



# **DETAIL BUDGET PREPARATION MANUAL**

**Fiscal Year 2012-2013**

AN INSTRUCTIONAL GUIDE FOR PREPARING  
DETAIL BUDGETS  
FOR SUBMISSION TO THE  
STATE BUDGET DIVISION

**SEPTEMBER 2011**

**DETAIL BUDGET  
PREPARATION  
MANUAL**

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**Fiscal Year 2012-2013**

**South Carolina Budget and Control Board  
State Budget Division**

**Les Boles, Director**

**September 2011**

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## INTRODUCTION and CHAPTER SUMMARIES

The budgetary process serves an integral role in the fiscal management of state government and in the implementation of legislative policy. This process begins each year in September with the submission by each agency of a Detail Budget and culminates in the Appropriation Act finalized in June of the following year.

The Detail Budget Preparation Manual (Manual) is intended to assist agencies in preparing the Detail Budget for submission to the State Budget Division (SBD). The Detail Budget document is the basis for the Appropriation Bill debated by the Legislature and must be completed in a timely manner for distribution to the members of the General Assembly. It is the responsibility of each agency to submit its Detail Budget in the format and the manner prescribed by the SBD in order to meet the publication deadline. Since the completion of the balanced Detail Budget depends upon when you receive it, check with your State Budget Analyst for the due date of your submission.

As you work to balance the Detail Budget, please do not hesitate to ask for assistance. Please contact your State Budget Analyst if you have any questions or procedural or data-entry problems. Please know that your State Budget Analyst wants to facilitate this process for you.

The Manual is divided into 8 Parts. Each Part is summarized as follows:

### **Part I - Balancing the Detail Budget**

This section provides general instructions needed to balance the Detail Budget. This section is intended for use by budget development personnel experienced in Detail Budget preparation; therefore, if you need additional guidance to balance the Detail Budget, read Parts IV and V and contact your State Budget Analyst.

Part I also describes how the fiscal data in the skeleton Detail Budget were derived and identifies the modifications agencies must make to convert the “skeleton budget” into the balanced Detail Budget.

### **Part II - Making Changes to the Database On-Line**

This section briefly describes how to gain access to the on-line Detail Budget (Expenditure and

Revenue files), and identifies a separate software training manual, and training workshops conducted by the State Budget Division.

### **Part III - Balancing the Skeleton Detail Budget (Step-by-Step Guidelines)**

This section identifies, in much more detail than is presented in Part I, each step of the budget balancing process, specifying how to correct and balance the skeleton Detail Budget.

### **Part IV – Abbreviated Checklist for Balancing the Detail Budget**

This section briefly outlines the items in the skeleton Detail Budget that must be balanced to various Comptroller General reports or other worksheets in the Detail Budget. It should be used as the final review checklist by all who prepare the Detail Budget for submission to the State Budget Division.

### **Part V - Sample Allocation of State Funds for FY 2011-2012 and FY 2012-2013**

This section describes and illustrates the format of the “Allocation of State Funds” that will be mailed to your agency in the first quarter and includes instructions on completing the Allocation Transfer Request form.

### **Part VI - Frequently Used Budget (Expenditure) Codes**

This section contains a reference list of frequently used expenditure object codes. Such codes are incorporated in the Detail of Expenditures worksheets.

### **Part VII - Documents Needed to Prepare the Detail Budget**

This section lists the documents required to complete the Detail Budget. The documents include year-end reports issued by the Comptroller General, the SBD, as well as invoices for various employer contributions costs. Your State Budget Analyst can provide you with copies of the relevant Comptroller General’s reports.

### **Part VIII - Timetable for the Detail Budget Preparation Process**

This section identifies important deadlines pertaining to preparation of the Detail Budget for FY 2012-2013, and other important dates related to this process.

**PART I**  
**BALANCING THE DETAIL BUDGET**  
**General Guidelines**

**A. OVERVIEW OF REQUIRED CHANGES**

The Detail Budget document, containing three years' expenditure and revenue data, forms the basis for the upcoming annual Appropriation Bill debate. The budget files contained in the SBD computer are based on prior year expenditure data and the current year's Appropriation Act. The data does not contain an agency's current year Allocation of State Funds from the Budget and Control Board (BCB), carry-forward funds, federal and other fund revenues anticipated in the future year, nor certain other budget data. The Detail Budget data files that you receive may need to be modified to accurately reflect prior year expenditures, current year funding, and the recommended year base budget. In order to correct and balance the Detail Budget, the following changes may need to be made to the data files:

**Prior Year Expenditures/Revenue Summary and Detail**

1. Be sure the program structure reflects the structure authorized by the Appropriation Act for this year.
2. Delete all capital project expenditures with a program code of 99 00 00 00.
3. Balance each program's expenditures to the CG #427 (program level) report.
4. Balance the Revenue Detail and Summary worksheets (Schedules I and II) to the CG's #404 and #406 reports, and to agency expenditures. (Complete Revenue Schedules III and IV, if appropriate.)
5. Itemize federal, earmarked, and restricted revenues on the Revenue Detail worksheets so that descriptions are informative, and itemized amounts balance to the items on the CG's #406 report.
6. Balance Total FTEs (classified and unclassified, by source of funding) to the authorized levels. Contact your State Budget Analyst for authorized FTE levels for all three years.
7. Balance Federal and Other fund expenditures to Federal and Other fund revenues appearing on Revenue Schedule I of the Revenue Summary worksheet.

