

FY 2024 Budget Instructions

This training will be recorded and made available in the calendar invite link, and the PowerPoint presentation is attached to the calendar invite.

Office of Budget Analysis

July 26, 2022

<https://dbm.maryland.gov/budget/Pages/operbudget/OperatingBudgetInstructions.aspx>



Introduction

- Presenters
 - Nathan Bowen, Assistant Director, DBM-OBA
 - Jesse Rao, Senior Budget Analyst, DBM-OBA
- Available for Questions
 - Kurt Stolzenbach, Assistant Director, DBM-OBA
- Please mute yourself as soon as you enter the call. Participants will be muted manually if unable to mute themselves in a timely manner.
- There will be a Q&A opportunity at the end, time permitting. Please provide those questions in the chat box on the right. Some critical questions may be answered mid-presentation.



Overview

- What's New for FY 2024
- Reminders for FY 2024
- Overview of Key Processes
- Other Key Submission Components
- Best Practices for FY 2024
- Additional Resources, Guides, and Templates
- Discussion & Questions



WHAT'S NEW FOR FY 2024

Section I.1.1



New for FY 2024

- **Reduction Targets.** No reduction targets this year. Agencies do not have to submit proposals for reducing their general fund budget.
- **Reimbursable Funds.** Agencies with RF/09 in FY 2024 must submit Memorandums of Understanding (MOU) or emails confirming the funds along with budget submission.
 - Exceptions: (a) agencies with internal RFs and (b) those who are supported by controlled subobject schedules.



New for FY 2024

- **Submission Checklist.** Section B.2, Checklist of Submission Requirements, has been expanded to include this new RF requirement as well as several common data errors that BARS does not validate:
 - Actuals. Agency actuals Expenditure data must match FMIS (the DAFR 6000) at the program/fund type level.
 - Actuals. No negative expenditures at the object level.
 - Mandates. Must be fully funded.



New for FY 2024

- **Submission Checklist (continued)..**
 - Scheduled Subobjects. 0698, 0704, capital leases (1021, 1041, 1121, or 1141), 1302, and 1303 budgeted in line with the provided schedules.
 - Turnover. Review to make sure that it is reasonable at the subprogram level. For example, if positions were moved the negative turnover (0189 or 0289) values should move with them.
 - Reclassification (0112). Agencies should have a specific plan for included funding, as OBA analysts will ask for such a plan.



New for FY 2024

- **BARS.** Updates to BARS since the FY 2023 cycle:
 - *Old Budget Data.* Actuals from FY 2013 – FY 2016 have been loaded and are available in reports/ad hoc.
 - *Position Reconciliation Increment Change.* Resolves an issue with the timing of increment implementation in FY 2023.



New for FY 2024

- **0299.** COLA and increment funding for contractual positions has been placed in 0299 and needs to be moved to 0220/0213/0214/0289 prior to submission (in FY 2024 only, no need to change FY 2023).
- **Fuel and Utilities (0606 and 0620).** Due to energy market volatility, agencies should budget level with FY 2022 expenditures. DBM will address projected growth in costs later.
 - One exception: Due to specific energy usage changes and needs at each institution, higher education institutions should utilize their own natural gas projections for FY 2024.



New for FY 2024

- Zero-Emission Vehicles (ZEVs).** The DA-8 form has been revised so that agencies can indicate whether the proposed replacement can be with a ZEV. But agencies should still budget for gasoline vehicles.

New Vehicle					
Can this be a Zero Emission Vehicle (ZEV)? (Y/N)	If the new vehicle cannot be a ZEV, please explain why.	Are you requesting an Alternative Fuel Vehicle? (Y/N) If yes, what type?	Vehicle Daytime Location - Full Address (If Applicable)	Vehicle Overnight Location - Full Address	Does Overnight Parking Location have 24/7 public access?
Y	N/A	N	Various Field Locations	45 Calvert Street, Annapolis MD 21401	Yes
y	N/A	N	Various Field Locations	1 Wilson Road, Annapolis MD 21402	No (gated)



New for FY 2024

- **DGS Rent (1303).** Due to agency movement out of State Center, the schedule is somewhat in flux. Agencies should budget based on the values in Appendix 9, but please be flexible with DBM/DGS as the situation evolves.
- **Budget Process Primer.** Section I.3 has been added this year providing new agency staff with a high-level introduction to the overall budget cycle, key terminology, and concepts. Agencies are encouraged to have new staff read this section.



