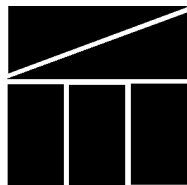


Instructions for 2001 Budget Submissions



*Amendments to the
2000-2001 biennial budget*



**Virginia Department of Planning and Budget
September 2000**

Instructions for 2001 Budget Submissions

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Section 1: Overview

This section summarizes the overall requirements for budget submissions

These instructions describe how to develop your agency's budget requests for the Governor's 2001 executive budget. The 2001 budget will contain the Governor's proposed amendments to the 2000-2002 biennial budget adopted by the 2000 General Assembly.

These instructions apply to all state agencies and institutions of higher education.

Terms used in these instructions

- **FY 2001** means the fiscal year beginning July 1, 2000, and ending June 30, 2001.
- **FY 2002** means the fiscal year beginning July 1, 2001, and ending June 30, 2002.
- **2000 Appropriation Act** refers to Chapter 1073, 2000 Acts of Assembly.
- **Legislative Appropriation** refers to the dollar amounts and positions contained in the 2000 Appropriation Act.

What's new for 2001?

The process of developing the Governor's 2001 budget amendments will be similar in many ways to the last few years. Here are the main differences in the budget process for 2001:

- **Limited submissions.** The 2001 budget amends the 2000-2002 biennial budget adopted by the 2000 General Assembly. Amendments to the Commonwealth's budget at mid-biennium are traditionally limited to emergencies, legislative or court-ordered mandates, prior commitments, and critical needs. This year will be no exception. The mid-biennium budget is not the appropriate time to introduce major new initiatives. See page 6 of these instructions for budget submission criteria.
- **Later timetable.** The timetable for the budget process is somewhat later this year due to the need to complete the "Productivity Savings" exercise. Budget submissions are due October 4.
- **No current services plan due.** Because this is a mid-biennium budget and few distributions from Central Appropriations are necessary, your agency is not required to submit a current services financial plan. Your agency's budget submission will consist of technical adjustments to accomplish the productivity savings and any proposed amendments to your 2000-2002 legislative appropriation.
- **No new strategic plans this year.** Your agency submitted a strategic plan last year as part of the 2000-2002 budget development process. No new strategic plan is necessary. Your

agency will be asked to revisit your strategic plan next year as part of 2002-2004 budget development. A new strategic plan submission will be due in the spring of 2001. DPB will send out instructions later this fall on strategic planning.

- **Complete activities information is not needed.** Your agency submitted complete data on each of its activities last year as a prelude to budget development for the 2000-2002 budget. It will not be necessary in this mid-biennium budget to justify each of your activities, nor to crosswalk your legislative appropriation to your activities.
- **DTP submission.** If your agency must make an emergency technology-related budget proposal, you must also make a submission to the Department of Technology Planning (DTP). Just send an electronic copy of your narrative justification to DTP at the same time you submit it to DPB. See Appendix B of these instructions for more detail.
- **Only electronic format required.** Hard copy submissions are no longer required. Submit your narratives and forms to DPB only in electronic format.
- **Productivity savings.** DPB will issue instructions in mid-September for submission of the final productivity savings plans, which will be due around the third week of September. In addition, agencies will be required to submit a technical budget adjustment (in the form of a PROBUD data submission) to accomplish the approved productivity savings. This technical adjustment related to productivity savings is due along with other budget submissions on October 4.
- **Agencies with no amendment proposals.** Most agencies will have a technical adjustment to accomplish the productivity savings. For some agencies, that will be the only budget submission required. If your agency does not have a productivity savings plan or have any other budget proposal, no submission is required.

Key dates calendar

<i>Date</i>	<i>Action</i>
Sept. 6	DPB issues budget development instructions
Mid-Sept.	Instructions issued for submission of final productivity savings plans
Third week of Sept.	Final productivity savings plans due to DPB
October 4	Budget submissions due from agencies (including PROBUD submissions to accomplish productivity savings)
December 20	Governor submits proposed amendments to the 2000-2002 budget to the General Assembly
January 10	2001 General Assembly convenes

Summary of budget submission due Oct. 4

Amendments are budget submissions proposing any changes to your agency's 2000-2002 legislative appropriation, as contained in the 2000 Appropriation Act. Your agency's proposed amendments are due to DPB by October 4, 2000. The submission includes four major components:

- 1. Narrative justifications.** For each individual amendment your agency proposes, you must submit a narrative justification. (This form can be downloaded from the DPB website, and must be submitted in electronic format.)
- 2. Amendment Financial Detail Summary Table.** This one summary table provides financial detail on all your agency's proposed amendment packages. You must submit one table that provides information on all amendment packages. (This form can be downloaded from the DPB website, and must be submitted in electronic format.)
- 3. PROBUD data submission.** The PROBUD data submission is an electronic or online submission that allocates the resources for each proposed amendment among the affected programs and subprograms for each year of the 2000-2002 biennium.

See Section 2 of these instructions for details about preparing the first two of these components. See Section 3 for details on preparing the data submission.

