

OFFICE OF STATE FINANCE
DIVISION OF THE BUDGET
2300 NORTH LINCOLN BOULEVARD, SUITE 122
OKLAHOMA CITY, OK 73105-4801
(405)521-2141 FAX (405)521-3902
June 1, 2011

FY-2012 Budget Work Program Instructions

State law (Title 62, Section 41.7c) says that agency Budget Work Programs (BWPs) are due “On or before the first day of June in each year, or as soon thereafter as possible...”

Once the Regular Session of the Legislature is over and appropriation bills have been enacted, the BWP needs to be submitted to OSF via the PeopleSoft (CORE) Budgeting System. Please be sure to accommodate all law changes that impact the agency for FY-2012. In the event of a Special Session, we will notify agencies of any necessary changes to the process.

Agency directors and / or finance officers are still required to provide a separate explanation of the assumptions and methodologies used in developing the FY-2012 BWP. Please be sure to read the requirements and address each of them in the material you send to us.

Legislative Impacts on Budget Work Programs

- The Legislature did not pass limit bills for most agencies. The result is that your agency will not have program, FTE, total expenditure or lease-purchase limits. This will give your agency added flexibility to respond to budget reductions.
- VOBO Reimbursement Fund – If your agency is requesting or has requested in FY-2011 reimbursement of Voluntary Out Benefit Offer costs, as allowed by HB 2363, please review the legislation and the instructions located on OSF’s website as this will affect your FTE budget. Please remember that even though your agency may not have a legislated FTE limit, if your agency receives reimbursement for VOBO costs per this legislation there will be an FTE limit set. The limit will be your current budgeted FTE less the number of employees taking the VOBO. This limit will be enforced for three years.
- Budgeting Furloughs – If your agency is budgeting furloughs in FY-2012, please contact your budget analyst.

Please Remember

- Position Budgeting is optional.
- Please avoid using the “Spread Evenly” function in your line-item budget. This function causes rounding error (unless the amount is evenly divisible by 4 if you budget quarterly or 12 if you budget monthly) in reporting and exporting to the General Ledger. As an alternative you can use the “Apply to All” function to apply the same amount to all periods.
- Validate Chartfields – The Core Budget Team developed this process to validate that all chartfields and budget reference are entered. In order to take advantage of it, you must

submit your working version upon completion of a department – Do Not copy to the master and submit the master.

- Submit your working version upon completion of a department – Do Not copy a completed department to the Master and Submit the Master Version. This will allow the system to validate that all line items have a class fund and budget reference.
- Agencies should enter their appropriated funds as revenue in their Line-Item budgets using the 631000 (if you budget at the Roll-Up level) or 631100 (if you budget at the Detail level). This process will allow agencies to see all revenues on their online analysis.
- Data Processing plans are due by July 1 to the OSF Data Processing Division.

Work Session Schedule

Working sessions will be conducted June 13 – June 17. The work sessions will be located in the basement floor training room (Room C-04) of the Will Rogers (DCS) Building. Here is the current work session schedule. We will contact you through Jeanie Robards with any changes:

Days: Monday, June 13, 2011, through Friday, June 17, 2011

Times: 9 a.m. until noon, each day

Where: DCS Training Room, C4, Will Rogers Building

To find C4, take the elevator to the basement, turn right and go through the large doorway. Through the doorway, you will turn left and following the hallway around and all the way to the end. The training room will be on the left side of the hallway.

Budgeting Expenditures by Program and by Quarter

Your budget should be prepared showing detailed information (at the seven-digit department level) for the programs identified by the Legislature in your annual appropriations bill and by OSF and legislative fiscal staff.

You should also submit your budget showing quarterly (can be monthly in the new system) expenditures based on when the money will actually be paid out. In other words, if you typically only pay two months worth of rent in the first quarter, then budget only that amount in the first quarter. Apply the same logic to your various departments and expenditure account codes for each quarter (month), as well as to your revenue account estimates.

Remember to show the increase in benefit costs at the first of the 2012 calendar year (i.e. do not spread the 512XX0 costs evenly across all periods). The PeopleSoft system (through Position Budgeting) automatically spreads personnel costs evenly over all periods. If your agency is using Position Budgeting, please use the adjustment line in Line-Item Budgeting in order to accurately reflect the increase in benefits costs at the first of the 2012 calendar year,

Please note that the fourth quarter budget amounts will include expenditures to be made during the fourth quarter plus expenditures normally made after the end of the fiscal year. The total FY-2012 BWP should reflect the total expenditures you plan to make for FY-2012 operations (whether the funds are spent in FY-2012 or in subsequent periods).

