INSTRUCTIONS

FOR

COMPLETING FORMS

B-2 AGENCY SUMMARY AND CERTIFICATION

After the full budget request has been completed for every program and entered into the state's Budget Development System (BDS), individual program requests must be summarized on the B-2 "Agency Summary and Certification" form. Include the electronic version of the B-2 form produced from BDS, instead of the Excel version, when submitting the budget request for your agency to DFM and LSO. This form lists expenditures as follows:

FY 2011 Total Appropriation	DU 1.00
FY 2011 Actual Expenditures	DU 2.00
FY 2012 Original Appropriation	DU 3.00
FY 2012 Estimated Expenditures	DU 7.00
FY 2013 Total Request	DU 13.00

The form provides total expenditures of all programs at the agency level, agency level FTP information, and a year-to-year comparison at the agency level.

The agency director must sign this form. This will certify that all the information in the budget request including the Agency Receipts (B-11 form), Analysis of Funds (B-12 form), and Wage and Salary Supplement (B-6 form) is accurate. The agency director must also sign this form when any budget request revisions are submitted.

ORGANIZATIONAL CHART

For many agencies the Organizational Chart will be a multi-page document. The first page of the chart should reflect the agency at the highest level. Subsequent pages should reflect division and program levels. At a minimum, these subsequent pages should reflect numbers of FTP allocated by division and program. It is not necessary to include salaries on this organizational chart.

B-4 OPERATING, MEDICAL AND CONTRACT INFLATION CALCULATION

Form B-4 provides information in support of a customized inflationary factor for Operating Expenditures and Trustee and Benefit Payments for each budgeted program. Nondiscretionary caseload adjustments will be allowed under the DU 10.70 series. Other nondiscretionary adjustments must now be categorized as part of the inflationary adjustment in the DU 10.20 series. Increases in normal day-to-day operations such as gasoline, utilities, pharmaceuticals, etc., should be requested on the B-4. **Agencies are only required to submit a B-4 if inflation is requested.**

Instructions for completing the B-4 spreadsheet:

1. **Getting Started:** The B-4 is an Excel workbook prepared for each budgeted program by DFM and LSO directly from the statewide accounting system. Following the close of fiscal year 2011,

agencies will be notified of the location for the Excel workbook on a state web page when the form is available. The form will be posted on the LSO web site under Budget Process at http://legislature.idaho.gov/budget/B4/B4.htm. The workbook will contain a two-page template (worksheet) for each budgeted program. PART A of the form will be on page 1, and PART B on page 2. There will be a separate worksheet by program both for operating expenditures and trustee and benefit payments. The template will contain history of operating expenditures and trustee and benefit payments from FY 2008 through FY 2011. The first seven columns of PART A will be preloaded for agencies. The remainder of PART A and all of PART B will be filled in by agencies. Calculated cells are in ***Bold Italics***. These cells are not protected, so be careful not to overwrite calculated cells. In addition, if agencies have current contracts for goods, services, or rent which have built-in annual rate increases, Part C of the B-4 should be used to request contract inflation. For contract increases related to Capital Outlay leases, please see B-7 instructions on page 26.

PART A on Page 1:

1. **STARS Download**: Columns (1) through (7) are completed from a download from STARS.

2. **FY 2012 Appropriation:** In Column (8), distribute the original appropriation by summary object code. Include any new funding received for specific categories in the FY 2012 budgeting process.

3. **FY 2012 Adjustments:** Column (9) allows for any positive or negative adjustments to include reappropriations, supplemental requests, rescissions, Governor's Holdback, fund adjustments (noncognizable adjustments), object and program transfers, and other adjustments.

4. **FY 2012 Estimated Expenditures:** Column (10) should match DU 7.00 on the B-8 for FY 2012 estimated expenditures.

PART B on Page 2:

5. **Operating Expenditures Summary Object**: Column (11) copies the listed summary object code from PART A to PART B.

6. **FY 2012 Estimated Expenditures:** Column (12) is calculated cell and a copy of Column (10) from PART A.

7. **Remove One Time Funding**: Column (13) removes all one-time funding received in the FY 2012 appropriation including all FY 2012 ARRA funds. This should match the DU 8.40 series.

8. **SWCAP, Nondiscretionary Adjustments, and State Rent**: Column (14) removes base amounts for Attorney General fees, Legislative Audits, Building Services Space Charge, Risk Management fees, Controller's fees, and State Treasurer's fees. Building Services Space Charges are the amounts agencies pay to lease space in a state building. Also, remove base amounts for any categories for which the agency will be requesting funding in a nondiscretionary caseload adjustment. Examples of nondiscretionary caseload adjustments are listed on page 35.

9. **FY 2013 Base less Adjustments:** Column (15) is calculated and is the total used to calculate a new inflation factor. The total of Column (15) will **<u>NOT</u>** match the total of DU 9.00 – the FY 2013 Base.

10. **General Inflation DU 10.21 and Percent Change**: Fill in each row in Column (16) with the dollar amount necessary for the agency to maintain current operations (taking into account historical expenditures). Funding related to increased operations must be requested as a line item in the DU 12.00 series. Column (17) will automatically calculate the associated percent change. Split the increase requested amongst the fund sources that have historically been used to fund that activity. The TOTAL should then be rounded up or down to the nearest $100 and transferred to the B-8 in DU 10.21. For example, if operating expenditures are funded at half with the General Fund and half with federal funds then request any increases at the same ratio. If a certain summary object has only been funded with General Funds and there has never been a different fund source, then request any increase in the General Fund. If a federal grant is capped, or a dedicated fund source is flat with no request or expectation of increased revenues in the coming fiscal year, then the agency may request a fund shift in DU 10.29. Please explain any significant increases or decreases in the text box at the bottom of the form. You may expand the explanation to a third page if necessary.

11. **Medical Inflation DU 10.22 and Percent Change**: Fill in each row in Column (18) with the dollar amount necessary for the agency to maintain current operations (taking into account historical expenditures). Funding related to increased operations must be requested as a line item in the DU 12.00 series. Column (19) will automatically calculate the associated percent change. The TOTAL should then be rounded up or down to the closest hundred and transferred to the B-8 in DU 10.22. Please explain any significant increases or decreases in the text box at the bottom of the form. You may expand the explanation to a third page if necessary. *(Only agencies that provide direct medical services to persons will request medical inflation.)*

12. **Totals** Column (20) is calculated and the total of Column (16) and Column (18).

PART C on Page 3:

13. **Contract Inflation DU 10.23 and Percent Change:** In Column (1) identify who the contract is with and what it is for. In Columns (2) – (5) provide as many years of actual contractual expenditures as applicable. In Column (6) provide estimated expenditures for FY 2011 (if applicable). In Column (7) provide the date the contract was entered into. In Column (8) provide the term of the contract (e.g. year 1 of 3). In Column (9) provide the annual contractual percent change. In Column (10) provide the total inflationary adjustment for FY 2013. This adjustment should tie to DU 10.23. Split the increase requested amongst the fund sources used to fund the contract.

14. **Fund Shifts:** If there are insufficient funds in any ongoing sources of revenue with no request or expectation of increased revenues in the coming fiscal year, then the agency may request a fund shift in DU 10.29. Fund shifts associated with the loss of grant funds must be requested as a line item in the DU 12.0 series.

B-6 WAGE AND SALARY RECONCILIATION

The B-6 form provides reconciliation between the WSR report and the appropriation for Personnel Cost for each program. It is also used to calculate the CEC. EIS will produce and distribute the automated WSR report to agencies at fiscal year-end. EIS will also provide DFM and LSO with copies of this report. The WSR shows the program Personnel Costs requirements for both the current year and budget year and makes projections of future Personnel Costs from current wage and salary information in the EIS.

Do not submit a copy of the WSR report with your budget request. Both DFM and LSO have access to this report. The WSR report is sorted by Budget Unit, Fund, and Position. There is also a summary page with totals for each Budget Unit (AU448143). All agencies must submit one B-6 for each fund in each program with Personnel Costs. Agencies that are appropriated into a "bucket fund" must submit their reconciliation on the B-6 Bucket Fund forms. (Example Agencies: the Department of Health & Welfare and Department of Environmental Quality). Please download and use the most current B-6 Excel form from http://dfm.idaho.gov/.

