

Instructions for the Submission of Required Base Budget Adjustments

2024-2026 Biennial Budget



Department of Planning and Budget

July 2023

TABLE OF CONTENTS

OVERVIEW OF BASE BUDGET ADJUSTMENTS	1
OBTAINING BASE ADJUSTMENT TARGETS	2
PERSONAL SERVICES	3
BENEFIT RATES	3
NOTES ON BENEFIT RATES	4
CALCULATING THE COST OF PERSONAL SERVICES.....	4
NONPERSONAL SERVICES	5
ALLOWABLE NONPERSONAL SERVICES CONVENIENCE CODES.....	6
REPORTS	7
PERFORMANCE BUDGETING SYSTEM INSTRUCTIONS.....	8
BASE BUDGET ADJUSTMENT MODULE QUICK GUIDES.....	8
OVERVIEW TAB OVERVIEW	9
OVERVIEW TAB INSTRUCTIONS	9
BUDGET DETAIL TAB OVERVIEW	10
BUDGET DETAIL TAB INSTRUCTIONS	10
POSITION PLANNING TAB OVERVIEW	11
POSITION PLANNING TAB INSTRUCTIONS	11
BASE BUDGET ADJUSTMENT BULK SUBMIT MODULE.....	12
BULK SUBMIT OVERVIEW	12
BULK SUBMIT INSTRUCTIONS.....	12

Overview of Base Budget Adjustments

These instructions provide guidance to address the submission of required base budget adjustments. Submissions are due to the Department of Planning and Budget (DPB) by **August 25, 2023**.

Base budget adjustments consist of required changes to your 2024-2026 base budget as identified by DPB. Base budget adjustments include items such as:

- The removal of one-time costs;
- Net zero transfers of dollars or positions;
- The annualization of partial year spending or reductions;
- The shifting of funds or positions between programs;
- The addition of nongeneral fund appropriation to reflect actions already approved administratively;
- The increase in position level to reflect actions already approved administratively; and
- The distribution of Central Appropriation amounts to agency budgets.

DPB has created targets for base budget adjustments and you will use the Base Budget Adjustment module in the Performance Budgeting system to spread these adjustment targets to the appropriate programs, service areas, fund details, and subobjects. In addition, you may also use the Base Budget Adjustment Bulk Submit to DPB module to manage and submit all adjustments to DPB at one time. Instructions for using these modules are included in this package.

The base adjustment targets are embedded within the base adjustment module and can also be found on the DPB website where you downloaded these instructions.

These adjustments are made against base budgets being created and submitted by your agency. You should make sure your agency's base budget submission is substantially completed prior to spreading base budget adjustment amounts. See the Base Budget instructions on the DPB website for information on that submission.

Obtaining Base Adjustment Targets

The first step prior to beginning your submission is for you to obtain a listing of the base budget adjustment targets created by DPB. You may obtain these targets by downloading an Excel file from the DPB website containing your agency’s targets.

Follow these steps to use the Excel targets listing:

- 1) Download a copy of the Excel file from the same place that you downloaded these instructions.
- 2) In the box labeled “Step1. Select a Secretarial Area”, select your secretarial area or branch of government. You may need to use the scroll bar for this box to scroll down to your applicable selection.
- 3) After selecting your secretarial area / branch of government, the list of items in the box labeled “Step 2. Select an Agency” should contain the agencies in your secretarial area / branch of government. Select your agency in this box. You may need to use the scroll bar for this box to scroll down to your agency.
- 4) The spreadsheet should now be filtered with a listing of the base adjustment targets for which you will need to create individual base budget adjustment submissions for your agency.

