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GOVERNOR

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COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of Planning and Budget

MEMORANDUM

TO: Department Heads, Undersecretaries, and Fiscal Officers

FROM: Barry R. Dussé, State Budget Director *BRD*

DATE: September 2, 2014

SUBJECT: PREPARATION OF FISCAL YEAR 2015-2016 BUDGET DOCUMENTS

For Fiscal Year 2015-2016, all budget forms, addenda forms, and instructions are available in Microsoft Excel and PDF. Electronic versions of these forms are available on the Office of Planning and Budget (OPB) website <http://www.doa.louisiana.gov/opb/index.htm>.

To download budget forms, addenda forms, and instructions, first access the OPB website; then select Forms, Guidelines and Memo > Budget Forms and Instructions from the navigation menu. The Forms and Guidelines page contains a link entitled FY 2015-2016 Budget Forms. Right click on the link, select “**Save Target As...**” and choose a place on your hard-drive to save the file named *opb_forms.zip*. This zip file contains all budget forms and their instructions. Once you have downloaded the file *opb_forms.zip* to your computer, use Windows Explorer to locate this file in the folder where you saved it. After you locate this file, double click on it to unzip the budget forms and save them to your computer.

The OPB developed these forms using Microsoft Excel so you will need to use software that is capable of using this format. The budget form instructions are in PDF, so you must use software that can read this format in order to read these instructions. **It is important that you take the time to carefully read through the entire packet. New or changed language is denoted in red font.**

Important Dates

Budget Request Submission Deadline	October 15, 2014
FY 2015-2016 Executive Budget Presentation	February 27, 2015
2015 Regular Legislative Session	April 13, 2015 – June 11, 2015

Reminders

Act 419 of the 2013 Regular Legislative Session requires that additional revenues from other means of financing to be recognized by the Revenue Estimating Conference (REC). For your FY 2015-2016 Budget Request, please be as detailed and accurate as possible when reporting and forecasting your revenues. We will be working with you on updating the information for any REC meetings that occur after the Budget Request submission date.

Act 377 of the 2013 Regular Legislative Session requires that authorized other charges positions be included in the executive budget and supporting documents. The related budget forms have been revised to disclose this information.

Total Budget Request

Title 39 mandates that budget development be on the basis of **appropriation levels** rather than **continuation levels**. However, continuation level is a required interim step in the budget development process. Agencies will prepare their budget requests with the current year existing operating budget as the budget request base to which adjustments are made to arrive at the total budget request. The “total budget request” must be submitted on or before **October 15, 2014**. It consists of six (6) separate components: the operational plan, the existing operating budget, the continuation budget, the technical/other adjustment package, new or expanded services requests, and total request summary. The total budget request should be accompanied by the addenda identified in this letter.

1. Operational Plan

The operational plan (OP) is the principal narrative portion of the budget request. It is the annual work plan of an agency and its component programs, and should be based on the agency’s FY2014-2015 – FY2018-2019 strategic plan. As such, it must include an updated description of agency and program missions, goals, activities, performance objectives, and performance indicators. Please carefully read and follow the “Operational Plan Guidelines and Instructions” and use the OP forms included in the budget request package.

2. Existing Operating Budget

Departments are to identify the date used for the existing operating budget (EOB) in its budget submission. An EOB performance standard is the initial performance standard (from **Act 15 or Act 45 of the 2014** Regular Legislative Session) and any adjustments to performance standards as a result of BA-7s approved as of the EOB date.

3. Continuation Budget

The development of continuation budget (CB forms) allows the identification of the financial resources necessary to carry on all existing programs and functions of the budget unit at their current level of service in the ensuing fiscal year, including any adjustments necessary to account for the increased cost of services or materials due to inflation and estimated increases in

workload requirements resulting from demographic or other changes. Performance indicators must be used to justify workload adjustments in continuation budget forms.

4. Technical/Other Adjustment Package

Technical/Other Adjustments (T/OAP forms) reflect adjustments from the continuation level that allow for technical changes and transfers of a program or function from one agency or department to another agency or department. Any changes reflected by these forms (T/OAP) must have a zero statewide impact. Technical/Other Adjustments forms also contain a section, which must be filled out, to explain how the items of this form will affect performance.