## **Current Year Expenditures/Revenue Summary and Detail:**

1. Be sure the program structure also reflects the structure authorized by the current year's Appropriation Act.
2. Spread your Allocation of State Funds, when applicable, among all appropriate programs. [Do NOT spread any Carry-Forward amounts among your programs. Carry-Forward funds, along with any Supplemental appropriations, including Capital Reserve Fund appropriations, must be shown in a separate Non-Recurring Appropriations program appearing after the Employer Contributions program.]
3. Complete Reconciliation worksheets for each program or sub-program. Spread any pay plan and employer contributions among all appropriate programs/sub-programs.
4. Do NOT add in any federal or other fund revenues authorized by BD-100s. [Current year data should reflect only the amount of Federal and Other funds authorized by the current year's Appropriation Act.]
5. Do NOT adjust current year data to reflect any approved appropriation transfers within your agency.
6. Complete both the Summary and Detail worksheets for Revenue Schedules I and II (and III and IV, if appropriate). Itemize federal, earmarked, and restricted revenues so that descriptions on the Revenue Detail are informative, and amounts shown on the Revenue Summary worksheet balance to agency expenditures.
7. Itemize the Employer Contributions budget on the Employer Contributions Summary worksheet. Be sure that the total Employer Contributions on this Summary worksheet equals the total shown in the Employer Contributions program.
8. Balance Total and State FTEs (classified and unclassified positions) to the authorized levels. Contact your State Budget Analyst for authorized FTE levels for all three years.
9. Balance Federal and Other fund expenditures to Federal and Other fund revenues appearing on Revenue Schedule I of the Revenue Summary worksheet.

## **Future Year Expenditures/Revenue Summary and Detail:**

1. Be sure the program structure reflects the structure authorized by the current year Appropriation Act and also includes any new program/sub-program structures that were previously approved by the Governor's Office.
2. Balance program expenditures to the sum of the amount shown on the Allocation of State Funds **and** your estimate of Federal, Earmarked and Restricted fund revenues.
3. You may revise the line item expenditures shown in the recommended year. (The data in our files is based on the expenditures authorized by the current year's Appropriation Act.)
4. Complete both the Summary and Detail worksheets for Revenue Schedules I and II (and III and IV, if appropriate). Itemize anticipated federal, earmarked, and restricted revenues so that descriptions on the Revenue Detail worksheet are informative, and amounts shown on the Revenue Summary worksheet balance to agency expenditures. **Be realistic in your estimates of Federal and Other Funds.**
5. Use the Employer Contributions Rate Table to forecast and itemize the Employer Contributions budget on the Employer Contributions Summary worksheet. Be sure the total Employer Contributions on this Summary Worksheet equals the total shown in the Employer Contributions program.
6. Balance Total, State, Federal, Earmarked and Restricted FTEs (classified and unclassified positions, by source of funding) to the authorized levels. Contact your State Budget Analyst for authorized FTE levels for all three years.
7. Balance Federal and Other fund expenditures to Federal and Other fund revenues appearing on Revenue Schedule I of the Revenue Summary worksheet.

## **B. ADDITIONAL CONSIDERATIONS**

### **1. PROGRAM STRUCTURE CHANGES**

Program structure changes may only be incorporated into your Detail Budget after approval by the Governor's Office. If you anticipate having to make changes in your program structure, submit a written request to your State Budget Analyst. If the Governor's Office approves your request, your State Budget Analyst will notify you. Only then may changes be made to the program structure of your Detail Budget. Program structure changes must be submitted to your State Budget Analyst by September 30th.

## **2. RECONCILIATION WORKSHEETS**

A Reconciliation worksheet must be completed for each program (e.g., I. Administration) or sub-program (e.g., I.A. Public Assistance). It is not necessary to submit a separate Reconciliation worksheet for each element or sub-element. You may also complete a Reconciliation worksheet for the Employee Benefits program.

## **3. SUBMITTING THE DETAIL BUDGET**

As you complete your changes on-line, be sure to notify your State Budget Analyst when you have finished, and submit one printed copy of your balanced Detail Budget so we may check the accuracy of the on-line data files.

## **4. SUBMISSION DEADLINE**

The **due date** for your agency's Detail Budget will depend upon when you receive access to your agency's data files, and therefore should be worked out with your State Budget Analyst. However, consider three weeks from the time you receive your Detail Budget as a guideline for completing the Detail Budget.

**PART II**  
**MAKING CHANGES TO THE DATABASE ON-LINE**

Any agency with access to the database of the Comptroller General, the Office of Human Resources, or the Office of Insurance Services also has access to the SBD's database. Contact your State Budget Analyst about activating your User ID and password.

Access to the SBD database, for the purpose of making changes to the Detail Budget, will be restricted to a time frame between early September and late October. This database is a TEMPORARY location on the Division of State Information Technology (DSIT) mainframe. (Do not be concerned about "shutting down" the mainframe). After the data has been entered, adjusted, corrected, etc., it will be moved to the 'PRODUCTION' location. This will disable an agency's access to the database.