Information technology submissions

Section 2.1-563.31 of the Code of Virginia requires that the Department of Technology Planning (formerly the Council on Information Management) review budget requests from state agencies and institutions for information technology resources and recommend to the Secretary of Technology budget request priorities for consideration by DPB. If any of your agency's proposed amendment packages relate to information technology, you must submit an electronic copy to DTP as well as to DPB by close of business on October 4.

See Appendix B of these instructions for more about the information technology submissions.

Legislative reporting requirements

The General Assembly has enacted provisions requiring agencies to report certain information. Later this fall, DPB will issue a separate package of instructions for meeting the following legislative requirements.

Federal spending. Section 2.1-20.01:1(E) of the Code of Virginia requires that agencies report the percentage of their spending from federal funds each year.

Federal grants. Section 2.1-20.01:1(E) of the Code requires agencies to compile information regarding any federal contracts, loans, or grants in excess of \$1.0 million for which they may be eligible.

Nongeneral fund revenues. Section 2.1-396 of the Code requires the Governor to provide a six-year projection of nongeneral fund revenues.

Organizational memberships. Section 4.-5.07 c2 of the 2000 Appropriation Act requires each agency to report to DPB annually the name and purpose of its organizational memberships with annual dues of \$5,000 or more.

Performance measures

As in recent years, your agency's performance measurement data for fiscal year 2000 will be displayed in the budget document with the Governor's 2001 budget when it is released in December. Agency year-end performance measures updates were due to DPB by August 24, 2000 (for all state agencies other than institutions of higher education).

Section 2: Amendment packages

This section provides details on submitting amendment packages

Your agency's 2001 budget submission includes three major elements: (1) Amendment Narrative Justifications (one for each proposed amendment), (2) one Amendment Financial Detail Summary Table (which summarizes all your proposed amendments), and (3) a PROBUD data submission.

This section provides details on the first two of these elements. *See Section 3 for more on preparing the data submission.*

Amendment packages

An "amendment" is a proposal to modify your agency's 2000-2002 legislative appropriation or to modify language in the 2000 Appropriation Act. Amendment requests are limited to only those necessary to meet one of these criteria:

- Emergencies
- Mandates
- Prior commitments
- Long-term savings
- Cost adjustments
- Technical adjustments
- Productivity savings

(See "Amendment categories" on pages 6 and 7 for the definition of these criteria.)

Each amendment package should cost out and justify *one* action or strategy proposed to address a critical issue. The action proposed in each amendment package should be a discrete unit that can be evaluated on its own merit, independently of any other proposals. (Under certain circumstances, several strategies or actions may be tightly interrelated and cannot be viewed independently. If so, they may be grouped together in one amendment package.)

Your Secretary can provide guidance if you have questions about whether to submit an amendment. Your Secretary or DPB may request that you submit certain amendments.

Language-only amendments

Language-only amendments which do not affect dollar amounts or positions, including changes to language in Part 3 (Miscellaneous) and Part 4 (General Provisions) of the Appropriation Act, must also meet the budget criteria above.

If your agency proposes changes to the language in the 2000 Appropriation Act, and the proposed change does NOT affect dollar amounts or positions, submit a marked up copy of the affected page(s)

of the 2000 Appropriation Act. You should submit the “Amendment Narrative Justification” to explain the intent of your language amendment and why you are proposing it. It is not necessary to include the language-only amendment on the “Amendment Financial Detail Summary Table.”

Capital requests

Because this is an odd-numbered budget year, only certain capital requests can be considered. The 2000 Appropriation Act (§4-4.01f) limits consideration of capital requests in odd-numbered years to:

1. Supplementing projects which have been bid and determined to have insufficient funding to be placed under contract, and
2. Projects declared by the Governor or the General Assembly to be of an emergency nature, which may avoid an increase in cost or otherwise result in a measurable benefit to the state, and/or which are required for the continued use of existing facilities.

If your agency has a capital request that meets these criteria, remember to also submit the applicable H and P forms.

Technical adjustments

Adjustments relating to productivity savings. In addition to the final productivity savings plans, which will be due about the third week of September, agencies must submit a technical budget adjustment to accomplish the approved savings plan. These technical adjustments related to productivity savings are due with other budget submissions on October 4.

Other technical adjustments. Other technical adjustments are any changes to your agency’s budget that do not involve policy decisions. These technical adjustments are due with other budget submissions on October 4.

Examples of other technical adjustments include proposals to:

- shift funds or positions between programs or subprograms, or
- account for additional nongeneral fund revenue that does not involve a policy decision and that has already been approved or will be approved administratively for FY 2001 or FY 2002, such as a federal grant that will continue for five years.

Note: Routine cost or rate increases are not considered technical adjustments. Submit as an amendment on any proposals to change your agency’s budget involving cost increases or decreases due to rate changes or to workload or caseload changes. *See below for a description of this category of amendment packages (the 600-699 series).*

Amendment categories

Each amendment must fit into one of the categories below. Use only *one* category for each amendment, the category that *most closely defines* the proposed amendment. If your agency has more than one amendment package within a category, assign the numbers for each one sequentially. Start with 100 (or 200, or 300, etc, according to the category) and continue sequentially with 101, 102 etc. within each category. If you have trouble deciding which category to use, consult with your DPB budget analyst.