Budget Work Program Assumptions

To complete your BWP submission, you must explain the assumptions used to develop your budget. As a part of the BWP instructions, we've included material that will help you provide this information.

For each of the programs administered in your agency, explain caseload assumptions, inflation factors, and workload models utilized to develop your budget. The data you provide should represent how you determined the funding needs for each program. Your agency has goals and objectives that are measurable, and these should be reported. Please remember, you included goals and measures in the FY-2012 Budget Request. It is suggested that you review that information, update it and include it with your BWP submission.

Also include an explanation of the assumptions used in your revenue projections -- assumptions about fees, fines and forfeitures, etc. Please indicate if you use historical receipts trends or more sophisticated forecasting methodologies. Revenue assumptions should specifically indicate whether revenues are increasing or decreasing from the previous fiscal year, by how much and why for each continuing fund and each program.

More information on providing these assumptions is included at the end of these instructions.

FY-2011 Carryover Budgeted in FY-2012

Lapse date language for FY-2011 appropriations generally allows those funds to be carried forward to the FY-2012 budget. There are several factors to keep in mind as you include these carryover funds in your FY-2012 budget.

- Most FY-2011 funds can be used in FY-2012 once they are removed from the FY-2011 budget. Unless specifically changed by other legislation, the purpose of the appropriation does not change. Therefore, if an FY-2011 appropriation for "Motor Vehicles" was not entirely used in FY-2011, the amount that carries over to FY-2012 must still be used for "Motor Vehicles".
- These carryover funds need to be budgeted in the FY-2012 Budget Work Program before they can be spent for FY-2012 obligations.
- A new appropriation number will be assigned to these carryover funds;
- These funds have to be removed from the FY-2011 BWP prior to being programmed in FY-2012;
- Agencies will not be able to budget carryover funds in their initial FY-2012 budget, but will be able to do a revision in FY-2012 to budget them in their FY-2012 BWP;

- If not encumbered by June 30 and re-budgeted for FY-2012 prior to Nov. 15, 2011, most unexpended FY-2012 funds will lapse and the agency will lose them.

Program Budget Structure

FY-2012 Budget Model Surveys were sent to agency Finance officers. These surveys allowed you to request changes to your department structure, among other things, for FY-2012. If you did not turn in a survey, your FY-2012 budget model will be set up the same as your FY-2011 budget model (i.e. account and period level – detail or summary, position budget defaults for benefits and longevity and department structure).

Appropriation Line-items

Appropriations for FY-2012 included in agency appropriation bills will be effective July 1, 2011 or after. Various bills passed by the legislature to adjust or finalize agency appropriations may not have an emergency clause and may have an effective date of September 1. Appropriation adjustments can take several different forms and because of the later effective date, the amount of monthly cash allocations to your agency and the date on which we will allot these funds will be affected.

Check the effective date of the appropriations made to your agency. If the agency reconciliation bill contains an increase and / or decrease and is passed without an emergency clause, the appropriation changes made in the bill will not go into effect until September 1. For example, if an agency's reconciliation bill passed with decreased funding from 191 General Revenue and an increase in funding from the Special Cash Fund or another fund but did not pass with an emergency clause, the agency will receive 1/12 of the amount appropriated in XB XXX, the General Appropriations Bill for July and August. The decrease in General Revenue and increase in funding from other funds will be effective for the remaining ten months of the fiscal year. Please note, no funds / accounts, whether it is an increase or decrease, will be allotted prior to the effective date of the appropriation.

On the next page is a table describing when you can budget and allot these funds, and how cash allocations will be calculated for these funds. Generally, appropriations or appropriation changes that do not have an emergency clause in the enacting legislation will be effective with September allocations.

In all cases, funds should not be budgeted for expenditure in periods prior to when the cash will be made available to you.

