



Office of Planning and Budget

Annual Operating Budget, Strategic Planning,
Amendment, and Allotment Policies and Procedures

Governor's Office of Planning and Budget

Annual Operating Budget Requirements

The Official Code of Georgia establishes the state budgetary process. O.C.G.A. 45-12-80 (d) requires all state departments, agencies, boards and authorities to submit an Annual Operating Budget (AOB) to reflect the General Appropriations Act to the Office of Planning and Budget (OPB). The AOB must comply with the appropriated amount by fund source within the appropriated programs and program purpose established in the General Appropriations Act.

The AOB and supplementary information is due to OPB in the GA@Work application.

REQUIRED SUPPLEMENTARY SUBMISSIONS TO THE AOB

In addition to entering the budget in GA@Work, OPB requires agencies to submit the following as part of the AOB:

- Updates and progress reports to strategic plans for the upcoming fiscal year;
- Any proposed revisions to performance measures;
- Any proposed plans for salary adjustments or position classifications related to strategic recruitment or retention initiatives;
- Request for authorization of any ongoing overtime compensation plans;
- Additional information as may be required by OPB.

PROGRAM BUDGETING

The General Appropriations Act appropriates funds to agencies by program. In GA@Work, budgetary programs will be reflected in the Cost Center dimension as Hierarchy 3. The AOB must be submitted by ledger account and cost center. The ledger account amounts provide a detailed budget plan and should reflect the intent shown in the Governor's Budget Report as amended by the General Assembly. In some cases, it may be necessary to also reflect Spend Category to clearly reflect the legislative intent of certain funds (ex. Risk Management or Supplemental Pay). Once the AOB is approved, agencies may transfer funds between ledger accounts through subsequent amendments. Transfer of

state funds between budgetary programs can only be authorized by the Fiscal Affairs Committee, an Executive Order, an Amended Appropriations Act, or as allowed under Flex section of the appropriations bill.

As a reminder, attached agencies are essentially programs of a parent agency. Therefore, parent agencies must include any funding appropriated to their business unit for an attached agency as part of their AOB even if the attached agency is also a separate business unit within GA@Work.

BUDGETARY COMPLIANCE

Special Projects

The appropriations act includes Special Projects which authorize specific appropriations for an item that has its own purpose statement. If an agency spends a lesser amount, the funds must lapse and cannot be redirected. Special Projects are intended as special appropriations for a specific purpose and are treated as separate cost centers and budgetary programs in GA@Work. Special Projects do not alter the statutory rule that appropriations are an *authorization* to spend (O.C.G.A. 45-12-71(2)).

Budgetary Control and Interpretation

Section 56 expresses legislative intent regarding the structure of the appropriations bill and what the level of budgetary control is for compliance purposes.

State Funds: The State Funds appropriations consist of the amount stated for each line at the lowest level of detail associated with the statement of Program Name and Program Purpose. The AOB must comply with the stated appropriation for the program or Special Project at the lowest level of detail for State Funds:

- State General Funds
- Motor Fuel Funds
- Lottery Funds
- Tobacco Settlement Funds
- Brain and Spinal Injury Trust Funds
- Nursing Home Provider Fees
- Hospital Provider Fees
- Ambulance Provider Fees

- Safe Harbor for Sexually Exploited Children Fund
- Fireworks Trust Funds
- Georgia Agricultural Trust Fund
- Georgia Transit Trust Funds
- Hazardous Waste Trust Funds
- Solid Waste Trust Funds
- State Children's Trust Funds
- Transportation Trust Funds
- Trauma Care Trust Funds
- Wildlife Endowment Trust Funds

These state funds may be adjusted or transferred between programs only by the Fiscal Affairs Committee, an Executive Order, or an Amended Appropriations Act, or as allowed under Section 57: Flex of the appropriations act. In the case of Nursing Home Provider Fees and Hospital Provider Fees, a Statutory Amendment may be submitted to amend the budget to reflect actual revenue collections at fiscal year-end.

Federal Funds and Federal Recovery Funds: The Federal and Federal Recovery Funds appropriations consist of the amount stated for each line at the **lowest** level of detail associated with the statement of Program Name and Program Purpose. The AOB must comply with the stated appropriation for the program or Special Project at the lowest level of detail for Federal and Federal Recovery Funds.