<i>Number Series</i>	<i>Category Definition</i>
100-199	Emergencies. The amendment is essential to prevent or eliminate an immediate threat to life, safety, health, or property.
200-299	Mandates. The amendment is necessary to meet the requirements of a state or federal law or a court order that has occurred since the 2000 General Assembly. NOTE: The definition of “mandate” is restrictive. Requirements of state or federal regulations are <u>not</u> considered mandates per se. Also, if legislation simply enables or authorizes an activity but does not require it, the activity is <u>not</u> considered a mandate. This category should be used <u>only</u> if there is absolutely no alternative but to fund the request. It is anticipated that very few, if any, requests will fall within this definition.
300-399	Long-term savings. The amendment proposes a government reform or operational change that will result in demonstrable significant long-term cost savings or benefits to the Commonwealth.
400-499	Prior commitments. The request is necessary to maintain critical or essential state services, or to fund commitments previously made by the Governor or General Assembly. This category is limited to amendments for which the Commonwealth has little, if any choice, about funding.
500-599	Technical adjustments. Agencies may initiate other technical or housekeeping adjustments that do not have a budget impact or do not involve policy decisions, such as to shift funds or positions between programs or subprograms or to appropriate additional nongeneral fund revenue (such as a federal grant that is more than originally anticipated or will continue for an additional year). (<i>Note: Do not use the 500 series for the technical adjustment relating to productivity savings. Instead, use amendment number 800.</i>)
600-699	Cost adjustments. This category is for routine cost or rate increases that cannot be absorbed within the agency’s existing resources. These requests must be approved in advance by the agency’s Secretary to assure that they are beyond the ability of the agency to absorb them.
700-799	Capital projects. This category is for capital projects. Note that in a mid-biennium budget, §4-4.01f of the Appropriation Acts limits consideration of capital requests to certain projects. See page 6 of these instructions.
800	Productivity savings. This category is for the technical adjustment to accomplish your agency’s approved productivity savings.

The Amendment Narrative Justification (Form NJ)

The Narrative Justification is your main tool to explain and justify your budget request so that decision makers can consider the merits of funding it. You must prepare a separate narrative justification for each amendment package.

You must use the prescribed format for the Amendment Narrative Justification (Form NJ).

You can download the Amendment Narrative Justification in a Word file from DPB's web site (go to www.dpb.state.va.us then click on the "Forms & Instructions" button). If you do not have access to the Internet, ask your DPB budget analyst to send you a diskette with the format. The narrative justification must be submitted to DPB electronically, either via e-mail or diskette.

Here are some guidelines for submitting this narrative:

- **Quality is important.** The quality of your submission is important. Remember: Decision-makers may have only your narrative justification as a basis for evaluating your agency's proposal. You will need to thoroughly explain what the proposal involves and why the proposal should be funded. Be as thorough and complete as you can. Do not feel constrained by the format prescribed for the "Amendment Narrative Justification." Space is not limited. Feel free to provide all the narrative you think necessary to fully explain each amendment package.
- **Attach additional information if needed.** Be sure to include with your submission any supplementary documents, background information, or other material you think will support your submission and explain your proposal. If these materials are not available in electronic format, send a hard copy to your agency's DPB budget analyst.
- **Answer all questions in the required format.** You must respond to all the items in the required format. If an item is not applicable, simply put "N/A."

See Appendix A of these instructions for the format of the Amendment Narrative Justification and specific instructions on filling it in.

Productivity savings adjustment requires no narrative

No narrative will be required for the technical adjustment to accomplish your agency's productivity savings. Simply submit a data submission.

Figuring personal services costs

Use the following rates to calculate fringe benefit costs for any positions affected by an amendment:

Subobject	Factor	Employer Costs
1111	VRS contributions ¹ State employees Judges State Police VaLORS	10.22 percent of payroll 50.00 percent of payroll 30.00 percent of payroll 21.15 percent of payroll
1112	Social Security	6.20 percent of payroll, capped at \$76,200
1112	Medicare	1.45 percent of payroll
1114	Group life insurance premium	0.80 percent of payroll
1115	Health insurance premiums Key advantage Employee only Employee plus one Family Two employee family Cost Alliance Regional Plans	\$2,460 a year \$3,936 a year \$5,232 a year \$6,348 a year \$5,064 a year Varies by product
1116	Retiree Health insurance credit premium	1.12 percent of payroll for FY 2001, 1.21 percent for FY 2002
1117	Long-term disability insurance State employees State Police VaLORS	0.83 percent of payroll 1.10 percent of payroll 1.10 percent of payroll
1118	Teachers Insurance Annuity ²	10.4 percent of payroll
1119	Defined Contribution Plan ³	10.4 percent of payroll

¹Includes employee contributions of five percent.

²For institutions of higher education: This includes alternative retirement options, such as TIAA-CREF, for those employees as defined in §51.1-126 of the Code of Virginia.