5. New or Expanded Services Requests

New or expanded services requests (NE forms) provide information relative to the cost of new and/or expanded services, defined as (1) increases caused by a change in laws, regulations, or procedures which are/were controllable by the agency, and (2) additional services not previously provided nor defined under the workload criteria. Performance sections must be filled out to explain how objectives and performance indicators will be affected by the NE request.

6. Total Request Summary

The total request summary (TR-SUMM forms) provides a ready reference and a cross-check of the “total budget request”.

When preparing your “total budget request”, use the following guidelines:

1. Justifications: Full justifications of requests and data, including performance indicators, are imperative. Use continuation sheets where needed.
2. Personal Services: The ISIS-Human Resources (HR) payroll system enables the generation of more accurate, detailed reports, including the ZP116 base level report. The ZP116 report will be used to calculate the salary and related benefits required by each of your agencies. The ZP116 report should be downloaded (converted) to an Excel format. Use this Excel spreadsheet as the basis for your salary and related benefits base level calculations.

All budget requests that are different from the base-level ZP116 report from the HR system **MUST** be fully documented/justified. All budget requests **MUST** start with the base level report as of the **department's EOB date** and detail all exceptions.

Should you be unable to fully document/justify requested changes, the base-level ZP116 will be utilized for your agency's salary and related benefits budget.

YOU MUST IDENTIFY YOUR VACANCIES ON THE ZP116 REPORT.

5. Acquisitions/Major Repairs: These must be fully justified and requested on the appropriate form. New and replacement equipment must be identified.
6. Interagency Transfers (IAT): All agencies with IAT revenues or expenses must coordinate and ensure that both (the sending agency and the receiving agency) agencies agree on the amount of the IAT (justify each increase/decrease in IAT revenue). Signed IAT agreements must be submitted with the full budget request. Please refer to Memorandum OSRAP 03-03 dated July 22, 2002, regarding Interagency Transfers. Failure to coordinate will jeopardize the inclusion of IAT authority in the Executive Budget.

There are certain mandated statewide IAT expenditures for which agreements cannot be executed by the budget request submission date due to the computation of these numbers/costs not being finalized prior to near completion of the Executive Budget process. Although this is not a complete listing, some examples are Civil Service, Division of Administrative Law, Comprehensive Public Training Program, State Treasurer, and Legislative Auditor. If you have questions concerning this process, please contact your OPB budget analyst. Expenditures for these services should be requested at the current year invoiced amount. IAT agreements are to be executed and copies forwarded to the OPB when the amounts are actually determined for these items.

7. Insurance premiums through the Office of Risk Management should be requested at the current year appropriated level.
8. Payments made to the Louisiana Office Facilities Corporation (LOFC), and/or State Buildings and Grounds for operations and maintenance and/or rental charges should be requested at the current year appropriated level.
9. New or Expanded Service Requests: No restriction will be placed on an agency request; however, consideration should be given to the state's limited resources. The forms must be identified by program. Each request must be prioritized at the departmental and budget unit level.
10. Unless the OPB has given written authority for program modification, the agency's programs must be as reflected in the Existing Operating Budget. Any program modifications should be requested in the T/OAPs.

Addenda

There are four (4) addenda to the Total Budget Request packet: Sunset Review, Information Technology, Children's Budget, and Louisiana Workforce Commission. All addenda forms and instructions are available on the OPB website. Submit these addenda to the Office of Planning and Budget as separate packages accompanying the "total budget request".

1. Sunset Review

- The Sunset Review addendum identifies legislatively authorized activities for which implementation funding has not been provided.