REMINDERS FOR FY 2024

Section I.1.2



Reminders for FY 2024

- **DA-8 Forms.** Please submit only one tab of data per agency.
- **COVID-19 Stimulus Funds.**
 - All agencies that have received COVID-19 relief funds are required to submit the budget with legislation-specific coding in each fiscal year where federal relief funds were received.
 - For any new federal relief funds, including federal relief funds utilizing existing federal revenue streams, agencies must contact the DBM Budget Processing Team (BPT) at DLBudgetHelp@maryland.gov to set up a new federal fund CFDA code related to any federal relief fund for the BARS budget system.



Reminders for FY 2024

- **COVID-19 Stimulus Funds (continued).**
 - The following are the correct fund type codes:
 - CARES: CFDA ##.###C; 0525 in FMIS; **25 (FC) in BARS**
 - CRRSAA: CFDA ##.###D; 0535 in FMIS; **35 (FD) in BARS**
 - ARPA: CFDA ##.###E; 0545 in FMIS; **45 (FE) in BARS**
 - If COVID-19 relief funds are required in FY 2024, please submit them as an over-the-target, not in your baseline request. This will not count against the one over-the-target per agency rule.
 - If additional COVID-19 relief fund appropriation is required in FY 2023, please submit an amendment or deficiency request.
 - DBM-required practices for COVID-19 relief funds are detailed in Section B.5.



Reminders for FY 2024

- **COVID-19 Salary Costs.**

- To the extent that positions are supported by COVID-19 funding, DBM does not require the Position data to be updated with fund 25 (CARES), 35 (CRRSAA), or 45 (ARPA) to reflect COVID-19 federal funding. This work in the Position tab would be time prohibitive for what is temporary funding.
- Instead, DBM has created comptroller subobject 0125 to allow agencies to designate COVID-19 salary costs specifically for Expenditures in the Budget System. Positions will continue to be funded from Federal Funds (05) in the Positions tab, but will be reconciled with 0125 in the Expenditures tab.



COVID-19 Salary Costs – BARS Example

- Two positions are supported by ARPA funding: CFDA 11.111E.
- Positions Tab
 - 100% Federal Funds (Fund 05)
- Expenditures Tab
 - 0101, 0151, 0161-1069, 0174, and 0189 total to \$200,000 in Fund 05 (populated from Positions Tab)
 - In subobject 0125, make two adjustments:
 - -\$200,000 in Fund 05 for Subobject 0125
 - +\$200,000 in Fund 45 for Subobject 0125
- Revenue Tab
 - Total = \$200,000 in Fund 45 for Fund Source 11.111E.



Reminders for FY 2024

- **COVID-19 Salary Costs (continued).**
 - In the FY 2022 actuals, since BARS validations and data work differently, as in past years agencies should instead report spending fund 25 (CARES), 35 (CRRSAA), or 45 (ARPA) in the correct comptroller subobject code whether it be salaries and fringes (0101, 0151, 0161-1069, 0174) or another expenditure area.



Reminders for FY 2024

- **0189 and 0289 in Actuals.** Please make sure these are \$0 in the actuals—this is the #1 issue found in actuals submissions.
- **DBM Salary Adjustments 0192.** At the start of the FY 2024 process in BARS, DBM implemented a “Salary Forecast” in the system which reconciled any differences between Expenditure (budget) and Position data. In most instances, these changes were very small, but for certain agencies with a larger impact DBM provided general funds in 0192 to hold the agency harmless. These agencies must move all funding out of 0192 prior to submission.