2024-2026 Base Adjustment Targets								
(Select a Secretarial Area and Agency in the boxes below to filter the Base Adjustments Targets listing)								
Step 1. Select a Secretarial Area					Step 2. Select an Agency			
Administration Central Appropriations Commerce and Trade Education Finance Independent Agencies Public Safety and Homeland S... Transportation					995: Central Appropriations			
Agency	Adjustment Title	Adjustment Type	Adjustment Description	FY 2025 GF Dollar Target	FY GF 2026 Dollar Target	FY 2025 NGF Dollar Target	FY 2026 NGF Dollar Target	
995: Central Appropriations	Remove funding for one-time deposit for retiree health insurance credit plans	Remove One-Time Spending	Removes funding for a one-time deposit into retiree health insurance credit plans.	(\$55,100,000)	(\$55,100,000)	\$0	\$0	
995: Central Appropriations	Remove one-time federal appropriation	Remove One-Time Spending	Removes one-time federal appropriation provided for the State and Local Fiscal Recovery Fund and other American Rescue Plan Act grants.	\$0	\$0	(\$147,865,262)	(\$147,865,262)	
995: Central Appropriations	Remove one-time funding for cybersecurity initiatives	Remove One-Time Spending	Removes one-time funding for cybersecurity initiatives.	(\$5,000,000)	(\$5,000,000)	\$0	\$0	
995: Central Appropriations	Remove one-time funding for language access	Remove One-Time Spending	Removes one-time funding provided to facilitate and improve language access.	(\$2,500,000)	(\$2,500,000)	\$0	\$0	
Total				(\$62,600,000)	(\$62,600,000)	(\$147,865,262)	(\$147,865,262)	

Personal Services

Benefit Rates

If any of your base adjustments involve personal services, you should use the rates included in the table below as applicable.

<i>Sub Object</i>	<i>Benefit</i>	<i>2024-26 Budget Development Rates/Factors¹</i>	
1111	VRS Retirement Contributions		
	State Employees	14.46%	
	Virginia Law Officers Retirement (VaLORS)	24.60%	
	State Police (SPORS)	29.98%	
	Judges (JRS)	30.67%	
1112	Social Security²	6.20% capped at \$160,200	
1112	Medicare	1.45%	
1114	Group Life	1.34%	
1115	Annual Employer Health Insurance Premiums		
	COVA Care	Single	\$8,856
		Employee + One	\$15,840
		Family	\$23,220
	COVA High Deductible	Single	\$7,512
		Employee + One	\$13,992
		Family	\$20,448
	COVA HealthAware	Single	\$8,676
		Employee + One	\$15,840
		Family	\$23,184
	Kaiser Permanente	Single	\$8,844
		Employee + One	\$15,732
		Family	\$22,992
	Optima Health Vantage	Single	\$8,796
Employee + One		\$15,780	
Family		\$22,884	
1116	Retiree Health Insurance Credit Premium	1.12%	
1117	VSDP & Long-Term Disability Insurance	0.61%	
1118	Teachers Insurance and Annuity³ Plan 1	10.40%	
	Teachers Insurance and Annuity³ Plan 2	8.50%	
1119	Defined Contribution Plan⁴ Plan 1	10.40%	
	Defined Contribution Plan⁴ Plan 2	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 2023. 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.

Calculating the Cost of Personal Services

While the position planning grid within the Performance Budgeting system is capable of calculating the cost of personal services, it is not recommended that you use this functionality in your base adjustment submission. The PB system is designed to use one set of rates at a time and since this year the base budget module is also being used at the same time as the base adjustment and decision package modules, the rates being used by the Position Planning grid are more appropriate for base budget development.

Instead, it is recommended that personal services cost for this submission be calculated outside of the PB system. A position calculator has been posted on the DPB website where you downloaded these instructions. This position calculator is a Microsoft Excel spreadsheet that will assist you with calculating personal services costs and will also help you create a file that can be uploaded into the PB system. Instructions for using this calculator and importing the resulting data into the PB system have also been posted on the DPB website.

