

STATE OF UTAH

FY 2010 AND FY 2009 SUPPLEMENTAL

BUDGET GUIDELINE HIGHLIGHTS

OVERVIEW

While Utah continues to outpace the national economy, we are also experiencing a slowdown in our revenue collections. Given the weakening economy, we need to prepare for our FY 2009 and FY 2010 revenue growth being weaker than in previous years. In preparing for slower growth, we are limiting FY 2009 supplemental and FY 2010 budget increase requests to mandatory items only. Agencies' strict adherence to the following budget request guidelines will be necessary.

CONTINGENCY PLANNING

In addition to limiting budget requests, we are asking that agencies consider how they might implement across the board budget cuts. This may be required if there is a gap in the FY 2009 budget year and/or insufficient revenue in FY 2010 to cover the mandatory items that must be funded. We would like agencies to start planning internally, how to implement a 1%, 3%, or 5% budget reduction. Each scenario should be based on the percentage of ongoing General/Education funds of an agency's FY 2009 budget. These plans should include a review of current programs, using performance metrics, to determine if they are meeting their intended purposes and whether or not they should be continued.

REQUESTS FOR ADDITIONAL FUNDING

Performance Metric Requirement:

All building block requests that include any new FTEs or are in excess of \$100,000 shall include objective and measurable criteria that will demonstrate the need, allow the agency to forecast, and GOPB to track the expected benefit or return derived from funding the request.

Existing Program Requests:

Requests for existing programs must be submitted based on the following criteria:

- **Mandatory Items**
 1. Federal mandates or federal match rate changes
 2. Caseload growth for federal or state mandated programs
 3. Existing critical programs for which an imminent risk to public health and safety exists
 4. Replacement of one-time funding for critical ongoing programs

- **Other Items**
 1. **Requests that do not fit the above criteria will not be considered.**

New Program Requests:

Requests for new programs must be submitted based on the following guidelines:

- **Mandatory Items**
 1. Federal mandates
 2. Critical programs for which an imminent risk to public health and safety exists

- **Mandatory** new programs funded from federal funds, dedicated credits, fixed collections, and/or restricted funds must be submitted to GOPB as a request for a budget increase using Form 400 or Form 600.
- Any requests for additional FTE should include salary, benefits, and related current expenses (including the DHRM and DTS ISF rates), as well as objective metrics related to the need for additional staff.

Other Requests:

- **Budget requests that do not meet the mandatory criteria may not be submitted. All compensation issues will be coordinated at the statewide level.**
- **All funding requests, including requests external to state government, need to be submitted through a state agency.**

Legislation with Fiscal Impact:

- 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. An agency supporting legislation with a fiscal impact must submit a Form 400 or a Form 600.

FY 2009 Supplemental Requests:

- Requests for FY 2009 supplemental funding should follow the general guidelines listed above, regarding mandatory and other items. Because of the current FY 2009 appropriation limitation cap, FY 2009 supplemental recommendations will be limited.

Priority Ranking of Budget Requests by Agency:

- All budget requests including all mandatory items, legislation with fiscal impact and new programs must be ranked in priority order in one list for each fiscal year (FY 2009 and FY 2010). Ongoing items should NOT be ranked separately from one-time items.

OTHER CRITICAL AREAS OF GOPB REVIEW FOR FY 2010

- Increases in FTEs
- Increases/decreases in non-state funds, including federal funds, dedicated credits, fixed collections, and/or restricted funds
- Changes in nonlapsing fund balances and proposed uses
- Performance tracking of key agency drivers

BUDGET PREP

- Budget submissions for FY 2010 should be made using the current Budget Prep system. Budget Prep training will be held during the week of August 25 through August 29, 2008.

DUE DATES (SEE PAGE 7 FOR THE FULL DUE DATES CALENDAR)

- Building projects to DFCM **Friday, July 11, 2008**
- IT budget requests to DTS **Monday, August 18, 2008**
- Forms 400 and 600 **Monday, September 8, 2008**
- Final budget request package **Thursday, September 25, 2008**
- Federal Funds Summary **Monday, September 29, 2008**

STATE OF UTAH FY 2010 BUDGET GUIDELINES

GUIDELINES PURPOSE AND AUTHORITY

PURPOSE

These guidelines instruct entities on the procedure for preparing budget requests to the Governor. The Governor will review the requests, then prepare and submit his budget recommendations to the Legislature.

AUTHORITY

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.

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

INFORMATION SHARED WITH LEGISLATURE

To ensure consistency and accuracy of data, all agencies shall 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.

Methods of calculating financial information have been agreed upon by GOPB and the LFA. GOPB assistance is required when making financial calculations that will be presented to the Legislature.

Providing the Legislature with inconsistent numbers undermines an agency's credibility and trust, which are vital to the budgeting process. Inconsistencies increase the likelihood that budget requests will not be funded.

Agency financial information that is different from information calculated by GOPB should not be provided to the Legislature or other groups until a reconciliation of the differences is made and approved by GOPB.

It is critical that financial information shared by agencies with the Legislature be first given to GOPB and that it be consistent with any financial information calculated by GOPB.

FY 2010 BASE BUDGET

The FY 2010 base budget is calculated by starting with the FY 2009 General Fund, Education Fund, restricted funds, and Transportation Fund appropriations and reducing those amounts for one-time appropriations. The FY 2010 base budgets for these funds are shown in Tables 1 through 5.

Budgets should be built on FY 2009 funding levels minus one-time appropriations.

ISF rates should be incorporated into the budget.

As with other ISFs, agencies should budget for DHRM and DTS services based on anticipated utilization and FY 2009 rates. GOPB will evaluate FY 2010 ISF rate increases to determine statewide funding adjustments.