Appropriations	Can Be Budgeted	Can Be Allotted	Cash Allocations will be based on
Agency appropriation bill not subsequently Amended	Full amount – now	July 1	1/12th of Total (a)
Reconciliation Bill Actions with no emergency, amendments to agency appropriation bill to increase the amount	Full amount – now	July 1	1/12th of total agency appropriation bill amount for July & August; 1/10th of the increase in appropriation from September through June
Reconciliation Bill Actions with no emergency, amendments to agency appropriation bill to decrease the amount	Decreased amount - now	July 1	1/12th of the amount appropriated in the agency appropriation bill effective July 1, decrease will be effective September 1 and incorporated in allocations from September through June
Appropriation changed or added in a bill with Emergency Clause and July 1 effective date	Full amount – now	July 1	1/12th of total (a)
Reconciliation Bill - appropriation from any cash fund with no emergency	Full amount – now	September 1	100% of total in September allocation

(a) 100% if from a cash appropriation. Much of common education's funds are distributed 1/11th of total for August through June.

If you have a situation not described above, call your budget analyst for guidance.

Employee Salaries

As a reminder to you, Title 74, Section 840-2.17 prohibits employee pay raises not authorized by the Legislature and OPM rules. Keep in mind that all personnel actions require certification by appointing authorities that the action can be implemented for the current fiscal year and the subsequent fiscal year without the need for additional funding to increase the personal services

budget. If you have any questions about pay issues, contact the Compensation Division of the Office of Personnel Management, (405) 522-0422.

Retirement System Contributions

Oklahoma Public Employees Retirement System (OPERS), the employer contribution rate remains at 16.5% [74 OS, Section 920 (5)].

Oklahoma Uniform Retirement System for Justices and Judges (OURSJJ), the employer contribution rate increases to 11.5% (20 OS, Section 1103.1).

Oklahoma Teachers Retirement System (OTRS), the employer contribution rate will be 9.5%.

Oklahoma Police Pension and Retirement System (OPPRS), the employer contribution rate is expected to continue at 13% [11 OS, Section 50-109].

Oklahoma Law Enforcement Retirement System (OLERS), the employer contribution rate will continue to be 10%.

F.I.C.A. Rates

Agencies' budget models are set up to account for the blended FICA rate over the two calendar years within our fiscal year (CY-2011 = \$106,800 and CY-2012 = \$111,000) F.I.C.A. taxes should be calculated using 7.65% [6.2% FICA plus 1.45% Medicare Qualified Federal Employee (MQFE)] on the first \$106,800 of taxable wages and 1.45% MQFE on all wages above \$106,800 for CY-2011. F.I.C.A. taxes should be calculated using 7.65% [6.2% FICA plus 1.45% Medicare Qualified Federal Employee (MQFE)] on the first \$111,000 of taxable wages and 1.45% MQFE on all wages above \$111,000 for CY-2012.

Note: In the CORE Budget system, the amount that is shown on the Position Data Record for taxes is not the correct amount, but the amount calculated for online analysis, reporting and line-item budgeting is correct. Do not change the amount shown in the Position Data Record.

Unemployment Taxes

In calendar year 2012, the annual tax rate is 1% of the employer's maximum base of \$19,800 for a total maximum of \$198 per employee per year (1% x \$19,800 = \$198).

Health Insurance Rates

The State will continue providing each employee with a fixed monthly benefit allowance for Plan Year 2012 (Jan. 1, 2012 through Dec. 31, 2012). The actual *agency* cost will depend on whether employees choose to cover their dependents. The State will continue providing funds for part of the employee's dependent health costs. If the employee chooses a plan with a cost that exceeds the benefit allowance, the employee will pay the difference. If the employee chooses a plan with a cost that is less than the benefit allowance, the employee will be allowed to take the

difference as taxable income or apply it to optional benefits such as dependent dental, vision coverage, supplemental life insurance, flexible spending accounts, etc.

It is important to note that any appropriations made to your agency for cost increases were based on an estimate. Cost increases vary depending on insurance rate fluctuations. If you have questions about insurance rates, or for details regarding the benefit allowance cost for your agency, contact Mr. Dan Melton, Deputy Director, Finance and Accounting, the Employees Benefits Council at (405) 232-1190 extension 110.