Each agency should have at least one person with a valid sign-on. This must be coordinated with the State Budget Division staff. Training on how to make changes on-line to the Detail Budget will be conducted as needed by the SBD staff. Contact your State Budget Analyst if you require training. A **separate instruction manual** showing how to make changes to the database will be distributed at each training session, or can be obtained on the State Budget Division's website: <http://www.budget.sc.gov/OSB-index.phtm> . Choose Forms and Instructions/Agency Training Manual. Internet Printing Instructions are at this location also.

**PART III**  
**BALANCING THE SKELETON DETAIL BUDGET**  
**STEP-BY-STEP GUIDELINES**

The skeleton Detail Budget is a pre-formatted series of worksheets based on prior year expenditure data obtained from the Comptroller General's records, and current year data based solely on the current year's Appropriation Act (which does NOT include your agency's Allocation of State Funds from the BCB, nor any authorized Carry-Forward or Supplemental appropriations.) The recommended year data also reflects only the current year's Appropriation Act data.

The Detail Budget presents three consecutive years of your agency's Expenditure and Revenue data. In this Manual, we refer to Fiscal Year (FY) 2010 – 2011 as the "**prior year**" or "actual expenditure column" or column 5; FY 2011 – 2012 as the "**current year**" or operating year or columns 6 and 7; and FY 2012 – 2013 as the "**recommended year**" or future year or columns 8 – 12.

After you receive the skeleton Detail Budget, you will need to review it and make whatever adjustments are necessary to balance the Detail Budget (expenditure and revenue worksheets) to the authorized funding and FTE levels for each of the three years. Your State Budget Analyst is prepared to help you balance to the correct amounts.

**STEP 1      PROGRAM STRUCTURES**

- Be sure the program structure you submit reflects each of the program structures authorized by the prior year's Appropriation Act, the current year's Appropriation Act, and any new programs approved by the Governor's Office for the recommended year.

**STEP 2      BALANCE PRIOR YEAR EXPENDITURES (COLUMN 5)**

- Balance prior year expenditures to the CGs FM 13 #427 Expenditures by Minor Object Code (Program Level) report.
  - ◆ Delete capital project expenditures in all funding sources.

- ◆ Balance the agency total and each program, sub-program, etc. total to this #427 report. (The skeleton Detail Budget will contain differences due to rounding. Please adjust program totals to more closely match this #427 report.) Balance the agency head's salary to the amount shown on this #427 report.
  - ◆ List any Supplemental Appropriation expenditures made in a program with a program code of 98 XX 00 00 in a "Non-Recurring Appropriations" program appearing after your Employee Benefits program.
  - ◆ Balance State, Federal and Other expenditures shown in your Detail Budget to the State, Federal, Other (Earmarked and Restricted) totals shown on the #427 report, excluding capital project expenditures.
- Balance prior year FTEs to the authorized level.

### **STEP 3 BALANCE CURRENT YEAR EXPENDITURES (COLUMNS 6, 7)**

- The data in the current year columns are derived from the Appropriation Act.
  - ◆ Add in your Allocation of State Funds and spread these amounts among all appropriate programs.
  - ◆ Add in any authorized 10% and Special Proviso Carry-Forward amounts. Itemize each of these two amounts in the Non-Recurring Appropriations program.
  - ◆ Add in any Supplemental Appropriations into the current year. Show these amounts in the Non-Recurring Appropriations program. Capital Reserve Fund appropriations are considered Other Funds (not General Funds).
  - ◆ Do NOT adjust line items to reflect approved Appropriation transfers.
  - ◆ Federal and Other fund expenditures must balance to the current year's Appropriation Act. Do NOT adjust federal and other fund expenditures to reflect approved BD-100s.
  - ◆ Do NOT adjust the agency head's salary if the agency head's salary is reviewed by the Agency Head Salary Commission. If this is the case, your State Budget Analyst will adjust the agency head's salary in the current and

recommended years when the Commission approves agency head salaries.

- ◆ Balance Total and General (State) FTEs (classified and unclassified positions) to the authorized levels.

**STEP 4**      **BALANCE RECOMMENDED YEAR EXPENDITURES (COLUMNS 9 – 12)**  
**General (State) Funds**

- Balance General (State) fund expenditures in the recommended year to the amount indicated on the “Allocation of State Funds.”

**Federal, Earmarked and Restricted Funds**

- ◆ Balance Federal, Earmarked and Restricted Fund expenditures to the Total Revenue Retained and Expended in Budgeted Operations in Revenue Schedule I on the Revenue Summary worksheet. (See STEP 9 for instructions on balancing Revenue Schedule I—Summary worksheet in the recommended year.)
- ◆ Do NOT budget indirect costs that are remitted to the General Fund. Indirect costs remitted to the General Fund must be itemized in Revenue Schedule II.

**All funding sources**

- ◆ Exclude capital project expenditures
- ◆ Balance FTEs (classified and unclassified positions) to the authorized levels. Do NOT increase FTEs above the authorized levels. Any increase in State-, Federal- or Other-funded FTEs must be submitted as an INCREASE REQUEST. (See separate FY 2013 Budget Plan Guidelines for instructions.)
- ◆ The amounts on each expenditure line are derived from the current year’s Appropriation Act. You may adjust the amounts on each line.