ONE-TIME APPROPRIATIONS

Column *b* in Tables 1 through 5 shows the amount for one-time appropriations that must be backed out of FY 2009 appropriations for General Fund, Education Fund, Transportation Fund, and restricted funds.

Base budgets are adjusted for number of working days.

WORKING HOURS

There are 2,088 working hours in FY 2010, as there were in FY 2009. Therefore, the FY 2010 base budgets will not need to be adjusted by an extra working day.

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

NON-STATE FUNDS

Agencies are to reserve a portion of their non-state funds (i.e., federal funds, dedicated credits, fixed collections, and restricted funds) to cover compensation and benefit changes. See the discussion under the heading “Personal Service Increases” for more information.

No new non-state funded programs without prior approval.

Agencies may not start or begin participation in non-state funded programs or activities without GOPB approval. Such financing 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 2010 Budget*.

Absorb inflation within base budgets.

INFLATION

Agencies are to fund inflationary increases for FY 2010 within existing budgets. GOPB may budget appropriate amounts for increases in statewide ISF rates.

INFORMATION TECHNOLOGY REQUESTS

IT requests due to DTS by Aug 18.

Requests for funding of projects, where the majority of the project is information technology related, must be submitted to the Department of Technology Services by **August 18**.

CAPITAL DEVELOPMENT - BUILDING PROJECTS

Building Projects not submitted to DFCM will not be included in the Governor’s budget.

Agencies requesting a building project for FY 2010 **must** submit a Needs Statement to DFCM by **July 11**. After review, DFCM will forward those statements to GOPB and the Building Board for further analysis. **State and non-state funded building projects 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 federal aid or planning to receive federal aid in the future must complete a Federal Funds Request Summary Report. These reports will be sent out separately by the GOPB budget analysts to each agency with specific instructions, and must be completed by **September 29, 2008**. The report should not be included in the budget request package. It should be turned in electronically by the due date.

Federal grants exceeding \$10 million require legislative approval during the session.

Federal grants with a state match exceeding \$1 million require legislative approval during session.

New federal programs may not be implemented without approval.

Any federal grant application in excess of \$10 million in federal funds, or \$1.0 million in state match, or requiring 11.0 or more additional permanent employees, **must be approved by the entire Legislature during the general session through the Federal Funds Request Summary Report.**

Without prior approval from GOPB and, where applicable, the Legislature, agencies may not begin a new program with federal aid, particularly if it creates an expectation that the State will maintain or continue this program or its infrastructure when the grant expires or is reduced.

Also, 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 loan or a grant fund should include estimates for revenue, expenditures, and loan amounts in its budget packages whether or not the funds are appropriated.

PERSONAL SERVICES

VACANCIES AND TURNOVER SAVINGS

Turnover savings must be budgeted.

Budget for and fund only those vacancies that are likely to be filled in FY 2009 and FY 2010. Do not include contingency positions, i.e. positions that, regardless of funding source, will only be filled under unusual or unanticipated circumstances. The inclusion of contingency positions could lead to funding reductions through the elimination of those positions by GOPB or the LFA.

GOPB will not recommend positions that are not fully funded.

House Bill 378, *State Accounting and Budgetary Procedures Amendments*, passed in the 2008 General Session, requires that the average vacant position savings be reported with annual budget submissions. However, at this time, the budget form and format for this report have not been completed. A supplement to these budget guidelines will be issued when these are complete.

Agencies should budget turnover savings for each program. Turnover savings reflect the amount of money saved when a budgeted position remains unfilled or is under-filled. Turnover savings should be shown as a negative dollar amount in each program's personal services budget.

PERSONAL SERVICES INCREASES

Agencies should submit budget requests based upon FY 2009 benefit and salary rates.

Funding sources for the recommended compensation package and changes in benefit rates will be determined from the information included on Forms 334 and 335 (Detail of One Percent Change). The following should be considered when completing these forms:

Federal funds, dedicated credits, and other non-state funding will also be used.

1. Compensation and benefit rate changes should be funded using the same funding ratio as the base budget for each program (taking into account pass-through federal and other funding). Programs with non-state funds (e.g. dedicated credits, restricted funds, federal funds, mineral lease revenue, and fixed collections) must set aside revenue from these sources to cover compensation and benefit changes.
2. If a program has insufficient non-state funding to cover its proportional share of personal services increases, it should consider raising fees, creating greater efficiencies, or reducing services to cover compensation cost increases. General Fund will not be used to replace or supplement other funding sources.

FTE CALCULATIONS

Authorized and request year full-time equivalent (FTE) counts should be comparable to actual year counts. Actual year FTE will be calculated by the Division of Finance for FY 2008 by dividing the total number of hours your agency paid by 2,088.

Follow standard rules to report FTE counts.

An FTE, by definition, equals the number of regular hours available for work during a given year. For FY 2009 and FY 2010 this equals 2,088 hours.

When calculating FTE for your agency for FY 2010 (and for entering FTE into Budget Prep), use the following rules:

1. Include all **permanent positions**, including seasonal, in FTE counts:
 - 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. A person budgeted to work 15 hours per week year-round is .374 FTE, or $15 \text{ (hours)} * 52 \text{ (weeks)} / 2,088$.
 - For full-time, part-year positions, divide the annual hours worked by 2,088. A person budgeted for six months at 40 hours per week is .50 FTE, or $40 \text{ (hours)} * 26 \text{ (weeks)} / 2,088$.
2. **Do not** include the following in FTE counts:
 - Board and commission members
 - Legislators
 - Temporary positions (AJ positions that are nine months or less)
 - Contracted positions
 - Overtime funded from turnover savings

When determining FTEs for your agency for FY 2009 (and for entering into Budget Prep), use the same rules outlined above.

VEHICLE REQUESTS

Additional vehicles must be requested through the budget process.

