Instructions for Preparing Base Budget Submissions

2022-2024 Biennial Budget

Department of Planning and Budget

September 2021

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Base Budget Overview

About the Base Budget Submission

This package provides guidance and instructions for the preparation of your agency's base budget, which is due to DPB by **September 23, 2021**. The creation of the base budget is the first step in the development of the 2022-2024 biennial budget that will be presented by the Governor for the 2022 Session of the General Assembly. The base budget submission serves as a foundation for all subsequent budget requests.

The base budget submission captures the line item dollar and position details which will become the starting point for 2022-2024 biennial appropriations. DPB has created base budget targets in the Performance Budgeting System against which the line item details by fund detail and subobject must be spread. In addition, DPB has also loaded a starting point for the base budget submission data based on a proration of actual expenditures over the past three years, where applicable.

The base budget submission is technical in nature and must total to the targets created by DPB. These targets are equal to FY 2022 appropriations in Chapter 552, 2021 Virginia Acts of Assembly, Special Session I. (A detailed listing of base budget targets is available on the DPB Website in the same place where you downloaded these instructions.) The data pre-loaded by DPB matches these targets and you may choose to submit the pre-loaded base budgets "as is". Additional information about your submission options is included later in these instructions.

Please familiarize yourself with these instructions and the Performance Budgeting System base budget module instructions included in Appendix A prior to beginning your submission.

Please contact your DPB budget analyst with any questions or concerns.

About Pre-Populated Base Budgets

DPB has loaded each agency's base budget using the FY 2022 appropriations contained in Chapter 552, the 2021 Acts of Assembly, Special Session I.   The subobject detail was determined using the proration of actual expenditures from FY 2021, where applicable. Using expenditure data as a basis for pre-population was done to better align agency base appropriations with the actual use of funds. An example of this methodology is included below.

As has been previously indicated, you may submit your pre-loaded base budget "as is" or you may choose to modify the base budget data that has been pre-loaded. See Appendix A for Performance Budgeting system instructions.

Example of proration methodology used to pre-populate base budgets

1) Subobject Expenditures as a share of each service area/fund were calculated based on FY 2021 expenditures:

Service Area	Fund	Subobject	Expended	% of Fund / Service Area	
70498	01000	1123	$100	66.7%	
70498	01000	1225	$50	33.3%	100.0%
70498	02020	1123	$75	75.0%	
70498	02020	1217	$25	25.0%	100.0%
70499	01000	1123	$200	66.7%	
70499	01000	1124	$100	33.3%	100.0%

2) Service Area/Fund Detail Totals from Chapter 552, FY 2022:

Service Area	Fund	Service Area / Fund Target
70498	01000	$300
70498	02020	$150
70499	01000	$400
		$850

3) Calculated percentages (see 1 above) were combined with Service Area/Fund Totals (see 2 above) to prorate subobject details:

Service Area	Fund	Subobject	% of Service Area / Fund	Service Area / Fund Target	Prorated Subobject Amount	
70498	01000	1123	66.7%	$300	$200	
70498	01000	1225	33.3%	$300	$100	**$300**
70498	02020	1123	75.0%	$150	$113	
70498	02020	1295*	25.0%	$150	$37	**$150**
70499	01000	1123	66.7%	$400	$267	
70499	01000	1124	33.3%	$400	$133	**$400**
						$850

*Note: prorated nonpersonal services amounts have been rolled into "XX95" subobject codes in pre-loaded base budgets

Nonpersonal Services

For nonpersonal services, you should at minimum, array amounts by major object of expenditure unless a more detailed subobject detail is desired. You should use the allowable "XX95" nonpersonal convenience subobject codes listed in the table below if arraying these amounts by major object. **No other budgetary convenience subobject codes should be used.** (Nonpersonal services data in the pre-loaded base budgets use the "XX95" convenience codes.)