Instructions for completing the B-6 spreadsheet:

1. **Getting Started:** Save the file to your network. Make the necessary copies of the worksheet so you will have one for each fund in each program with Personnel Costs. Calculated cells are in ***Bold Italics***. These cells are not protected, so be careful not to overwrite calculated cells. Make sure to format the spreadsheet to fit on one page by hiding unnecessary rows.

2. The following are explanations of the column heading abbreviations on the B-6 form.
    a. DU.: The decision unit number corresponds to the B-8 and B-8.1 forms.
    b. PCN: The four-digit position control number.
    c. Description: Description, information or additional explanation.
    d. Indicator: An indicator of "1" refers to permanent positions, an indicator of "2" refers to, board and group positions, and an indicator of "3" refers to elected officials.
    e. Class Code: The five-digit class code associated with the position title.
    f. Fund/Dollars: The first row titled "permanent positions" contains the fund-detail number. This column is used for dollar amounts for the Original Appropriation and also contains the variable benefit rates in the CEC decision unit range.
    g. FTP: The result of each position's Pay Period Hours and Percent of Year Worked (2080 hours is equivalent to 1.0 FTP.)

3. **Fund:** In the column titled "Fund/Dollars" and the first row titled "permanent positions" enter the fund-detail number. Use a separate B-6 worksheet for each fund-detail.

4. **WSR Salary and Benefits:** From the AU448143 report prepared at year-end, enter the FY 2012 estimated salary and benefits for regular and group positions, rounded to the nearest $100. Enter FY 2013 estimated salary and benefits for regular and group positions rounded to the nearest $100.

5. **FY 2012 Original Appropriation:** In the DU 3.00 line, enter the FY 2012 Original Appropriation for Personnel Costs in the dollars column (Column F) and the budgeted FTP for this fund in the FTP column (Column G).

6. **Adjustment to Wage and Salary:** Adjustments must be explained under the "Description: column. <u>All adjustments (A-D) are required to correctly complete the B-6 form</u>

   A) Subtract Vacant Positions included in the Wage &Salary Report (WSR): **For all positions categorized as VACANT in the WSR**, include the PCN, title (in "Description" column), indicator, class code, fund, FTP, salary (for both FY 2012 and FY 2013), and benefit amount (for FY 2012 and FY 2013) in the appropriate columns. Sum the salary and benefit amounts to calculate totals for FY 2012 and FY 2013. Since this step is intended to remove vacant positions, remember to use the inverse totals from the WSR (i.e. negative numbers).

   B) Add Back Vacant but Funded Positions: For all positions included as VACANT in the WSR that the agency plans to fill in either the current or budget year, include the PCN, title (in "Description" column), indicator, class code, fund, FTP, salary (for both FY 2012 and FY 2013), and benefit amount (for FY 2012 and FY 2013) in the appropriate columns. Since the benefits amount for vacant positions are calculated using a flat percentage of salary and may be quite different from what the agency actually needs, you should adjust the benefits up or down to the actual amounts needed for each year. Sum the salary and benefit amounts to calculate totals for FY 2012 and FY 2013. Since this step reinserts positions that will be filled, use positive numbers from the WSR.

   C) Add Positions Authorized and Funded but not Established: Authorized positions are those allowable within the agency FTP cap. If your agency has an FTP cap it will be included in your appropriation bill. Your agency may have newly authorized positions that you have not yet set up in the Employee Information System (EIS), or have positions that have been deleted from the EIS but not removed from your appropriation. Since the positions were not established in the EIS at the time the WSR was printed, you must add them back on the B-6 form.

   D) Other Adjustments: Any ongoing or one-time adjustments and corrections to the WSR should be made under this heading: e.g. salaries or benefits understated or overstated, a position funded by the wrong fund, or a position split between one or more programs.

   Note: If the number of adjustments in 6A - 6D is excessive for the form, agencies may use summary totals for each category of adjustment. In that case, please include a spreadsheet attachment for each category that includes specific position details that corresponds to each category summary total.

7. **Overfunding or Underfunding:** The difference between the WSR corrected wage and salary totals as adjusted on the form and the Original Appropriation is calculated in the FY 2013 FTP column (Column K) of the line titled "Calculated Over or Under Funding" (above the shaded row). These differences are called the Calculated Overfunding or Calculated Underfunding. Under funding of up to 5% is acceptable for this cell. Stated under funding beyond 5% is typically not acceptable and must be addressed with adjustments 6A - 6D to bring the calculated under funding within 5% unless additional adjustments are included in subsequent DUs.

8. **Review:** Look over the Calculated Overfunding or Calculated Underfunding. Notify agency management of a significant variance.

9. **Adjustments:** Include Expenditure Adjustments (hidden on example; e.g. FTP or fund adjustment) or Base Adjustments (e.g. transfer between programs) to calculate the FY 2013 Base. Match the Base to DU 9.00 on the B-8. Any benefits relating to positions transferred in DU 8.31 should be reconciled here with an upward or downward adjustment. This adjustment should net to zero agency-wide. Also, use DU 8.51 to remove any full-time equivalent positions and funding for those positions that will not be available in FY 2013.

10. **Maintenance DUs:** The benefits difference from FY 2012 to FY 2013 appears in DU 10.11. Include additional maintenance adjustments as necessary for refactored classes (10.42) and annualizations (10.51) that impact Personnel Costs. Requested fund shifts from capped funds should be included with the appropriate decision unit (i.e. 10.19 for benefit costs, 10.29 for inflation, etc). Fund shifts that are not created in maintenance decision units (10.00 series) should be prioritized as line items in the DU 12.00 series.

11. **Change in Employee Compensation:** The Excel spreadsheet includes two lines for CEC calculation. The first line, DU 10.61, starts with the Subtotal CEC Base for FY 2013 salary, and then removes the FY 2012 Salary for Group Positions. It then puts 1% of that amount in the Salary column. The variable benefit rates specified in the Fund/Dollar column are used to calculate the benefits on the CEC. You should adjust the template's variable benefit rate depending on your agency's DHR fee and to reflect your estimated FY 2013 workers' compensation rate. The second line, DU 10.62, is used to calculate CEC for Group Positions. Input the dollar amount of the group position affected by CEC in the Indicator column and adjust the Variable Benefit Rates as needed for workers' compensation rates. Requests to shift funding for CEC from capped sources to other sources, with no expectation of increased revenues in the coming fiscal year, should be done in DU 10.29.

    During the 2010 legislative session, HB 692 was passed to provide scheduled salary increases for elected officials. In the FY 2013 budget request, agencies with state elective officers should use a DU 10.51 to annualize the benefit increase from July 1 through December 31, 2012, (the first half of FY 2013). This annualization provides continued funding for the remainder of the calendar year as a result of the increase on January 1, 2012, which is reflected in the FY 2013 base. Agencies should also use DU 10.63 to reflect the increase effective January 1, 2013 through June 30, 2013, (the second half of FY 2013). Elected officials salary requests are calculated as follows:

ELECTED OFFICIAL	CURRENT SALARY	DU 10.51 & B6 FORM	DU 10.63 & B6 FORM
Governor	$115,348	$0 + benefits	$826 + benefits
Lt. Governor	$30,400	$0 + benefits	$2,350 + benefits
Attorney General	$103,984	$0 + benefits	$658 + benefits
Secretary of State	$93,756	$0 + benefits	$2,847 + benefits
State Controller	$93,756	$0 + benefits	$2,847 + benefits
State Treasurer	$93,756	$0 + benefits	$2,847 + benefits
Sup. of Public Inst.	$93,756	$0 + benefits	$2,847 + benefits

12. **Line Items:** Line items (DU 12.00 series) should be used for the Personnel Costs of newly requested positions. Each position should be shown separately and should be calculated using the 80% of policy found in Schedule H (Appendix D.) If the 80% of policy is insufficient for recruitment purposes, additional funding may be requested for differing amount. However, justification explaining the additional funding must be provided in the narrative of the B-8.1. The narrative will need to include the necessary information and calculations to facilitate a full analysis of the request.

