OFFICE OF PLANNING AND BUDGET

Nathan Deal
Governor

Teresa A. MacCartney
Director

May 1, 2015

MEMORANDUM

TO: Agency Heads and Fiscal Officers

FROM: Teresa A. MacCartney TM

RE: Fiscal Year 2016 Annual Operating Budget (AOB)

The Fiscal Year 2016 Annual Operating Budget Procedures and Instructions are available on the OPB website at opb.georgia.gov for you to prepare your AOB. Your AOB submission must reflect the Fiscal Year 2016 Appropriations Act (HB 76) and must be submitted to this office by May 29, 2015. Included in the instructions are OPB Policies and Procedures for preparing the AOB, guidelines for submitting the AOB in the BudgetNet System, and for preparing amendments to your budgets. Allotment procedures for FY 2016 are also available on the website.

BudgetNet Changes

You will note a few changes in the BudgetNet system for FY 2016. BudgetNet has been streamlined to eliminate the previous object class schedules agencies were required to submit with their budgets. In their place, you will now find one schedule containing all object classes at a higher level of detail. Additionally, you will note that there are some additional differences in navigation and screen layout. These changes are detailed in the AOB Instructions. All changes are effective for the FY 2016 budget and beyond. For FY 2015, users will continue to enter amendments into the previous instance of BudgetNet through the end of the current fiscal year.

Merit Pay Increases

Upon submitting your AOB to your OPB analyst, please also submit a spending plan for the merit pay increase included in HB 76. The Department of Administrative Services' Human Resources Administration will be presenting policies regarding implementation of merit pay increases to the State Personnel Board for consideration at the May 12 board meeting. Agencies should adhere to any approved Board policies in preparing their spending plan. Merit increases should target high performing employees or be used strategically for recruitment or retention of certain job classifications and not be used for across the board cost of living adjustments.

Energy Performance Contracts

Agencies entering into energy performance contracts (EPCs) using third-party financing must submit an amendment during FY 2016 to recognize the full amount of the debt service payments for those projects once construction is completed and payments are scheduled to begin. Agencies should submit a ticket through BudgetNet to request that the Energy Performance Contract unique object class be added to their budget so that the payment can be reflected there. OPB is working with the State Accounting Office to outline accounting procedures for agencies to

follow in reporting obligations and expenditures for EPCs to ensure agencies handle these transactions uniformly. Accounting guidelines will be provided at a later date.

Motor Vehicle and Position Counts

As we start the new fiscal year, agencies should take the opportunity to review the motor vehicle information in BudgetNet and ARI and ensure that all vehicles are properly reflected in both systems. Additionally, agencies should review assignment of personal vehicles in ARI to verify that any personnel assigned a vehicle are properly reflected in the system and any personnel changes for your agency that would impact vehicle assignments have been updated accordingly. Agencies should document the continued eligibility of each staff member assigned a vehicle using the Motor Vehicle Assignment and Use Authorization (MV-1) process.

Additionally, your AOB submission must reflect changes in position counts as intended in HB 76. Your OPB analyst will work with you to further assess your position count to ensure that it accurately reflects your budgeted workforce and to recommend any changes to that count that should be included in a future clean-up amendment.

Organization Charts and Agency Responsibilities

Finally, your OPB analyst will be working with you to update your agency's organization chart and roles and responsibilities that are included in the Governor's Budget Report in the fall. These items should reflect any changes made to your agency in HB 76 or other legislation passed during the 2015 legislative session along with any organizational changes you may have made to your department.

Thank you in advance for your assistance in getting FY 2016 off to a strong start. Please contact your OPB analyst to set up your agency in BudgetNet to begin loading the FY 2016 AOB and if you have any questions or require any assistance.

TAM/sb