³Used for employees eligible for a defined contribution plan established pursuant to §51.1-126.5 of the Code of Virginia.

Budgeting for new positions. The lag pay plan passed by the 1997 General Assembly instituted new pay periods and shifted the June 30 pay period to the next fiscal year. For new positions hired at the beginning of the fiscal year, you should assume that the employee would start work on July 10, the first day of the first full pay period. With this start date, only 22 payrolls would be expensed. For all new positions requested, please indicate in the narrative justification the anticipated hire date, career group, role, and band. Discuss why the indicated hiring salary was selected.

Other personal and nonpersonal services costs. If your proposal affects positions, make sure that you account for **other personal services costs** such as overtime payments, wage employment, and payment of leave balances. Also include any support costs such as office supplies, travel, or equipment needed to support the position(s).

Be sure to detail in the justification the nonpersonal services costs that are included in your request and the methodology for developing your cost estimates. Be sure to distinguish one-time costs.

Amendment Financial Detail Summary Table (Table FT)

In addition to the narrative information required for each amendment, your agency must submit a summary table that provides financial detail on all your agency's individual amendments.

The Amendment Financial Detail Summary Table (Table FT) arrays the costs and positions for each of your amendments by fund group, and provides detail on personal services costs, nonpersonal services costs, and one-time funding. Table FT is for use by all agencies, including institutions of higher education.

You must use the prescribed format for the Amendment Financial Detail Summary Table (Table FT). You can download Table FT in an Excel file from DPB's web site (go to www.dpb.state.va.us then click on the "Forms & Instructions" button). If you do not have access to the Internet, ask your DPB budget analyst to send you a diskette with the format. Table FT must be submitted to DPB electronically, either via e-mail or diskette.

You must submit one Amendment Financial Detail Summary Table that shows all of your agency's proposed amendments.

See Appendix A of these instructions for the format of Table FT and specific instructions on filling in each column.

Packaging the submissions

Your budget submission due to DPB on October 4 should contain the following elements:

1. The Amendment Narrative Justifications (Form NJ) for individual amendment packages. Package the narrative justifications in sequential order, (e.g., amendment package No. 100, No. 101, etc.) Attach any supplemental information you think necessary.

2. The Amendment Financial Summary Table (Table FT)

Submit the material (Table FT and Form NJ) in **electronic format** using the file-naming convention prescribed. E-mail your submission to budget@dpb.state.va.us or send a diskette.

Reminder:

PROBUD data submissions. The data submissions are due by October 4. Remember that you must call DPB to let us know your data submission is complete. *See Section 3 of these instructions for information about filing your data submissions.*

Technology proposals. Any amendment packages for information technology proposals must also be submitted in an electronic format to the Department of Technology Planning (DTP) by October 4. *See Appendix B for more about information technology proposals.*

Section 3: The data submissions

This section provides details on preparing and filing the data submissions

Overview

The PROBUD data submission is the electronic or online submission that allocates the resources your agency proposes in each amendment among the programs and subprograms affected for each year of the 2000-2002 biennium. The PROBUD submission is also due on October 4 (including the technical adjustments to accomplish the productivity savings).

Prepare the budget data for each amendment package, using the unique amendment number assigned to it, as a discrete submission even if the request is distributed among several programs and subprograms. Do **not** combine multiple amendment packages or portions of them in your data submission. Remember, when entering dollars or FTE positions for each proposal, **use only the change** from your agency's 2000-2002 legislative appropriation, as contained in the 2000 Appropriation Act.

Do **not** use replacement amounts.

Code all data for amendment packages as **Level 2**, unless DPB instructs otherwise.

Personal services. For all personal services, array your planned expenses for each amendment package by subobject detail. (You can download the revised Expenditure Structure, dated May 2000, from DPB's web site at www.dpb.state.va.us. Contact your DPB budget analyst if you need a hard copy.) If the amendment package includes any adjustments for turnover and vacancy savings, you may use the following designated convenience codes:

- 1192 Turnover/Vacancy Faculty Salaries
- 1193 Turnover/Vacancy Fringe Benefits
- 1194 Turnover/Vacancy Medical/Hospital Insurance
- 1195 Turnover/Vacancy Classified Salaries

Do not use any other convenience codes for personal services.

Remember to carry out position requests to two decimal places. In the online submission, no decimal point is actually used (e.g., 1.00 = 100).