    Benefits for each new position should be calculated using the FY 2013 fixed and variable benefit rates. Use Appendix D to find the salary and accordingly factor health insurance and your agencies benefit rate. Also, use line items to request funding for positions that were funded with noncognizable funds in the current year and then removed from the FY 2013 Base and for positions previously funded from a different source of revenue. Request these positions at anticipated expenditure levels including increased costs for benefits.

13. **FY 2013 Total Request:** The Total Request must reflect the FTP, salary, and benefits for each fund for each program. The total must tie to DU 13.00 on the B-8 (Detail Report).

14. Hide unneeded rows and repeat for each fund in each program.

Instructions for completing the B-6 Bucket Fund spreadsheet:

1. **Getting Started:** Save the file to your network. Make the necessary copies of the worksheet so you will have one for each budgeted program with Personnel Costs. Calculated cells are in ***Bold Italics***. These cells are not protected, so be careful not to overwrite calculated cells. There are four worksheets the agency will have for each budgeted program: Form B-6 Bucket Fund (GEN), Form B-6 Bucket Fund (DED), Form B-6 Bucket Fund (FED), and Form B-6 Bucket Fund Total. **Form B-6 Bucket Fund Total** will not require any data entry except line item names and numbers; it consolidates all of the data entry from each of the three other spreadsheets.

2. **Determine Funding Split:** The first step is to review the program's Wage and Salary Report and positions to determine the appropriate personnel funding break out by General Fund, Dedicated Fund, and Federal Fund. Once the amounts have been determine for each funding source then enter the appropriate amounts on the corresponding B6 sheet using the following instructions.

Below are instructions to complete the individual GEN, DED, and FED B-6 spreadsheets:

1. The following are explanations of the column heading abbreviations on the B-6 form.
    a) DU: The decision unit number corresponds to the B-8 and B-8.1 forms.
    b) PCN: The four-digit position control number.
    c) Description: Description, information or additional explanation.
    d) Indicator: An indicator of "1" refers to permanent positions, an indicator of "2" refers to, board and group positions, and an indicator of "3" refers to elected officials.
    e) Class Code: The five-digit class code associated with the position title.

f) Dollars: The first row titled “permanent positions” contains the fund-detail number. This column is used for dollar amounts for the Original Appropriation and also contains the variable benefit rates in the CEC decision unit range.
g) FTP: The result of each position's Pay Period Hours and Percent of Year Worked.

2. **WSR Salary and Benefits:** From the AU448143 report prepared at year-end, enter by fund source (Gen, Ded, Fed) on the respective sheets the FY 2012 estimated salary and benefits for regular and group positions, rounded to the nearest $100. Enter FY 2013 estimated salary and benefits for regular and group positions, rounded to the nearest $100.

3. **FY 2012 Original Appropriation:** In the DU 3.00 line, enter the FY 2012 Original Appropriation for Personnel Costs in the dollars column for the respective fund source and the budgeted FTP for this fund in the FTP column for the respective fund source.

4. **Adjustment to Wage and Salary:** Any ongoing or one-time adjustments and corrections to the WSR should be made under this heading: e.g. salaries or benefits understated or overstated, a position funded by the wrong fund, or a position split between one or more programs. Adjustments must be explained under the "Description: column. <u>All adjustments (A-D) are required to correctly complete the B-6 form</u>

   A) Subtract Vacant Positions included in the Wage &Salary Report (WSR): **For all positions categorized as VACANT in the WSR**, include the PCN, title (in "Description" column), indicator, class code, fund, FTP, salary (for both FY 2012 and FY 2013), and benefit amount (for FY 2012 and FY 2013) in the appropriate columns. Sum the salary and benefit amounts to calculate totals for FY 2012 and FY 2013. Since this step is intended to remove vacant positions, remember to use the inverse totals from the WSR (i.e. negative numbers).

   B) Add Back Vacant but Funded Positions: For all positions included as VACANT in the WSR that the agency plans to fill in either the current or budget year, include the PCN, title (in "Description" column), indicator, class code, fund, FTP, salary (for both FY 2012 and FY 2013), and benefit amount (for FY 2012 and FY 2013) in the appropriate columns. Since the benefits amount for vacant positions are calculated using a flat percentage of salary and may be quite different from what the agency actually needs, you should adjust the benefits up or down to the actual amounts needed for each year. Sum the salary and benefit amounts to calculate totals for FY 2012 and FY 2013. Since this step reinserts positions that will be filled, use positive numbers from the WSR.

   C) Add Positions Authorized and Funded but not Established: Authorized positions are those allowable within the agency FTP cap. If your agency has an FTP cap it will be included in your appropriation bill. Your agency may have newly authorized positions that you have not yet set up in the Employee Information System (EIS), or have positions that have been deleted from the EIS but not removed from your appropriation. Since the positions were not established in the EIS at the time the WSR was printed, you must add them back on the B-6 form.

D) Other Adjustments: Any ongoing or one-time adjustments and corrections to the WSR should be made under this heading: e.g. salaries or benefits understated or overstated, a position funded by the wrong fund, or a position split between one or more programs.

Note: If the number of adjustments in 6A - 6D is excessive for the form, agencies may use summary totals for each category of adjustment. In that case, please include a spreadsheet attachment for each category that includes specific position details that corresponds to each category summary total.

5. **Overfunding or Underfunding:** The difference between the WSR corrected wage and salary totals as adjusted on the form and the Original Appropriation is calculated in the FY 2013 FTP column (Column K) of the line titled "Calculated Over or Under Funding" (above the shaded row). These differences are called the Calculated Overfunding or Calculated Underfunding. Under funding of up to 5% is acceptable for this cell. Stated under funding beyond 5% is typically not acceptable and must be addressed with adjustments 6A - 6D to bring the calculated under funding within 5% unless additional adjustments are included in subsequent DUs.

6. **Review:** Look over the Calculated Overfunding or Calculated Underfunding again. Notify agency management of a significant variance.

7. **Adjustments:** Include Expenditure Adjustments (hidden on example; e.g. FTP or fund adjustment) or Base Adjustments (e.g. transfer between programs) to calculate the FY 2013 Base. Match the Base to DU 9.00 on the B-8. Any benefits relating to positions transferred in DU 8.31 should be reconciled here with an upward or downward adjustment. This adjustment should net to zero agency-wide. Also, use DU 8.51 to remove any full-time equivalent positions and funding for those positions that will not be available in FY 2013.

8. **Maintenance DUs:** The benefits difference from FY 2012 to FY 2013 appears in DU 10.11. Include additional maintenance adjustments as necessary for refactored classes (10.42) and annualizations (10.51) that impact Personnel Costs. Requested fund shifts from capped funds, with no request or expectation of increased revenues in the coming fiscal year, should be included with the appropriate decision unit (i.e. 10.19 for benefit costs, 10.29 for inflation, etc). Fund shifts that are not created by maintenance decision units (10.00 series) should be prioritized as line items in the 12.00 series.

9. **Change in Employee Compensation:** The Excel spreadsheet includes two lines for CEC calculation. The first line, DU 10.61, starts with the Subtotal CEC Base for FY 2012 salary, and then removes the FY 2012 Salary for Group Positions. It then calculates 1% of that amount in the Salary column. The variable benefit rates specified in the Fund/Dollar column are used to calculate the added benefits due to the CEC. You should adjust the template's variable benefit rate depending on whether your agency pays the DHR fee and to reflect your estimated FY 2013 worker's compensation rate. The second line, DU 10.62, is used to calculate CEC for Group Positions. Input the dollar amount of the group position affected by CEC in the Indicator column and adjust the Variable Benefit Rates as needed for workers' compensation rates. Requests to shift funding for CEC from capped sources to other sources should be done in DU 10.69.

10. **Line Items:** Line items (DU 12.00 series) should be used for the Personnel Costs of newly requested positions. <u>Each position should be shown separately</u> and should be calculated using

80% of policy. If 80% of policy is insufficient for recruitment purposes, additional funding may be requested for the differing amount. Justification for the additional funding must be provided in the narrative of the B-8.1. The narrative will need to include the necessary information and calculations to facilitate a full analysis of the request.