Agencies wishing to increase the number of vehicles in their fleet must do so through the budget process. This can be done by requesting intent language (Form 104), by requesting nonlapsing spending authority (Form 210), or by requesting new ongoing funding (Form 400). Regardless of the funding source, the agency should work with GOPB and the LFA to accurately reflect the anticipated number of vehicles in the LFA report to the appropriations subcommittee.

PERFORMANCE MEASURES

This year, additional emphasis is placed on performance measures and their alignment with the balanced scorecard.

Agencies are required to provide an inventory of existing performance measures used to evaluate the effectiveness and efficiency of each program. **These should be the same measures used in the program level balanced scorecard.** The LFA will use performance measures submitted with budget requests in its written budget presentations. Please use Form 361 to list the performance measures used by each agency.

LEGISLATION

BILLS

Submit all known legislation to GOPB with the budget package.

Agencies must submit a summary of any upcoming legislation on Form 105 by **September 25, 2008**. This includes legislation *with and without a fiscal impact and bills proposed by others 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

Submit intent language requests to GOPB.

Agencies desiring legislative intent statements must submit them on Form 104 for approval along with their budget requests by **September 25, 2008**.

REQUIRED BUDGET FORMS AND REPORTS

Specific forms and Budget Prep reports must be submitted to GOPB.

The required forms and Budget Prep reports for Budget Prep users are shown in Appendix One. ***It is suggested that agencies submit Budget Prep files electronically to GOPB for review and approval before printing and submitting hard copies of reports.*** The required forms for non-Budget Prep users are shown in Appendix Two.

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.

DEADLINES

Below is a planning and budget calendar for the FY 2010 budget cycle. Deadlines for the submission of budget data begin **September 8, 2008** and continue through **September 25, 2008**. Required data must be submitted on or before the specified due date.

Agencies not using Budget Prep are required to submit electronic data in a Budget Prep-compatible format. That data is due on or before **September 25, 2008**.

Task forces, commissions, and study groups that have recommendations or requests that fiscally impact the State and want them to be considered in the Governor's recommendations process, should submit recommendations through the appropriate agency to GOPB by **September 8, 2008**.

FY 2010 PLANNING AND BUDGET CALENDAR

- 2008 -

July 9	Guidelines Released
July 11	Building Project Needs Statements due to DFCM
August 18	IT requests due to the Department of Technology Services (DTS)
August 19	Statewide ISF Rate Approval Meeting (proposed changes)
August 25	Budget Prep Beginning Training
August 26	Statewide ISF Rate Approval Meeting (proposed changes)
August 29	Budget Prep Beginning Training
August 29	DAS, DTS, DHRM, Human Services, Natural Resources, and Public Ed submits completed ISF forms to Division of Finance for review
September 2	Final ISF Rate Committee Meeting if needed
September 8	Preliminary Requests Forms 400 (Bldg. Block) and 600 (Supplemental) Due to GOPB Budget Analyst
September 25	Final Budget Package Due to GOPB Budget Analyst
September 25	Summary of Upcoming Legislation due
September 25	Performance Measures Inventory due
September 25	Form 102 - Summary of Significant Cost Drivers Affecting Budgets due
September 29	Federal Funds Summary due to GOPB federal funds analyst
October 6	Building Board Hearings on Capital Development Projects
October 20	Building Board Prioritization and Recommendations
Oct. 20 - Oct. 31	Governor's Budget Briefings (tentative dates)
December 1	Last Day for Governmental Entities to File Bills
Mid-December	Governor's Recommendations Released
December 16	Executive Appropriations Committee sets Legislative Priorities

- 2009 -

January 19	Legislative Session Begins
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**BUDGET PREP Users
Required FY 2010
Budget Forms and Budget Prep Reports**

Agencies using Budget Prep must submit the following listed forms along with their Budget Prep documents. The forms must be prepared in Excel.

Please note that the roll-up of state funds (General Fund, Education Fund, and Transportation Fund) on budget forms and in Budget Prep for actual and authorized year must equal appropriations for those years. *See FY 2010 Budget Guidelines Tables* at:

<http://governor.utah.gov/gopb/budget.html>

Submit electronic files and three hard copies by Thursday - September 25, 2008. Agencies are encouraged to submit draft copies early to GOPB analysts for review prior to submitting the official three hard copies.

A. Required Budget Forms

I. List of Forms to be prepared at the Department (100) level

Form 102	Summary of Significant Cost Drivers Affecting Budgets
Form 103	Mission Statement, Goals/Objectives, and Recent Accomplishments
Form 104	Legislative Intent Statements
Form 105	Preliminary Legislative Issue Analysis/Recommendation
Form 150	Department Budget Increase Summary - FY 2010 Building Blocks
Form 151	Department Budget Increase Summary - FY 2009 Supplementals

II. List of Forms to be prepared at the Division/Line Item (200) level

Form 210	Nonlapsing Summary by Line Item
Form 225	Schedule of Fees
Form 250	Operation and Maintenance Expenditures

III. List of Forms to be prepared at the Program (300) level. The following forms must be prepared for the Program (300) level and consolidated into the 200-level documents.

Form 360	Program Description
Form 361	Performance Measures Inventory
Form 371	Summary of Dedicated Credits
Form 383	Leases
Form 383A	Requested Lease Detail
Form 400	Request for Increase in Funds for FY 2010 Budget
Form 400A	Request for Increase in Funds detail calculations
Form 600	Request for Funds for FY 2009 Supplementals
Form 600A	Request for Supplemental Funds detail calculations

Instructions for Preparation of FY 2010 Budget Forms

a) FORMS TO BE PREPARED AT THE DEPARTMENT (100) LEVEL

Form 102, Summary of Cost Drivers Affecting Budgets, 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 affect current and future budget concerns.