Chart #1: Employee Benefit Allowance for Plan Year 2011 (Monthly)

	Base Amount	Dependent Amount	Total
Employee only	\$603.29	-	\$603.29
Employee and 1 child	\$603.29	\$215.71	\$819.00
Employee and 2 or more children	\$603.29	\$342.52	\$945.81
Employee and spouse	\$603.29	\$632.87	\$1236.16
Employee, spouse and 1 child	\$603.29	\$848.58	\$1451.87
Employee, spouse and 2 or more children	\$603.29	\$975.39	\$1578.68

Estimated Employee Benefit Allowance: Chart #2 below is based on projected increases in HMO and HealthChoice premium rates for Plan Year 2012. It is important to note that Health, Dental, Life and Disability premiums (the core benefits package that makes up the benefits allowance) may actually be greater or less than the projected estimates, which would result in a different benefit allowance for Plan Year 2012. The actual benefit allowance for Plan Year 2012 will not be known until August 19, 2011.

In recent years, the Employees Benefits Council has had considerable success in minimizing premium increases in the private sector plans through its partnerships, cooperation and effective contract negotiations. For example, rates for Plan Year 2011 went up an average of 7.67 percent, which was below the national average increase for HMOs of 10 percent projected by Segal Consulting. Rates for 2010 were even more remarkable with an average increase of 5.86 percent after Hewitt Associates had projected national HMO premium rates would increase 11.8 percent.

A number of factors are taken into consideration when providing the projected increase, including:

- (1) Regional medical and prescription drug trend increases coupled with a less healthy population, linked to an older than average workforce and the blended inclusion of early retirees;

(2) Adverse selection being realized by the HMOs, as they are richer plans, which attract the less healthy population;

(3) Mandates of federal health care reform, the Patient Protection and Affordable Care Act of 2010, PL111-148, as amended by The Health Care and Education Reconciliation Act of 2010, PL111-152.

Chart #2: Estimated Employee Benefit Allowance for Plan Year 2012 (Monthly)

	Base Amount	Dependent Amount	Total
Employee only	\$635.35	-	\$635.35
Employee and 1 child	\$635.35	\$234.69	\$888.04
Employee and 2 or more children	\$635.35	\$372.69	\$1026.04
Employee and spouse	\$635.35	\$688.55	\$1341.90
Employee, spouse and 1 child	\$635.35	\$923.25	\$1576.60
Employee, spouse and 2 or more children	\$635.35	\$1061.24	\$1714.59

Wellness Program

In an effort to lower insurance costs and to improve the health of State employees, EBC offers a unique and effective solution called the OKHealth Wellness program. The program, which is free to all eligible participants, was implemented for all active state employees in January 2006 and is designed to incorporate wellness, disease management, and health coaching into a single comprehensive wellness program.

Agency directors have the authority to offer financial incentives to employees in an effort to encourage participation. The Office of Personnel Management has promulgated administrative rules governing the financial incentive program. Agency directors have the option of selecting a financial incentive of \$100.00, \$300.00 or \$500.00 per employee during the first year of participation. The incentive payout will be based on employee participation throughout the program year. For example, an agency electing to offer a \$100.00 incentive will award the employee with \$25.00 for completing the enrollment process, which includes completing a health risk assessment, obtaining clinical lab work, and establishing goals and action plans with an assigned mentor. An additional \$25.00 will be awarded for completing twelve weeks of mentoring. The final award of \$50.00 will be made for completing a twelve-month follow-up evaluation.

To budget for financial incentives, agencies can anticipate up to thirty percent participation. Therefore, it is recommended that agencies take thirty percent of their total FTE count and multiply that number by \$100.00, \$300.00 or \$500.00, depending on the level authorized by the agency director. EBC will work directly with the participating agency throughout the program

year to determine the timing of incentive awards. Financial incentives are considered taxable income and will be issued as a supplemental to regular pay. The Office of State Finance requires participating agencies to issue the financial incentive under deduction code number 552140.

Questions may be directed to Phil Kraft, Executive Director, (405) 232-1190.

Deferred Savings Incentive Plan

For FY-2012, the \$25 per month which the State provides as a match for employee contributions to the Oklahoma Employees Deferred Savings Incentive Plan (SoonerSave) will be paid by each agency when payrolls are prepared, as they were in FY-2011. The administrative fee paid by the State for each qualified participant is \$1.75 per month, 81 cents on a bi-weekly basis, and 88 cents on a semi-monthly basis. If you have questions contact the Oklahoma Public Employees Retirement System at (405) 858-6737.

