



INSTRUCTIONS: HOW TO PREPARE AND SUBMIT A BUDGET APPEAL PACKAGE, USING THE BUDGET ADJUSTMENT DECISION (BAD) FORMS

GENERAL: If you deem it necessary to appeal your preliminary budget recommendation to the commissioner of administration, you must prepare and submit an appeal package for receipt by the Office of Planning and Budget (OPB) by 5:00 pm, Wednesday, January 21, 2004. All appeals must be based on performance and must use the preliminary budget recommendation transmitted by the OPB as the starting point.

Use the Budget Adjustment Decision (BAD) Forms package (a Microsoft Excel file that includes tabs for department summary and agency summary, as well as tabs for financial and performance impacts of each budget adjustment decision) for budget appeals. The BAD Forms package and instructions are available on the OPB website [<http://www.state.la.us/opb/index.htm>] under PBB Forms and Guidelines. Any request to restore, add, or redistribute funding must be documented with expected performance outcomes related to the request. Your appeal materials must provide all the financial and performance information needed by Office of Planning and Budget (OPB) analysts to complete executive budget materials if the commissioner agrees to your appeal. An original and one copy of your appeal package must be submitted to the OPB. Appeal packages that are incomplete, fail to use BAD Forms and adhere to BAD Forms instructions, or are received by the OPB after the deadline will not be considered. Unless solicited by the OPB, no revisions to appeal packages will be accepted after the submission deadline.

FINANCIAL INFORMATION: Use the BAD-Financial Impact, Department Summary, and Agency Summary tabs of the BAD Forms file. **The starting point for all appeals is the preliminary budget recommendation transmitted by the Office of Planning and Budget.** Do not use requested budget level or “anticipated needs” level as a starting point; do not present the difference between your preliminary budget recommendation and your total budget request (which included continuation adjustments as well as new and expended requests) or your current estimate of “need” as a cut in your funding level.

When preparing a budget appeal package (particularly one that redistributes funding), use the following guidelines:

1. Each BAD-Financial Impact (BAD-F) form should represent a discrete budget adjustment decision. For example, if you want to adjust the preliminary budget recommendation to move \$50,000 from an activity in Program A to an activity in Program B and you also want to seek restoration of cuts made to an activity Program B in the preliminary budget recommendation, then you would submit two BAD-F forms—accompanied by two BAD-Performance forms.
2. Merit increases must be funded unless you invoke Civil Service rules. Adhere to Civil Service Rule 17.10.1 relative to Withholding of Merit Increases in order to avoid a layoff,

reduce or minimize a layoff, or to avoid a substantial impairment of the ability of the appointing authority to provide essential services.

3. Do not reduce the following mandated statewide IAT expenditures below their recommended budget levels: Risk Management, Civil Service and Comprehensive Public Training Program (CPTP), payments made to the Louisiana Office Facilities Corporation (LOFC) and/or State Buildings and Grounds for operations and maintenance, Office of State Uniform Payroll (OSUP), Legislative Auditor, Treasurer's Office, Division of Administrative Law, and Public Safety Security.
4. To the extent that you take funding from the salaries category, you must identify the number of positions associated with that reduction. Do not leave salaries with an exaggerated attrition rate without taking the appropriate number of associated positions.
5. In the BAD-Financial Impact tab, identify and explain the adjustment in detail (by each means of financing, each category of expenditure, and object detail if necessary).
6. If positions are eliminated, indicate what types of positions (including job titles) are being eliminated and whether the positions are filled or vacant. Indicate the job function of an eliminated position and describe how it meets or serves the role, scope, and/or mission of the affected program or budget unit. Provide a description of why a particular position was selected for elimination.

PERFORMANCE INFORMATION: Use the BAD-Performance Impact tab of the BAD Forms file to identify, explain, and document the performance impact(s) (positive or negative) of each budget adjustment decision. (Each BAD-Financial Impact Form must be accompanied by a BAD-Performance Impact [BAD-P] Form.) Reduction(s) in services should consider the department/agency's mission statement and objectives. Full justification, supported by data and including complete performance impact, is imperative.

As you prepare performance information to justify your appeal, review the performance information included in your FY 2004-2005 operational plan and other budget request forms. Give special attention to the draft performance files provided to you by the OPB; these draft performance files accompanied your OPB preliminary executive budget funding recommendation. Once you have added "At Recommended Level" performance values and responded to comments and questions from OPB analysts, these files document the service impacts of the preliminary budget recommendation for your agency. Build your appeal request and justification on this information. Remember that you may have to add new objectives and performance indicators to demonstrate the benefits of a requested new service. If your appeal package is being prepared by your department's Office of Management and Finance (or its equivalent) or coordinated at some other central agency level, communication and collaboration with agency program managers is essential.