Form 103, Mission Statement, Goals/Objectives, and Recent Accomplishments, highlights the department mission statement and collects information on department goals and objectives. Space is also provided to collect data on recent department accomplishments. Use the samples as guidelines for simple, concise statements.

Form 104, Legislative Intent Statements, summarizes information on all legislative intent statements requested by the department.

Form 105, Preliminary Legislative Issue Analysis/Recommendation, summarizes information on all proposed legislation or other significant issues that may affect the department regardless of whether the department is supporting the legislation or whether the legislation will cause a financial impact on the department. Agencies are required to submit a form for each piece of potential legislation it is aware of.

Form 150, Department Budget Increase Summary - FY 2010 Building Blocks, provides a summary of all department FY 2010 ongoing and one-time budget increase requests, ranked in priority order. Each department must submit one **Form 150** summarizing, in priority order, all FY 2010 requests. Each budget increase on this form must have a corresponding **Form 400 and 400A**. All “total” rows and columns are automatically calculated by the spreadsheet.

Form 151, Department Budget Increase Summary - FY 2009 Supplementals, provides a summary of all department FY 2009 one-time budget increase requests, ranked in priority order. Each department must submit one **Form 151** summarizing, in priority order, all FY 2009 supplemental requests. Each budget increase on this form must have a corresponding **Form 600 and 600A**. All “total” rows and columns are automatically calculated by the spreadsheet.

b) FORMS TO BE PREPARED AT THE DIVISION/LINE ITEM (200) LEVEL

Form 210, Nonlapsing Summary by Line Item, identifies requests for nonlapsing funds, should these funds become available, for anticipated amounts carried forward from FY 2009 for use in FY 2010, as allowed by UCA 63-38-8.1. Show the requested amount by expenditure category by line item. Use “other” category only when an item cannot be incorporated into existing listed categories.

Form 225, Schedule of Fees, provides information on fees and proposed fee increases. List the title of all fees, both authorized and proposed. Give the current rate of existing fees, the proposed rate for new fees or fee rate changes, and the percent increase (automatically calculated by the spreadsheet) where applicable. The estimated number of units will be used to calculate the estimated total revenue from each source of fees. State the purpose for any proposed fee rate increase or increase in the number of fee units. For a definition of “regulatory fee”, see UCA 63-38-3.2(1)(d).

Form 250, Operation and Maintenance Expenditures, shows operation and maintenance costs, related FTEs, and related square footage by division. Agencies that track these costs at the department level may

prepare a single form for their agency. All “total” rows and columns, plus the percentage increase are automatically calculated by the spreadsheet.

c) FORMS TO BE PREPARED AT THE PROGRAM (300) LEVEL

Form 360, Program Description, identifies and describes programs and lists goals, objectives, and performance measures at the program level. Please include a five year history of the three most important performance measures for this program, plus projections for FY 2009 and FY 2010. A separate **Form 360** must be filled out for each program within a budgetary line item or 200-level organization.

Form 361, Performance Measures Inventory, is used to list performance measures your agency currently uses to evaluate each program, as well as the most recent value for each measure. These should be the same measures used in the program level balanced scorecard. The LFA will use performance measures submitted with budget requests in its written budget presentations before appropriations subcommittees. A separate **Form 361** must be filled out for each program within a budgetary line item or 200-level organization.

Form 371, Summary of Dedicated Credits, provides budgetary information for dedicated credits using the FINET accounting system. This form must be completed by any program receiving dedicated credits. Please fill out this form to provide the dedicated credit detail information. First, list the name of the dedicated credit. Next, list the largest state programs funded with each dedicated credit, as well as the related percent. Also, provide the associated authority reference (i.e. UCA reference, Administrative Rule, etc.), as well as the FINET account code. Show the amounts for the Actual, Authorized, and Request years. Finally, show up to four rates for the dedicated credit and briefly describe the method used to determine the rate.

Form 383, Leases, is necessary per UCA 63A-3-103 and UCA 63-38-2, which require a complete analysis of lease obligations entered into by state agencies. Any agency with either capital or operating leases must prepare and submit these forms as part of the budgeting process. The criteria for the lease categories are:

Capital Leases (meets **one** of the following criteria): 1) Title transfers to the purchaser; 2) there is a bargain purchase option; 3) the lease term is greater than 75% of the asset's remaining useful life (this does not require capital lease classification if the beginning of the lease term falls within the last 25% of the total estimated economic life of the property); or 4) the net present value of the lease payments is greater than 90% of the current fair market value of the asset (this does not require capital lease classification if the beginning of the lease term falls within the last 25% of the total estimated economic life of the property).

Operating Leases (meets **all** of the following criteria): 1) the lease does not meet any of the capital lease criteria (generally rent); 2) the lease cannot be canceled; and 3) the lease does not expire within one year.

Form 383 should include information concerning current leases and newly requested leases. For capital leases, it is necessary to list the projected principal and interest payments for the years listed. For operating leases, only the annual payment is required. For capital leases, the payment on the principal should equal the amount in object 7301 (Loan Repayment), and the payment on the interest should equal the amount in object 6266 (Capital Lease Interest). For operating leases, the total annual payment should equal the amount in objects 6161-6166 (facility related), 6587-6588 (DP related), and 6265 (Interest and Carrying Charges).

Form 383A, Requested Lease Detail, must be completed for all leases requested. Completion of this form requires the following: 1) description of the item to be leased; 2) lease period in years; 3) interest rate (for capital leases only); 4) projected annual payments for the years listed (for capital leases, specify how much is principal and how much is interest); and 5) total.

Form 400 and 400A, Request for Increase in Funds for FY 2010 Budget, must be completed to describe and to justify all requests for additional resources above the base budget. Refer to the *State of Utah FY 2010 Budget Guidelines* for appropriate directions.

