



Revised
PRIORITIZED PROGRAM BUDGET

**GENERAL POLICY GUIDELINES AND
PREPARATION PROCEDURES**

**AMENDED FISCAL YEAR 2009
FISCAL YEAR 2010**

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I. REVISED GUIDELINES FOR BUDGET DEVELOPMENT

Requirements for Financial Submission

On August 1, notice of revised budget control measures were sent to all state agencies requiring reduction plans of 6%, 8%, and 10% for both Amended FY 2009 and FY 2010.

The following revised guidelines must be followed to allow for these reductions.

Agency fiscal officers should notify their OPB analysts as to the base budget that will be used for the Amended FY 2009 budget and the FY 2010 budget. Identify either the AOB or the cut-off amendment to be used. The base budget must be the same when requesting funds for either fiscal year.

Amended FY 2009

The Amended FY 2009 Budget requires each agency to identify **6%, 8% and 10%** of their FY 2009 appropriation for reduction. Immediate action should be taken to control expenditures and proceed as though funds may not be available in FY 2009. Agencies included in the GAIT 2010 Outsourcing project for the Georgia Technology Authority (GTA) must set aside or reduce these funds from the program budgets prior to calculating the budget reduction plans. Budget requests for additional funds or workload increase pertain only to those agencies with enrollment driven programs.

The budget submission process in BudgetTool consists of the following components:

1. Adjusted Base Budget (pre-approved by OPB)
2. 6%, 8% and 10% Reduction Plans
3. Redistributions (optional)
4. Workload

Adjusted Base Budget

Use the following guide to derive the Adjusted Base Budget:

- a. Base Budget (AOB or cut-off amendment)
- b. Other Adjustments: Consist of the following:
 - Items exempted from budget reductions and communicated to agencies by OPB prior to budget submission
 - GTA: GAIT 2010 Outsourcing (where applicable)
 - State Employees Pay Raise
 - State Health Benefit Plan
 - Workers' Compensation

The sum of the Base Budget and Other Adjustments is the Adjusted Base which agencies will use to calculate the 6%, 8% and 10% reduction for Amended FY 2009.

6%, 8% and 10% State General Funds Reduction

Agencies must reduce 6%, 8% and 10% of the adjusted base budget for state general funds. This reduction requirement need not apply to every program. Some programs/sub-programs may be

unaffected as long as the total amount of the reduction equals 6%, 8% and 10% of the agency's adjusted base for State General Funds.

Explain the impact of each reduction by program/sub-program. Provide a complete description for all budget reductions and explain the impact on service delivery and performance of the program using the BudgetTool application. To address additional expenditure needs, agencies must identify resources from within the current budget.

Redistribution

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 Amended FY 2009 budget request. However, requests for redistribution of funds *between programs* must be submitted in BudgetTool as part of the Amended FY 2009 budget request. Agencies are expected to manage their expenditures needs through the flexibility provided in program budgeting. The total of all redistributions and increased funding needs must net to zero. Positions and motor vehicles redistributed from one program to another should be reflected in the position and motor vehicle counts for the programs affected.

Workload

Workload consists of enrollment changes only. Budget requests included as workload must pertain only to the Department of Education.

FY 2010

The FY 2009 AOB or latest approved amendment is the base budget for requesting funds in the FY 2010 Budget. OPB analyst will ensure BudgetTool reflects the appropriate base budget for these requests.

The budget submission process consists of the following components:

1. Adjusted Base Budget (pre-approved by OPB)
2. 6%, 8% and 10% Reduction Plans
3. Redistribution
4. Workload
5. Capital Outlay (optional)

Adjusted Base Budget

Use the following guide to derive the Adjusted Base Budget:

- a. Base Budget: AOB or cut-off amendment
- b. Other Adjustments, may consist of the following:
 - Items exempted by OPB from budget reductions and communicated to agencies prior to budget submission
 - GTA: GAIT 2010 Outsourcing (where applicable)
 - State Employees Pay Raise
 - State Health Benefit Plan
 - Annualizers: "Educated Georgia" Agencies
 - Non-recurring items of expenditure that are considered one-time purchases in FY 2009

The sum of the Base Budget, and Other Adjustments is the Adjusted Base which agencies will use to calculate the 6%, 8% and 10% reduction for FY 2010.