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 on the following page if arraying these amounts by major object. **No other budgetary convenience subobject codes should be used.**

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

For Executive Department agencies, you may choose to array base adjustment details to be more consistent with monthly financial reporting. To accomplish this, nonpersonal service costs may be arrayed to the “XX95” subobject code level with the exception of the information technology, rent, and lease related subobjects included in the following table:

1216	Telecommunications Services (provided by VITA)	1524	Equipment Capital Leases
1217	Telecommunications Services (provided by Non-State vendor)	1525	Building Capital Leases
1218	Telecommunications Services (provided by another State agency)	1526	Land Capital Leases
1271	Information Management Design and Development Services (provided by VITA)	1527	Land and Building Capital Leases
1272	VITA Pass Thru Charges	1531	Computer Rentals (not mainframe)
1273	Information Management Design and Development Services (provided by another State agency (not VITA) or vendor)	1532	Computer Processor Rentals
1274	Computer Hardware Maintenance Services	1533	Computer Software Rentals
1275	Computer Software Maintenance Services	1534	Equipment Rentals
1276	Computer Operating Services (provided by VITA)	1535	Building Rentals
1277	Computer Operating Services (provided by another State agency (not VITA) or vendor)	1536	Land Rentals
1278	VITA Information Technology Infrastructure Services (Provided by VITA)	1537	Land and Building Rentals
1279	Computer Software Development Services	1538	Building Rentals – State Owned Facilities - New
1292	VITA Services Provided to Out-of- Scope Agencies	1539	Building Rentals – Non-State Owned Facilities – New
1373	Computer Operating Supplies	1561	Computer Peripheral Installment Purchases
1521	Computer Capital Leases	1562	Computer Processor Installment Purchases
1522	Central Processor Capital Leases	1563	Computer Software Installment Purchases
1523	Computer Software Capital Leases	2211	Desktop Client Computers (microcomputers)
		2212	Mobile Client Computers (microcomputers)
		2214	Mainframe Computers and Components
		2215	Network Servers
		2216	Network Components
		2217	Other Computer Equipment
		2218	Computer Software Purchases
		2219	Development Tools Purchases

Allowable Nonpersonal Services Convenience Codes

As previously indicated, for any portion of your base adjustment details where you are rolling nonpersonal services to a summary level of detail, you may use the budgetary convenience codes listed in the table below. You should not use other budgetary 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

Reports

In addition to the previously mentioned Excel file for obtaining your agency's base budget adjustment targets, you will also be using the multi-purpose [BD 1.17 -Agency Budget Requests](#) Performance Budgeting system report for viewing base budget adjustment work items that you have already created. This report contains several options that allow you to run detailed reports on requested dollar amounts and authorized positions.

The screenshot shows the 'Agency Budget Requests' report configuration interface. It includes several filter sections: 'Biennium' (2022-2024), 'Budget Round' (Initial Bill, Amended Bill, Caboose Bill), 'Secretarial Areas' (Natural Resources, Public Safety and Homeland S, State Grants to Nonstate Entit, Technology, Transportation, Veterans and Defense Affairs), 'Agencies' (100: Senate of Virginia, 101: House of Delegates, 102: Legislative Department Reversion Cl, 103: Magistrate System, 104: Judicial Department Reversion Clear, 105: Virginia Commission on Intergovern), 'Request Type Group' (Base Budget, Base Budget Adjustrn, Decision Packages), and 'Workflow Step' (Draft, Agency Review, Ready for DPB Subn, DPB Review, Parked for Completic). There is a 'Custom Title' field with 'Agency Budget Requests', a 'Select an Output Option' section with radio buttons for 'Formatted', 'Summary Analysis Grid' (checked), 'Aggregate Dollars', 'Dollar Details Analysis Grid', 'Aggregate Positions', and 'Positions Details Analysis Grid', a 'More Filters' link, and a 'Submit' button.

To view information on your base budget adjustment work items in the Performance Budgeting system, choose the “Base Budget Adjustment” selection in the “Request Type Group” filter. Please note that a base adjustment work item must have been created in the PB system for the information to appear in this report.