If you choose to array your base budget by more detailed subobjects, you may also refer to the complete subobject code listing available at the following link:.
http://publicreports.dpb.virginia.gov/rdPage.aspx?rdReport=COA_SubObject

Allowable Nonpersonal Services Convenience Codes

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

Personal Services

Vacant Positions

If you choose to modify the pre-loaded base budget data for personnel costs, you do not need to fund 100 percent of your agency's authorized position level unless you plan to keep filled positions at or near the authorized position level (that is, no vacancies) in FY 2023 and FY 2024. Instead, you may fund a position level that is more consistent with your current filled position level including a reasonable amount for anticipated turnover and vacancy. To identify the vacancy rate in your agency, you may indicate the number of authorized positions not being funded using subobject 1182 (Unfunded Vacant Positions). For those positions -that are part of your budgeted amount for turnover and vacancy, you should use subobjects 1192 (faculty positions) or 1195 (classified positions). You should indicate the filled authorized position level that you are funding using the usual subject codes that are valid for positions (e.g., 1123 and 1124).

Your total authorized position level in your base submission should still match the position totals as shown in FY 2022 of Chapter 552, but the subobject detail for these authorized positions will break them out by those you are funding in the submission versus those you are not funding. For example, assume an agency that has 50 authorized positions in FY 2022 of Chapter 552 and plans to fund 40 positions with a reasonable vacancy rate of five positions. This agency would then budget 40 positions on typical salary subobjects (1123, 1124, etc.), five positions on 1195 (classified positions turnover and vacancy) or 1192 (faculty positions), and the remaining five on 1182 (Unfunded Vacant Positions).

Vacancy Savings

If your base submission does include dollar amounts for turnover and vacancy, you may use the following designated convenience codes to identify the savings associated with such vacancy and turnover:

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

Please do not use any other convenience codes for personal services.

Authorized Position Level

Authorized positions have been pre-loaded for each agency equivalent to the position level in FY 2022 of Chapter 552. If you choose to modify this data, you will need to match the position level targets which have been set by program/service area and fund group. If you need to make any changes beyond this to authorized position levels, you may submit a technical decision package.

Benefit Rates

Due to the fact that base budget submission totals must match the totals in FY 2022 per Chapter 552, your funding will not include fringe benefit changes that have occurred during the 2020-2022 biennium. These changes are budgeted separately in Central Appropriations. These amounts will be added to your agency 2022-2024 budget as a part of the base adjustments submission later during budget development. Consequently, if you choose to modify the pre-populated base budget data, the rates you will be using to calculate personal services costs for the base submission will not be the benefit rates you will use in budget execution for FY 2022. The "Base Budget Rates/Factors" column in the table below shows the benefit rates you will use in your base budget submission. The decision package and base adjustment rates are included for your information.
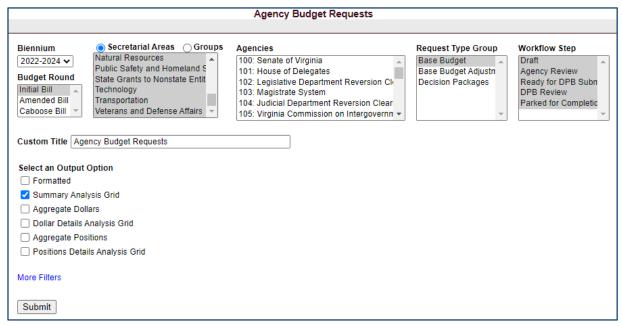
Sub Object	Benefit		Base Budget Rates/ Factors [1]	Base Adjustment/Decision Package Rates/Factors[1]
1111	VRS Retirement Contributions			
	State Employees		13.52%	14.46%
	Virginia Law Officers Retirement (VaLORS)		21.61%	21.90%
	State Police (SPORS)		24.88%	26.33%
	Judges (JRS)		34.39%	29.84%
1112	Social Security [2]		6.20% **capped** at $142,800	
1112	Medicare		1.45%	1.45%
1114	Group Life		1.31%	1.34%
1115	Annual Employer Health Insurance Premiums			
	COVA Care	Single	$8,244	$8,508
		Employee + One	$14,748	$15,216
		Family	$21,624	$22,308
	COVA High Deductible	Single	$7,008	$7,224
		Employee + One	$13,032	$13,440
		Family	$19,044	$19,644
	COVA HealthAware	Single	$8,124	$8,340
		Employee + One	$14,748	$15,216
		Family	$21,624	$22,272
	Kaiser Permanente	Single	$7,008	$7,692
		Employee + One	$12,420	$13,644
		Family	$18,156	$19,944
	Optima Health Vantage	Single	$8,220	$8,424
		Employee + One	$14,760	$15,108
		Family	$21,420	$21,912
1116	Retiree Health Insurance Credit Premium		1.17%	1.12%
1117	VSDP & Long-Term Disability Insurance		0.62%	0.61%
1118	Teachers Insurance and Annuity[3] Plan 1		10.40%	10.40%
	Teachers Insurance and Annuity[3] Plan 2		8.50%	8.50%
1119	Defined Contribution Plan[4] Plan 1		10.40%	10.40%
	Defined Contribution Plan[4] Plan 2		8.50%	8.50%
1138	Deferred Compensation Match Payments		One-half of employee's contribution per pay period, up to a max of $20 per pay period or $480 annually	

