

# STATE OF NEBRASKA



**Mike Johanns**  
Governor

**DEPARTMENT OF ADMINISTRATIVE SERVICES**  
**Lori McClurg**  
Director

## MEMORANDUM

**DATE:** July 12, 2000

**TO:** All State Agencies, Boards and Commissions

**FROM:** Gerry A. Oligmueller, State Budget Administrator 

**RE:** Budget Preparation Instructions for 2001-2003 Biennium

This document includes instructions for the preparation of the following budget-related submissions: 1) operating and aid budget requests, 2) capital construction and building renewal requests, 3) modification budgets, and 4) information technology summary forms. These submissions must be made to the Department of Administrative Services Budget Division by September 15, 2000. A copy of the operating and aid requests, capital construction and building renewal requests, and modification budgets will be shared with the Nebraska Legislative Fiscal Office. A copy of higher education submissions will be shared with the Coordinating Commission for Postsecondary Education. Access to the information provided by agencies for the information technology summary forms will be shared with the office of the Nebraska Chief Information Officer and Legislative Fiscal Office in electronic format. Special note should be taken regarding the procedural changes implemented by the Nebraska Information Technology Commission for submission of Agency Comprehensive Technology Plans and project proposal forms pursuant to Legislative Bill 924 enacted in 1998. The Governor's budget recommendations for the 2001-2003 biennium will be presented to the Legislature in January 2001, pursuant to Section 81-125, Reissue Revised Statutes of Nebraska, 1996.

The 2001-2003 biennial State budget process continues to emphasize development of budget requests within a strategic results-oriented process. In order to ease development of the information regarding agency vision, goals, and objectives, we have carried that information forward in the automated budget system from the 1999-2001 agency requests. We are requesting that State agencies review and revise their agency and program narrative information and prepare 2001-2003 budget requests that are consistent with their plans for service delivery and specific results for the 2002 and 2003 fiscal years. Agencies are encouraged to provide as much text in the automated system and, consequently, the printed submission as is necessary to adequately explain their budget request and budget modifications as well as to provide summary information regarding their programs and activities. The automated system does allow for entry of unlimited narrative information in the "not for publication" narrative sections.

The budget modification process for the 2001-2003 biennial budget request requires that agencies submit modifications at the 95% base level. It is our expectation that the 95% base level will generate thoughtful choices and priorities and that agencies will give serious attention to their identification of modification issues. As a reminder, budget modifications represent the lowest priorities for continued or additional new funding within the budget request and will be considered as such during analysis.

We would like to emphasize to agencies with cash funds that it is essential that they be especially diligent in completing the "funds analysis" screens and that they provide narrative explanation in the program narrative screen for any situations where estimated annual revenues exceed estimated annual expenditures by an amount greater than seven percent for FY2003, or where the estimated June 30, 2003, cash balance exceeds twenty-five percent of FY2003 expenditures. Review of agency budget requests will include a renewed emphasis on analysis of individual fund cash flow to determine whether or not fees/charges are greater or less than necessary. If your agency review determines that an adjustment of fees/charges would be advisable, narrative information should be included outlining any agency plans for making such a change.