Organizational Chart

The FY-2012 Budget Work Programs is not complete without the latest organizational chart. The chart should be in sufficient detail so that each position in the agency can be identified by referring to the chart. The chart should also display the lines of authority within the agency. If you have questions about the chart, contact your budget analyst.

Budgetary Limits / FTEs

Most agencies do not have program or FTE limits this year. If this is the case, your agency will have increased flexibility to deal with reduced appropriations. Please contact your budget analyst if you have questions.

If your agency appropriation bills for FY-2012 include legislated budgetary, program or FTE limits, these limits prescribe maximums (the language is specific and will be self-explanatory) that an agency can program or budget. The limits may apply to expenditures or to the number of full-time-equivalent (FTE) employees. The language in the limits section may be different than the standard language. Please read it. If you have questions, contact your budget analyst.

Requirements for Agencies NOT Using Position Budgeting in FY-2012

Position Budgeting is optional in FY-2012. Agencies entering their personnel budgets directly into the Line-Item budget will submit a hard copy Form 47 detailing FTE information by Department. Form 47's need to match the Line-Item amount for the 511XX0 by department. Agencies can find the Form 47 on the OSF website Budget > Budget Work Program Forms and Instructions > Form 47.

Revenue Budget

Agencies should enter their appropriated funds as revenue in their Line-Item budgets using the 631000 (if you budget at the Roll-Up level) or 631110 (if you budget at the Detail level). This process will allow agencies to see all revenues on their online analysis.

Also remember, all agencies that program expenditures from continuing funds (revolving funds, federal funds, etc.) must submit revenue account information for each agency fund through the PeopleSoft line-item budgeting process which will then be summarized in the Estimate of Income Report. Please estimate the amount of revenue by revenue account that will be deposited in each agency fund by quarter/month depending on your budget model. Remember that this data will be used to help gauge whether or not revenues are coming in as expected - help make these reports useful.

In order for this report to capture the information, the line-item with the revenue must have a class fund and budget reference. Agencies can also choose to put all revenue in one single department (for convenience) or spread it out over the appropriate departments. Just remember the Estimate of Income Report only tracks the revenue by fund and revenue code, not department.

OSF analysts will be reviewing the forecasting methodologies and may contact you about assumptions you use. Please be as specific as possible regarding these revenue estimates.

Data Processing Expenditures and the Data Processing Plan

In order to acquire the Office of State Finance's (OSF) approval for Information Technology and Telecommunications purchases for FY-2012:

1) The Information Technology (IT) and Telecommunications (telecom) Plan for FY-2012 must be entered electronically, by July 1, 2011, via the following URL: www.ok.gov/osf/itt_reporting. Initial passwords and instructions were provided to all agency IT Staff. You may contact the OSF Help Desk for additional assistance (helpdesk@osf.ok.gov).

2) The plan must include the IT and Telecom Operations Budgets, as well as the individual projects planned for FY-2012. The plan is a one year operations plan focusing on specific projects and costs by predefined categories. Agencies have the capability to plan by Division. **The amount that you enter into your IT and Telecom Plan should match the amount that you submit in your Budget Work Program for IT and Telecom Expenditures (i.e. only include expenditures in your IT/Telecom Plan that you have budget for).**

3) Individual projects identified must be detailed (software, PC's, servers, printers, mainframe, consulting services, etc.) in the agency's one year plan.

4) Please notify the OSF's Help Desk via email, when the agency plan is complete.

5) Access will be limited after July 1, 2011. Pre-approved agency staff may request authorization from the OSF help desk to make changes.

Debt Service Payments

For FY-2012 agency appropriations may have been adjusted to reflect the FY-2012 debt service obligations. Regardless of the accuracy of these adjustments, for FY-2012 you must provide for and pay your full debt service payments. For some agencies in this situation, this means you will have to absorb the full appropriation reduction in other operations. Please provide information on debt service payments paid by the agency in FY-2012, the debt service payments required in FY-2012 and the amount of appropriations increased or decreased to accommodate the change.

Below is an example of the table each agency will submit for bond projects that require a debt service payment.

Debt Service Table

Project Name	Native American Center
Date of Issuance	May 12, 2009
Amount of Bond Issue	\$32,907,833
Number of Years to Repay Bonds	Twenty-five years

Request to Allot the FY-2012 Budget Work Program

Statutes require that each spending agency's executive officer sign the budget work program and allotment requests. Included in the BWP packet is an example of a statement that each agency head will be required to sign and submit before the FY-2012 Budget Work Program will be approved and allotted.