Using the BD 1.17 report, you can view base adjustment submissions at different levels of detail including at a summary level which can be viewed by choosing the “Formatted” or “Summary Analysis Grid” output options. In addition, the base adjustment 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” option is designed to be exportable to a PDF file but any of the other options can be exported to Excel after the report is run.

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 adjustments. 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 Adjustments](#).

Performance Budgeting System Instructions

Base Budget Adjustment Module

To access the base budget adjustment module, select “Base Budget Adjustment” under the “Operating Budget” menu. This will open an empty base budget adjustment work item. At any time, you may submit or save the work item as indicated in the instructions below. The work item will then be available in the work tray for you and others with the same permissions in the Performance Budgeting 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 "Service Desk 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.

Base Budget Adjustment Module Quick Guides

AGENCY ANALYST QUICK GUIDE

1. Mouse over the Operating Budget functional area menu item and then mouse over Base Budget Adjustment. From the resulting dropdown menu, select Base Budget Adjustment. The Overview tab will appear.
2. Complete the Overview tab as described in the Overview tab instructions.
3. Complete the Position Planning tab as described in the Position Planning tab instructions.
4. Complete the Budget Detail tab as described in the Budget Detail tab instructions.
5. Click Submit and select the appropriate action from the available options.
 - Continue Working - Saves the base budget adjustment and returns it to the Available Work Items tab on the Work Tray for users with similar credentials to claim.
 - Submit for Agency Review - Submits the base budget adjustment to the next step in the workflow.
 - Void Document - Voids the base budget adjustment.

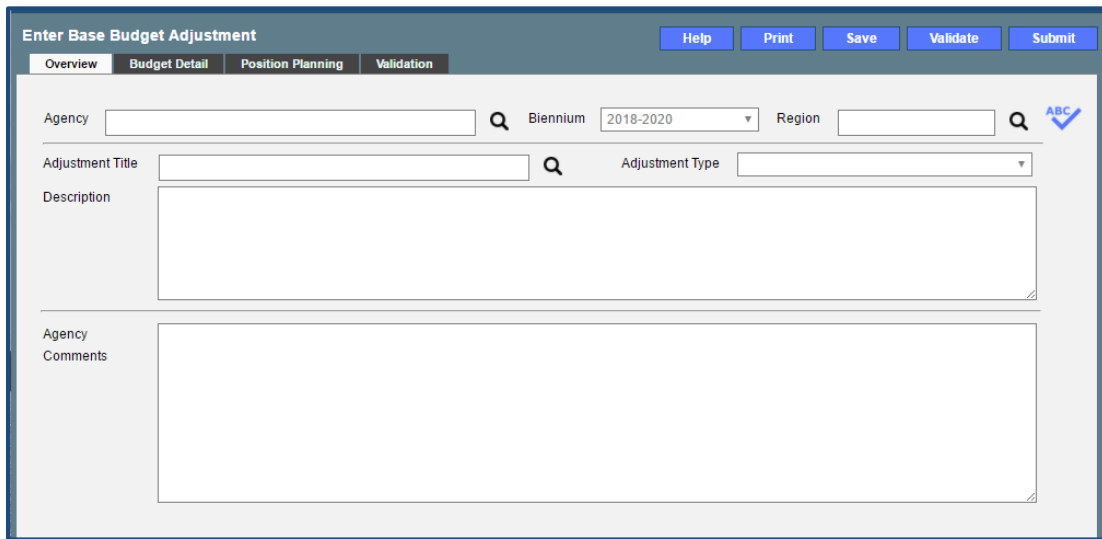
AGENCY REVIEWER QUICK GUIDE

1. Click on Available Work Items from the Work Tray.
2. Select the Document Type filter and select Base Budget Adjustments to filter on the base budget adjustments.
3. Click Claim next to a base budget adjustment that is ready for review. Once the base budget adjustment is claimed, the Overview tab will appear.
4. Review the Overview tab for completeness and accuracy according to the instructions issued by DPB.