Nonpersonal services. For all nonpersonal services, array the planned expenses by major object of expenditure. Use the designated convenience codes which are listed below (e.g., for your expenses in the 1200 major object of expense, enter your aggregate amount using the convenience code 1295):

- 1295 Undistributed Contractual Services
- 1395 Undistributed Supplies and Materials

- 1495 Undistributed Transfer Payments
- 1595 Undistributed Continuous Charges
- 2195 Undistributed Property and Improvements
- 2295 Undistributed Equipment
- 2395 Undistributed Plant and Equipment
- 3195 Undistributed Obligations

For nonpersonal services, use **ONLY** the designated conveniences codes listed here. Do **not** use any other budgetary nonpersonal services convenience codes, including those in Section D of the Expenditure Structure or elsewhere. (*Note: For institutions of higher education, recoveries should include the appropriate recovery subobject code.*)

Fund/fund detail information. Include fund information at the program level by fund group. If your agency normally uses fund detail information, include this level of detail in your submission. (**NOTE: This is very important since these changes will be incremented against the fund/fund detail data contained in the 2000 Appropriation Act. If you should enter a fund/fund detail record that is not in the 2000 Appropriation Act for the agency, the amendment will create a negative fund amount which your agency will have to correct.**)

Changes between fund sources. If an amendment makes a shift between fund sources (for either dollars or FTEs) and the net effect of the amendment or change is zero, you do not need to enter a detail subobject record.

Balancing the submission. Before submission, make sure that -- for each amendment -- the total dollars and FTEs for fund/fund detail at the program level balance to the dollars and FTEs at the subprogram level. If the amendment contains multiple programs, the same rule applies: Each program must balance for dollars and FTEs at fund/fund detail and at the subprogram level.

Numbering the submissions. Number each individual amendment in sequential order according to its unique amendment number (e.g., amendment number 100, amendment number 101, etc.). See page 7 of these instructions for details on numbering amendments.

Submission methods. Use the same submission mode designated for your agency's 2000-2002 budget submission last year. (*Note: Magnetic tape submission is no longer available.*) DPB has previously distributed manuals for each of the electronic submission modes. (If the required manual is not available in your agency, contact Martha Twiggs at 786-1429 or Thelma Myers at 786-2541.)

- **On-line PROBUD**

For agencies submitting in on-line PROBUD, use the manual entitled *Budget Request Submissions, Online PROBUD Instructions*, dated July 1990. Enter data in both Year 1 and Year 2.

Call one of the following DPB Information Services staff when you have completed the submission on-line:

Martha Twiggs 786-1429
Thelma Myers 786-2541

- **BEARS — PC Budget Entry and Reporting System.**

For agencies submitting via BEARS, use the manual entitled *BEARS PC Budget Entry and Reporting System Instructions for 1990-92*, dated September 1990. Enter data in both Year 1 and Year 2.

Make sure the data package reaches DPB by the deadline. Mark the package "Budget Submission" and address it as follows:

Martha Twiggs
Department of Planning and Budget
200 North Ninth Street
Ninth Street Office Building, Room 711
Richmond, Virginia 23219

NOTE: A few selected agencies are participating this year in a pilot project to test a new web-based BEARS system. If you are participating in the pilot, call your budget analyst or Martha Twiggs or Thelma Myers if you have questions or problems.

- **Disk Dataset**

For agencies required to submit via disk dataset, use the instructions entitled *Budget Request Submissions, Tape and Disk Dataset Instructions for 1990-92 Budget Development*, dated June 1989. Enter data in Year 1 and Year 2.

Call one of the following DPB Information Services staff when you have completed your submission:

Martha Twiggs 786-1429
Thelma Myers 786-2541

**Appendix A:
Submission
Formats**

Instructions for completing the Amendment Financial Detail Summary Table (Table FT)

General information

Please use the Excel format provided by DPB. This form is for all state agencies, including institutions of higher education

You can download the format for this table from DPB's web site (go to www.dpb.state.va.us and click on the "Forms and Instructions" button). If you do not have access to the Internet, call your DPB budget analyst for a diskette.

Note the following:

- You must complete one table that includes all of your agency's amendment packages. Do not complete a separate table for each amendment package.
- Do not use any formulas in the table you return to DPB, other than those DPB has already put in the table. Use absolute values.
- Note that the spreadsheet includes columns for each year of the biennium, FY 2001 and FY 2002. Note also that it contains columns for dollar amounts and columns for positions.
 - Columns D through I relate to dollar amounts for FY 2001, and Columns J through K relate to positions for FY 2001. Columns M through R relate to dollar amounts for FY 2002, and Columns S through U relate to positions for FY 2002.
- For positions, use two decimal places. Example: Show one position as *1.00*.
- When you save your completed table, name it according to the following convention: your agency's three-digit code followed by "FT." Example: If you are agency 999 and you submit an Excel file, the file for this table would be *999FT.xls*.

Line-by-line instructions for the table

Here are specific instructions for completing each column of the Amendment Financial Detail Summary Table:

- **Agency name:** Type in the agency name on the line in the upper left of the spreadsheet.
- **Column A. Agency code.** Insert your agency's three-digit code, and repeat it for every row of the table that you fill in.
- **Column B. Amendment package number.** Use the three-digit category number specified in "Numbering Amendment Packages" in Section 2 of these instructions. It is

important that you use the SAME number here that you do for the amendment package on the Amendment Narrative Justification.

- **Column C. Title.** Insert a short title for the amendment package, no longer than 100 characters. Begin the title with an action verb such as “Increase,” “Expand,” or “Transfer.” Example: *Expand services to at-risk teens.*

Note: Columns D through I, relate to dollar amounts for FY 2001.