Notes on Benefit Rates

[1] Percentages refer to percent of salaries. Health insurance premiums are the annual employer dollar cost for an individual.

[2] The Social Security cap applies to calendar year 2021. Future year caps are unknown at this time.

[3] For 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. Plan 1 employees are those employees hired before 7/1/2010. Plan 2 employees were hired after 6/30/2010.

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

Reports

DPB has posted an Excel spreadsheet containing your agency's base budget targets in the same place where you downloaded these instructions. In addition, to check how you are progressing with your base budget entries, you can use the multi-purpose BD1.17 - Agency Budget Requests Performance Budgeting system report. This report contains several options that allow you to run detailed reports on requested dollar amounts and authorized positions. This report also allows you to aggregate the detailed records contained in the submission to a higher level of summation including the level where targets have been established.

To view information on your base budget submission, choose the "Base Budget" selection in the "Request Type Group" filter.

The base budget submission can be viewed at various summation levels using the "Aggregate Dollars" or "Aggregate Positions" output options or you can view the raw record details using the "Dollar Details Analysis Grid" or "Position Details Analysis Grid" output options. The "Formatted" and "Summary Analysis Grid" options are designed primarily for other request type groups such as decision packages.

In the same place on the DPB website where you downloaded these instructions, a link has been provided to some common ways that you can run the BD 1.17 report to view your base budget. These links will open the BD 1.17 with various options pre-filtered however, you will need to select your agency form the "Agencies" box and click the "Submit" button at the bottom of the report after the report opens. Link: BD 1.17 Common Report Options for Base Budgets.

APPENDIX A

Performance Budgeting System Instructions
Base Budget Module

The base budget module captures the line item dollar and position details which become the starting point for agency biennial appropriations. The Department of Planning and Budget creates base budget targets that are equivalent to the second year appropriation of the most recent Appropriation Act. Agencies use the base budget module to spread these targeted amounts to fund and subobject details. The following provides technical instructions and guidance on using the Base Budget module in the Performance Budgeting (PB) system.

If you have any questions of a policy nature, please contact your DPB budget analyst. If you experience technical issues with the Performance Budgeting System, you can use the "Help Request" option on the top menu within the Budgeting application to open a ticket or you can contact the PB Help Desk at PBHelpDesk@vita.virginia.gov.

Accessing the Pre-Loaded Base Budget Work Item

This year, DPB has loaded agency base budgets. Because of this, you will have an already created base budget work item in your PB system work tray. You may need to change your PB system filters to see this Base Budget work item. The work item will be titled as follows: "Base Budget for Agency XYZ…". After locating this work item, you can claim it by clicking the "Claim" button.

Options for Submitting the Pre-Loaded Base Budget Work Item

You have the following options regarding the pre-loaded base budget work item;

Submit As Is. If after reviewing the base budget work item, you are satisfied with the pre-loaded base, you may submit it "as is" to DPB. You will need to submit it through the normal agency review levels in the PB system before submitting it to DPB.
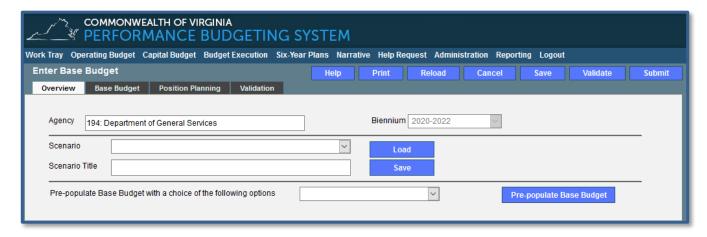
Modify and then Submit. You can modify the pre-loaded base budget and submit to DPB through the normal agency review steps in the PB system – assuming all base budget targets are met.