Reminders for FY 2024

- **Contracts and Grants Detail.**

- In line with Budget Bill language added by the Legislature, agencies are required to provide detailed descriptions of each contract and grant that is included in the agency budget submission.
- In BARS, this detail is captured in the Contracts and Grants Maintenance Module and in the Contracts and Grants tab of an adjustment.
- Agencies should not use “Miscellaneous” as a contract or grant name in comptroller subobjects 0899 or 1299, or for any individual contract/grant budgeted at more than \$50,000.
- Exceptions can be made for the \$50,000 threshold, especially based on agency size. Agencies should touch base with their OBA analyst if they believe they require exceptions.



Reminders for FY 2024

- **Contractuals Detail.**

- Also in line with legislative requirements, agencies must provide class codes, full-time equivalent (FTE) counts, and job purpose/descriptions for all contractual employees (0220).
- In BARS, this detail is captured in the Contractuals tab of an adjustment.
- The Budget Request Submission (BRS) module will validate that each contractual has an FTE to salary ratio of at least \$20,000/1 FTE. This is a common issue found in the actuals.
- Job purpose/descriptions must be sufficient to convey to the reader the work being done by the employee.
- BARS will merge lines with the same subprogram/class code/fund type combination.



Reminders for FY 2024

- **Agencies with Non-General Funds**
 - As in the past, DBM requests that agencies with salaries and fringes (including health insurance) supported by non-general funds prepare for the cost of rate increases by setting aside special and federal fund balance for this expense.
 - In addition, agencies with natural gas and electricity procured by the DGS and supported by non-general funds should plan for potential significant cost increases.



OVERVIEW OF KEY PROCESSES



Budget Submission Step 1: Chart of Accounts Data Changes

- Before starting any other work on the FY 2024 request, agencies are encouraged to review their agency's units, programs, subprograms, or agency subobjects in BARS through the Agency Administration - COA Maintenance tabs.
- **New this year**: Agencies can also use the Chart of Accounts Organization Hierarchy report under the Operating Reports menu to review all units, programs, and subprograms in their agency.
- The BARS Chart of Accounts (COA) must be up-to-date in order for an agency to select valid account codes when making adjustments.



Chart of Accounts Data Changes

- When creating a new subprogram, DBM requires that agencies include a description of that subprogram's duties or responsibilities. These work items are then submitted to BPT, and agencies must coordinate with BPT (dlbudgethelp_dbm@maryland.gov) to ensure that the new codes have been finalized for use in the system.
- Note that **BPT will not be processing any COA "disable" requests during the budget season**, as disabling can result in data errors.
- Please plan ahead for needed COA changes and work on them early in budget season so that the processing of COA additions does not result in a hard stop for agency budget work.
- See Section A.3.1 in the Budget Instructions for additional detail.



Budget Submission Step 2: Position Reconciliation in BARS

- This week, agencies are asked to begin the Position Reconciliation (POS REC) exercise in BARS. The exercise allows agencies to compare BARS personnel data to current information in Workday and make adjustments as necessary to reflect anticipated changes for FY 2024.
- As listed in provided target memos, FY 2024 budget data will begin with the following as the starting point:
 - FY 2023 Legislative Appropriation
 - SLEOLA/COLA/Increments,
 - Annual Salary Reviews (ASRs),
 - OBA Target adjustments to reflect new mandates, caseloads, entitlements, etc.



Position Reconciliation in BARS

- Agency users will be able to perform “Position Reconciliation” adjustments in BARS to make salary, class, job code, location, etc. changes as needed.
- **This process must be completed no later than August 26, 2022 or with overall budget submission, whichever comes first.** As of August 27th, Position Reconciliation adjustments will no longer be available to agencies in order to provide agencies with a stable baseline to build their budget.



Position Reconciliation in BARS

- BARS does not permit “moving” and “changing” a position in the same adjustment. Agencies must process **and Release** any and all COA adjustment-related move actions for PINs prior to changing any other position details.
- Rule of Thumb:
 1. Move, Release; then,
 2. Change, Release



Position Reconciliation in BARS

- Salaries and fringes (0101, 0151, 0161, etc...) in the Expenditures tab in BARS will be “Read Only” once POS REC has been completed. Additional adjustments will only be able to be made via the Positions tab.
- Agency salaries and fringes produced by the Position Reconciliation process may result in the agency exceeding its budget target as provided by DBM.