**STEP 5**      **RECONCILIATION WORKSHEETS**

- You must complete a Reconciliation worksheet for each program (i.e., Roman

numeral) or sub-program (i.e., capital letter) in your program structure, excluding the Employee Benefits and Non-Recurring Appropriations programs.

- You may complete a Reconciliation worksheet for the Employee Benefits program.
- The Reconciliation worksheet is divided into two sections: Adjustments to the current year's Appropriation Act and Adjustments to the recommended year's base.

### **Current Year Adjustments**

- ◆ Verify that the amount for "Appropriation per Act" is correct for each program.
- ◆ Add a descriptive line in each program for every adjustment made to reflect changes indicated on the "Allocation of State Funds." Be sure the description you enter on the Reconciliation worksheets matches the description on the Allocation of State Funds.
- ◆ Do NOT add lines to reflect any BD-100s or Appropriation Transfers approved during the current year.

### **Recommended Year Adjustments**

- ◆ Add a descriptive line in each program for every adjustment made to reflect changes indicated on the "Allocation of State Funds." Be sure the description you enter on the Reconciliation worksheets matches the description on the Allocation of State Funds.
- ◆ Add a separate line to reflect increases (or decreases) in federal funds within the program compared to the current year's level of federal funds. Federal fund changes should be entered on line 2500.
- ◆ Add a separate line to reflect increases (or decreases) in Other funds within each program compared to the current year's level of Other funds. [Other fund changes should be entered on line 2600.]
- ◆ Add lines to show transfers to (or from) other programs or subprograms, etc. Identify "other programs" by Roman numeral, capital letter, Arabic number and lower case letter.

## STEP 6 EMPLOYEE BENEFITS PROGRAM / EMPLOYER CONTRIBUTIONS SUMMARY EXPENDITURES

- **Prior Year Expenditures:** Balance prior year Employer Contributions expenditures to the CGs FM 13 #427 (program level) report. See program level 95 05 00 00. Itemize each category of Employer Contributions on the Employer Contributions Summary Worksheet. Be sure the Total Employer Contributions amount on the program worksheet balances to the Total Employer Contributions on the Summary worksheet.
- **Current Year Expenditures:** Balance current year Employer Contributions expenditures to the current year's Appropriation Act, adjusted to reflect changes indicated on the Allocation of State Funds. Itemize each category of Employer Contributions on the Employer Contributions Summary worksheet. Be sure the Total Employer Contributions amounts in columns 6 and 7 on the program worksheet balance to the Total Employer Contributions amounts in columns 6 and 7 on the Summary worksheet.
- **Recommended Year Expenditures:** Use the Employer Contributions Rate Table that follows to forecast your anticipated Employer Contributions expenditures for each funding source.
  - ◆ Total Employer Contributions amounts in columns 9 - 12 on the program worksheet must balance to the Total Employer Contributions amounts in columns 9 – 12 on the Summary worksheet.
  - ◆ Estimate Social Security, Retirement and Group Life Insurance costs by multiplying the percentage rate indicated in the Table by the appropriate total personal service costs.
  - ◆ Estimate Workers' Compensation Insurance premiums at 10% above your current year's premium, assuming that the number of FTEs in the recommended year will be the same as in the current year. (If you anticipate an increase in the number of FTEs, contact the Workers' Compensation Commission for help in estimating your increased premium cost.)

- ◆ Estimate health and dental insurance costs for State, Federal, Earmarked and Restricted employees by multiplying the dollar value indicated on the Employer Contributions Rate Table by the total number of “subscribers” within each funding source. At this time, pending the appropriation of funds by the General Assembly and any plan changes by the Budget and Control Board, no rate increase has been reflected in Federal/Other funds.

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**EMPLOYER CONTRIBUTIONS RATE TABLE**

	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>
<b>Social Security:</b>	7.65%*	7.65%*
<b>Retirement:</b>		
State System:		
Retirement-State	13.29%**	13.685%**
Group Life Insurance	.15%	.15%
Police Officers System:		
Retirement	15.26%**	15.663%**
Group Life Insurance	.2%	.20%
Accidental Death	.2%	.20%
Judicial / Solicitors System:		
Retirement	45.09%	45.09%
<b>Health Insurance (per subscriber):</b>		
Single	\$3,352	\$3,503
Employee/Spouse	6,469	6,939
Employee/Child	5,321	5,377
Full Family	8,341	8,688
<b>Dental Insurance (per subscriber):</b>		
All fund sources	\$140.64	\$135.24
<b>Workers' Comp. Insurance:</b>	Actual Bill + 10%	Actual Bill +10%
<b>Unemp. Comp. Ins.</b>	Actual Bill	Actual Bill
<b>State Life Ins. (per employee):</b>	\$4.08	\$4.08
<b>State Long-Term Disability (per employee):</b>	\$38.64	\$38.64

\* Estimated Salary Base: \$106,800

\*\* Includes 4.30 % to cover cost of retiree health and dental insurance.