2. Information Technology

- For state agencies within the scope of the Office of Technology Services (OTS) as defined in Act 712 of the 2014 Regular Legislative Session, the Information Technology (IT) addendum requests costs associated with the acquisition and operation of IT activities via an IT Request. All IT Requests will be prepared and submitted online (<http://bpm.doa.la.gov/metastorm/custom/oitlogin.asp?MODE=LOGIN>) using the IT Request Workflow System. Detailed information about the IT Request Workflow System can be found at <http://www.doa.louisiana.gov/oit/ITRequests.htm>. Questions regarding the IT Request Workflow System process should be directed via e-mail to Bobby.Collins@la.gov.
- For state agencies outside of the scope of OTS as defined in Act 712 of the 2014 Regular Legislative Session, this IT addendum requires the Form IT-0 (which includes Tab 1 and Tab 2 and can be downloaded from the website listed above) to be submitted with your total budget request to OPB, and an electronic copy in Excel format submitted via e-mail to itbudget@la.gov.

Submission of all IT Related Budget information requested in this IT addendum is due not later than October 15, 2014.

3. Children's Budget

The Children's Budget, as mandated by R.S. 46:2603 and 2604, is a subset of information provided elsewhere in the budget request and is designed to provide information relative to the cost of children's services. Children's Budget forms include Child Forms DT, DS, DC, AS, AC, Child-1 and Child-2. All agencies should carefully analyze their programs and review the Children's Budget Instructions before making a determination about whether or not they are subject to the provisions of the statute. The completed Children's Budget addendum must be submitted to the Office of Planning and Budget with the budget request; a copy must also be submitted to Christie Smith, Executive Director, Children's Cabinet, Office of the Governor at (225) 219-7560.

4. Louisiana Workforce Commission

- Budget units subject to the provisions of Act 1 of 1997, which created the Louisiana Workforce Investment Council (WIC), must comply with additional budget request requirements (except as limited, restricted, or otherwise prohibited by the Constitution of Louisiana). Questions regarding the WIC addendum should be directed to (225) 342-3110. The completed WIC addendum must be submitted to the Louisiana Workforce Investment Council. In addition, the completed addendum should accompany all copies of the total budget request submitted to the Office of Planning and Budget. See Appendix A of the WIC

Budget Request Instructions and Guidelines for Fiscal Year 2014-2015 for a listing of Agencies Required To Submit A Workforce Development Budget Request.

Submission of “Total Budget Request” and Addenda

No later than **October 15, 2014**, submit the following:

<u>To Recipient Agency</u>	<u>Number of Copies</u>
Office of Planning and Budget 1201 North Third Street Claiborne Building, Suite 7-150 Baton Rouge, LA 70802	<u>Original</u> and two (2) copies [three (3) sets in all] of the “total budget request” and addenda
Legislative Fiscal Office 18th Floor, State Capitol Building 900 North Third Street P.O. Box 44097 Baton Rouge, LA 70804	One (1) copy of the “total budget request” and addenda
Senate Finance Committee 1st Floor, State Capitol Building	One (1) copy of the “total budget request” and addenda
House Appropriations Committee 11th Floor, State Capitol Building	One (1) copy of the “total budget request” and addenda
Louisiana Workforce Commission 1001 N. 23 rd Street Baton Rouge, LA 70802	Agencies subject to the provisions of Act 1 of 1997 must submit one (1) copy of the Louisiana Workforce Commission addendum
Office of the Governor Children’s Cabinet Attn: Christie Smith 1201 N. Third Street Ste. G-219 Baton Rouge, LA 70804	Agencies subject to the provisions of the Children’s Cabinet must submit one (1) copy of the Children’s Budget addendum
Attn: Bobby Collins <u>Email to: itbudget@la.gov</u>	An electronic copy of all IT Details Form(s)

It is the responsibility of the submitting agency to ensure that all forms are delivered to the appropriate recipient agencies, as stated above. Please note that submission to the Louisiana Legislative Auditors is no longer required.

Fiscal Year 2015-2016 Budget Request Documents
September 5, 2014

In addition to the hard copy of the Budget Request and Addenda, please submit an electronic copy of the entire Fiscal Year 2015-2016 package on disc. There should be one disc per budget request copy. **Please make sure all forms and the operational plan included on the disc are in Excel format, not PDF.** Both the hard copy and the disc should be submitted **by no later than 5:00 PM on Wednesday, October 15, 2014.**

If you have any questions pertaining to any of the OPB forms or instructions please contact your OPB budget analyst.

Thank you for your cooperation in filing a complete and timely set of budget documents.

BRD:AJS