Start Over. If you want to start over, you may void the pre-loaded base budget work item by submitting it as voided. You will need to create a new base budget work item by selecting "Base Budget" under the "Operating Budget" menu. This will create a new base budget work item. After creating the new base budget work item, it will then be available in the work tray for you and others with the same permissions in the Performance Budgeting System. Alternatively, you may click the "clear" link at the bottom of a grid to clear the current contents. If you do void the pre-loaded work item or clear the pre-loaded grids, you cannot get the pre-loaded data back unless you export the data in the budget details and position planning grids prior to submitting the work item as voided.

Overview Tab

Overview Tab Overview

The purpose of the **Overview** tab is to capture identifying information for a base budget and select the level at which the budget details will be entered. Additionally, the ability to save multiple scenarios of the base budget and pre-populate the base budget using previously entered values is provided.

Overview Tab Instructions

1. Click on the **Overview** tab.

2. Select the **Agency** for which the base budget is being prepared.

3. Select the **Biennium** to which the base budget will be applied.

4. To create a new base budget scenario, enter the **Scenario Title** for the agency base budget and then click **Save**. To work with an existing scenario, select the **Scenario**, and then click **Load**. Once you are done working with a scenario, click Save again before submitting the base budget.

5. If you choose to modify or submit the pre-loaded base budget "as is" you should skip the "pre-populate base budget" box. If you are starting over, you may at your option, pre-populate the **Total Services** Grid on the **Base Budget** tab (1st and 2nd years of the biennium) with existing data. You may also load a data-set of your own via the grid import functionality. To pre-populate the **Total Services** Grid using data available from within the PB system, make a selection from the **Pre-populate Base Budget** dropdown and then click the Pre-populate Base Budget button. The choices are as follows:

   - a) Current Appropriated Amount (this option populates the Total Services Grid with the year two amounts from the most recently adopted Appropriation Act - these amounts are used to create the base budget targets found at the top of the Base Budget tab and as a result, is the most common selection);

   - b) Current Year Operating Plan (populates amounts equivalent to the amounts from option b listed above plus any execution transaction for year 2 - note: depending on

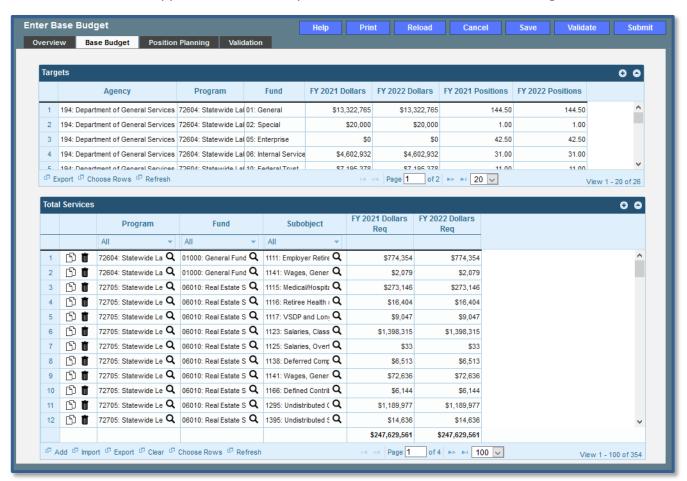the time of year base budgets are commenced, there may be little or no execution transaction activity);

- • c) Prior Year Actuals (this option uses expenditure data from the latest completed fiscal year); and

- • d) Prior Year Operating Plan (this option uses appropriation from the prior year / year one of the biennium plus any execution transactions approved for that year.)

NOTE: Regardless of the method used to pre-populate the Base Budget tab, the targets established by DPB must be met. It will likely be necessary to make adjustments after pre-populating in order to meet the targets. In addition, this pre-population only impacts dollars and not authorized positions.