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## **STEP 7 NON-RECURRING APPROPRIATIONS EXPENDITURES**

- Supplemental and Capital Reserve Fund (CRF) appropriations are assigned a program code of 98 XX 00 00. These expenditures must be shown on an Expenditure worksheet appearing as the last program in your agency's budget.
- The program must be entitled: "Non-Recurring Appropriations."
- Supplemental appropriations are considered General (State) funds. CRF funds are considered Other funds and must also be included in Revenue Schedule I. Please note that CRF funds appropriated to your agency for capital projects are NOT to be included in the Non-Recurring Appropriations program nor in Revenue Schedule I—Detail. They should be reflected only in Revenue Schedule III.

### **Prior Year Expenditures:**

- Balance all Non-Recurring program expenditures to the CGs FM 13 #427 (program level) report. See program levels 98 XX 00 00. Itemize all 98 XX 00 00 expenditures in this Non-Recurring program. Be sure to enter the full 8-digit program code, assigned by the Comptroller General and shown on the #427 report for each item, in your Detail Budget.

### **Current Year Expenditures:**

- Balance all Non-Recurring program expenditures to the latest CGs #477 report. See program levels 98 XX 00 00. Itemize all 98 XX 00 00 expenditures in this Non-Recurring program. Be sure to enter the full 8-digit program code, assigned by the Comptroller General and shown on the #477 report for each item, in your Detail Budget.
- Enter your agency's 10% Carry-Forward amount on one line. Also, total any and all "Special Proviso Carry-Forward" amounts. Enter the total amount on a separate line.

## **Recommended Year Expenditures:**

Columns 8 – 12 in the Non-Recurring Appropriations program must be left blank.  
Do NOT enter amounts in these columns.

### **STEP 8 REVENUE WORKSHEETS: REVENUE DETAILS**

**Revenue Schedules:** Agency revenues are categorized into four Schedules as follows:

- Schedule I: Revenue Retained and Expended in Budgeted Operations. This schedule must be used to itemize Federal and Other (Other = Earmarked and Restricted) fund revenues used to pay for budgeted expenditures.
- Schedule II: Revenue for Credit to the General Fund. This schedule must be used to reflect agency revenues remitted to the State General Fund.
- Schedule III: Revenue Retained and Expended in Non-Budgeted Operations. This schedule must be used to reflect revenues used to fund capital projects and other agency activities not itemized in Expenditure worksheets.
- Schedule IV: Revenue Earmarked for Principal and Interest Payments on Indebtedness. This schedule is used only to reflect revenues used to repay loans to the State Treasurer's Office.

#### **Revenue Schedule I—Details**

Itemize all revenues by funding source (i.e., Federal, Other); and within each funding source, by sub-fund and revenue object code.

Be sure to include a 4-digit federal project number for each source of federal revenue.

You may include more revenue line items than are shown on the CGs #406 report. We encourage you to provide more detail, especially in regard to federal grants. Please use informative descriptions for all itemized revenues. (i.e., "Miscellaneous" is NOT informative.)

Do not show negative numbers on any revenue line. However, there are

exceptions to this rule. Contact your State Budget Analyst for advice.

Do NOT budget Indirect Costs remitted to the General Fund. Revenues remitted to the General Fund are shown only in Revenue Schedule II.

### **Prior Year Revenues**

Balance each of the two prior year revenue sources (Federal, Other) to the CGs FM 13 #406 report (Actual YTD Revenue column); excluding revenues used for capital projects; excluding revenues NOT used to fund budgeted operations.

### **Current Year Revenues**

Balance current year Federal and Other revenues to the current year's Appropriation Act, adjusted to reflect any Capital Reserve Fund (CRF) appropriations. Do NOT include any BD-100s approved during the current fiscal year.

If your agency received an appropriation from the Capital Reserve Fund, be sure to enter a line and amount in the Other Funds section. CRF funds are considered Other Funds (not General Funds) and must be itemized as a revenue. See the latest CGs #477 report to identify the sub-fund and revenue object code assigned to your CRF funds (CRF funds are usually assigned to sub-fund 3634 and revenue object code 7236.)

However, CRF funds appropriated to your agency for capital improvement projects are NOT to be included in either this revenue schedule or the Detail of Expenditures worksheets (e.g., Non-Recurring Appropriations program). Revenues used to fund capital project expenditures should be reflected only in Revenue Schedule III.

### **Recommended Year Revenues**

**Revenue estimates should be reasonable and should NOT overstate the needed spending authority you anticipate.** Any grants awarded

competitively should NOT be included, unless you have been assured of the

award.

Be sure that itemized federal revenues agree to the FPR forms you submit to Grants Services in the State Budget Division.

## **Revenue Schedule II—Details**

### **Prior Year Revenues**

Itemize all prior year revenues first by funding source (Federal, Other); then by sub-fund and revenue object code.

Be sure to include a 4-digit federal project number for each itemized source of federal revenue.

Balance each of the prior year revenue sources (Federal, Other) to the CGs FM 13 #406 report (General Fund section; Actual YTD Revenue column).

### **Current and Recommended Year Revenues**

Do NOT adjust the estimates in these columns. These estimates will be revised as the Board of Economic Advisors (BEA) makes its recommendations.

## **Revenue Schedules III and IV—Details**

These schedules do not directly relate to any of the Detail of Expenditure worksheets. If you have any questions about whether to include these schedules, or about what to include on these schedules, contact your State Budget Analyst.