Benefits for each new position should be calculated using the FY 2013 fixed and variable benefit rates. Use Appendix D to find the salary and accordingly factor health insurance and your agencies benefit rate. Also, use line items to request funding for positions that were funded with noncognizable funds in the current year and then removed from the FY 2013 Base, as well as for positions previously funded from a different source of revenue. Request these positions at anticipated expenditure levels including increased costs for benefits. (NOTE: The total tab will consolidate the figures from each of the other three tabs; however, it will not pull the description or line item number over. The agency will need to enter both the description and the priority numbering on the total tab. The agency may also need to add more lines as need.)

11. **FY 2013 Total Request:** The Total Request must reflect the FTP, salary, and benefits for each fund for each program. The total on the B-6 Bucket Fund Total tab must tie to DU 13.00 on the B-8 (Detail Report).

12. Hide unneeded rows and repeat for each program.

Salary Saving Reporting:

Agencies are required by *Idaho Code* §67-5309D to provide DFM and LSO with data regarding bonus pay, recruitment and retention pay, and other non-performance related pay for the previous fiscal year. To ease the process of submission, the State Controller's Office has created reports in the Idaho Business Intelligence System (IBIS). Agencies will not be required to submit a physical copy of the reports; however, each agency is required to run and review all reports for their agency prior to October 1, 2011. Please verify the data prior to the October 1, 2011 deadline because DFM and LSO will be utilizing these reports in decisions regarding the Governor's budget recommendation and legislative appropriations.

To access the reports in IBIS, an agency must first log into the State Controller's System at https://www.sco.idaho.gov/defaultweb.nsf/mainframeset.htm. If you do not have a license to access IBIS and would like to get one you may contact Brandon Woolf at bwoolf@sco.idaho.gov .

Reports to Run

1. Once you have logged into IBIS, click on the "State of Idaho Public Folders" tab.
2. Click on the folder labeled "Statewide Reports".
3. Click on the folder called "Budget Development/Position Control reports".
4. Run the following reports:
    a. Adj Personnel Appropriation (B-6)
    b. Below Policy Counts (B-6)
    c. Employee Bonus - Detail (B-6)
    d. Employee Bonus - Summary (B-6)
    e. Lump Sum Payments One-time (B-6)
    f. Moving Expenses (B-6)
    g. Pay Rate Comparison – Change Reason (B-6)
    h. Salary Savings One-Time
    i. Salary Savings Ongoing
    j. Short Term Commendable Report (B-6)

NOTE: Agencies need to run the reports for the **previous fiscal year**, not the current fiscal year.

B-7 REPLACEMENT OPERATING EXPENDITURES & CAPITAL OUTLAY SUMMARY

The B-7 form provides details for the replacement Operating Expenditures and Capital Outlay requested in supplementals (DU 4.30 series), replacement items (DU 10.30 series), and for the additional items requested within line item decision units (DU 12.00 series). Complete one agency-wide B-7 form for these items. List the items requested in the agency's priority order for the items, beginning with the items of the most crucial need, ending with the items of least crucial need.

List each item having a unit acquisition cost greater than $500 separately. Only items with a useful life of more than two years should be included in Capital Outlay. Items with a useful life of less than two years should be included in Operating Expenditures. Use column A of the B-7 to identify each program or function (see Appendix A). Identify the decision unit in column B and the fund-detail in column C. Record the STARS sub-object code in the category column D for the items (see Appendix E). One-time operating expenditures are normally restricted to computer software upgrades and equipment leases. Remember to list the items in decreasing priority order.

In column E, provide a concise description of the items. Identify passenger and larger vehicles individually. Describe the general condition of each vehicle that is being replaced. Include information such as make, type, and model year. Recommended disposal mileage guidelines range from 90,000 to 120,000 miles and should be considered when requesting replacement vehicles. The condition of a vehicle should also be taken into account since mileage and time are only estimates of condition and anticipated repairs. Describe the requested vehicle. Include size, type, or other information that describes the vehicle. List optional equipment that is included in the cost of the new vehicle (e.g., air conditioning, automatic transmission, four wheel drive, etc.). Finally, describe the primary use of the new vehicle (e.g., city, local, long distance, mountain terrain, etc.). If the item is a replacement vehicle, include the current mileage in column F.

Indicate the date the items were acquired in column G and the quantity in stock in column H. Next, indicate the quantity desired in column I and, in J, the unit cost of each item. Requests for software should include the number of software licenses under column headings H and I.

Information Technology Requests: ITRMC requires each agency to submit an Information Technology (IT) Plan on an annual basis (see references below for ITRMC Policy 2010 "*Information Technology Planning Process*" and the associated ITRMC Guideline G110 *Agency IT Plan*"). An agency IT Plan must be completed and have approval from the Office of the Chief Information Officer (CIO) prior to the submission of the budget request decision units for IT items or systems. Any IT related projects submitted as decision units must be clearly identified and described within the Agency IT Plan. Agency IT plans are due to the CIO by July 15th.

Furthermore, as part of the Governor's initiative to improve information technology efficiencies and focus on consolidated state purchases, specific technology investments must be clearly identified with the Agency IT Plan if the agency intends to use FY 2013 funds for the following:

- Telephone systems (Voice over IP, PBX, voice mail systems, etc.)
- Wide area network equipment (routers, switches)
- Storage area network (SAN) systems
- Data center upgrades (generators, cooling systems, etc.)
- Security software and/or appliances (firewalls, virtual private networks, intrusion detection/prevention, vulnerability management, etc.)
- Enterprise Resource Planning (ERP) Systems upgrades or replacements (HR software, Financial software, etc.)
- Cloud computing services (online hosted services: data storage, application services, and hardware/platform services)

DFM will consult with the CIO on all IT-related decision units submitted with FY 2013 budget requests. DFM and the CIO will coordinate a review of all replacement capital outlay, replacement operating expenditures, and line item decision units for telecommunications (voice, data, video, etc.) hardware and software, computing hardware and software, and any other IT-related items or initiatives such as: cloud computing services to ensure consistency with submitted plans, the state's IT Strategic Plan, and ITRMC Enterprise Policies and Standards (see reference below**)**. The CIO staff is available to provide assistance to agencies in complying with the state's IT Strategic Plan and ITRMC Enterprise Policies and Standards.

References:
State of Idaho IT Strategic Plan:
http://www.idaho.gov/itrmc/plan&policies/idahoitplan.pdf
ITRMC Enterprise Standards:
http://www.idaho.gov/itrmc/plan&policies/standards.htm
ITRMC Policy 2010, *Information Technology Planning Process:*
http://www.idaho.gov/itrmc/plan&policies/Policies/P2010_ITPlanning Process.pdf
ITRMC Guidelines G110. Agency IT Plan:
http://www.idaho.gov/itrmc/plan&policies/guidelines/G110_AgencyITPlan.pdf

Computer Equipment
Requests for computer equipment should not exceed the following dollar limits provided by the CIO:
Standard Intel desktop computer without monitor: $700
Standard AMD desktop computer without monitor: $600
High-end Intel desktop computer without monitor: $800
High-end AMD desktop computer without monitor: $700

Standard Intel laptop: $1,100
Standard AMD laptop: $900
High-end Intel laptop: $1,200
High-end AMD laptop: $1,200

Tablet PC: $2,300

Toughbook/hardened laptop:
Toughbook Business Rugged: $2,800
Toughbook Semi-Rugged: $3,800
Toughbook Fully-Rugged: $4,700

Flat Panel Monitor: $200.00

Agencies must clearly identify the number of standard and high-end desktops, the number of standard, high-end laptops, Tablet, and Toughbook laptops, as well as the number of monitors. Desktops, laptops, and monitors must be purchased from the Department of Administration's computer contracts that have been negotiated for state agency use. Information regarding these contracts and the difference between standard and high-end systems should be referred to the Department of Administration.

For unique circumstances, please justify the need for additional funding beyond these dollar limits.

When considering a lease versus purchase option, an agency should evaluate the initial cost of the item, the life-span of the item and the cost to maintain the item. If it is more cost-effective to lease an item rather than purchase, the new request should be reflected in a line item. Agencies should also reflect if the transition from a lease to a purchase will result in an ongoing increase or base reduction. Established ongoing leases should be tracked on the B-7 form. Each year of the lease, the item will be listed as onetime. Any increases should be requested on the B-7. The term of the lease must be specified.