Base Budget Tab

Base Budget Tab Overview

The purpose of the **Budget Detail** tab is to capture the budget details, line by line, for the base budget. A user will be required to enter the program, fund, subobject, and FY 20XX and FY 20XX dollars for each budget line associated with the base budget. Additionally, the **Position Planning** tab must be used to enter applicable authorized positions associated with the base budget.
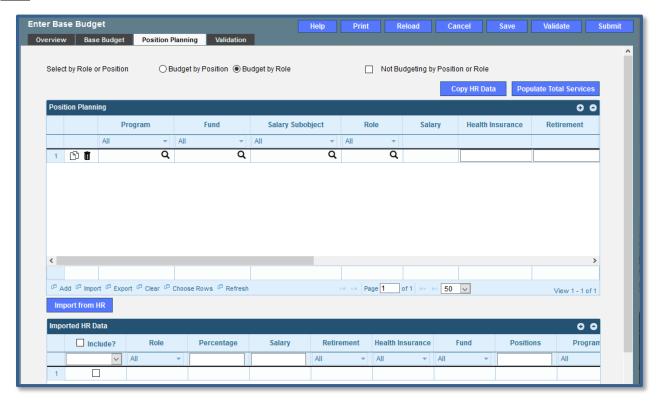
Base Budget Tab Instructions

1. Click on the **Budget Detail** tab.

2. Take note of the targets in the **Targets** grid as they will need to be met as described by DPB. Targets are established by DPB and can be for the program, fund or subobject dimensions. The pre-loaded base budget data meets these targets. If you choose to modify the pre-loaded data or if you start the submission over after voiding the originally created base budget work item, you will need to ensure that these targets are met.

3. If you are modifying the pre-loaded data or starting over, in the **Total Services** grid, enter the **Program** (Program/Service Area), **Fund**, and **Subobject** for each budget line. You may enter both personal and non-personal services line items in the Total Services grid directly. In addition, you may use the "Position Planning " tab to assist in the calculation and population of personal services records in the Total Services grid.

4. Add rows to the **Total Services** grid, by clicking the **Add** button in the lower left corner of the grid as needed in order to specify multiple Non-personal Services line items.

5. You may import data from an Excel file into the Total Services grid by clicking the "Import" link at the bottom of the grid. The best way to ensure the proper layout for importing is to fist click the "Export" link which will export a blank ".xlsx" file with the proper column headings. You then may copy data from another Excel spreadsheet or other application into this blank template which then can be imported into the **Total Services** grid by clicking the "Import" link at the bottom of the grid.

6. If applicable, confirm the personal services data that populated the **Total Services** grid from the **Position Planning** tab is correct. If the data is incorrect, return to the **Position Planning** tab to make corrections and then repopulate the data as described in the Position Planning tab instructions.

Position Planning Tab

Position Planning Tab Overview

The purpose of the **Position Planning** tab is to record the authorized positions associated with an agency's base budget. Once the positions are entered, the personal services budget can be automatically calculated and the resulting budget data can be used to populate the personal services subobjects in the **Total Services** grid. For the base budget, users can opt out of using the position planning functionality and are only required to enter the total number of positions for each year of the biennium. Authorized positions based on the authorized position level in the most recent Appropriation Act have been pre-loaded in the position planning grid. If you choose to submit the pre-loaded base budget work item "as is", you do not need to do anything to the position planning grid.

Position Planning Tab Instructions

About the "Import from HR" Functionality

Please note that after changes to the Commonwealth's HR system, the "Import from HR" functionality no longer works properly.   Consequently, you should not attempt to click the "Import from HR" button or the "Copy HR Data" button to populate the Position Planning grid.

Not Budgeting by Position or Role

Use this method if you do not need to calculate the cost of positions in the Performance Budgeting System and only want to record the authorized position level associated with the base budget. The pre-loaded authorized positions use this method.

1. Click on the **Position Planning** tab.

2. Check the **Not Budgeting by Position or Role** checkbox.

3. In the **Position Planning** grid, enter the total number of positions for the Agency for both the first year and second years of the biennium in the **FY 20XX Positions** cells. This is required to be arrayed at the level at which the base budget Targets are set (i.e. Program, Service Area, Fund).