Use a separate **Form 400 and 400A** for each FY 2010 ongoing or one-time budget increase request, and **organize them in priority order**. This form should include: 1) descriptive title of the budget increase; 2) the priority ranking of this budget increase request as part of a continuous ranking of all requests for the entire department; 3) circled indicators of ongoing vs. one-time and whether legislation is needed; 4) the authority reference mandating this request; 5) a three year history of appropriate workload measures and projections for FY 2009 and FY 2010; 6) the related goals, objectives, and performance measures; and 7) detailed calculations of projected Financing and Expenditures. Round all figures to the nearest \$100. Indicate any additional funds which might be required for this request in future years.

Form 600, Request for Funds for FY 2009 Supplemental, must be completed to describe and justify all requests for FY 2009 supplemental appropriations. Refer to the *State of Utah FY 2010 Budget Guidelines* for appropriate directions.

Use a separate **Form 600 and 600A** for each FY 2009 one-time supplemental request, and **organize them in priority order**. This form should include: 1) descriptive title of the budget increase; 2) the priority ranking of this budget increase request as part of a continuous ranking of all requests for the entire department; 3) circled indicators of ongoing vs. one-time and whether legislation is needed; 4) the authority reference mandating this request; 5) a three year history of appropriate workload measures and projections for FY 2009 and FY 2010; 6) the related goals, objectives, and performance measures; and 7) detailed calculations of projected Financing and Expenditures. Round all figures to the nearest \$100. Indicate any additional funds which might be required for this request in future years.

Forms 400, 400A, 600 and 600A outlining your building block and supplemental requests are **DUE** to your GOPB analyst by **Monday - September 8, 2008**.

B. Required Budget Prep Reports

Agencies using Budget Prep must submit the following Budget Prep reports with their budget requests due **September 25, 2008**. *It is suggested that agencies submit Budget Prep files electronically to GOPB for review and approval prior to printing and submitting hard copies of reports.*

I. Before Printing All Reports for GOPB, Round Data to the Nearest \$100

Post Totals in Budget Prep to:

- Round Actual Year
- Round Authorized Year
- Round Request Year
- Select entire agency

II. Department Level Category Reports

1) Base Budget - Value Difference Category Report

Select the following options from the Reports main menu:

- Other Reports - Value Difference
- Detail - Category
- Roll-up Level - 1
- Scope - Base Budget
- Columns - Actual, Authorized, Request

2) Budget Increases - Value Difference Category Report

Select the following options from the Reports main menu:

- Other Reports - Value Difference
- Detail - Category
- Roll-up Level - 1
- Scope - Budget Increases
- Columns - Actual, Authorized, Request

III. Division (Line Item) Level Category Reports

1) Base Budget - Value Difference Category Report

Select the following options from the Reports main menu:

- Other Reports - Value Difference
- Detail - Category
- Roll-up Level - 2
- Scope - Base Budget
- Columns - Actual, Authorized, Request

2) Budget Increases - Value Difference Category Report

Select the following options from the Reports main menu:

- Other Reports - Value Difference
- Detail - Category
- Roll-up Level - 2
- Scope - Budget Increases
- Columns - Actual, Authorized, Request

IV. Program Level Category Reports

1) Base Budget - Value Difference Category Report

Select the following options from the Reports main menu:

- Other Reports - Value Difference
- Detail - Category
- Roll-up Level - 3
- Scope - Base Budget
- Columns - Actual, Authorized, Request

2) Budget Increases - Value Difference Category Report

Select the following options from the Reports main menu:

- Other Reports - Value Difference
- Detail - Category
- Roll-up Level - 3
- Scope - Budget Increases
- Columns - Actual, Authorized, Request

Note: If your agency level 3 orgs do not represent a program, you must print the following appropriation unit reports instead of the two reports listed above:

1) Appropriation Unit Category Report - Base Budget

Select the following options from the Reports main menu:

- Other Reports - Appropriation Unit
- Detail - Category
- Scope - Base Budget

2) Appropriation Unit Category Report - Budget Increases

Select the following options from the Reports main menu:

- Other Reports - Appropriation Unit
- Detail - Category
- Scope - Budget Increases

V. Program Level Object Reports

1) Base Budget - Value Difference Object Report

Select the following options from the Reports main menu:

- Other Reports - Value Difference
- Detail - Object
- Roll-up Level - 3
- Scope - Base Budget
- Columns - Actual, Authorized, Request

2) Budget Increases - Value Difference Object Report

Select the following options from the Reports main menu:

- Other Reports - Value Difference
- Detail - Object
- Roll-up Level - 3
- Scope - Budget Increases
- Columns - Actual, Authorized, Request

Note: If your agency level 3 orgs do not represent a program, you must print the following appropriation unit reports instead of the two reports listed above:

1) Appropriation Unit Object Report - Base Budget

Select the following options from the Reports main menu:

- Other Reports - Appropriation Unit
- Detail - Object
- Scope - Base Budget

2) Appropriation Unit Object Report - Budget Increases

Select the following options from the Reports main menu:

- Other Reports - Appropriation Unit
- Detail - Object
- Scope - Budget Increases

VI. Personnel Reports

1) Base Budget -Personnel Summary Report

Select the following options from the Reports main menu:

- Personnel - Summary
- Roll-up Level - 3
- Scope - Base Budget

2) Budget Increases - Personnel Summary Report

Select the following options from the Reports main menu:

- Personnel - Summary
- Roll-up Level - 3
- Scope - Budget Increases

Note: If your agency level 3 orgs do not represent a program, you must print the following appropriation unit personnel reports instead of the two listed above:

1) Personnel - Summary by Appropriation Unit - Base Budget

Select the following options from the Reports main menu:

- Personnel - Summary by Appropriation Unit
- Scope - Base Budget

2) Personnel - Summary by Appropriation Unit - Budget Increases

Select the following options from the Reports main menu:

- Personnel - Summary by Appropriation Unit
- Scope - Budget Increases

VII. Program Compensation Reports

1) Compensation Package Funding Report - 1% MERIT

Select the following options from the Reports main menu:

- Compensation Package - Funding
- Roll-up Level - 3
- Columns - Request Year
- Compensation Package Calculations
 - Merit % - 1.0
 - Cola % - 0.0
 - Longevity % - 0.0

Press Calc. Compensation Button

2) Compensation Package Funding Report - 1% COLA

Select the following options from the Reports main menu

- Compensation Package - Funding
- Roll-up Level - 3
- Columns - Request Year
- Compensation Package Calculations
 - Merit % - 0.0
 - Cola % - 1.0
 - Longevity % - 0.0

Press Calc. Compensation Button

Note: If your agency level 3 orgs do not represent a program, you must print the following appropriation unit reports instead of the two reports listed above:

1) Compensation Package - Funding by Appropriation Unit Report - 1% MERIT

Select the following options from the Reports main menu:

- Compensation Package - Funding by Approp.
- Columns - Request Year
- Compensation Package Calculations
 - Merit % - 1.0
 - Cola % - 0.0
 - Longevity % - 0.0

2) Compensation Package - Funding by Appropriation Unit Report - 1% COLA

Select the following options from the Reports main menu:

- Compensation Package - Funding by Approp.
- Columns - Request Year
- Compensation Package Calculations
 - Merit % - 0.0
 - Cola % - 1.0
 - Longevity % - 0.0

Press Calc. Compensation Button

**Non-BUDGET PREP Users
Required FY 2010 Budget Forms**

For agencies unable to prepare their entire basic request in BudgetPrep at all levels, these forms must be prepared in Excel.

In general, start with the Program (300+) level forms first; followed by forms for the Line Item/Division (200) level; and finally prepare the Department (100) level forms. Please note that the roll-up of state funds (General Fund, Education Fund, and Transportation Fund) for the actual and authorized years must equal appropriations for those years. See *FY 2010 Budget Guidelines Tables* at:

<http://governor.utah.gov/gopb/budget.html>

Submit electronic files and three hard copy sets in binders by September 25, 2008. Agencies are encouraged to submit draft copies early to GOPB analysts for review prior to submitting the official three hard copies.

I. List of Forms to be prepared for the Department (100) level.

Form 100	Department Revenue and Expenditure Category Summary
Form 101	Department Line Item Summary
Form 102	Summary of Significant Cost Drivers Affecting Budgets
Form 103	Mission Statement, Goals/Objectives, and Recent Accomplishments
Form 104	Legislative Intent Statements
Form 105	Preliminary Legislative Issue Analysis/Recommendations
Form 150	Department Budget Increase Summary - FY 2010 Building Blocks
Form 151	Department Budget Increase Summary - FY 2009 Supplementals

II. List of Forms to be prepared at the Line Item/Division (200) level. These forms must be prepared for the Line Item/Division (200) level and consolidated into the 100-level documents.

Form 200	Line Item Revenue and Expenditure Category Summary
Form 201	Program Summary Within Line Item
Form 210	Nonlapsing Summary by Line Item
Form 225	Schedule of Fees
Form 250	Operation and Maintenance Expenditures

III. List of Forms to be prepared at the Program (300) level. The following forms must be prepared for the Program (300) level and consolidated into the 200-level documents.

Form 300	Program Revenue and Expenditure Category Summary
Form 301	Program Expenditure Detail
Form 330	Program Salaries Summary
Form 333	Detail of Employee Benefits
Form 334	Cost-of-Living Adjustment (COLA) - Detail of One Percent Change
Form 335	Performance and Productivity (Merit) - Detail of One Percent Change
Form 360	Program Description
Form 361	Performance Measures Inventory
Form 371	Summary of Dedicated Credits
Form 383	Leases

Form 383A	Requested Lease Detail
Form 400	Request for Increase in Funds for FY 2010 Budget
Form 400A	Request for Increase in Funds detail calculations
Form 600	Request for Funds for FY 2009 Supplementals
Form 600A	Request for Supplemental Funds detail calculations

Instructions for Preparation of FY 2010 Budget Forms

a) FORMS TO BE PREPARED AT THE DEPARTMENT (100) LEVEL

Form 100, Department Revenue and Expenditure Category Summary, lists all sources of financing for the department and details department expenditures by category of expense (personal services, travel, current expense, etc.) This form must equal the total of all **200** forms for the entire department. Beginning balances must equal the absolute value of the closing balances for the previous year. Total financing must equal total expenditures, and all figures must be rounded to the nearest \$100. All “total” rows and columns, plus the percentage increase are automatically calculated by the spreadsheet.

Form 101, Department Line Item Summary, summarizes the expenditure total for each department by line item. Totals must be provided for the FY 2008 actual year, the work program for the FY 2009 authorized year, the base request for FY 2010, and the budget increase request for FY 2010 for all new or expanded programs. The total request and percentage increase are automatically calculated by the spreadsheet. The form should list expenditure totals for each line item of appropriation within the department, and, therefore, should be the total of all **201** forms.

Form 102, Summary of Significant Cost Drivers Affecting Budgets, 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 agencywide issues that affect current and future budget concerns.

Form 103, Mission Statement, Goals/Objectives, and Recent Accomplishments, highlights the department mission statement and collects information on department goals and objectives. Space is also provided to collect data on recent department accomplishments. Use the samples as guidelines for simple, concise statements.

Form 104, Legislative Intent Statements, summarizes information on all legislative intent statements requested by the department.

