



OFFICE OF PLANNING AND BUDGET

Brian P. Kemp
Governor

Richard Dunn
Director

May 13, 2025

MEMORANDUM

TO: Agency Heads and Fiscal Officers

FROM: Richard Dunn

RE: FY 2026 Annual Operating Budget and FY 2025 Year-End

FY 2026 Annual Operating Budgets

The Governor signed House Bill 68, the Fiscal Year (FY) 2026 Appropriations Act, on May 9, 2025. Agencies may now enter their FY 2026 Annual Operating Budget (AOB) in the Planning and Budget Cloud Services (PBCS) application to reflect the approved budget. **Agency AOBs are due in PBCS by Friday, May 30, 2025.** As a reminder, in the PBCS application, fund source information for the AOB is prepopulated for your agency from the signed version of the appropriations act as tracked by your Office of Planning and Budget (OPB) analyst during the legislative session. Agencies should verify that the financial information is reflected correctly by fund source and program and then enter object class information to reflect their FY 2026 spending plan in accordance with legislative intent. The **FY 2026 Budget Policies and Procedures** document is attached for your convenience and is also available at opb.georgia.gov.

Strategic Plan and Performance Measure Updates

As part of setting your annual operating budget and spend plan for the upcoming year, agencies must review and update their strategic plans as needed to reflect agency priorities for FY 2026. Additionally, agencies should review their performance measures currently tracked in PBCS and may propose changes needed to support strategic plans or more accurately reflect your agency's current budget and core functions. For the FY 2026 cycle, there are no substantive updates to the strategic planning guidance or template documents. For performance measures, we have created a new template to standardize submissions. **Please see the FY 2026 Budget Policies and Procedures for detailed instructions and guidance.**

Please submit proposed performance measure changes to OPB by **Friday, June 13, 2025**, and FY 2026 strategic plan updates by **Friday, June 27, 2025**. Both updates should be submitted to OPB's Planning and Strategy Division Director Gus Elliott (gus.elliott@opb.georgia.gov) and your OPB analyst using the associated templates.

AN EQUAL OPPORTUNITY EMPLOYER

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FY 2025 Year-End

As we approach the end of FY 2025 and the beginning of FY 2026, OPB will work with you and your staff to ensure Georgia has a strong close to this fiscal year by maximizing agency surplus, minimizing financial-reporting and audit issues, and establishing a solid foundation for the upcoming FY 2026. Please refer to the attached Joint OPB-SAO Year-End Calendar for key dates and deadlines.

As in previous years, agencies should work with their budget analysts on the need for any large or one-time year-end expenditures and limit such expenditures to essential items only or purchases that may help defray the need for additional appropriations in future fiscal years. If your agency has requested certain year-end expenditures that OPB has denied, your agency should plan to surplus those funds at year end along with any additional unspent state funds or retained revenues. Funds appropriated in the Amended FY 2025 appropriations act for specific initiatives should be either fully expensed or encumbered prior to year-end.

As a reminder to agencies in preparing their final amendments, agencies are not required to adjust budgeted federal and other funds down to match expenditures at year-end. Rather, federal and other funds should match available revenues to meet planned expenditures. Agencies should be cautious in reducing their budgets at year-end below available revenues as a post-closing adjustment could result in an unforeseen increase to expenditures that would cause budgetary compliance issues during the audit process. OPB will not authorize changes to final budgets for the Budgetary Compliance Report after the Planning and Budget Cloud Services (PBCS) system has closed for the fiscal year.

GA@WORK Transition Preparation

In preparation for the transition to GA@WORK in FY 2026, agencies should take all possible measures to eliminate any aging transactions in TeamWorks no longer needed for ongoing business purposes. OPB is working with agencies to identify purchase orders established prior to FY 2025 with little to no recent activity to determine any need to keep certain purchase orders open, or where appropriate, to close remaining purchase orders and remit the funds to Treasury. Purchase orders that OPB and the agency agrees are no longer necessary to keep open must be closed and the funds remitted to Treasury by June 30. Agencies should also review any aging interagency receivables/payables to ensure they reflect valid outstanding obligations and if not, should work with partner agencies to close any unnecessary receivables. Cleaning up TeamWorks data before FY 2025 year-end will greatly facilitate the process of loading and reviewing your agency's data in GA@WORK in the upcoming year.

Thank you for your continued leadership and commitment to strong fiscal stewardship as we close out the current fiscal year, and for your support as we have worked together and with our legislative partners to build a Fiscal Year 2026 budget that will keep Georgia the best state in which to live, work, and raise a family.

RD/sb