4. To specify that positions are vacant for a budget line, check the **Vacancy** checkbox.

5. Add rows to the **Position Planning** grid, by clicking the **Add** button in the lower left corner of the grid as needed.

6. Authorized positions can also be uploaded from an Excel file.

Position Planning by Role

Use this method if you would like to use the capabilities of the Performance Budgeting System to assist in the calculation of the dollar costs of your agency's authorized position level.

1. Click on the **Position Planning** tab.

2. Select the **Role** radio button.

3. In the **Position Planning** grid, enter the **Program** (includes Service Area), **Fund**, and **Subobject** for a role.

4. Select the **Role** (optional).

5. Enter the **Salary** for the selected role. Enter the base salary for the positions/role being requested. Do not include any benefit amounts.

6. Select the **Health Insurance** plan for the role.

7. Select or edit the **Retirement** for the role. Select the retirement type for the position: regular VRS, VaLORS, SPORS, judges' retirement, or defined contribution.

8. Enter or edit the number of pay periods for the role for the first year of the biennium in the FY 20XX **Pay Periods** cell if the role is valid for the first year of the biennium. Typically, you would assume 24 pay periods in both years for the Base Budget.

9. Enter or edit the number of positions allocated to the specified role for the first year of the biennium in the **FY 20XX Positions** cell if the role is valid for the first year of the biennium.

10. Enter or edit the **FY 20XX Pay Periods** and **FY 20XX Positions**, where 20XX is the second year of the biennium. Data will only be entered for the second year of the biennium if the role is valid for the second year of the biennium.

11. Add rows to the **Position Planning grid**, by clicking the **Add** button in the lower left corner of the grid as needed.

12. Once all roles have been added to the **Position Planning** grid, click the **Calculate** button to calculate the budget for both years of the biennium for the specified roles. This calculation is based upon the data entered for each role.

13. Confirm the calculation of the budget for both the first and second years of the biennium **FY 20XX Budget**. If the amounts are not correct, edit the values entered for a role and recalculate the budget for that role.

14. Once the budget for both years of the biennium for each role is satisfactory, click the **Populate Total Services** button to calculate the personal services budget for the **Budget Details** tab based upon the data entered in the **Position Planning** grid.

Position Planning by Position

Use this method if you would like to use the capabilities of the Performance Budgeting System to assist in the calculation of the dollar costs of your agency's authorized position level.

1. Click on the **Position Planning** tab.

2. Select the **Position** radio button.

3. In the **Position Planning** grid, enter the **Program**(includes Service Area), **Fund**, and **Subobject** for the role.

4. Enter the **Position** Title.

5. Select the **Role**.

6. Enter the **Salary** for the selected position. Enter the base salary for the position being requested. Do not include any benefit amounts.

7. Select or edit the **Health Insurance** for the position.

8. Select or edit the **Retirement** for the position. Select the retirement type for the position: regular VRS, VaLORS, SPORS, judges' retirement, or defined contribution.

9. Enter the number of pay periods for the position for the first year of the biennium in the **FY 20XX Pay Periods** cell if the position is valid for the first year of the biennium. Typically, you would assume 24 pay periods in both years for the Base Budget.

10. Enter or edit the number of positions allocated to the specified position for the first year of the biennium in the **FY 20XX Positions** cell if the position is valid for the first year of the biennium.

11. Enter or edit the **FY 20XX Pay Periods** and **FY 20XX Positions**, where 20XX is the second year of the biennium. Data will only be entered for the second year of the biennium if the position is valid for the second year of the biennium.

12. Add rows to the **Position Planning** grid, by clicking the **Add** button in the lower left corner of the grid as needed.

13. Once all roles have been added to the **Position Planning** grid, click the **Calculate** button to calculate the budget for both years of the biennium for the specified positions. This calculation is based upon the data entered for each.

14. Confirm the calculation of the budget for both the first and second years of the biennium FY 20XX Budget. If the amounts are not correct, edit the values entered for one or more positions and recalculate the budget for that those positions by repeating step 12.

15. Once the budget for both years of the biennium for each position is satisfactory, click the **Populate Total Services** button to calculate the personal services budget for the **Budget Details** tab based upon the data entered in the **Position Planning** grid.