Overview Tab

Overview Tab Overview

The purpose of the **Overview** tab is to select which DPB prepared base budget adjustment to work with. Once a base budget adjustment is selected, the **Overview** tab captures the identifying information for the base budget adjustment and allows a user to select the level at which the budget details will be entered.



The screenshot shows the 'Enter Base Budget Adjustment' form with the 'Overview' tab selected. The form includes a header with 'Help', 'Print', 'Save', 'Validate', and 'Submit' buttons. Below the header are four tabs: 'Overview', 'Budget Detail', 'Position Planning', and 'Validation'. The main form area contains several input fields: 'Agency' (with a search icon), 'Biennium' (a dropdown menu set to '2018-2020'), 'Region' (with a search icon and a blue checkmark icon), 'Adjustment Title' (with a search icon), and 'Adjustment Type' (a dropdown menu). There are also two large text areas for 'Description' and 'Agency Comments'.

Overview Tab Instructions

1. Click on the **Overview** tab.
2. Select the **Agency** to which the base budget adjustment will be applied.
3. Select the **Adjustment Title** from the list of available adjustments prepared by DPB.

NOTE: After you have created a Base Budget Adjustment work item, it will no longer appear on the list of available adjustments in this list. Instead, you must access already created Base Budget Adjustment work items in the Performance Budgeting System work tray. In addition, if your agency has only one base adjustment on the list, it will auto-populate the work item with that adjustment.

4. Confirm that the **Biennium** to which the base budget adjustment will be applied is correct. This should automatically populate with "2024-2026".
5. Select the **Region** of the state most impacted by the adjustment. If the adjustment impacts multiple regions, select "Multiple Regions".
6. Read the DPB provided **Description** for the base budget adjustment.
7. Enter any **Agency Comments** for the base budget adjustment.

Budget Detail Tab

Budget Detail Tab Overview

The purpose of the Budget Detail tab is to capture the budget details, line by line, for the base budget adjustment. You will be required to enter the Program, Fund, Subobject, and Year 1 and Year 2 dollars for each line item associated with the base budget adjustment. Note: The Position Planning tab must be used to budget for any authorized positions associated with the base budget adjustment.

Agency	FY 2019 GF Dollars Tgt	FY 2020 GF Dollars Tgt	FY 2019 GF Positions Tgt	FY 2020 GF Positions Tgt	FY 2019 NGF Dollars Tgt	FY 2020 NGF Dollars Tgt
1						

Program	Fund	Subobject	FY 2019 Dollars Req	FY 2020 Dollars Req	FY 2019 Dollars Rec	FY 2020 Dollars Rec
1						