Vehicles

When considering the replacement of vehicles, consider the age and mileage of the vehicle to be replaced. Recommended disposal mileage guidelines range from 90,000 to 120,000 miles and up, based on agency program requirements. The condition of a vehicle should also be considered since mileage and time are only estimates of condition and anticipated repairs.

Agencies shall consider Executive Order 2007-21, which establishes a policy to reduce fossil fuel and greenhouse gas emissions from state vehicles. Please note that while hybrid sedans and small SUVs are available, hybrid models for full size SUVs and trucks are more expensive and less available. See the statewide vehicle contracts for availability. For those agencies interested in full size hybrid vehicles, please contact the Division of Purchasing for guidance on available models and pricing.

Agencies that require exceptions or special features that are not included in the statewide vehicle contracts or special features should contact the Division of Purchasing to help determine the vehicle price. Requests for vehicles should not exceed the following dollar limits provided by the Division of Purchasing:

Description	Est. Cost	Example
Compact Sedan	$ 15,000	Fiesta, Aveo, Fit, Yaro, Accent

Small Sedan (Gas/FFV)	$ 15,800	Focus, Cobalt, Caliber, Corolla, Civic, Elantra
Mid Size Sedan (Gas/FFV)	$ 18,800	Fusion, Malibu, Avenger, Accord, Camry, Sonata
Full Size Sedan	$ 21,800	Charger, Impala, Taurus
Hybrid Sedan	$ 28,000	Fusion, Malibu, Prius, Camry, Altima
Light Duty Truck (Gas/FFV)	$ 23,700	Canyon, Ranger, F150 / S1500 (½ Ton)
Medium Duty Truck (Gas/FFV)	$ 24,600	F250 / S2500 (¾ Ton)
Full Size Heavy Duty Truck	$ 31,600	F350 / S3500 (1 Ton)
Full Size Heavy Duty Truck	$ 41,800	F450 / S4500 (>1 Ton)
Full Size Heavy Duty Truck	$ 45,100	F550 / S5500 (>1 Ton)
Heavy Duty Cab/Chassis	$ 33,000	F350/S3500 (>1 Ton)
Heavy Duty Cab/Chassis	$ 41,800	F450/S4500 (>1 Ton)
Heavy Duty Cab/Chassis	$ 45,100	F550/S5500 (>1 Ton)
Mini/Pass Van (Gas/FFV)	$ 23,800	Grand Caravan, Odyssey, Sienna
Full/Cargo Van (Gas/FFV)	$ 22,300	E250/350, Caravan C/V, Express
HD Transport Van/Bus (Diesel)	$ 40,800	Sprinter
Small Size SUV	$ 22,100	Escape, Liberty, Nitro, Terrain
Small Size SUV Hybrid	$ 31,200	Escape
Mid Size SUV	$ 31,400	Explorer, Durango, Cherokee, Acadia
Mid Size SUV Hybrid	$ 46,300	Tahoe
Full Size SUV	$ 32,000	Suburban, Expedition

Software

Requests for software should include the number of software licenses under the column headings of "Quantity in Stock" and "Quantity Desired".

Skip a line between decision units and round to the nearest $100. Subtotals should be provided for decision units that include more than one requested item. The decision unit totals by individual program **must** agree with the amounts shown on the B-8 and B-8.1 forms.

Total Cost

The spreadsheet calculates the Total Cost in column K, rounded to the nearest $100, as the quantity desired times the unit cost. Leave the six additional columns to the right blank for now. They will be used by DFM and LSO during the recommendation and motion stages of budget development.

At the bottom of the B-7, adjust the program numbers, decision unit numbers, fund-detail numbers, and category numbers. Also adjust the titles in the "Grand Total by Program", "Grand Total by Decision Unit", "Grand Total by Fund Source", and "Grand Total by Category". As necessary, delete rows or carefully copy insert-paste rows. Make sure to insert rows inside the ranges specified in the array formulas. When finished, all of the totals should be the same. Next, go to the Excel tab titled "Pivot Table 1". Select a cell in the table. On the toolbar, select Data, Refresh Data. Use the pivot table to populate the B-8 for each program.

B-8 PROGRAM REQUEST BY DECISION UNIT

The detail report (B-8) generated from the Budget Development System provides historical, maintenance, and line item information on a decision unit basis and is designed to document the program's budget request. Supplemental, nondiscretionary adjustments and line item decision units should contain a description of a requested course of action, the expected benefits or impact of that action, and the positions and expenditures affected by each decision unit.

It will be necessary for agencies to sustain budget adjustments made in FY 2011 and FY 2012 throughout FY 2013. For instance, if an agency requests an object transfer in DU 6.41 for FY 2011, the agency needs to plan on sustaining this adjustment of spending authority over the long-term, without requesting additional spending authority to offset the effects of the transfer. Due to the long-term implications of these adjustments, detailed descriptions and justifications must be provided for budget adjustments above the base, as well as below it. Please work closely with your DFM budget analysts to make sure that such adjustments are consistent with the agency's overall spending plans and priorities as well as statewide budget priorities. This is particularly important as we consider the impact and sustainability of these adjustments beyond FY 2013.

Major entries on the B-8 report include:

DU 1.00	FY 2011 Total Appropriation
DU 2.00	FY 2011 Actual Expenditures
DU 3.00	FY 2012 Original Appropriation
DU 4.00	Appropriation Adjustments
DU 5.00	FY 2012 Total Appropriation
DU 6.00	Expenditure Adjustments
DU 7.00	FY 2012 Estimated Expenditures
DU 8.00	Base Adjustments
DU 9.00	FY 2013 Base
DU 10.00	Program Maintenance
DU 11.00	FY 2013 Total Maintenance
DU 12.00	Line Items
DU 13.00	FY 2013 Total Request

Decision unit categories 1 through 11 are very specific concerning the titles and information. The first number in the decision unit represents a major category in the submission process. For example, all decision units that begin with a "6" are current year Expenditure Adjustments. The first number to the right of the decimal point represents a specific type of Expenditure Adjustment. DU 6.40 is an Object Transfer with the "4" referring to the specific type of Expenditure Adjustment. The second number to the right of the decimal point represents the priority of that Object Transfer within that particular program; for example, DU 6.41 would be the first priority, DU 6.42 would be the second priority, DU 6.43 would be the third priority, and so on.

DU 1.00 **FY 2011 Total Appropriation:** The number FTP and the appropriation, including supplementals and rescissions by object code, has already been calculated and hard coded on the system for each fund and program total. If you receive a lump sum appropriation, state it in the description section and enter figures in the lump sum column. These amounts must reflect the total of the original appropriation plus any supplemental appropriations, rescissions, and any prior year appropriations carried forward (reappropriations) into FY 2011. **Appropriation bill numbers have been pre-loaded in the description block.**

DU 1.10 **Net FTP and Fund Adjustments**

DU 1.11 **Lump Sum Allocation:** Use this decision unit to transfer any FY 2011 lump sum appropriation into the object code(s) that you expected the expenditures to occur in.

DU 1.12 **Noncognizable Adjustments:** This is the net effect of changes in the number of positions in an agency or spending authority in the appropriation after the Legislature has adjourned resulting from noncognizable fund increases.

DU 1.20 **Net Object Transfers:** This is the net effect of transfers of spending authority between objects within all funds.

DU 1.30 **Net Transfers Between Programs:** This is the net effect of transfers of spending authority or of an activity in from another program or out to another program; the total of all transfers in must equal the total of all transfers out.

DU 1.40 **Receipts to Appropriation:** Record any increases to the appropriation resulting from proceeds from the sale of equipment or insurance settlements.

DU 1.50 **Governor's Holdback/Board of Examiner's Reduction:** Record any reductions to the appropriation resulting from Governor's Holdbacks or Board of Examiner's Reductions.

DU 1.60 **Reverted Appropriation Balances:** Show amounts by object of any appropriation balances that your agency did not spend or encumber for FY 2011.

DU 1.70 **Reappropriation:** Show amounts that have not been expended and will be used in the subsequent fiscal year by authorization of reappropriation authority by the Legislature.

DU 1.90 **Other Adjustments:** Other adjustments not covered in previous decision units.

DU 2.00 **FY 2011 Actual Expenditures:** The amounts should reconcile to the State Controller's Office reports 0209 and 0237. They may not agree with actuals reflected on the B-12 because this form displays all beginning and ending encumbrances regardless of the year of origin.