Form 105, Preliminary Legislative Issue Analysis/Recommendation, summarizes information on all proposed legislation or other significant issues that may affect the department regardless of whether or not the department is supporting the legislation or the legislation will cause a financial impact on the department. Agencies are required to submit a form for each piece of potential legislation it is aware of.

Form 150, Department Budget Increase Summary - FY 2010 Building Blocks, provides a summary of all department FY 2010 ongoing and one-time budget increase requests, ranked in priority order. Each department must submit one **Form 150** summarizing, in priority order, all FY 2010 requests. Each budget increase on this form must have a corresponding **Form 400 and 400A**. All “total” rows and columns are automatically calculated by the spreadsheet.

Form 151, Department Budget Increase Summary - FY 2009 Supplementals, provides a summary of all department FY 2009 one-time budget increase requests, ranked in priority order. Each department must submit one **Form 151** summarizing, in priority order, all FY 2009 supplemental requests. Each budget increase on this form must have a corresponding **Form 600 and 600A**. All “total” rows and columns are automatically calculated by the spreadsheet.

b) FORMS TO BE PREPARED AT THE DIVISION/LINE ITEM (200) LEVEL

Form 200, Line Item Revenue and Expenditure Category Summary, presents the line item financing and expenditures. This form must be completed for each line item. Totals for this form will be provided by accumulating **Form(s) 300 - Program Revenue and Expenditure Category Summary**. Beginning balances must equal the absolute value of the closing balances for the previous year. The amounts on the Total Expenditures line must equal the amounts on the Total Financing line. All figures must be rounded to the nearest \$100. All “total” rows and columns, plus the percentage increase are automatically calculated by the spreadsheet.

Form 201, Program Summary Within Line Item, shows past expenditures and current requests for all programs in a line item. This form must be completed for each line item. Totals for this form are provided by accumulating **Form(s) 301 - Program Expenditure Detail**. The amounts on the Total Expenditures line for **Form 201** must equal the amounts on both the Total Expenditures and Total Financing lines on **Form 200**. All “total” rows and columns, plus the percentage increase are automatically calculated by the spreadsheet.

Form 210, Nonlapsing Summary by Line Item, identifies requests for nonlapsing funds, should these funds become available, for anticipated amounts carried forward from FY 2009 for use in FY 2010. Show the requested amount by expenditure category by line item. Use “other” category only when an item cannot be incorporated into existing listed categories.

Form 225, Schedule of Fees, provides information on fees and proposed fee increases. List the title of all fees, both authorized and proposed. Give the current rate of existing fees, the proposed rate for new fees or fee rate changes, and the percent increase (automatically calculated by the spreadsheet) where applicable. The estimated number of units will be used to calculate the estimated total revenue from each source of fees. State the purpose for any proposed fee rate increase or increase in the number of fee units. For a definition of “regulatory fee,” see UCA 63-38-3.2(1)(d).

Form 250, Operation and Maintenance Expenditures, shows operation and maintenance costs, related FTEs, and related square footage by division. Agencies that track these costs at the department level may prepare a single form for their agency. All “total” rows and columns, plus the percentage increase are automatically calculated by the spreadsheet.

c) FORMS TO BE PREPARED AT THE PROGRAM (300) LEVEL

Form 300, Program Revenue and Expenditure Category Summary, lists the categories of expenditure and sources of funding for a given program. Beginning balances must equal the absolute value of the closing balances for the previous year. The Total Financing must equal Total Expenditures, and all figures must be rounded to the nearest \$100. Include full-time equivalents (FTEs) for all three years. All “total” rows and columns, plus the percentage increase are automatically calculated by the spreadsheet.

Form 301, Program Expenditure Detail, summarizes each specific program by object of expenditure. This form must be completed for each program. Use as many lines as needed for each object of

expenditure. Add additional forms, if necessary. Total Expenditures on **Form 301** must equal Total Expenditures on **Form 300**. All “total” rows and columns, plus the percentage increase are automatically calculated by the spreadsheet.

Form 330, Program Salaries Summary, provides salary and benefit expenditures by individual position and class title for the current authorized year. This form must be completed for each program in which salaries and wages are expended. Show all approved positions, including vacancies, to account for all personal services expenditures for the current fiscal year. Use as many pages as necessary. All “total” rows and columns are automatically calculated by the spreadsheet.

Form 333, Detail of Employee Benefits, provides a framework to accumulate employee benefits. Make computations for the benefits according to the most current employer contribution rates. Insert rates, as appropriate. For Health and Dental insurance, use a weighted average rate for each of the three categories, which best represents the total expenditure. All “total” rows and columns are automatically calculated by the spreadsheet.

Form 334, Cost-of-Living Adjustment (COLA), shows the additional costs of a one percent change in personal services, based upon a cost-of-living increase (COLA). See the section on Personal Services in *State of Utah FY 2010 Budget Guidelines* for assistance in determining the source of funds for these adjustments. All “total” rows and columns are automatically calculated by the spreadsheet.

Form 335, Performance and Productivity (Merit), shows the additional costs for a one percent change in personal services, based upon a performance and productivity (merit) increase. See section on Personal Services in *State of Utah FY 2010 Budget Guidelines* for assistance in determining the source of funds for these adjustments. All “total” rows and columns are automatically calculated by the spreadsheet.

Form 360, Program Description, identifies and describes programs and lists goals, objectives, and performance measures at the program level. Please include a five-year history of the three most important performance measures for this program, plus projections for FY 2009 and FY 2010. A separate **Form 360** must be filled out for each program within a budgetary line item or 200-level organization.

Form 361, Performance Measures Inventory, is used to list performance measures your agency currently uses to evaluate each program, as well as the most recent value for each measure. These should be the same measures used in the program level balanced scorecard. The LFA will use performance measures submitted with budget requests in its written budget presentations. Please use Form 361 to list the performance measures used by each agency. A separate **Form 361** must be filled out for each program within a budgetary line item or 200-level organization.