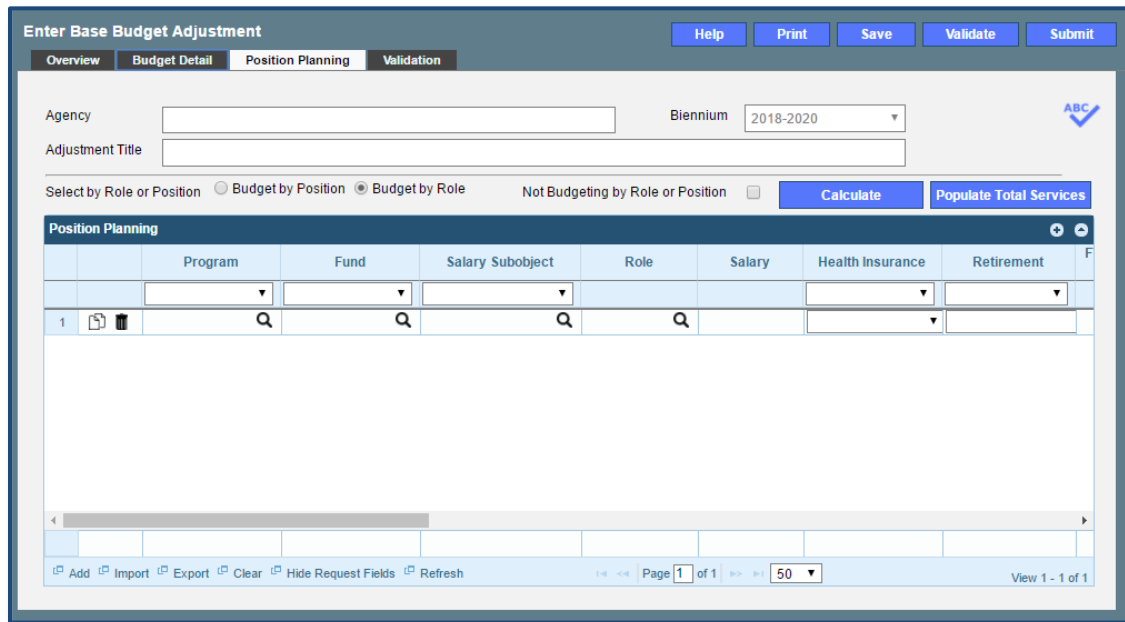
Budget Detail Tab Instructions

1. Click the **Budget Detail** tab.
2. Take note of any DPB targets in the **Targets** grid for the base budget adjustment. The budget details in the **Total Services** grid must match the general Fund and nongeneral Fund targets for dollars and positions for each year of the biennium before the base budget adjustment can be submitted to DPB.
3. Confirm the Personal Services data in the **Total Services** grid if the Position Planning tab was used to budget for positions. 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.
4. In the **Total Services** grid, enter the **Program**, **Fund**, and **Subobject** for each line item.
5. Enter the **FY 20XX Dollars** for the line item, where XX represents the first and second years of the biennium.
6. Add rows to the **Total Services** grid as needed to specify multiple budget lines.

Position Planning Tab

Position Planning Tab Overview

The purpose of the **Position Planning** tab is to record the authorized positions associated with a base budget adjustment. As previously indicated in the “Calculating the Cost of Personal Services” section of these instructions, while the position planning grid is capable of calculating the cost of personal services, it is not recommended that you use this functionality in this submission.



Position Planning Tab Instructions

Not Budgeting by Position or Role

Use this option to record authorized positions only in the position planning grid. This is the recommended method for this submission. Use this method in conjunction with the Position Calculator on the DPB website to calculate personal services costs. See the “Calculating the Cost of Personal Services” section of these instructions for more information.

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.
4. Add rows to the **Position Planning** grid, by clicking the **Add** button in the lower left corner of the grid as needed.
5. Authorized positions can also be uploaded from an .xls file.

Position Planning by Role / Position Planning by Position

Using the Position Planning grid to calculate Personal Services costs by role or position is not recommended for this submissions. Instead, use the “Not Budgeting by Role or Position” option (above) for authorized positions and the Position Calculator on the DPB website to calculate the dollar costs. See the “Calculating the Cost of Personal Services” section of these instructions for more information.

Base Budget Adjustment Bulk Submit Module

Bulk Submit Overview

The purpose of the Base Budget Adjustment Bulk Submit to DPB module is to allow an agency to submit all their base budget adjustments to DPB at once. You may choose to submit each adjustment individually or all at once via the Bulk Submit module. Most agencies have one or more agency review levels required before an adjustment work item can be submitted to DPB.

	Agency	Document Title	Step Title	Submit Action
1				Submit to DPB

Bulk Submit Instructions

1. To ensure that all requests are accounted for, look at the Document Title column to review the base budget adjustments.
2. Confirm that the Step Title and State fields are correct for each of the base budget adjustments.
3. To bulk manage the submit action, click the Set all to dropdown and select the submit action that the requests require: Submit to DPB, Continue Review, or Return to Previous Submitter. If submitting to DPB, all requests must be set to Submit to DPB. The submit actions correspond to the submit actions in the base budget adjustment documentation.
4. Click the Submit button. A message will display in the text box below the submit button to alert you that the submit was successful.