## **STEP 9 REVENUE WORKSHEETS: REVENUE SUMMARY**

### **Revenue Schedule I:**

Federal and Other fund RECEIPTS lines are automatically generated from data entered on the Revenue Detail worksheets. Do NOT change any

amount on a RECEIPTS line on the Revenue Summary worksheet.

Only Balance from Previous Year and Balance Carried Forward lines are to be entered on this worksheet.

**Prior (Actual) Year Column:**

The Balance from Previous Year lines (in both the Federal and Other fund sections) may be obtained from the Ending Balance column on the CGs FM 13 #404 report for the previous fiscal year, or from the Beginning Balance column on this (prior) year's FM 13 #404 report.

Please note that the Balance Carried Forward lines read: LESS Balance Carried Forward. Therefore, if the balance carried forward into the current year is a positive amount, enter it as a negative number, and vice versa. Enter this same amount (but reverse the sign) on the Balance From Previous Year line in the current year column.

The sum (net) of the three lines (Balance From Previous Year, Receipts and Less Balance Carried Forward) in the Federal Funds section must balance to Federal expenditures in the prior year (column 5) on the Detail of Expenditures worksheets. The sum (net) of the three lines in the Other Funds section must balance to Other Fund expenditures in the prior year (column 5) on the Detail of Expenditures worksheets.

If the sum of these three lines, in each section, does NOT equal expenditures, contact your State Budget Analyst for advice.

**Current Year Column:**

The Balance From Previous Year lines must show the same amount as is on the prior year's Less Balance Carried Forward line, but with the opposite sign.

Adjust the Less Balance Carried Forward line in the current year column so that the net of the three lines (in each of the two funding sources) agrees to the total federal and total other fund expenditures in the current year. Remember this line

reads: LESS Balance Carried Forward. Therefore, if the balance carried forward into the recommended year is a positive amount, enter it with a negative sign, and vice versa. Enter the same amount (but reverse the sign) on the Balance From Previous Year in the recommended year column.

**Recommended Year Column:**

The Balance From Previous Year lines must show the same amount as is on the current year's Less Balance Carried Forward line, but with the opposite sign.

Adjust the Less Balance Carried Forward line in the recommended year column so that the net of the three lines (in each of the two funding sources) agrees to the total federal and total other fund expenditures in the recommended year. Remember this line reads: LESS Balance Carried Forward. Therefore, if the balance carried forward into the following year is a positive amount, enter it with a negative sign, and vice versa.

**Revenue Schedule II:**

All three columns of this Schedule are automatically generated from the Revenue Schedule II Detail worksheet. Do NOT make changes to Schedule II on this Summary worksheet.

**Revenue Schedules III and IV:**

Balance from Previous Year, Receipts and Balance Carried Forward data are NOT available through the State Budget Division. This Office relies on your records for this information. If you have questions about where to obtain this data, contact your State Budget Analyst.

**STEP 10 FINAL CHECK: BALANCE REVENUES TO EXPENDITURES IN ALL THREE YEARS**

**State Funds:** In the prior year, balance program expenditures to the FM 13 #427 report. Be sure to exclude capital project expenditures. In the current year, balance State (General Fund) expenditures to the Allocation of State Funds, adjusted to include any

authorized State Carry-Forward amounts including Supplemental appropriations. (Do not include CRF appropriations as State funds). In the recommended year, balance State expenditures to the amount shown on the Allocation of State Funds report.

**Federal Funds:** Balance the Total Federal Funds line on the Revenue Summary worksheet to Federal expenditures in each of the three years.

**Other Funds:** Balance the Total Other Funds line on the Revenue Summary worksheet to Other fund expenditures in each of the three years.

**FTEs:** Balance FTEs (classified and unclassified) in each column (columns 5 – 12) to the authorized levels.

## PART IV

### ABBREVIATED CHECKLIST FOR BALANCING THE DETAIL BUDGET

#### 1. Program Structure:

Be sure your program structure conforms to the prior year and current year Appropriation Acts, and to any structure changes approved by the Governor's Office for the recommended year.

#### 2. Prior Year Expenditures, Revenues and FTEs:

Balance prior year expenditures, program by program, to the prior year FM 13 #427 (program level) report. Exclude capital project expenditures.

Balance prior year Federal and Other fund receipts shown on the Revenue Detail worksheets (Schedules I and II) to the FM 13 #406 report.

Balance prior year Total Federal and Total Other Fund Revenues Retained and Expended in Budgeted Operations to the prior year FM 13 #404 and FM 13 #406 reports.

Balance prior year Federal and Other Fund expenditures to prior year Total Federal Fund and Total Other Fund Revenues Retained and Expended in Budgeted Operations on Revenue Schedule I of the Revenue Summary worksheet.

Create and balance Revenue Schedules III and IV, if applicable.

Balance prior year FTEs (classified and unclassified) to the authorized levels.

#### 3. Current Year Expenditures, Revenues and FTEs:

Balance current year's State fund expenditures to the Allocation of State Funds, adjusted to reflect any authorized State Carry-Forwards including Supplemental appropriations. Be sure that all State Carry-Forward amounts, Supplemental appropriations and CRF appropriations are itemized in the Non-Recurring Appropriations program appearing as the last program. (CRF appropriations are categorized as Other funds.)