DU 3.00 **FY 2012 Original Appropriation:** This decision unit must contain the **original** appropriation for the current year and has already been hard coded on the system for each fund and program total. If you received a lump sum appropriation state that in the description section. **Appropriation bill numbers have been pre-loaded in the description block.**

DU 4.00 **Appropriation Adjustments:** Adjustments made or expected by legislative action to the FY 2012 Original Appropriation should be made in separate decision units and numbered in the specific order by category.

DU 4.10 **Reappropriation:** Legislative authority to utilize unspent and unencumbered funds from FY 2011 during FY 2012. List amount and how it will be spent. Cite the bill and section number. Reference this item as DU 4.11.

DU 4.20 **Surplus Eliminator:** If a program received a "Surplus Eliminator Appropriation," list it next as DU 4.21. Cite the bill number.

DU 4.30 **Supplemental:** A change to appropriation that adds to or adjusts spending authority for objects, funds, or programs must be approved by the Legislature in the current fiscal year. Program transfers in excess of 10%, per Idaho Code 67-3511, should also be included. If more than one supplemental is requested, list them in priority order with the highest priority first (DU 4.31, 4.32, etc.). If there are supplementals requested for two or more programs, indicate in the description section of each supplemental what its priority is in relation to all other supplemental requests. Also describe the requested course of action, the expected benefits or impacts, and the decision unit's cost. A B-8.1 form must accompany all requests for supplemental appropriations.

DU 4.40 **Rescission:** A change to the original appropriation that reduces spending authority that is enacted by the Legislature in the current fiscal year.

DU 4.60 **Deficiency Warrants:** Deficiency Warrants are expenditures that are authorized, but no specific appropriation is provided until after the expense amount is fully known. Examples include fire suppression costs and agricultural pest eradication expenses. This decision unit accounts for deficiency warrants separately from supplemental appropriations. Deficiency warrants are a special kind of supplemental, requiring separate reporting.

DU 4.70 **Revenue Adjustments:** This decision unit is used in conjunction with DU 4.60 to request the transfer of funds from one fund source to the appropriate fund for expenditure. For example, the Department of Lands and the Department of Agriculture use this decision unit to transfer General Fund Supplementals to the Pest Control Deficiency Fund.

DU 4.90 **Other Adjustments:** (if any)

DU 4.91 **Lump Sum Allocation:** Agencies which received lump sum authority in the FY 2012 Original Appropriation must record an object transfer to the lump sum column for all adjustments made in DUs 4.10 through 4.79.

DU 5.00 **FY 2012 Total Appropriation:** This is the numerical total of DU 3.00 and any adjustment decision units.

DU 6.00 **Expenditure Adjustments:** Other FY 2012 adjustments are addressed in the following order:

DU 6.11 **Lump Sum Allocation:** All FY 2012 Lump Sum appropriations must be allocated to the appropriate object class in order to establish the basis for development of the FY 2013 budget request.

DU 6.20 **Governor's Holdback:** A temporary reduction in spending authority ordered by the Governor and effective until the legislature acts upon it at which time it becomes permanent.

DU 6.30 FTP or Fund Adjustment: Two separate types of adjustments may be reflected. One is to reallocate positions between funds. These changes generally net to no change in the total FTP number. They can result in a net decrease. Position increases should only occur in a program that does not have an FTP cap in its appropriation. The second type of change, which may also result in an FTP increase, is to reflect additional noncognizable nonstate funding. All noncognizable nonstate fund increases must be reflected as one-time and removed from the base in DU 8.41 (exceptions are tuition/fee and enrollment changes for institutions of higher education). If the noncognizable increase provides for a new program that will be ongoing into the future, an appropriate line item (DU 12.00) must be completed.

DU 6.40 Object Transfer: Show and explain transfers; the change for each fund must total zero.

DU 6.50 Transfer Between Programs: This is the transfer of spending authority or of an activity in from another program or out to another program; the total of all transfers in must equal the total of all transfers out. All transfers require explanation.

DU 6.60 Board of Examiners Reduction: Used only when executive branch reductions in FY 2012 spending authority are necessary.

DU 6.90 Other Adjustments: (if any)

DU 7.00 FY 2012 Estimated Expenditures: This decision unit is the mathematical total of the FY 2012 Total Appropriation (DU 5.00) and all intervening adjustments (DUs 6.10 through 6.90).

DU 8.00 Base Adjustments: Adjustments that occur after the FY 2012 Estimate, but before FY 2013, should be made in separate decision units. **The decision unit categories must be listed in the following order.** *(Within each category, if there is more than one decision unit, they should be listed in priority order — e.g., 8.11, 8.12, 8.13.)*

DU 8.10 FTP or Fund Adjustment: Three separate types of adjustments may be reflected. One is to reallocate positions between funds. These changes generally net to zero in the total FTP number. They can result in a net decrease but may not result in an increase. Requests to increase the number of positions should be line item decision units (12.00 series). The second type of change is to reallocate expenditures between funds. Only non-controversial fund shifts may be reflected here. Any adjustment that results in an increase in General Funds or may otherwise be subject to question should be reflected in a line item (12.00 series). The third type of change is to reflect reductions in positions and/or funds.

DU 8.20 Object Transfers: Show and explain all transfers; the net change for each fund must total zero.

DU 8.30 Transfer Between Programs: This is the transfer of spending authority or of an activity in from another program or out to another program; the agency-wide total of all transfers in must equal the total of all transfers out. All transfers require explanation on a B-8 form.

DU 8.40 Removal of One-time Expenditures: Remove any items that were provided for FY 2012 only. This includes reappropriations, surplus eliminator appropriations, all nonrecurring Capital Outlay, ARRA (federal stimulus) funds, and all noncognizable fund increases (except for tution/fee changes for institutions of higher learning). Library books and long-term lease purchase agreements are the only Capital Outlay items that fit the recurring definition and thus, need not be removed from the base; these will require documentation.

DU 8.50 **Base Reduction**: If specifically directed by the Governor or desired by the agency.

DU 8.90 **Other Adjustments:** (if any)

DU 9.00 **FY 2013 Base:** This decision unit entry should reflect the base upon which additional requests for the budget year will be developed. It is the mathematical total of the FY 2012 Estimate DU 7.00 and all intervening adjustments (DUs 8.10 through 8.90). **Make sure DU 9.00 includes no one-time funding.**

DU 10.00 **Program Maintenance:** This decision unit series provides the basic increases necessary to maintain the current state of operation for each program. The base used in computing increases, together with justification for such increases, should be included in the description block. Like DUs 6.10 through 6.90 and 8.10 through 8.90, proper sequencing of the MCO decision units is necessary. If a certain fund source has insufficient revenue to fund its portion of any of the maintenance decision units, with no request or expectation of increased revenues in the coming fiscal year, its costs may be shifted to other funds within that DU series. Make sure that the requests are made by fund and that the amounts of these fund-shifts are identified and explained in the narrative of each decision unit. **Use DU 10.19, 10.29, 10.39 and 10.69 to identify the fund shift.**

DU 10.10 **Employee Benefit Costs:** A budgetary adjustment derived from the form B-6 calculations for changes in the cost of maintaining a range of employer-paid benefits for state employees such as Social Security, retirement (PERSI), unemployment insurance, health insurance, etc. If a certain fund source has insufficient revenues to fund employee benefit costs, with no request or expectation of increased revenues in the coming fiscal year, its costs may be picked up by other funds. Make sure the amounts of these fund shifts are identified and explained in the narrative (DU 10.19).

DU 10.20 **Inflationary Adjustments:** Cost increases related to inflation are recorded here. Completion of form B-4 is required to calculate both general and medical inflation (see page 18 for instructions). The FY 2013 Base amounts for fixed costs and interagency nonstandard adjustments (10.40 series) and those categories for which the agency is requesting funding in a nondiscretionary adjustment must be removed from the base before applying the general inflation factor. If a certain fund source has insufficient revenues to fund inflation, with no request or expectation of increased revenues in the coming fiscal year, its costs may be shifted to other funds. Make sure the amounts of these fund shifts are identified and explained in the narrative (DU 10.29).