Form 371, Summary of Dedicated Credits, provides budgetary information for dedicated credits using the FINET accounting system. This form must be completed by any program receiving dedicated credits. First, list the name of the dedicated credit. Next, list the largest state programs funded with each dedicated credit, as well as the related percent. Also, provide the associated authority reference (i.e. UCA reference, Administrative Rule, etc.), as well as the FINET account code. Show the amounts for the Actual, Authorized, and Request years. Finally, show up to four rates for the dedicated credit and briefly describe the method used to determine the rate.

Form 383, Leases, is necessary per UCA 63A-3-103 and UCA 63-38-2, which require a complete analysis of lease obligations entered into by state agencies. Any agency with either capital or operating leases must submit these forms as part of the budgeting process. The criteria for the lease categories are:

Capital Leases (meets **one** of the following criteria): 1) Title transfers to the purchaser; 2) there is a bargain purchase option; 3) the lease term is greater than 75% of the asset's remaining useful

life (this does not require capital lease classification if the beginning of the lease term falls within the last 25% of the total estimated economic life of the property); or 4) the net present value of the lease payments is greater than 90% of the current fair market value of the asset (this does not require capital lease classification if the beginning of the lease term falls within the last 25% of the total estimated economic life of the property).

Operating Leases (meets **all** of the following criteria): 1) the lease does not meet any of the capital lease criteria (generally rent); 2) the lease cannot be canceled; and 3) the lease does not expire within one year.

Form 383 should include information concerning current leases and newly requested leases. For capital leases, it is necessary to list the projected principal and interest payments for the years listed. For operating leases, only the annual payment is required. For capital leases, the payment on the principal should equal the amount in object 7301 (Loan Repayment), and the payment on the interest should equal the amount in object 6266 (Capital Lease Interest). For operating leases, the total annual payment should equal the amount in objects 6161-6166 (facility related), 6587-6588 (DP related), and 6265 (Interest and Carrying Charges).

Form 383A, Requested Lease Detail, must be completed for all leases requested. Completion of this form requires the following: 1) description of the item to be leased; 2) lease period in years; 3) interest rate (for capital leases only); 4) projected annual payments for the years listed (for capital leases, specify how much is principal and how much is interest); and 5) total.

Form 400 and 400A, Request for Increase in Funds for FY 2010 Budget, must be completed to describe and to justify all requests for additional resources above the base budget. Refer to the *State of Utah FY 2010 Budget Guidelines* for appropriate directions.

Use a separate **Form 400 and 400A** for each FY 2010 ongoing or one-time budget increase request, and **organize them in priority order**. This form should include: 1) descriptive title of the budget increase; 2) the priority ranking of this budget increase request as part of a continuous ranking of all requests for the entire department; 3) circled indicators of ongoing vs. one-time and whether legislation is needed; 4) the authority reference mandating this request; 5) a three year history of appropriate workload measures and projections for FY 2009 and FY 2010; 6) the related goals, objectives, and performance measures; and 7) detailed calculations of projected Financing and Expenditures. Round all figures to the nearest \$100. Indicate any additional funds which might be required for this request in future years.

Form 600, Request for Funds for FY 2009 Supplemental, must be completed to describe and justify all requests for FY 2009 supplemental appropriations. Refer to the *State of Utah FY 2010 Budget Guidelines* for appropriate directions.

Use a separate **Form 600 and 600A** for each FY 2009 one-time supplemental request, and **organize them in priority order**. This form should include: 1) descriptive title of the budget increase; 2) the priority ranking of this budget increase request as part of a continuous ranking of all requests for the entire department; 3) circled indicators of ongoing vs. one-time and whether legislation is needed; 4) the authority reference mandating this request; 5) a three year history of appropriate workload measures and projections for FY 2009 and FY 2010; 6) the related goals, objectives, and performance measures; and 7) detailed calculations of projected Financing and Expenditures. Round all figures to the nearest \$100. Indicate any additional funds which might be required for this request in future years.

Forms 400, 400A, 600 and 600A outlining your building block and supplemental requests are **DUE** to your GOPB analyst by **Monday - September 8, 2008**.

**BUDGET PREP Users
Special Instructions for
Fixed Funding Transfers to Fleet Operations and DFCM**

If the Division of Finance transferred fixed funding from your agency to

- 1) Fleet Operations in order to purchase a new vehicle or vehicle upgrade, or
- 2) DFCM for a planning or construction project,

you should still include the transferred amounts as part of your fixed funding for budget purposes. Thus, this funding should be included in Budget Prep for your agency.

By including these transfer amounts for budgeting purposes, agency base budgets will not be negatively impacted. However, the amount of fixed funding reported for budgeting purposes will differ from the amount reported in FINET by the amount of the transfer.

In order to balance revenues with expenditures for budget reporting, you will need to manually enter a related expenditure in Budget Prep to offset the transferred funding included in your budget reports. This is accomplished in Budget Prep as follows:

From the Main Screen:

Click on “Add Categories”

Select “E TR Transfers” from the list and double click

From the Main Screen:

Select the “E TR Transfers” row and double click

Click on “Add Objects”

Click on “Expenditure Code Maintenance”

Select “E TR Transfers” from the list

Click on “Add Object”

From the Expenditure Code Entry Screen:

Enter the following information:

Category - **TR**

Name - **TRANSFERS**

Object - **8700**

Name - **TRANSFERS TO FLEET**

or 8800

or TRANSFERS TO DFCM

Click on “Save”

Click on “Quit”

Click on “Cancel”

From Objects Screen:

Click on “Add an Object”

Enter 8700 or 8800

Select “Add”

Enter the amount of the transfer in the appropriate fiscal year (typically “Actual”)

Click on “Save”