- **Column D. Personal services.** Insert the total dollar amount in FY 2001 (from all funds, including both general fund and nongeneral funds) for the personal services costs associated with the amendment package. See “*Figuring Personal Services Costs*” in Section 2 of these instructions for information about calculating these costs. (This column does not add into the total in column I. The amounts listed in this column may also be included in other columns.)
- **Column E. Nonpersonal services.** Insert the total dollar amount in FY 2001 (from all funds, including both general fund and nongeneral funds) for the nonpersonal services costs associated with the amendment package. (This column does not add into the total in column I. The amounts listed in this column may also be included in other columns.)
- **Column F. One-time costs.** Insert the total dollar amount in FY 2001 (from all funds, including both the general fund and nongeneral funds) that represents one-time funding for each amendment package. (This column does not add into the total in column I. The amounts listed in this column may also be included in other columns.)
- **Column G. General fund.** Insert the dollar amount from the general fund (fund 0100) in FY 2001 associated with the amendment package. If the amendment package has no dollars from the general fund, insert a zero (0) in this column.
- **Columns H. Nongeneral funds.** Insert the nongeneral fund amounts, totaling all fund groups from 0200 through 1000, that are associated in FY 2001 with this amendment package. If the amendment package has no nongeneral funding, insert a zero (0) in this column.
- **Column I. Dollar totals.** The format for this table has a formula inserted to calculate this total, so you do not need to enter anything in this column. For your information, this is the total dollar amount for the amendment package, including both general and nongeneral funds (the sum of Columns G and H).

Note: Columns J through K relate to positions for FY 2001. (*Remember to take positions to two decimal places, i.e., 1.00.*)

- **Column J. General fund.** Insert the number of positions from the general fund (fund 0100) in FY 2001 associated with the amendment package. If the amendment package has no dollars from the general fund, insert a zero (0) in this column.
- **Columns K. Nongeneral funds.** Insert the appropriate number of positions from nongeneral funds that are associated in FY 2001 with this amendment package. If the amendment package has no positions from nongeneral funds, insert a zero (0) in the appropriate column.

- **Column L. Position totals.** The format for this table has a formula inserted to calculate this total, so you do not need to enter anything in this column. For your information, this is the total number of positions for the amendment package, including both general and nongeneral funds (the sum of columns J and K).

Note: Columns M through R, relate to dollars for FY 2002.

- Repeat the same information for FY 2002 that you provided for FY 2001.

Note: Columns S through U, relate to positions for FY 2002.

- Repeat the same information for FY 2002 that you provided for FY 2001.

Remember that it is important to repeat the agency code and the appropriate amendment package number and amendment package title on each row of the table that you fill in.

Save the completed table as an Excel document using the file naming convention prescribed: three-digit agency code followed by “FT.” (Example: 199FT.xls)

Amendment Narrative Justification (Form NJ)

1. Agency name: _____ 2. Agency code: _____

3. Amendment number: _____ 4. Title: _____

Section 1: General Description

5. Description

6. Objectives/results

7. Consequences of not funding

8. Need for request

9. Alternatives considered

10. Are the proposed services/programs/ activities mandated? YES NO

11. Is legislation needed? YES NO If YES, please explain:

12. Appropriation Act language needed? YES NO If YES, please explain:

13. Activities

Activity	Dollars		Positions	
	GF	NGF	GF	NGF

(Insert additional rows as needed)

14. Does the proposed services/programs/ activities relate to your agency's strategic plan? YES NO If YES, please explain:

15. Does the proposed services/programs/ activities relate to the Governor's strategic plan? YES NO If YES, please explain:

Section 2: Cost of request

16. One-time funding? YES NO If YES, please explain:

17. Recurring need? YES NO If YES, please explain:

18. Personal services YES NO If YES, fill in table below:

Position (Role) Title	Expected hire date	Band	Starting salary	\$ cost of salary & fringe benefits

Position (Role) Title	Expected hire date	Band	Starting salary	\$ cost of salary & fringe benefits

(Insert additional rows as needed)

19. Nonpersonal services YES NO If YES, fill in table below:

Expenditures	FY 2001 CHANGE		FY 2002 CHANGE	
	GF	NGF	GF	NGF
Contractual Services				
Supplies & Materials				
Transfer Payments				
Continuous Charges				
Property & Improvements				
Equipment				
Plant & Equipment				
Obligations				

Explain below:

20. Funding source GF only NGF only Both GF and NGF

21. Nongeneral fund sources

Fund/Fund Detail Code	Fund/Fund Detail Title	FY 2001 amount	FY 2002 amount

Explain below:

22. Grant funds

23. Methodology

Section 3: Measuring Success

24. How will you measure success?

25. Performance measure? YES NO If YES, which?: _____

Instructions for completing the Amendment Narrative Justification (Form NJ)

General information

Please use the Word format provided by DPB.

You can download the format for Form NJ from DPB's web site (go to www.dpb.state.va.us and click on the "Forms and Instructions" button). If you do not have access to the Internet, call your DPB budget analyst for a diskette.