Position Reconciliation in BARS

- Additional details on POS REC process in BARS are available in Section A.4 of Budget Instructions, and a detailed guide is available on the [BARS Guides and Videos](#) webpage as well as in BARS in the **Support** button.
- Worth clarifying: All Position Reconciliation adjustments **must be Released** by the agency prior to the creation and completion of the FY 2024 budget submission.
- Once your agency is finished with POS REC, please see instructions regarding emailing DBM that you are done and attaching the POS CON file.



After POS REC: Submission Methodology

- **FY 2022 Actual Expenditures**

- The starting point in BARS will be the FY 2022 working appropriation, excluding any closing amendments.
- As in previous years, agencies are asked to correct this data by submitting adjustments.
- As feasible, agencies should balance actuals data in BARS to expenditures reported in FMIS, shown in DAFR 6000 and G200 reports (expenditures plus encumbrances).
- **As in prior years, there will be no direct connection to FMIS data.**



Submission Methodology

- **FY 2023 Agency Working Appropriation**
 - The starting point will be the FY 2023 Legislative Appropriation, plus Legislature-required reorganizations and statewide salary actions.
 - Agencies may submit adjustments to restate the FY 2023 appropriation within a program by fund type (CY Adjustment type).
 - Amendments are a separate process in BARS, not included in overall budget submission.



Budget Amendments

- DBM has moved the budget amendment process into BARS (with the exception of closing amendments).
- BARS is currently available for submitting FY 2023 amendments as necessary.
- Updated guidance—with additional clarification as to the process flow of amendments—is available at the top of the budget instructions page on DBM's website.



Budget Amendments

1

- Agency **considers the need** for submitting amendment, including whether it can instead be a deficiency or combined into a closing amendment.

2

- Agency **notifies OBA analyst of intent** to submit an amendment.
- OBA analyst confirms (or denies) submission of the amendment. Some agencies will be asked to combine amendments or wait to submit later in the year.

3

- Agency **submits amendment in BARS**, with OBA analyst help as needed.
- Agency **notifies OBA via email** that the amendment has been submitted.

4

- Budget Processing Team (BPT) generates amendment form from BARS, reviews it, and sends to agency for signature. The agency sends back the signed form via pdf.

5

- BPT will push the amendment on through the process which varies based on the fund types and magnitude of the changes (BPW, DLS, Governor review).

6

- BPT copies the agency on an email to GAD for entering the amendment into FMIS.

Submission Methodology

- **FY 2024 Budget Request**

- Agencies have received an FY 2024 budget target that has been Released in BARS.
 - The target is the combination of the FY 2023 Legislative Appropriation, salary/fringe adjustments, and target adjustments input by OBA.
 - Target adjustments are entered by OBA at the line-item level.
- Agencies will have also completed POS REC which will have updated their budget request for permanent employees. This may have taken the agency above or below their target.
- Following POS REC and updating actuals (and the current year as needed), agencies enter updates to change what is in BARS to their intended request.



Over-the-Target Requests

- There is a limit of **ONE** over-the-target request for FY 2024. Multiple requests should not be combined into a single item in BARS.
- For agencies that use BARS or for whom DBM submits in BARS, any request must be submitted using an Over the Target adjustment in BARS along with Budget Request Submission (not separately or outside of BARS).
- The one over-the-target request rule does not apply to (a) Major Information Technology Development Project (MITDP) requests,(b) contractual conversion requests where additional funding is not required, or (c) requests to appropriate available COVID-19 stimulus funding.



