

STATE OF UTAH FY 2014 AND FY 2013 SUPPLEMENTAL BUDGET GUIDELINE HIGHLIGHTS

OFFICIAL BUILDING BLOCK AND SUPPLEMENTAL FUNDING REQUESTS

Rank all

- General Fund, Education Fund, and restricted funds that indirectly impact General Fund budget increases regardless of year using ranking 1-50.
- Non-state budget increases regardless of year using ranking 51 and higher. Building block requests must include objective, measurable criteria for tracking results and benefits derived from funding the request.

GOPB will analyze all building block and supplemental request submitted by **September 7, 2012**.

FEE SCHEDULE CHANGE

GOPB is working on an improved procedure for submitting fee schedules and will provide guidance on the new procedure. Until then, you need not enter fee information in Budget Prep.

BUDGET PREP PROGRAM

All budgets must be submitted using GOPB's Budget Prep. Mandatory training for new users and refresher training will be held at the State Office Building on the following days:

July 17th – 1:00-5:00 Refresher

August 7th - 8:00-12:00 New User; 1:00-5:00 New User

August 13th –1:00-5:00 Refresher

AUTHORIZED YEAR

The authorized year budget should reflect a forecast of what agencies expect will happen and should accurately show anticipated revenue and expenditures. Please do not include any building block or supplemental requests.

FUND BALANCES

When accounting for Funds in Budget Prep, show revenue and expenditures as recorded in FINET. The difference between revenue and expenditures should reflect the Funds' net loss or gain.

TURNOVER SAVINGS

All agencies must calculate turnover savings in Budget Prep. Enter the percentage used to calculate the turnover savings in the comment field in Budget Prep.

KEY DUE DATES

Official Forms 400 and 600 to GOPB

Budget request package to GOPB

Federal funds summary to GOPB

Friday, September 7, 2012

Friday, September 21, 2012

Friday, September 21, 2012

STATE OF UTAH FY 2014 BUDGET GUIDELINES

PURPOSE AND AUTHORITY

Any entity desiring an appropriation must follow Governor's guidelines.

These guidelines are issued under the authority of and pursuant to Utah Code 63J-1-201(7)(a):

For the purpose of preparing and reporting the budget, the Governor shall require from the proper state officials, including public and higher education officials, all heads of executive and administrative departments and state institutions, bureaus, boards, commissions, and agencies expending or supervising the expenditure of the state monies, and all institutions applying for state monies and appropriations, itemized estimates of revenues and expenditures. The Governor may also require other information under these guidelines and at times as the Governor may direct.

INFORMATION SHARED WITH LEGISLATURE

Financial information shared with the Legislature must be given to GOPB first to ensure consistency.

To ensure consistency and accuracy of data, agencies must provide copies of any financial-related information requested by the Legislature to their GOPB analyst before submitting it to legislative staff. This should occur throughout the year and not just during the budget process. Giving the Legislature incorrect or inconsistent data undermines an agency's credibility and lessens the likelihood that budget requests will be funded.

As methods for calculating financial information have been agreed upon by GOPB and the LFA, agencies should not provide legislative staff or any other group with financial information that is different from GOPB's until it has been reconciled and approved by GOPB.

FY 2014 BASE BUDGET

Budgets should be built on FY 2013 funding levels less one-time appropriations.

The FY 2014 base budget is calculated by starting with the FY 2013 General Fund, Education Fund, Transportation Fund, and restricted funds appropriations and reducing those amounts for one-time appropriations.

Agencies should budget for DAS, DHRM, and DTS services based on anticipated usage levels but use FY 2013 internal service fund (ISF) rates. GOPB will adjust the funding for any FY 2014 ISF rate changes.

NON-STATE FUNDS

Non-state funds will be used for compensation and benefit increases.

Agencies are to reserve a portion of their non-state funds (federal funds, dedicated credits, etc.) to cover compensation and benefit changes. See "Personal Service Increases" section for more information.

No new non-state funded programs without prior approval.

Agencies may not initiate or start participating in non-state funded programs or activities without GOPB approval, as such may obligate or commit the State to eventually spend state funds. Requests to enter into such programs must be made using Form 400, *Request for Increase in Funds for FY 2014 Budget*.

INFLATION

Absorb inflation within base budgets.

Agencies are to absorb inflationary increases within existing budgets. GOPB may budget for such increases through ISF rate adjustments.

CAPITAL DEVELOPMENT - BUILDING PROJECTS

Building project requests not submitted to DFCM will not be included in the Governor's budget.

Agencies must submit capital requests to DFCM who will then forward the statements to GOPB and the Building Board for further analysis. Project requests not submitted to DFCM and the Building Board for review will not be included in the Governor's budget.