DU 10.21 **General Inflationary Adjustments:** General inflation adjustments will be calculated by using the B-4 form. This general inflation factor may be applied to the non-medical FY 2013 Operating Expenditures and Trustee and Benefit base. The base amount of interagency nonstandard adjustments that are separately budgeted (in the 10.40 series) must be removed from the non-medical FY 2012 Operating Expenditure Base before computing general Operating Expenditure inflation.

DU 10.22 **Medical Inflationary Adjustments:** Medical inflationary adjustments will also be calculated by using the B-4 form. The calculated medical inflation factor may be applied to the Operating Expenditures and Trustee and Benefit base for medical care costs.

DU 10.23 **Contract Inflation**: Inflation adjustments due to contracted obligations, including leases, will be made on the B-4 form, Part C.

DU 10.30 **Replacement Items:** Replacement Operating Expenditures and Capital Outlay derived from the form B-7 necessary to maintain current operations. Each item should be listed on the B-7 form.

DU 10.40 **Interagency Nonstandard Adjustments:** Adjustments resulting from changes in interagency costs should be reflected in this decision unit series. Include the base amount currently in the budget in the description area of each decision unit in this series. Fees resulting from operational impacts, program expansion or new program development, in addition to reclassification costs, should be included as part of a line item decision unit. See Appendix B, for additional DU category numbers. Most nonstandard adjustments will be completed by DFM after the Statewide Cost Allocation Plan (SWCAP) is released in October.

DU 10.41 **Attorney General Fees**
DU 10.42 **Refactored Classes**
DU 10.43 **Legislative Audits**
DU 10.44 **Building Services Space Charge**
DU 10.45 **Risk Management Cost Increase**
DU 10.46 **Controller's Fee Charge**
DU 10.47 **Treasurer's Fee Charge**

DU 10.50 **Annualizations:** Personnel Costs, Operating Expenditures, and Trustee/Benefit Payments not fully funded in prior years. List year(s) and explain reason(s) that led to spreading the costs over more than one year.

DU 10.60 **Change in Employee Compensation (CEC):** Agencies will be required to compute a CEC decision unit based on a 1% compensation multiplier for permanent employees. Each CEC decision unit information block (DU 10.60) should accurately contain the base salary by fund source and be broken out by classified, nonclassified, and board positions. If a certain fund source has insufficient revenues to fund CEC, with no request or expectation of increased revenues in the coming fiscal year, its costs may be shifted to other funds. Make sure the amounts of these fund shifts are identified and explained in the narrative (DU 10.69).

DU 10.61 **Salary Multiplier:** Reflect the cost of a 1% salary increase for permanent positions (except for those whose salaries are set by law) and those group positions tied to the classified salary schedule. Refer to the B-6 form for instructions (see page 22) on computing the cost of permanent staff increases.

DU 10.62 **Group and Temporary:** Other group and temporary position increases are to be computed per the instructions also found on page 22.

DU 10.63 **Elected Official Salary Increase:** Salary increases for elected officials. See page 22 for instructions.

DU 10.70 **Nondiscretionary Adjustments:** Adjustments necessary to maintain current operations that the agency has no control over. These adjustments should be made because of a caseload adjustment.

Use the following criteria as a guideline to determine whether the request is a caseload adjustment:

Nondiscretionary caseload adjustments:

1. Cost adjustment is demographically-driven; and
2. Participation in the program is eligibility-driven; and
3. The agency has no ability to control the demographics or eligibility criteria; and
4. The agency has no choice but to provide the service to those meeting the eligibility criteria; and
5. Costs are not associated with the opening of a new or expanded facility.

Examples of nondiscretionary adjustments are Public Schools statutory requirements, post-secondary education enrollment work load adjustments, professional-technical education statutory funding requirements, Medicaid, foster care programs, and the cost of housing prison inmates in non-state facilities and existing state facilities. Eligibility for inclusion in this decision unit series is to be narrowly construed. Examples of discretionary adjustments that do not qualify for inclusion in the 10.70 series are noncognizable non-state fund increases, occupancy costs for new facilities, and rent increases for additional space. Discretionary adjustments need to be placed in the line item DU 12.00 series.

Also, complete a form B-8.1 to detail the need for the adjustment and the current amount in the base budget for the identified activity. Any amounts requested in this series must not be included as part of the general or medical inflationary adjustments in the 10.20 series.

Requests for discretionary adjustments for program expansions (additional office space, additional miles driven, etc.) must be requested as a line item (12.00 series).

DU 11.00 FY 2013 Total Maintenance or MCO Budget Request: This decision unit is the final one for each program requesting funds for a MCO budget. It must be the mathematical total of the FY 2013 Base DU 9.00 and the DU 10.00 series.

Decision units beyond the Maintenance of Current Operations level:

DU 12.01 - 12.79 – Line Items: Line item decision units (sometimes referred to as "after-maintenance" or enhancement decision units) are used to request funding for new or expanded activities after the maintenance of current operations. Line items must be developed and justified on the B-8.1 form and entered into the budget development system. The system will produce a detail report that shows the agency’s line item budget requests. Requests for substitution of prior year ARRA funds must be requested in the 12.00 decision unit series.

Line item decision units must be listed in priority order, from the highest to lowest. It will be necessary to reflect the prioritization of line item decision units at the program level and at the agency-wide level. The methods used for reflecting the two levels of prioritization are described below.

Program Prioritization involves the ranking of line items within each program through the use of the decision unit numbering sequence. For example, the highest priority line item decision unit within a program must be numbered DU 12.01, followed by DU 12.02, DU 12.03, and so forth. Each line item decision unit must have a title that should be as descriptive as possible, such as “Increase Foster Care Payment Levels” or “Automate the Budget Development Process.”

Agency Prioritization involves ranking of the agency's line item decision units in priority order by using the priority field available on the Budget Development System for each line item. Please enter the agency priority ranking on the B-8.1 form as well. While a DU 12.01 will be the highest ranking decision unit in a particular program, it may have an agency-wide priority ranking of, for example "10" out of "20" line items. The Budget Development System will generate a line item report that will clearly distinguish between the program priority ranking and the agency-wide priority ranking (the agency priority ranking has a separate column entitled "Priority" on the line item report). The agency priority ranking will clearly communicate the agency's selection of its top priorities among all of the line items requested.

Please provide appropriate expenditure details to fully explain each line item decision unit. Indicate the number, type, salary, benefit amounts, and proposed dates of hire for all positions. Operating Expenditures should be broken into their relevant components. The same is true for Capital Outlay and Trustee/Benefit Payments. If a line item decision unit includes some one-time funding and ongoing funding, be specific about the amounts by checking the OT box on the appropriate line next to the fund and using a separate line for one-time and ongoing funding. Include all capital budget requests associated with maintenance, operations and occupancy, such as staffing, maintenance of building grounds, and furnishings that are necessary to make the building fully functional for the purpose that it was designed and built.

DU 12.80 Revenue Adjustments: Use DU 12.81 in conjunction with a line item decision unit to request the transfer of revenue from one fund source to the fund from which the actual expenditure will occur. Use this decision unit only in the case of an infrequent request for the transfer of one-time funding for a program. For example, the Governor's Emergency Fund may be periodically funded with a General Fund increase then transferred, using a revenue adjustment, to the Governor's Emergency Fund. Annual funding requests for transfers to funds such as the Guardian Ad Litem Account, Catastrophic Health Care Fund, Cooperative Welfare Fund, and the Public Health Trust Fund should not be included in this decision unit.

DU 12.90 Lump Sum Allocation: Agencies may request lump sum appropriation in DU 12.91. Justification for lump sum appropriation must be presented in the DU description field. Lump sum appropriation will be recommended by the Governor and determined by the Legislature based on the merits of each request and the expressed needs of the agency. Granting of prior lump sum appropriation by the Legislature does not guarantee continuation of the practice.

DU 13.00 FY 2013 Total Request: This decision unit is the final one for each program. It **must** be the mathematical total of DU 11.00 and all line item decision units (12.00 series). To facilitate final executive and legislative review, this decision unit should be shown with the appropriate totals shown by object and fund along with FTP amounts. The Personnel Costs must tie to the B-6.