Updating Fund Source Income and Balance Data for Special and Federal Funds

- To ensure that DBM and DLS understand the effect of the budget request on fund balances, and to meet Legislative budget bill requirements, BARS requires agencies to enter “Fund Balance” information into BARS to complete the Budget Request Submission.
- BARS requires users to enter the following:
 - opening balance data for FY 2022,
 - actual income for FY 2022, and
 - estimated income for FY 2023 and FY 2024 for each individual fund source.
- With these four numbers, using detail that has been entered into BARS as part of the submission, BARS can generate the balance, income, and expenditure summary information for each fund.



Updating Fund Source Income and Balance Data for Special and Federal Funds

- DBM requests agencies provide this data for ALL special funds as well as relevant multi-year federal fund block grants.
 - For federal funds, agencies should report balance as the remainder of spending authority on a multi-year grant, as federal funds do not technically have a “balance.”
- This information is required to be entered into the “Budget Request Submission” module. Agencies should review this information in the BRS to determine whether there are any negative ending balances in any fiscal year. They should also match special fund balances reported in FMIS.
- See Section B.4 for additional instructions.



Tracking Adjustments “In Flight” with Ad-Hoc

- Agencies have access to a number of resources in BARS and an Ad-hoc Excel spreadsheet tool in order to simplify tracking adjustments for each fiscal year at different stages in the budget submission process.
- These tools will assist with determining an agency’s progress toward its General Fund target, and will provide active tracking of those “in flight” adjustments by adjustment number.

BARS
Budget Analysis and Reporting System

Worktray | Operating Budget
Ad Hoc Reporting | Support

Worktray

Work Items | Search Work Items | My Me

Work Item Name:

Date Last Changed: from to

Work Item Status:

BRS.R00.2022.Draft.35576: MSD

- BARS Analysis
- Budget Year Adjustments
- Current Year Adjustments
- Prior Year Adjustments
- Budget Year GF Target Tracking
- 3 Year Expenditure
- 3 Year Revenue
- 3 Year Adjustment Tracking
- 3 Year Contract and Grants
- 3 Year Contractuals
- 3 Year Real Estate

OTHER KEY SUBMISSION COMPONENTS



Pay Plan Adjustments

- Requests for an Annual Salary Review (ASR) must be submitted electronically in priority order no later than October 15, 2022, to Kurt Stolzenbach (kurt.stolzenbach@maryland.gov), copying your budget analyst at OBA.
- It is not necessary for agencies to submit duplicate requests to OPSB. OBA works closely with OPSB to review requests for pay plan adjustments or new classifications and provides OPSB with the supporting document to review such requests.



Agreements Between a State Agency and a Public Institution of Higher Education

- Section 27 of the FY 2023 Budget Bill requires State agencies and public institutions of higher education to report to DBM by August 1, 2022 of any interagency agreements in place in FY 2022 between them **in which total expenditures exceed \$100,000.**
- Section 27 also requires agencies and institutions to receive approval from the Secretary of Budget and Management before entering into any new higher education agreements in FY 2023 **in which total expenditures may exceed \$500,000.**
- See Section A.5.4 in Budget Instructions for a complete breakdown of the detail required for these interagency agreements.



DA-27 Indirect Cost Recoveries

- All agencies must complete a DA-27 form--even if there are no recoveries to report--to specify the exact amounts and types of indirect cost recoveries and reversions made.
- Please report actual data for FY 2022 and estimates for FY 2023 and FY 2024.
- Copies of the DA-27 form and the most current Negotiated Agreement Letter (if applicable) must be included in every agency's budget submission.
- See Section B.3.3 in Budget Instructions for more information.



BEST PRACTICES

Section B.1



Best Practices for FY 2024

- These are the highlights—more detail and a longer list are found in Section B.1.
- **Hierarchy of Support in BARS**
 - If there is an Application Error, contact the service desk (with the subject line: “BARS Help”). Only if there is an Application Error.
 - If there is a Chart of Accounts or Fund Source change required, contact the DBM Budget Processing Team (dlbudgethelp_dbm@maryland.gov), copying your OBA analyst.
 - If there is **any other issue**, contact your OBA analyst (and additional OBA staff, if instructed) as issues arise.