FEDERAL FUNDS

Any agency currently receiving or planning to receive federal aid must complete a Federal Funds Request Summary Report, which GOPB will separately send to each agency along with corresponding instructions. Although the report is separate from the budget request package, the amounts should tie to those in Budget Prep. The report must be completed electronically by **September 21**.

High impact federal grants require full legislative approval during session.

Any federal grant application in excess of \$10 million in federal funds or \$1 million in state match or that requires 11 or more additional permanent employees must be approved by the entire Legislature during the general session.

New federal programs may not be implemented without approval.

Agencies may not begin a new program with federal aid without prior approval from GOPB and, when applicable, the Legislature. This precludes any expectation that the State will continue the program or its infrastructure after the grant expires or is reduced.

Agencies may accept or use federal aid only for programs that are consistent with the needs and goals of the State and its citizens and that are not prohibited by the provisions of state law. For more information on accepting federal aid, see 63J-5-101-204 of the *Utah Code*.

All applications for federal aid must be submitted to GOPB for review and approval throughout the year. Submissions will be compared to entries in the Federal Funds Summary Report to assess changes. GOPB will work with the LFA to ensure applications needing legislative action are reviewed by the Executive Appropriations Committee in a timely manner during the interim.

APPROPRIATED LOAN FUNDS

Agencies must submit loan program data.

Any agency that manages a grant or a loan fund should budget for estimated revenue, expenditures, and loan amounts, regardless of whether the funds are appropriated or not.

PERSONAL SERVICES

VACANCIES AND TURNOVER SAVINGS

Budget all position to be filled in FY 2013 and/or FY 2014.

A vacant position report must be completed and submitted with the FY 2014

budget request. Data for this survey is provided by DHRM and is based on closing information from the previous fiscal year. After completing the survey, complete Form 500 as part of the budget submission.

Turnover savings must be budgeted.

Agencies should budget for turnover savings in each program to show the amount of money saved when budgeted positions go unfilled or remain under-filled. Turnover savings should be shown as a negative dollar amount in each program's personal services budget.

FTE CALCULATIONS

FY 2013 and FY 2014 full-time equivalent (FTE) employee counts should be comparable to FY 2012. The Division of Finance calculates actual year FTE by dividing total hours paid in FY 2012 by 2,088, which is the number of regular work hours in a year.

When calculating FTEs for FY 2013 and FY 2014, include all permanent and seasonal positions. A full-time, year-round position is equivalent to 1.0 FTE.

For part-time/year-round positions, divide the annual hours worked by 2,088. An employee budgeted to work 15 hours per week year-round = .374 FTE, or $15 \text{ (hours)} \times 52 \text{ (weeks)} / 2,088$.

For full-time/part-year positions, divide the annual hours worked by 2,088. An employee budgeted for six months at 40 hours per week = .50 FTE, or $40 \text{ (hours)} \times 26 \text{ (weeks)} / 2,088$.

Do not include in FTE counts:

- Board and commission members
- Legislators
- Temporary positions (AJ positions that are nine months or less)
- Contracted positions
- Overtime funded from turnover saving

Follow standard rules to report FTE counts.

VEHICLE REQUESTS

An agency wishing to increase the number of vehicles in its fleet must do so by requesting either: (1) intent language via Form 104, (2) non-lapsing spending authority via Form 210, or (3) new ongoing funding via Form 400. Regardless of the funding source, the agency should coordinate with GOPB and the LFA to ensure that the correct number of vehicles is reflected in the LFA's report to the appropriations subcommittee.

Additional vehicles must be requested through the budget process.

PERFORMANCE MEASURES

Agencies are required to provide a list of performance measures for evaluating the effectiveness and efficiency of each program, using Form 360. When possible, performance measures should be aligned with Balanced Scorecard measures. The LFA will show these performance measures in its budget report.

Performance measures should be aligned with the balanced scorecard.

LEGISLATION

BILLS

Agencies must submit a summary of any upcoming legislation on Form 105 by September 21. This includes legislation with and without a fiscal impact and bills proposed by entities outside your agency. The summary will be reviewed by the Governor's senior staff and GOPB. If drafted, a copy of the legislation should be included with the summary.

The Governor's budget recommendations will include funding for legislation he supports. Only legislation that has been reviewed in the budget process will be considered for inclusion in the budget.

INTENT STATEMENTS

Agencies should use Form 104 to request legislative intent statements.

REQUIRED BUDGET FORMS

The required forms are shown in Appendix One. All agencies should use Form 102 to provide a one-page executive summary of the significant cost drivers impacting agency budgets. This form is intended to provide GOPB and the Legislature with a broad understanding of current and future budget concerns and impacts. Responses should not justify building block and/or supplemental requests, but should discuss agency-wide issues that will affect current and future budgets.

*Submit all known
legislation to GOPB
with the budget
package.*