The Federal Funds lowest level of detail is as follows:

- CCDF Mandatory & Matching Funds (CFDA 93.596)
- Child Care & Development Block Grant (CFDA 93.575)
- Community Mental Health Services Block Grant (CFDA 93.958)
- Community Service Block Grant (CFDA 93.569)
- Federal Highway Administration Highway Planning & Construction (CFDA 20.205)
- Foster Care Title IV-E (CFDA 93.658)
- Low-Income Home Energy Assistance (CFDA 93.568)
- Maternal & Child Health Services Block Grant (CFDA 93.994)
- Medical Assistance Program (CFDA 93.778)
- Prevention & Treatment of Substance Abuse Grant (CFDA 93.959)

- Preventive Health & Health Services Block Grant (CFDA 93.991)
- Social Services Block Grant (CFDA 93.667)
- State Children’s Insurance Program (CFDA 93.767)
- Temporary Assistance for Needy Families Block Grant (CFDA 93.558)
- TANF Transfers to Social Services Block Grant per 42 USC 604
- Federal Funds Not Specifically Identified

Federal fund sources that are not specifically listed in the appropriations bill will be summarized as “federal funds not itemized” for reporting purposes.

OPB requires that all federal fund sources received through federal COVID relief legislation be tracked as a grant by specific CFDA number and name in GA@Work. Federal COVID Relief funds may not be classified as “Federal Recovery Funds Not Specifically Identified” with no additional grant worktag specified.

Other Funds: The Other Funds appropriations consist of the amount stated at the **highest** summary level of detail associated with the statement of Program Name and Program Purpose and the lower levels of detail are for information only. The highest level of detail in the appropriations bill is the level of budgetary control.

Agency funds and Intra-State Government Transfers are classified as “Other Funds-BCR” in level four of the fund source hierarchy in GA@Work for the AOB.

Agencies may adjust appropriated federal, federal recovery, and other fund sources via:

- Amendment of funds collected in excess of the total amount appropriated to the agency;
- De-amendment (amend out) of funds not earned by the agency; and
- Amendment to transfer funds between programs.

OPB will not need to separately approve individual amendments of federal or other funds or internal transfers between ledger accounts not otherwise impacting state fund totals at the budgetary program level. OPB will review the most recently posted budget information for agencies as part of its monthly expenditure review and allotment analysis.

AOB POLICIES

1. All state budget units, as defined in O.C.G.A. 45-12-71(10), must submit an AOB to be reviewed by OPB that reflects the general appropriations act and the agency financial plan for the next fiscal year.
2. The AOB must be in compliance with the programs and fund sources established in the appropriations act. OPB may request the agency adjust the AOB so that it conforms to the appropriations act by returning it to the agency for revision.
3. The AOB must reflect the program or subprogram budgets by ledger account.
4. The program structure approved in the AOB must be maintained as the official structure for the duration of the fiscal year unless adjusted in the Amended Appropriations Act or by Executive Order. Agencies may request adjustments to cost centers or subprogram hierarchies from OPB if needed, but they must roll up to a budgetary program authorized in the appropriations act.
5. Schedules and supplementary information are considered the AOB or financial plan and periodic work program (see O.C.G.A. 45-12-82) of the state entity and must govern expenditures.
6. AOBs must be entered at the lowest level of detail for cost center, ledger account, and fund source in GA@Work. Agencies may be asked to other supplementary information to OPB in support of its budget submission. This information allows OPB to ensure that expenditures conform to both the letter and the intent of the General Assembly and Governor in the approved Appropriations Act.
7. Once the AOB is approved, changes to fund sources, transfers between ledger accounts, and transfers among cost centers or subprograms within a program must be done via amendment in GA@Work.
8. OPB will review the agency's financial plan monthly as part of the allotment review process.