The statement you are being asked to sign is a request for allotment of the FY-2012 Budget. The statement also verifies that the FY-2012 Budget complies with legislated budgetary limits, line-item appropriations and current statutes regarding state employee pay increases. The statement also verifies that the FY-2012 Budget has been submitted to provide for a full year of operation and debt service payments without the need for a supplemental appropriation.

Revisions to the FY-2012 BWP during the year will require a similar request to be submitted. A copy of the required statement is in the packet.

Request Officer

Statutes also allow each agency to designate a "request officer" who can submit revisions and requests for allotment of the budget. If the agency director desires to designate a request officer, please use this document. The request officer can then submit revisions to the budget and request allotment of the same. Agency directors may designate more than one request officer per agency.

Budget Transfers

Once the BWP has been submitted and approved, the agency must spend according to the accounts that have been established in the budget. Funds budgeted for the "Administration" division cannot be spent for the "Care and Custody" division. Funds appropriated for the "Motor Vehicles" division cannot be spent for the "Enforcement" division.

The State Transfer Law (Title 62 Section 41.46) allows for transfers between program categories and between appropriation line-items. Pursuant to state law:

Up to 25% can be transferred with approval of the Director of State Finance and up to 40% with Contingency Review Board (CRB) approval.

All transfer requests must be signed by the administrative head of the agency or the designated request officer.

OSF Form 48P (Transfer Form) in portrait format only must be submitted to

(1) the Chairman of the House Appropriations and Budget Committee (Representative Ken Miller, attention to Barbara Porter) (include a copy of the revision forms and the Allotment Request Revision Letter with assumptions letter),

(2) the Chairman of the Appropriations and Budget Committee (Senator Mike Johnson). In the Senate all transfer information should be delivered to Randy Dowell of the Senate Fiscal Staff (include a copy of the revision forms and the Allotment Request Revision Letter with assumptions information), and

(3) the Office of State Finance to the attention of the Director of State Finance (include the Allotment Request Letter with assumptions information).

Once submitted, the Legislative Oversight Committee on State Budget Performance has twelve days to disapprove the request. If not disapproved, the transfer will be processed by OSF or forwarded to the CRB (percentages over 25%). Transfers take a minimum of thirteen calendar days to process based on the time given to the oversight committee for review.

The transfer process can be used to:

- transfer program expenditure limits between programs,
- transfer funds between line-item appropriations or
- transfer budgeted funds between activities / programs.

Inflated Budgets

Agencies do not have to budget to the legislated maximums. If a particular limit is \$10,000 but the agency only needs to spend \$5,000 to accomplish the task or objective, then you should only budget \$5,000. If the agency is authorized 250 FTE employees but can only fund 220, then budget only those employees the agency can adequately fund.

Budgets that inflate estimated revenues, expenditures or FTEs beyond what can be justified or what is reasonable will not be approved even if they are within legislated limits. If such inflated items are discovered after approval, the budget may be placed on hold until it is revised.

Budget Assumptions

The statement explaining the assumptions used in developing the revenue and expenditure projections should be attached to the "Allotment Request Letter".

Revenue assumptions should address all revenues collected by the agency. Specifically indicate whether revenues are increasing or decreasing from the previous fiscal year, by how much and why for each continuing fund. Explain how the agency estimated the amounts to be collected for each fund. Each major funding source should be addressed by indicating estimated changes in the rates, number of items, etc.

Expenditure assumptions should explain the net increase (or net decrease) in the agency budget from last fiscal year to the new fiscal year. Please provide a summary of changes by division and explain the changes. Agencies do not need to explain every dollar, but assumptions should adequately explain significant increases and decreases from the prior fiscal year.