Complete a separate narrative justification for each amendment package. Please put all the narrative justifications into one document in Microsoft Word. Simply put a page break after each amendment and continue on the next page of the same document with the next amendment.

You must complete all the items. If an item is not applicable, insert "N/A." Do not delete any items.

Remember that this justification is the only information decision-makers will have to determine whether your proposals should be funded. Be as complete as possible.

When you save your completed table, name it according to the following convention: your agency's three-digit code followed by "NJ." Example: If you are agency 999 and you submit a Word file for your narrative justifications, the file for this table would be *999NJ.doc*.

Specific information

- **Item 1. Agency name:** Type in the agency name.
- **Item 2. Agency code .** Insert your agency's three-digit code.
- **Item 3. Amendment package number.** Use the three-digit category number as specified in "Numbering Amendments" in Section 2 of these instructions. It is important that you use the SAME number here that you did for the amendment package on the Amendment Financial Detail Summary Table.
- **Item 4. Title.** Insert short descriptive title (no more than 100 characters long). It is important that you use the SAME title here that you do for the amendment package on the Amendment Financial Detail Summary Table (Table FT). Remember that your title should begin with an action verb.

Section 1: General Description

- **Item 5. Description.** Provide a full description of the actions involved in the proposed amendment package.

- **Item 6. Objectives/results.** Describe the anticipated results or objectives your agency expects to accomplish if the proposed strategy is approved. What issue or problem are you trying to resolve? Be as specific as possible.
- **Item 7. Consequences of not funding.** Indicate the consequences you expect if your proposal is or is not approved.
- **Item 8. Need for request.** Provide detailed information to indicate the need for the proposed service/program/activity. For example: Is there a waiting list for services? If so how long is the wait, how many individuals are on the list? Have demographic, weather, or other factors changed the need for the service/program/ activity? Cite quantitative data wherever possible.
- **Item 9. Alternatives considered.** Indicate any other alternatives you considered for accomplishing the objectives and why you selected the proposed action. Briefly list the pros and cons of each alternative.
- **Item 10. Are the proposed services/programs/ activities mandated?** Check the appropriate box to indicate if the proposed programs, services, or activities are mandated. If so, indicate what precisely the mandate requires and what is its origin (cite federal or state statutory provisions). **Note:** Requirements of state or federal *regulations* are not considered “mandates.” Also, an activity is not mandated if legislation enables or authorizes the activity but does not require it.
- **Item 11. If legislation needed?** Put an X in the appropriate box to indicate if your request requires a legislative proposal to amend the Code of Virginia. If so, give the proposal identification number and the summary of the proposal. If the legislation has not been submitted to the Governor’s Policy Office to date, when will it be, and where is it now? Indicate why the legislation is essential for the success of the amendment package. If the proposal does not involve any needed legislation, indicate “no.”
- **Item 12. Appropriation Act language needed?** Put an X in the appropriate box to indicate if there is a need to add, revise, or delete language in the Appropriation Act. (If so, photocopy the appropriate pages, mark up the changes, and include them as an attachment.)
- **Item 13. Activities.** Use the table to indicate the activity or activities affected by the amendment and the dollars (GF, NGF, and all funds) and positions (classified and wage) for those activities. Feel free to add additional rows to the table (or delete rows) as needed. **Note:** An “activity” defines one major service your agency delivers or one major endeavor it undertakes. In many cases, one activity will include several subsidiary endeavors. For example, “budget development” is one of DPB’s activities. It includes discrete efforts such as “review and analysis of agency budget requests,” “preparation of the budget bill,” and “preparation of the budget document.” You should use the same list of activities here that you submitted last year (in May 1999) with your activity-based budget submission. If your activity list has changed, or you have questions about definition of activities, consult with your DPB budget analyst.
- **Item 14. Agency strategic plan.** Check the appropriate box to indicate if the proposal is tied to one or more of the strategies in your agency’s strategic plan. If yes, identify the strategy and explain how.

- **Item 15. Governor’s strategic plan.** Put an X in the appropriate box to indicate if the proposal is tied to any of the strategies in the Governor’s strategic plan, and, if so, explain how. Be sure to identify the strategy. If the proposal does not relate to the Governor’s strategic plan, check “no.” The Governor’s strategic plan can be found on the Internet at <http://www.state.va.us/governor/webplan.pdf>.