PROGRAMS AND SUBPROGRAMS

9. OPB is responsible for any adjustments to the Program or Subprogram structure in GA@Work. Agencies may request changes to individual cost centers to the State Accounting Office, but may only request adjustments to budgetary program structures through OPB. Agencies requiring such adjustments should reach out to their OPB analyst.
10. Special Projects in the appropriations act have their own purpose and reflect specific appropriations at the level of budgetary compliance. In order to demonstrate budgetary compliance, the special projects will be entered as individual cost centers with unique hierarchies specific to the special project at the level 3 and 4 of the cost center hierarchy in GA@Work.
11. Subprograms are established by OPB in consultation with the agency and are not published in the appropriations bill or Governor's Budget Report. Subprograms are used to provide detailed tracking of budgets and/or expenditures within large, complex programs and will be reflected as the level four hierarchy of the cost center dimension in GA@Work.
12. Changes to subprogram structure require written approval of the OPB Director or his or her designee.

Ledger Accounts

13. Budgets will be tracked by program, fund source, and ledger account.
14. OPB may require agencies to utilize spend category other Ledger accounts are managed by the State Accounting Office. In some cases, OPB may require agencies to utilize spend category or other worktag to provide additional detail necessary to reflect compliance with legislative intent.
15. Debt service payments for Energy Performance Contracts must be accounted for in full using the associated spend category at the time that the full payment for the fiscal year is known.

16. Adjustments to risk pool billings should be accounted for under the appropriate ledger account and spend category. Additionally, agencies should expense risk pool premiums during the fiscal year using the following account codes:

- Workers' Compensation – SC6000861
- Unemployment Insurance – SC5000015
- General Liability – SC6000139

- Property Insurance – SC6000135

17. Cyber Security Insurance premiums should be budgeted under ledger account Other Operating Expenses. Agencies should use spend category SC6000143 to record expenditures for premiums paid to DOAS for cybersecurity insurance.

Strategic Planning and Performance Measures

Strategic Plan Updates

Strategic plans are essential for establishing the direction and priorities of state agencies by focusing on achievable, measurable targets to guide financial and operational decision-making in both the near- and long-term. Pursuant to O.C.G.A. §45-12-73, OPB requires all state agencies to develop strategic plans consistent with the state strategic plan as stated in the Governor's strategic goals. Agency strategic plans should include at least the following:

- **Mission Statement** aligned with the agency's statutory authority;
- **Vision Statement** reflecting the priorities of the Governor, statutory requirements, and the agency's core mission;
- **Environmental Scan** that benchmarks the agency against similarly situated entities in other jurisdictions, identifies internal and external trends; and
- **Critical Issue Identification**
- Up to five (5) **Objectives**, each of which includes an associated Action Plan consisting of Action Items with:
 - Measurable Outcomes
 - Completion Dates
 - Identified resources and funding the agency will utilize to complete the Action Items

OPB requires that agencies submit annual strategic plan updates. Submission resources - including detailed guidelines, the most current Excel submission template, and the Governor's strategic goals - can be found [on the OPB website](#). Due dates and any year-specific instructions or guidance will be included in the Excel template or other OPB communications.

OPB will accept agency strategic plan updates in the referenced Excel template. For any other formats, agencies will need to seek prior approval from OPB before submitting. PowerPoints will not be an accepted format and the Excel template should not be saved as a PDF. All plans should be presented in an easily readable and printable manner.

Agency heads must approve the strategic plan before the agency submits it to OPB. Agency heads should review the content and direction of the agency strategic plan and ensure plans are clear, concise, and align with the Governor's strategic goals. Once submitted, agency plans are considered final. OPB may rely on the information contained in the submitted plans and may share them with others, including the public.

To promote an efficient review process, OPB will attempt to limit the need to resubmit strategic plans. In most cases, agencies will simply be asked to incorporate any feedback or suggested improvements when updating their plans in the next fiscal year. However, OPB may require that changes be made to the current year's strategic plan submission if all or part the plan does not align with the agency's core mission or the Governor's strategic goals. In these instances, OPB will notify the agency that the plan needs to be revised, inform the agency on the specific changes that need to be made, and provide a resubmission date.

Any supplemental information or documents that help to inform an agency's strategic plan may be included in the submission. Examples include news articles, academic literature, policy analyses, or state or federal government reports. Agencies can seek additional guidance from OPB upon request.

