of the Business Case**

Business cases must be developed regardless of the funding source(s) to be leveraged (federal, state appropriations, state general funds, bonds, blended, etc.) and will be based on a total cost of ownership (TCO) over five years. According to statute, the business case should include, at a minimum:

- A description of the business need for the project
- An estimated budget for the investment
- An estimate of its operational impacts
- A scan of available options to meet the business need (including doing nothing)

- An outline of the anticipated benefits
- An analysis of the risk of not acting
- An assessment of the level of business process improvement required for success, including change management

## **Submission of the Business Case**

GTA has developed guidelines to inform agencies about all requirements and how to maintain compliance. Guidelines can be found at: <https://gta.georgia.gov/policies-and-programs/enterprise-portfolio-management/submit-business-case>.

Business cases should be delivered to the Enterprise Portfolio Management Office (EPMO) at the Georgia Technology Authority. GTA will review the case and provide written recommendations back to the agency. The revised version, incorporating GTA feedback, should then be submitted to OPB along with the agency budget request submission **on September 1**. It should be delivered to OPB as an attachment through PBCS for projects that will be initiated in FY 2028 and beyond. Proposed projects in PBCS must be entered as a redistribution of funds rather than as a workload item.

Neither the existence of a business case nor any feedback regarding a business case from GTA or OPB guarantees that a project will be funded. The funding decisions for IT projects will continue to be based upon a variety of factors, including the availability of funds and the need for investment in other state priorities.

Agencies should contact the Enterprise Portfolio Management Office at [epmo@gta.ga.gov](mailto:epmo@gta.ga.gov) or their OPB analyst if there are questions regarding large IT investments or the business case submission process.