6%, 8% and 10% State General Funds Reduction

Agencies must reduce 6%, 8% and 10% of the total adjusted base budget for state general funds. This reduction requirement need not apply to every program. Some programs/sub-programs may be unaffected as long as the total amount of the reduction equals 6%, 8% and 10% of the agency's total adjusted base for state general funds. Provide a complete description for all budget reductions and explain the impact on service delivery and performance of the program.

Redistribution

As part of the FY 2010 budget request, agencies have the opportunity to shift funds among programs to fund cost increases in other programs or to re-prioritize services. Agencies are encouraged to manage these cost increases in the redistribution plan. The adjusted base budget plus the 6%, 8% and 10% reduction must be the starting point for the redistribution of funds. Agencies are expected to manage their expenditures needs through the flexibility provided in program budgeting. The total of all redistributions and increased funding needs must net to zero. Positions and motor vehicles redistributed from one program to another should be reflected in the position and motor vehicle counts for the programs affected.

Workload

Workload consists of enrollment changes only. Budget requests included as workload must pertain only to Department of Education, Board of Regents, Technical College System of Georgia and Department of Community Health.

II. REVISED BUDGET TOOL INSTRUCTIONS

The instructions for using BudgetTool to prepare Amended FY 2009 and FY 2010 agency budget requests remain basically the same as those presented during the training sessions. However, due to the addition of several new requirements, presented below is a brief outline of the revised process to be followed to enter your agency requests.

Amended FY 2009

1. Request a cutoff amendment and validate the information in BudgetTool.
2. Enter negative amounts (provided by OPB) for base adjustments using the proper statewide descriptor. The change types are:
 - a. Exemptions
 - b. GAIT 2010
 - c. Reduce Pay
 - d. Reduce SHBP
 - e. Workers Comp
3. Run the Agency Program Worksheet report. This report calculates the 6%, 8% and 10% adjustments for state general funds.
4. Use the worksheet to assist in determining the appropriate reductions by program. Enter the budget request by program using the following change types:
 - 6% Reduction
 - 8% Reduction
 - 10% Reduction

Enter as many Descriptors as needed and verify they are associated with the correct Reduction change type. Each scenario is separate. The reductions for each scenario must equal 6, 8 and 10 percent of the adjusted base in order to submit your budget request.
5. Enter redistributions.
6. Enter workload adjustment.
7. Run the Agency Request – State General Funds report. This report provides a summary of the agency budget request for each of the reduction scenarios. Each reduction change type is reflected in a separate column.
8. Run the pre-check to validate all entries.
9. Once all information passes pre-check, you are ready to submit.

FY 2010

1. Request a cutoff amendment and validate the information in BudgetTool.
(Same cutoff as Amended FY2009).
2. Enter negative amounts (provided by OPB) for base adjustments using the proper statewide descriptor. The change types are:
 - a. Exemptions
 - b. GAIT 2010
 - c. Reduce Pay
 - d. Reduce SHBP
 - e. Annualizer: ED GA
 - d. One-time Delete
3. Run the Agency Program Worksheet report. This report calculates the 6%, 8% and 10% adjustments for state general funds.

4. Use the worksheet to assist in determining the appropriate reductions by program. Enter the budget request by program using the following change types:
 - 6% Reduction
 - 8% Reduction
 - 10% ReductionEnter as many Descriptors as needed and verify they are associated with the correct Reduction change type. Each scenario is separate. The reductions for each scenario must equal 6, 8 and 10 percent of the adjusted base in order to submit your budget request.
5. Enter redistributions.
6. Enter workload adjustment.
7. Run the Agency Request – State General Funds report. This report provides a summary of the agency budget request for each of the reduction scenarios. Each reduction change type is reflected in a separate column.
8. Run the pre-check to validate all entries.
9. Once all information passes pre-check, you are ready to submit.

III. STRATEGIC PLANS AND BUSINESS PLANS

Under the state strategic planning guidelines issued in February 2008, agencies are to provide OPB a proposed annual business plan that highlights the strategies the agency plans to implement in FY 2010 from its strategic plan. As this year's budget instructions call for reductions, agencies should reconsider the timing of their strategies in the three-year plan and determine what strategies may need to be deferred or delayed.

For more information about the state strategic planning guidelines, please go to the strategic planning section on the OPB website at <http://www.opb.state.ga.us>.

Submission Information

Agencies will provide their proposed annual strategic work plans (business plans) using the excel form available at the OPB website.