Performance Measure Revisions

Performance measures are a key tool for evaluating whether state agencies are succeeding in their core missions, making progress toward their goals, and providing transparency and accountability to the public. Agencies should regularly review their performance measures to ensure they are accurate and reflect current budgets, activities, and core functions. Agencies may submit revisions to their performance measures they deem necessary in advance of the next budget development cycle for consideration by OPB and the General Assembly. Proposed changes should fall into one of the following categories:

1. **Revision:** Modifying an existing measure to make it more accurate or reflective of agency activity. These can change the description and/or previously reported data:
 - a. **Description:** Updating the description language to clarify or specify the measure. This should not substantively change the measure’s meaning.
 - b. **Data:** Prior year data should only be changed if (i) the agency has identified a calculation error or reporting inconsistency, (ii) if it has updated the methodology of how a measure will be calculated starting in the next fiscal year, or (iii) if data unavailable for a previous fiscal year is now available.
2. **Addition:** Creation of a new performance measure. A new measure should only be proposed if it meets one of the following criteria:
 - a. The budget for the upcoming fiscal year contains a new budget program for which activities and services need to be measured.
 - b. The agency has been tasked with a new statutory responsibility directly related to its core mission.
3. **Elimination:** Agencies may propose eliminating existing measures in the following circumstances:
 - a. **Outdated:** The measure is related to an agency program, initiative, or activity that it no longer performs. This can include functions that have been defunded in the budget or repealed by legislation.
 - b. **Duplicative:** The measure is similar to another of the agency’s reported measures, or the information is readily available and publicly accessible from another state government source.
 - c. **Data unavailable:** The measure cannot be accurately reported because the relevant data is not or no longer will be readily available.

Agencies should make every effort to ensure that there is no information to support an existing metric – including those that have consistently been reported as not available in past years – before proposing elimination.

For each measure change proposed, agencies must use [the Excel template on OPB’s website](#) to provide the following information:

1. The description of the measure as it appears in PBCS and the annual Performance Measures Report;
2. The associated budget program;
3. The type of revision proposed (i.e. revised description, revised data, addition, or elimination);
4. A detailed justification or rationale for making the proposed change; and
5. In the case of additions or revisions, the proposed new descriptions and/or data.

Additional supplemental resources to help agencies develop and evaluate their performance measures are [available on OPB’s website](#). These resources are intended to be used by agencies internally and are not required for submission. Other supplemental information or documents that help justify a performance measure revision may be included. Examples include news articles, academic literature, policy analyses, or state or federal government reports.

Performance measure revision proposals must be submitted using the Excel template available on OPB’s website. OPB will review proposals in coordination with the House Budget and Research Office and the Senate Budget and Evaluation Office. OPB will then notify agencies which performance measure revisions are approved for entry into PBCS in advance of the regular performance measure update deadline that coincides with annual budget request submissions.

Amendments to the AOB

GENERAL INFORMATION

Throughout the fiscal year, agencies may amend their AOB to reflect changes in Federal Funds, Federal Recovery Funds, and Other funds, the Amended Appropriations Act as passed by the General Assembly, Fiscal Affairs transfers, Executive Orders, or to realign ledger accounts or cost centers.

Only amendments that will change budgetary compliance with the appropriations act will be submitted to OPB for approval. These would be any amendments changing the state funds appropriated at the budgetary program level. All changes to the AOB will be made through an amendment submitted via GA@Work. Agencies may amend in additional federal and other funds as needed

Amendments can only be created after the AOB has been approved. Only one amendment can be in progress at a time.

OPB POLICY FOR AMENDMENTS

1. The official approved version of the agency budget is the latest approved AOB as amended in the GA@Work system. GA@Work is the system of record for all agency budgets.
2. Agencies must maintain an annual operating budget that reflects the best estimate of federal funds, federal recovery funds, and other funds for the fiscal year. Agencies can adjust their estimate by amendment for funds that are currently and/or will be available during the fiscal year. The final amendment should reflect the final spending plan to the extent possible. Agencies should refrain from amending out funds to match exact expenditures in order to allow for post-closing adjustments. Agencies must select “Final Amendment” as the amendment type when submitting their final amendment to close GA@Work.
3. OPB will review any amendments to the an agency’s AOB on a monthly basis as part of the

allotment approval process. Agencies must be prepared to explain the impact of amendments on the budgetary programs that are involved, including why amounts have changed and how funding changes may impact program services, performance, and goals.