BAD-P Section A – Performance Indicator Impacts: Complete Section A of the BAD-P for each performance objective (with related performance indicators) that will be affected by your

budget adjustment decision. Use the Section A table to show adjustments to objectives and performance indicators affected by the budget adjustment decision.

- If an existing objective is affected, enter the number of the objective as it appears in the draft program narrative performance spreadsheets transmitted to you by the OPB along with the OPB preliminary budget funding recommendation. Enter the text of the objective, including modifications related to the budget adjustment decision. If the budget adjustment decision requires the addition/creation of a new objective, enter that new objective.
- The performance table in Section A includes columns for performance indicator LaPAS PI Code, level (key or supporting), name, performance standard values at existing operating budget level, proposed performance standard values at recommended budget level (the OPB preliminary executive budget funding recommended), impact (positive or negative of the budget adjustment decision), and proposed performance standard at budget adjustment decision level. Complete the performance indicator table for all key and supporting performance indicators related to the objective. If necessary, insert additional rows for performance indicators.

For appeals to fund new services or an enhancement of existing services, the BAD-P Section A table should identify and quantify the specific new or expanded services that will be provided to the state. For appeals of reductions to existing levels of funding, the “Proposed Performance Standard At Recommended Level” column should identify the service losses to the state if those cuts are made and the “Proposed Performance Standard at Budget Adjustment Decision Level” column should show the effects of restoring funding for those services. Whether the commissioner of administration agrees with your appeal request or opts to sustain the preliminary funding recommendation, the performance information needed by the OPB to complete preparation of the Executive Budget and its supporting document will be available. For example, if the commissioner agrees with your appeal request, then OPB analysts can substitute the performance values in the “Proposed” column for the values in the “At Recommended Level” column in the final draft of the Executive Budget and its supporting document. If the commissioner does not agree with your appeal request, then OPB analysts will leave the performance values associated with the preliminary budget recommendation as your proposed performance standards.

Repeat this section as often as necessary to identify and document all objectives and performance indicators affected by the budget adjustment decision.

Do not submit proposed performance values of “To Be Established.” Since budget appeals must be based on performance, it is mandatory that performance impact data (numbers) be provided.

BAD-P Section B – Explanation of Performance Indicator Impacts: Use Section B of the BAD-P to concisely explain why or how the budget adjustment decision results in the performance impacts shown in the Section A table above. Repeat this section as often as

necessary to explain all objectives and performance indicators affected by the budget adjustment decision.

BAD-P Section C – Other Performance Impacts: Use Section C of the BAD-P to explain any performance impacts other than or in addition to direct effects on objectives and performance indicators. Performance impact includes both direct impact on performance indicators and direct or indirect impact on performance and productivity—that is, the ability of the program to carry out its mission, achieve goals and objectives, and provide services efficiently and effectively. Even if performance objectives indicators are not affected by a budget adjustment decision, that does not mean that there are no other performance impacts. You must identify and quantify those other performance impacts. (For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will the quality and/or quantity of services change? Will processing/turnaround/waiting times change? Will revenues collection be affected? Will an issue or problem be exacerbated or relieved? Will accreditation or independence from court order/supervision be affected? Will the budget adjustment decision hinder or delay achievement of strategic outcomes? Will the budget adjustment decision have a positive or negative impact on some other program or agency?) Quantify these impacts; support this explanation with measurable facts and figures.

BAD-P Section D: If there are no performance impacts associated with a budget adjustment decision, use Section D of the Performance Tab to fully explain this lack of performance impact. (If an adjustment has no performance impact, why is it necessary or desirable?) Remember that the lack of direct impact on performance objectives and indicators does not rule out other performance impacts. There may be general impact on overall performance and ability to carry out mission and goals.

SUBMISSION: An original and one copy of your appeal package (BAD Forms and any other documentation of justification) must be received by the OPB no later than 5:00 pm, Wednesday, January 21, 2004. Allow for this receipt deadline when selecting a submission medium. (For example, you may elect to hand deliver materials to Suite 7-150, Claiborne Building, 1201 North Third Street, Baton Rouge. You may fax a complete package to the attention of your budget analyst at 225-342-7220. If you use State Messenger Mail or U.S. Mail, you assume the liability if the receipt deadline is not met. That is, a postmark of January 21, 2004, does not constitute receipt by the OPB.) No “placeholder” submissions will be accepted. Appeal packages that are incomplete (for example, containing only a partial set of forms, containing forms that have been only partially completed, or failing to address all of your budget adjustment decisions), fail to use BAD Forms, fail to adhere to BAD Forms instructions, or are received by the OPB after the deadline will not be considered. Unless solicited by the OPB, no revisions to appeal packages will be accepted after the submission deadline. **Absolutely no extension of time can be made on this deadline.**

If you have any questions about the BAD Forms or how to prepare or submit financial and performance information for your appeal, please contact your OPB budget analyst at 225-342-7005.

Last revised: January 14, 2004