B-8.1 PROGRAM REQUEST BY DECISION UNIT

The B-8.1 form is a required companion to the detail report (B-8) for supplemental requests (4.30 series), nondiscretionary adjustments (10.70 series), and line item (12.00 series) decision units. The detail report (B-8) is generated from the Budget Development System and is used to provide a short description and expenditure data by fund and object, while the B-8.1 form is used to provide more detailed information. In addition to reflecting costs at the summary object level and answering the questions on the form, the agency priority ranking should also be provided. Separate rankings should be done for supplementals, nondiscretionary adjustments, and line item decision units. For example, if you have three supplemental requests identify the first, second and third priority. Do the same for nondiscretionary adjustments and line item decision units.

Provide appropriate expenditure details to fully explain the decision unit. A series of questions have been developed to acquire information regarding the request. Responses to the questions along with completion of the financial data matrix **by summary object code** are essential to understanding the need for the request. If limited or no information is submitted, the request will likely not be successful. Attach response pages to the B-8.1 form. **Be sure to delineate between one-time and ongoing requests.**

Before submitting line item requests for information technology hardware, software, or systems development projects, you must receive prior approval from the Information Technology Resource Management Council (ITRMC). See page 9 for more information.

An exemplary sample B-8.1 may be found online at: http://dfm.idaho.gov under "What's New," or http://dfm.idaho.gov/StateAgencyGuide.html

B-11 AGENCY RECEIPTS

This form provides information on agency receipts and its multi-year data must support the request information on the B-2 form and B-8 report. Each agency **must** include this form with its budget request. **Submittals received that do not contain Form B-11 will be returned to the agency as incomplete.** Agencies having no receipts (income produced and/or received) should indicate "N/A" (not applicable) on the form. The agency's appropriation figure need not appear on this form. Some agencies may be requested to provide receipt information in more detail than the receipt code level.

The form is divided into two sections. Complete the top section by listing, in the nine columns provided, the following information:

Revenue Source

Column 1. **Class Code**: Enter the STARS class code under which the receipt was deposited. Agencies operating dedicated funds will report deposits that are initially received by the State Treasurer or State Controller for credit to a particular dedicated fund account.

Column 2. **Description**: Enter either the STARS subobject title associated with the code entered in column 1 or a more descriptive revenue category used within the agency. Since the purpose of this column is to describe the nature of the receipt, please be specific and provide the name of the granting agency or institution.

Fund Disposition

Column 3. **No.**: Enter the State Controller's code for the fund into which the receipts were deposited.

Column 4. **Title**: Enter the fund name associated with the code entered in column 3. (Enter the fund name once)

Receipts

Columns 5-9 Type the fiscal year in the column headings, beginning with FY 2009 through FY 2013.

Columns 5-7 Enter the actual receipts, rounded to the nearest $100, for each of the fiscal years indicated.

Columns 8-9 Enter the estimated receipts, rounded to the nearest $100, for each of the fiscal years indicated.

The second section of the form is to be completed by entering the total receipts for each fund listed in the first section and totaling these amounts for a grand total. Indicate any significant assumptions you are using in estimating receipts in "Significant Assumptions". These assumptions could include economic factors, proposed legislative changes, or administrative decisions. Estimated receipts need not reconcile to DUs in Request Totals DU 13.00 but should be the best estimate of revenues expected during the fiscal year. Explain any significant assumptions in FY 2012 or FY 2013 data if applicable; add attachments if necessary.

B-12 ANALYSIS OF FUNDS

This form is designed to show the multi-year cash flow for all operating funds other than the General Fund. It corresponds with the information provided on the B-2 and/or the 0209 and 0237 reports provided by the State Controller's Office, with one exception. The liquidation of prior year encumbrances will cause a variance in the expenditure year in the same amount as the liquidated prior year encumbrance. Other variances are not appropriate in reconciling these forms. Additional information may be requested if the frequency and/or magnitude of these impacts are warranted in the view of your DFM or LSO analyst. (Do not include rotary funds or suspense funds.)

1a. Show the fund title.

1b. Show the six-digit fund code.

2-6. Enter the fiscal year in the column headings, beginning with FY 2009 going through FY 2013.

For each given year:

7. Show the Controller's "Beginning Free Fund Balance" (unencumbered balance) as of July 1.
8. Show outstanding encumbrances as of July 1.
9. Show cash receipts. NOTE: These should agree with the total shown for the fund on the B-11.
10. Show the fund title and code of any funds from which you receive transfers in.
11. Total the three items above to show the total amount available for the year.
12. Show the fund title and code for funds that receive transfers out from this fund.
13. Show cash expenditures (including inter-agency expenditures).
14. Show outstanding encumbrances as of June 30.
15. Subtract transfers out, cash expenditures, and June 30 encumbrances from funds available for the year, leaving the Controller's "Ending Free Fund Balance" as of June 30.

Carry totals on lines 15 and 14 to lines 7 and 8 in the next column. Follow these steps (7-15) for each given year.

CAPITAL BUDGET REQUESTS

The Capital Budget is designed to integrate planning, evaluation, and budget decisions for long lasting assets of all state agencies regardless of funding source. Capital expenditures are any costs for permanent improvement to real property. Since capital expenditures commit the state to specific plans and policies for future years, the Capital Budget will ensure that the plans and policies of state agencies are consistent with the long-range goals and needs of the state.

Division of Public Works (DPW) - Capital Budget. These instructions pertain to all buildings, structures, and land acquisitions designed for state and public administrative use regardless of funding source. They also pertain to any major alteration and repair projects on the same facilities. Forms to complete your Capital Budget request may be obtained from DPW. DPW staff and software are available to assist in defining project costs. Please call 332-1900 for assistance.

For each category listed below indicate the agency-wide priority for each request. All sources of funds (including the Permanent Building Fund) should be reflected for each project.

1. **Alteration and repair projects:** These are not to include preventive maintenance projects as defined by *Idaho Code* 67-5710B, nor projects estimated to cost less than $30,000. Priorities are:
   - Projects required to save the structure from further deterioration or damage, such as roofs
   - Projects required to provide a safe environment and/or to meet codes and new program requirements such as handicapped accessibility, licensing, and life/safety — **separately identify projects required to comply with the Americans with Disabilities Act (ADA)**
   - Projects for repair, upgrade, or replacement of structural, electrical, or mechanical systems
   - Exterior repairs or renovations
   - Interior repairs or renovations

2. **Asbestos abatement projects:** These projects should be prioritized by potential exposure to the public, clients, and state employees. Any construction projects, renovation or remodeling, which may involve asbestos abatement should be clearly highlighted. These projects should include specific locations, product type if known, and any survey results if available.

3. **New construction, additions, or major remodel:** The request for these projects should include a narrative describing the condition of the old facility, the feasibility of renovation to meet new programs or needs, the proposed new use or disposition of the old facility, the impact on the operating budget and level of service as a result of the new facility (including future year impacts), and the consequences if the project is not funded. Project estimates should include:
   - land acquisition
   - off-site development costs (if any)
   - architect/engineer fees
   - construction costs
   - miscellaneous costs and contingencies

4. **Building demolitions:** Identify each building, why it should be demolished, the extent to which it is currently being used, and the estimated demolition costs.

Six-year plan for new construction, major renovation, or major remodel: For FY 2013 through FY 2019 inclusive, each agency should include a listing of projects, in priority order, with an estimate of future value.

Five-year facility plan: *Idaho Code* 67-5708 B requires agencies to produce a five–year facilities plan to be submitted with the budget request document. Starting July 1, agencies may download the forms necessary to complete the five-year plan from the Department of Administration's website. Agencies with more than five locations are also required to complete a summary form. Please return all forms electronically to the Department of Administration at Facilityplan@admin.idaho.gov and include a hardcopy of the forms with your FY 2013 Budget Request.

A complete copy of the Capital Budget request must also be submitted to DFM along with your operating budget request.

Capital Budget requests that are to be funded from sources other than the Permanent Building Fund should also be placed in the agency's operating budget request if an appropriation is required.

Costs associated with the maintenance, operations, and occupancy of any Capital Budget request, such as staffing, building maintenance, grounds, furnishing, etc., need to be requested as a line item (12.00 series) decision unit in the operating budget request in the year the facility will come on line. These costs are necessary to make the building fully functional for the purpose for which it was designed and built.