4. Transfers of state funds between budgetary programs must be authorized only through the fiscal affairs process, an amended appropriations act, Executive Order, or as allowed under Section 57: Flex of the appropriations act. OPB must approve any amendments made on these amendment types.
5. Agencies are responsible for ensuring that documentation is maintained to support budget amendments.
6. Agencies are required to ensure that the amendment does not contain any misleading information or untrue statement of material fact.
7. OPB may periodically request documentation in support of any amendments.
8. An electronic signature by the agency head or fiscal officer or his or her designee is required to authorize submission of an amendment.

AMENDMENT TYPES

The following is a list of the plan amendment types available in GA@Work. Each amendment must be submitted as a standalone amendment.

- Federal and Other Funds
- Internal Revisions
- Amended Fiscal Year Appropriations (AFY)
- Statutory/Fiscal Affairs
- Governor’s Executive Orders
- Prior Year Funds (Roll Forward – Unencumbered)

OPB POLICY FOR SPECIFIC AMENDMENT TYPES

Federal and Other Funds Amendments (FOF)

Federal funds and federal recovery funds are identified in the appropriations bill by program. Changes in Federal funds throughout the fiscal year are amended in or de-amended out of the budget. This amendment type should be used to increase or decrease the amount of federal funds or federal recovery funds reflected in the budget.

Federal direct funds are those funds that are received directly from federal agencies. Federal indirect funds are those funds that are received from organizations both within and outside of State government. Federal indirect funds are amended into the receiving agency's budget as Federal Funds if the receiving agency is responsible for reporting as required by the federal grantor on the use of those funds.

Funds received by an agency as payment for services provided to a second agency should be amended to the receiving agency's budget as "other funds." All intra-agency transfers (intra governmental transfers) are considered a type of Other Funds.

Federal indirect funds where no specific requirement exists to provide federal reporting are considered non-Federal, and are amended in as "Other Funds" using the 'unrestricted' funding source when such funds are from an organization outside of State government, or the 'intra state organization – non-federal' funding source when such funds are from organizations within State government, as defined in the State Accounting Procedures Manual.

Before approving agency allotments, OPB will analyze expenditures and revenues by fund source by program to assure alignments with budgets. If the expenditures from federal funds appear to be significantly out of line with the budget, the agency may be required to submit an amendment to update the approved budget.

Internal Revisions

The agency should maintain an approved budget that reflects the agency spending plan by cost center and

ledger account. This amendment type should be used to realign ledger accounts within budgetary programs or to realign funds between cost centers within programs. The sum of this amendment type should be zero.

Statutory/Fiscal Affairs

The agency must use the Statutory or Fiscal Affairs Amendment type to amend any state fund sources that may be changed under statute without further authorization from an appropriations act or budget transfers that have been approved by the Fiscal Affairs subcommittee. Fiscal Affairs transfers must net to zero.

Statutory amendments are limited to amendments reflecting changes to Nursing Home Provider Fees, Hospital Provider Payments, or Ambulance Provider Fees if actual collections of these fund sources during the fiscal year do not match the amounts appropriated in the Appropriations Act. No non-state funds amendments may be submitted using this amendment type.

Amended Appropriations Bill (AFY)

The agency must submit an amendment that reflects only the approved changes in the amended appropriations bill as a stand-alone amendment. Amendments reflecting the amended appropriations bill must be processed prior to any amendments for fiscal affairs transfers that are approved after the bill passes and is signed.

Amended appropriations amendments for the current year must be processed before the OPB deadline for the final state funds amendment.

Governor's Executive Orders (EXO)

Governor's Emergency Funds (EXO)

The Governor's Emergency Funds are state funds managed by the Governor and are used for unanticipated expenses. The Governor may allocate the funds in any manner except for the following three restrictions:

- Funds must be allocated to a state agency or budget unit;

- Funds may not replace otherwise budgeted funds; and
- Funds may not create a continuing obligation for the state.

Once the Governor has authorized the allocation of emergency funds, the funds are transferred from the Governor’s Emergency Funds program to the specified receiving agency as a Governor’s Emergency Funds fund source.

Transfers Between Agencies (EXO)

The transfer of programs and related funds between agencies must be accomplished through an Executive Order.