Balance current year Federal and Other fund expenditures to the current year's Appropriation Act, adjusted to include any CRF appropriation that carried forward into the current year.

Balance current year Federal and Other Fund revenues (Total Revenues Retained and Expended in Budgeted Operations on Revenue Schedule I of the Revenue Summary worksheet) to Federal and Other Fund expenditures. You may have to add revenue detail lines for any CRF appropriations.

Do not adjust Revenue Schedule II. Create and balance Revenue Schedules III and IV, if applicable.

Balance current year FTEs (classified and unclassified) to the authorized levels.

#### **4. Recommended Year Expenditures, Revenues and FTEs:**

Balance State Fund expenditures to the Allocation of State funds for the recommended year.

Balance Federal and Other fund expenditures to the Total Federal and Total Other Fund Revenues Retained and Expended in Budgeted Operations shown on Revenue Schedule I of the Revenue Summary worksheet.

Adjust Federal and Other Fund receipts on the Revenue Detail worksheets to reflect your best estimate of revenues. Please do NOT overstate your anticipated revenue receipts.

Do not adjust Revenue Schedule II. Create and balance Revenue Schedules III and IV, if applicable.

Balance FTEs (classified and unclassified) to the level authorized for the current year.

**5. Employer Contributions Program and Summary Worksheets:**

Be sure that the Total Employer Contributions shown on the Detail of Expenditures worksheet agrees with the Total Employer Contributions shown on the Employer Contributions Summary worksheet in each of the columns (5 – 12).

Itemize the total amount in each column on the Employer Contributions Summary worksheet.

**6. Reconciliation Worksheets:**

Check the Reconciliation worksheet for each program and sub-program for accuracy and accountability. Be sure the “Appropriation per Act” line on each Reconciliation worksheet balances to the program total amount in the current year’s Appropriation Act.

In the current year adjustment section, be sure to include an adjustment for each line on the Allocation of State funds.

Do NOT adjust the current year section to reflect any approved Appropriation Transfers or BD-100s. Be sure the revised current year’s program allocation agrees to the program totals appearing on the Detail of Expenditures worksheet (columns 6 and 7).

In the recommended year’s adjustment section, be sure to reflect any changes shown on the Allocation of State Funds, and be sure to include a separate line for each increase (or decrease) in Federal or Other funds, and for each transfer to or from a different program within your agency. (Indicate the program by Roman numeral, capital letter, Arabic number and lower case letter.) Be sure the revised recommended year’s program allocation agrees to the program totals appearing on the Detail of Expenditures worksheet (columns 8 and 9).

**PART V**  
**SAMPLE ALLOCATION OF STATE FUNDS**  
**FOR FY 2011-2012 and FY 2012-2013**

Remember to include your Allocation of State funds, if applicable, in your FY 2011-2012 Detail Budget (Columns 6 and 7) and your FY 2012-2013 Budget (Columns 8 and 9). The amount you show on your Agency Total line in Column 7 of the Detail Budget must balance to Line 180 of the Allocation of State Funds plus any authorized Carry-Forward and Supplemental amounts. The amount you show on your Agency Total line in Column 6 of the Detail Budget must balance to Line 180 of the Allocation of State Funds plus any authorized Carry-Forward and Supplemental amounts. The amount you show on your Agency Total line in Column 9 of the Detail Budget must balance to Line 320 of the Allocation of State Funds.

<u>Allocation of State Funds</u>		<u>Detail Budget - Agency Total Line</u>
Line 180 (+CFs & Supplementals)	=	Column 7
Line 320	=	Column 9

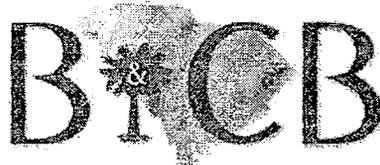
A description (and the appropriate amount) for each of the lines numbered 030 through 150 on the Allocation must appear on the Reconciliation for each applicable program under Adjustments to the FY 2011-2012 Appropriation Act (i.e., above "Revised Program Allocation for FY 2012-2013").

A description (and the appropriate amount) for line numbered 280 on the Allocation must appear on the Reconciliation for each applicable program under Adjustments for FY 2012-2013.

NOMNI HALEY, CHAIRMAN  
GOVERNOR

CURTIS M. LOFTIS, JR.  
STATE TREASURER

RICHARD ECKSTROM, CPA  
COMPTROLLER GENERAL



SC BUDGET AND CONTROL BOARD

State Budget Division  
Les Botes  
DIRECTOR

(803) 734-2280  
Fax: (803) 734-0645

HUGH K. LEATHERMAN, SR.  
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COMMITTEE

MARCIA S. ADAMS  
EXECUTIVE DIRECTOR

September 14, 2011

To Agency Chief Financial Officer:

Enclosed is your agency's **Preliminary Allocation** of State Funds for FY 2011-12. This information is provided to assist in the planning of your current year budget and preparation of the Detail Budget for FY 2012-13. This Preliminary Allocation reflects the initial action for preparation of the gubernatorial budget for submission to the General Assembly, in accordance with Act 132 of 1993. Please note the allocation does not include authorized carry-forward funds, since these items will not be considered as base appropriation.