Best Practices for FY 2024

- **Position Reconciliation (POS REC)**
 - Update Workday data first! If all location and class/step data is up to date, it makes POS REC much easier.
 - Use the “Copy Workday” function in BARS during POS REC. It is much quicker and easier than individually noting and making changes in your position cohort.
 - Limit position adjustments to the POS REC process. Position data is complicated, and is the most common cause of data defects in the system. Completing position adjustments first also saves agencies a significant amount of time later in the process.



Best Practices for FY 2024

- **BARS Data Entry**

- Run the Budget Request Submission (BRS) module early and often, even before the agency is ready to submit. The BRS has tabs that present data as adjusted by the agency and can help agencies review the status of their submission.
- Download BARS grids to Excel and implement changes from there. Using exports ensures correct data formatting for budget uploads.
- Agencies can also export and save grid data from their adjustments to track work that has been done and to preserve that work if BARS or user error results in data loss in the system.



Best Practices for FY 2024

- **Use the Ad-hoc reports** feature in BARS to confirm adjustments as they are entered into the BARS budget system. These reports can be used in a myriad of ways to track and manage submission data. Unlike data in the grids which only reflects Released information, ad hoc can show agency data as adjusted by the budget request. Ad hoc is the #1 most useful tool in BARS.
- **Submitting the Budget – the BRS Module**
 - Submit over-the-target requests and deficiencies with the main budget submission through the BRS, not separately outside of BARS.



Best Practices for FY 2024

- **Submitting the Budget – the BRS Module (continued)**
 - Export and save completed Fund Balance data, as it is wiped each time new adjustments are added so having a backup can save considerable time.
 - Validations – prepare for common validation errors.
 - Contractual FTEs are at least \$20,000 per 1 FTE.
 - \$0 remaining in 0192
 - Target locks are met.
 - Once you have submitted in BARS, make sure to complete the checklist (Section B.2) and **email** all related requirements to dlbudgethelp_dbm@maryland.gov and your OBA budget analyst.



ADDITIONAL RESOURCES



BARS Guides and Videos

- DBM has provided a variety of step-by-step job aids that are available to agencies through the [dedicated webpage](#) as well as the "Support" button in the top bar in BARS.
- Most job aids are accompanied by an instructional video, also on the website.
- As always, agencies are strongly encouraged to contact their OBA budget analyst to diagnose issues and find assistance.

Budget

BARS Guides and Videos

-  BARS Agency Help Guide
-  BARS Stages, Statuses and the Adjustment Paradigm
-  BARS Explaining Adjustment Types
-  BARS Creating an Adjustment
-  BARS Adjustment Validation
-  BARS Utilizing the Import/Export Function
-  BARS Position Reconciliation Guide
-  BARS Contractual SD Tab
-  BARS Contracts/Grants SD Tab
-  BARS Maintain Contracts and Grants Module
-  BARS Real Estate SD
-  BARS Maintain Real Estate Leases Module
-  BARS Turnover Tab
-  BARS Revenue Tab and Realignment Revenue Among Fund
-  BARS Using Excel and Pivot Tables
-  BARS Submitting the Budget Request
-  BARS Creating a Budget Amendment
-  BARS Explaining Adjustment Types



BARS Training

- Agencies that require a refresher are encouraged to attend the August 2nd BARS webinar, which will provide an introduction to the budget system.
- There will also be a dedicated Ad-hoc Training that will be provided on August 4th for agencies seeking to learn more about the custom reports feature of BARS. This is highly recommended for agencies, as ad hoc is the #1 most useful tool in BARS.



OBA Assistance Availability

- OBA analysts will be on a mixed telework schedule this fall.
- Agency assistance will primarily be virtual as in recent years (using screen-sharing and Google Meet). Some analysts may be available for in-person support—if you are interested in such help please discuss it with your individual OBA analyst.
- There will be weekend support for agencies. If you intend to work in BARS over a weekend, notify your analyst so they can ensure that someone will be available to answer questions as necessary.



DISCUSSION AND QUESTIONS

Reminder: This training was recorded and will be available in the calendar invite link, and the PowerPoint presentation is attached to the calendar invite.