Section 2: Cost of request

- **Item 16. One-time funding?** If the request involves additional funding, Put an X in the “YES” box to indicate if it represents a one-time need. If partially one-time, partially recurring, insert an X in the YES box, but be sure to explain. Provide why you consider the funding to be one-time.
- **Item 17. Recurring need?** If the need is recurring, put an X in the “Yes” box. Indicate the estimated funding to accomplish the total project/request and the timetable for completing the entire project. Indicate if funding requirements in the next biennium (2002-2004) will be more or less than the current biennium? If no recurring need is involved, insert an X in the “No” box.
- **Item 18. Personal Services.** Put an X in the appropriate box to indicate if the amendment includes any personal services dollars. If yes, use the table to indicate by category (role) any positions affected (either new positions or positions eliminated), the anticipated hire date, the pay band, the starting salary, and costs of salary and the associated fringe benefits for each category. Describe how these positions relate to the services to be provided through this proposal (i.e., do these positions provide administrative support or do they deliver direct services?). *Be sure to attach any worksheets that show your calculations and assumptions, including how the starting salary was determined.*
- **Item 19. Nonpersonal services.** Put an X in the appropriate box to indicate if any nonpersonal services costs are included in the amendment. If yes, use the table to indicate by major object of expenditure the change in resources your agency is requesting for nonpersonal services. Identify and explain specific expenses such as grants and contracts, operating fixed assets, and debt service. (Institutions of higher education: Include information to justify any proposed increases in student fees.)
- **Item 20. Funding source.** Indicate if the funding source is general or nongeneral fund by putting an X in the appropriate box: “GF and NGF,” “GF only” or “NGF only”.
- **Item 21. Nongeneral fund sources.** If the proposal involves nongeneral fund sources, provide the following information: (1) the methodology used to calculate the nongeneral fund amounts, and (2) the source(s) of the nongeneral fund revenues. If this proposal does not involve nongeneral funds, insert “N/A.”
- **Item 22. Grant funds.** If the funding source is a grant, describe the formula or explain the methodology used by the grantor to allocate the funds. Describe any federal or local match requirements that will require additional state funding from either general or nongeneral funds and identify the source of the additional match funds. Identify any conditions or restrictions associated

with acceptance of the anticipated grants. If this proposal does not involve grant funds, insert “N/A.”

- **Item 23. Methodology.** Provide an explanation of the methodology used to calculate the costs of the proposal. If a proposal requires additional funding to achieve future savings, be sure to address both the time frame and the amounts for the additional costs required and the savings to be achieved.

Section 3: Measuring Results

- **Item 24. Measuring success.** Indicate how you will measure the success of the effort if this proposal were to be funded.
- **Item 25. Performance measure?** Put an X in the appropriate box to indicate if your proposal relates directly to one of the agency-wide performance measures tracked by DPB. If yes, indicate the measure number.

When you have completed the narrative for one amendment proposal, simply insert a page break and begin the next amendment narrative in the same document.

Remember to save your completed narrative according to the following file naming convention: your agency’s three-digit code followed by “NJ.” Example: If you are agency 999 and you submit a Word file for your narrative justifications, the file for this table would be 999NJ.doc.

Appendix B

Information Technology Submissions to the Department of Technology Planning (DTP)

Section 2.1-563.28:3.8 of the Code of Virginia requires that DTP review budget requests from state agencies and institutions for information technology resources. DTP will recommend to the Secretary of Technology budget request priorities for consideration by DPB. “Information technology” includes hardware, software (whether commercial packages or custom-developed), telecommunications equipment or services, and any related consulting, training, or support/maintenance services.

Your agency must submit an Amendment Narrative Justification (Form NJ) for each proposed amendment concurrently to DPB and to DTP by October 4 for all information technology proposals (regardless of cost). *See Part 2 and Appendix A of these instructions for detail on the format of Amendment Narrative Justification submissions.*

Where to send the submission. Email the Amendment Narrative Justification to DTP at jsimonoff@ntp.state.va.us or send a diskette to:

N. Jerry Simonoff, Director
Department of Technology Planning
Richmond Plaza, Suite 135
110 South Seventh Street
Richmond, VA 23219

Direct any questions regarding the requirements for these submissions to Jerry Simonoff at DTP at (804) 786-7711 or jsimonoff@ntp.state.va.us.

Agencies may wish to supplement their technology-related submissions with additional project-specific information that may be of assistance to DTP in its review.

Criteria DTP will use in its review of budget requests

Investments in information technology proposed for funding should meet the following criteria. (Narrative justification should appear in form NJ in the items noted in parentheses.)

1. Support agency priority business activities, as defined in the agency Activity-Based Budget submission. (*Item 6*)

2. Advance Web-enabled government. *(Item 15)*
3. Support work processes that have been simplified or otherwise designed to reduce costs, improve effectiveness, and make maximum use of commercial, off-the-shelf technology. *(Item 5)*
4. Demonstrate a clear positive return on investment. Return may include: improved mission performance in accordance with agency defined performance measures; reduced cost; increased quality, speed, or flexibility; and increased customer and employee satisfaction. *(Item 24)*
5. Be consistent with state and agency information architectures. *(Item 14)*
6. Employ management practices that reduce risk. *(Item 5)* Risk reduction practices may include:
 - Securing substantial involvement and buy-in throughout the project from the program officials that will use the system;
 - Establishing clear measures and accountability for project progress;
 - Taking maximum advantage of proven, commercially-available technology;
 - Implementing projects in phased, successive components that are as narrow in scope and brief in duration as practicable, each of which solves a specific part of an overall mission problem and delivers a measurable net benefit independent of future components;
 - Avoiding or isolating custom-designed components to minimize the potential adverse consequences on the over all project;
 - Using fully tested pilots, simulations or prototype implementations before going to production;
 - Tying contract payments to accomplishments.