

A.7 AGENCY REDUCTIONS

To assist DBM in preparing a balanced budget proposal for the Governor’s consideration, State agencies are asked to provide agency-proposed reduction items with the FY 2023 budget submission. General fund reduction targets will be provided when DBM distributes agency general fund targets in early July.

Agencies are asked to submit Agency Reduction adjustments in BARS, which will be sent to DBM with the FY 2023 budget submission. If your agency does not use BARS, please work with your OBA analyst to ensure you are getting them all of the information they need to do so on your behalf. Agencies must submit a set of reduction options that total to the target, and individual reduction “options” should be submitted as separate adjustments in BARS. **Agencies should not combine all reduction options into a single BARS Agency Reduction adjustment.**

Key guidance/best practices for entering a reduction in BARS:

- Overview Tab – Adjustment Naming Convention. The Name should reflect the purpose of the funding being reduced. For example, if the agency is proposing to increase their expected turnover the name would be “Increase Turnover to X.X%.” Or if the agency proposed to reduce a specific grant program, the adjustment name would be the name of the grant program.
 - Again, **multiple items with different purposes should not be combined into one adjustment**. This will create more work for both the agency and their OBA analyst.
- Overview Tab – Description Field. Use this field for a less formal description of the proposal, including any supplemental explanatory notes that you want to share with your OBA analyst. Some text entry is required to pass validations.
- Narrative Tab – Impact Field. Some text is mandatory. Use this space to provide in-depth explanations of the impact that the reduced funding would have on your performance, operations, etc. Be thorough—such as listing the specific number of individuals who would not be served due to a reduction—the more information that is provided here, the fewer questions your OBA analyst will have.
- Narrative Tab – Justification Field. Some text is mandatory. Use this space to provide additional in-depth information regarding the agency’s position on the proposed reduction. Be thorough—the more information that is provided here, the fewer questions your OBA analyst will have.
- Other Tabs. Complete the remainder of the tabs the same as any other adjustment type.

DBM encourages agencies to identify on-going reductions as opposed to one-time cost savings actions.