OPB will ensure that all agencies affected by the Executive Order process the amendments in a timely manner.

Note: When possible Executive Order Amendments should be included in the base for the next budget cycle.

Carry Forward Amendment for Unencumbered Funds

State agencies are allowed to carry over State funds to spend in the next fiscal year only if they are authorized to be reserved by the State Accounting Officer or if the agency has constitutional or other statutory authority to carry over State funds (i.e., motor fuel funds). Funds carried over must be used for the intended purpose of the approved reserve or constitutional/statutory authority.

State funds carried over from a prior fiscal year should be amended into the current fiscal year budget in the original budgetary program that reserved the funds. The following is a list of Prior Year options:

- State General Funds – Prior Year
- Motor Fuel Funds – Prior Year
- Tobacco Settlement Funds – Prior Year
- Lottery Proceeds – Prior Year
- Brain and Spinal Injury Trust Fund – Prior Year
- Governor’s Emergency Funds – Prior Year

See statewide policies issued by OPB and SAO on the budgeting and accounting of prior year funds.

Prior year funds that are statutorily dedicated and not subject to lapse, like motor fuel funds, should be

General Assembly and Judicial Branch

Amendments for the legislative and judicial branches must be approved as submitted unless they violate OCGA 45-12-78 (b).

MONTHLY EXPENDITURE REPORTS

OPB is required to monitor agency expenditures against approved budgets.

OPB will reporting available in GA@Work to monitor budgets to expenditures as part of the monthly allotment review.

For those agencies whose financials are not maintained in GA@Work, the agency should submit comparable data showing monthly expenses as compared to budget and the amount of revenues recorded and collected as compared to budget and expenses. These reports are due to OPB with the allotment request.

In order to ensure that these agencies continually update their federal and/or other fund receipts, OPB will analyze expenditures and revenues by fund source by program. If the expenditures from federal or other funds appear to be significantly out of line with the budget, the agency may be required to submit an amendment to update the approved budget.

Allotment Requests

GENERAL INFORMATION

The Official Code of Georgia, Title 45-12-82 through Title 45-12-85, establishes the state allotment process.

The allotment must be in compliance with the programs and state fund sources established in the Budget Appropriations Act for the fiscal year.

The first monthly allotment may be requested after the Annual Operating Budget is approved. However, funds will not be available from the Office of the State Treasurer (OST) until July 1.

ALLOTMENT OF STATE FUNDS

Allotments must be requested by cost center and state fund source:

- State General Funds
- Lottery for Education
- Tobacco Settlement Funds
- Motor Fuel Funds
- Brain and Spinal Injury Trust Funds
- Nursing Home Provider Fees
- Hospital Provider Payments
- Ambulance Provider Fees
- Governor's Emergency Funds,
- Safe Harbor for Sexually Exploited Children Fund
- Fireworks Trust Funds
- Georgia Agricultural Trust Fund
- Georgia Transit Trust Funds
- Hazardous Waste Trust Funds
- Solid Waste Trust Funds
- State Children's Trust Funds
- Transportation Trust Funds
- Trauma Care Trust Funds
- Wildlife Endowment Trust Funds

Prior year state funds are not allotted.

OPB POLICY FOR ALLOTMENTS

1. The approved AOB in GA@Work constitutes the proposed work program for each agency.
2. First allotments may be approved prior to the start of the fiscal year; however, the funds are not released from OST until on or after July 1.
3. Allotments are processed for state funds only at the cost center level and against the AOB or any state fund amendments that have been approved.
4. Allotments cannot exceed the appropriated amount for at the budgetary program hierarchy level and state fund source. If a fiscal affairs transfer, Executive Order, statutory amendment (used for Nursing Home Provider Fees and Hospital Provider Payments), or the Amended Appropriations Act reduces the amount of state funds in a program, a de-allotment may be necessary.
5. Agencies should consider any amended fiscal year budget reductions recommended by the Governor when preparing their allotments in the second half of the fiscal year.
6. OPB will set the guidelines for allotment frequency and percent of budget allotted. Currently, allotments will be released monthly, but frequency can be reduced at any time as state cash flow management requires.
7. Allotments for the legislative and judicial branches submitted in accordance with the Appropriations Act as amended will be approved as submitted