Please include an adequate explanation of the following items. Be sure to include a description of actions taken by the agency to absorb budget reductions. Provide the following information by program:

When comparing numbers from FY-2011 to FY-2012, please include the full number, not just the change (for instance: ".we're estimating an increase in caseload of 25, taking it to 75 for '09; or ".our estimates are based on increasing the provider rate to \$24 per case; an increase of \$2 from '08.");

- Caseload information including projected changes in the number of clients served from last year to this year;
- Appropriate performance measures and targets;
- Rate adjustments (increases or decreases) for service providers;
- Anticipated cost increases or decreases in service contracts;
- Planned expenditures for special projects;
- Agency reorganizations;
- Personnel adjustments;
- Any generic inflationary factors used;
- A list of debt service payments budgeted (for each debt / bond issue: list the purpose of the debt issuance, then amounts by fund and subactivity for each) (See Page 8 concerning the required Debt Service Table);

- Changes in fees charged or in the number of charges made; and
- Other pertinent budget assumptions.

American Recovery and Reinvestment Act (ARRA) Funds

Please contact your budget analyst if you are budgeting ARRA funds in your FY-2012 budget work program.

Final Note

Remember that the BWP expenditures must be balanced to funds available, must tie to line-item appropriations, and must comply with the various budgetary employee and expenditure limitations. Many agencies are receiving a reduced state appropriation this year. Agencies are still required to submit a balanced budget to the Office of State Finance.

If you have any questions about submitting your BWP, please contact your Budget Analyst. Also, remember your PeopleSoft End User Guide, the CORE website (CORE News > Budget Memos) and “Guidelines and Documentation” in your budget model are all good references

Attachments:

Request to Allot the FY-2012 Budget Work Program

Request to Allot a Revision to the FY-2012 Budget Work Program

OSF Forms 47 and 47.1 and OSF Form 48P Transfer Form are available on the OSF website in Excel format. Agencies not using PeopleSoft Position Budgeting must provide OSF Form 47 information via means of the OSF Form 47 mentioned above. Agencies which have exempt employees (i.e., exempt from agency FTE limits) must supply information previously included in OSF Form 47.1 via the Form 47.1 mentioned above (if you have questions on reporting exempt employees, please contact your budget analyst).

{ TO BE TYPED ON AGENCY LETTERHEAD }

{Date}

Request to Allot the FY-2012 Budget Work Program

Mr. Preston Doerflinger
Director of State Finance
Attention: Budget Division

Dear Mr. Doerflinger:

Please allot the FY-2012 Budget Work Program (BWP) submitted to you on {date}. The BWP complies with all legislated budgetary limitations and any line-item appropriations made to our agency. The BWP has been developed to fully fund FY-2012 operations and debt service payments based on the agency's best estimates of need at this time. The agency has not built into this budget the need for supplemental appropriations. In addition, this BWP provides for salary increases only as authorized by the Legislature and Office of Personnel Management rules (pursuant to Title 74, Section 840-2.17).

{Note: include the following paragraph only if you wish to designate a Request Officer}

As authorized by Title 62, Section 34.42, I hereby designate ___{name}___ as our agency "request officer" thereby authorizing them to submit revisions to our FY-2012 BWP and to request allotment of the same.

Executive Officer	-Signature	_____
	-Name (typed)	_____
	-Title (typed)	_____
Request Officer	-Signature	_____
	-Name (typed)	_____
	-Title (typed)	_____

Attachments: assumptions regarding the development of our FY-2012 BWP

{ TO BE TYPED ON AGENCY LETTERHEAD }

{ Date }

Request to Allot a Revision to the FY-2012 Budget Work Program

Mr. Preston Doerflinger
Director of State Finance
Attention: Budget Division

Dear Mr. Doerflinger:

Please allot the revision to the FY-2012 Budget Work Program (BWP) submitted to you on {date}. The BWP as revised complies with all legislated budgetary limitations and any line-item appropriations made to the agency. The BWP as revised has been developed to fully fund FY-2012 operations and debt service payments based on the agency's best estimates of need at this time. The agency has not built into this budget the need for supplemental appropriations. In addition, this BWP as revised provides for salary increases only as authorized by the Legislature and Office of Personnel Management rules (pursuant to Title 74, Section 840-2.17).

This revision [include revision number here] is necessary because {please describe the situation that makes this revision necessary. Describe any program changes or personnel changes involved and if there is any effect on future budget requirements because of this revision, explain them and how they will be addressed.}

If necessary, please include revised information on your forecasting methodologies and assumptions in a separate attachment.

Executive Officer	-Signature	_____
or	-Name (typed)	_____
Request Officer *	-Title (typed)	_____

*** If a Request Officer has been designated by the Executive Officer**

Attachments: revised assumptions regarding the development of our FY-2012 BWP, if necessary