The enclosed allocation includes the following items:

**FY 2011-12 - Health Insurance Allocation**

This line represents that portion of State funding to be allocated to your agency related to rate increases for the State's Health Plan as authorized by the Budget and Control Board. This includes amounts attributable to:

- 2011 Health Plan rate increase (for the period July 2011 - December 2011)
- 2012 Health Plan rate increase (for the period January 2012 - June 2012).
- 2011-12 anticipated growth in the number of retirees.

For preparation of the detailed budget, please note that the amount listed as "Total Appropriation Base for FY 2011-12" is the General Funds available for FY 2011-12, while the amount listed as "Net Allocations for FY 2012-13" is the General Funds available for FY 2012-13.

The State Budget Division will process the budget documents to transfer your portion of the FY 2011-12 Health Plan Allocation to your agency's employee benefits program. This transfer will be completed on or before September 23, 2011.

If you have any questions concerning the allocation and transfer process, please contact your budget analyst at 734-2280.

Sincerely,

David C. Seigler, CPA  
Special Projects Manager

Enclosure

cc: Agency Budget Contact

Agency:  
8/29/2011

Allocation of State Funds for FY 2011-12  
State Budget Division

	Amount
FY 2011-12	
Total State Funds per 2011-12 Appropriation Act	<hr/>
Allocation for Pay Plan:	
Health Insurance Allocation	<hr/>
Total Appropriation Base for FY 2011-12	<hr/>
FY 2012-13	
Adjustments:	
Less Non-Recurring FY 2011-12 Appropriations	
Net Allocations for FY 2012-13	<hr/>

**PART VI  
FREQUENTLY USED BUDGET (EXPENDITURE) CODES**

<u>Budget Code</u>	<u>Description</u>
	<b>Personal Service:</b>
10158	Classified Positions
10160	Unclassified Positions
10166	Interim New Positions-Classified
10167	Interim New Positions-Unclassified
10170	Other Personal Service
19999	TOTAL PERSONAL SERVICE
21201	Other Operating Expenses
29999	TOTAL OTHER OPERATING EXPENSES
	<b>Special Items:</b>
36100	(Specify Description)
39999	TOTAL SPECIAL ITEMS
	<b>Permanent Improvements:</b>
40700	Permanent Improvement
40701	Land
40710	Site Development
40711	Construction
49999	TOTAL PERMANENT IMPROVEMENTS
	<b>Debt Service:</b>
50800	Debt Service
50801	Principal
50802	Interest
50811	Principal-IPP Note
50812	Interest-IPP Note
59999	TOTAL DEBT SERVICE
	<b>Public Assistance Payments:</b>
61100	Case Services
62500	Hospital Services
69999	TOTAL PUBLIC ASSISTANCE PAYMENTS

<u>Budget Code</u>	<u>Description</u>
	<b>Distribution to Subdivisions:</b>
71711	Allocation to Municipalities-Restricted
71770	Allocation to Other State Agencies
71775	Allocation to Other Entities
71810	Aid to Municipalities-Unrestricted
71875	Aid to Other Entities
79999	TOTAL DISTRIBUTION TO SUBDIVISIONS
	<b>Employee Benefits:</b>
81300	Employer Contributions
89999	TOTAL FRINGE BENEFITS
	<b>Non-Recurring Appropriations:</b>
96100	(Specify Description)
99999	TOTAL NON-RECURRING APPROPRIATIONS
99995	AGENCY TOTAL
99994	SUB-ELEMENT TOTAL (e.g., I.A.1.a. Total)
99993	ELEMENT TOTAL (e.g., I.A.1. Total)
99992	SUB-PROGRAM TOTAL (e.g., I.A. Total)
99991	PROGRAM TOTAL (e.g., I. Total)

**PART VII**  
**DOCUMENTS NEEDED TO PREPARE THE DETAIL BUDGET**

<u>ABBREVIATION</u>	<u>REPORT TITLE</u>
#404	Comptroller General's Year-End (FM 13) CSA #404 <u>Cash Status</u> report issued mid-August (included in Detail Budget Package)
#406	Comptroller General's Year-End (FM 13) CSA #406 <u>Actual Revenue</u> report issued mid-August (included in Detail Budget Package)
#427	Comptroller General's Year-End (FM 13) CSA #427 <u>Expenditures by Minor Object Code (Program Level)</u> report issued mid-August (included in Detail Budget Package)
Allocation	SBD's <u>Allocation of State Funds for FY 2012-2013</u>
UCIP	Invoice from the Comptroller General's Office for FY 2011-2012 Unemployment Compensation Insurance Premium
WCIP	Estimated Premium Invoice from the State Accident Fund for FY 2011-2012 Workers' Compensation Insurance

**PART VIII**  
**TIMETABLE FOR THE DETAIL BUDGET PREPARATION PROCESS**

August	Comptroller General issues end of year (FM 13) expenditure and revenue reports for FY 2010-2011.
September	SBD distributes Detail Budgets and Allocation of State Funds for FY 2012-2013 to agencies.
August-October	State Budget Analysts assist agencies in preparing Detail Budgets; also Budget Plans, including increases in Federal- and Other-funded FTEs, proviso changes and pay plan Allocation transfer forms.
December-January	Governor issues Budget Recommendations. SBD publishes the Detail Budget, including the Governor's recommended changes for FY 2012-2013.