

1.2 COMMON MISTAKES AND OMISSIONS

THE FOLLOWING ARE OFTEN OMITTED OR DONE INCORRECTLY.

Checklist

The checklist, [Section 1.3](#), must be completed and attached to the front page of each budget submission. If the department/agency submits any 6-digit units or 8-digit programs separately, there should be a checklist for each unit or program.

Name changes or new programs must be approved by DBM **before** the budget submission.

Positions and Salaries for FY 2017

All positions abolished in FY 2015 via Section 23 of the FY 2016 Budget Bill (Voluntary Separation Program) must be removed from the agency budget request. Requests for salaries and fringe benefits should be based on the pay plan effective July 1, 2016. *DBM will add any additional funding needed for any FY 2017 additional approved salary adjustments.* Refer to [Sections 2.14-2.24](#) for salary rates.

Social Security (FICA) Contributions (subobjects 0151 and 0213) are calculated on salary plus other salary subobjects. Please see [Sections 1.7.3 and 1.8](#).

Deferred Compensation (subject 0172) Do not budget in the FY 2017 request.

Turnover is not calculated on health insurance (subobjects 0152 and 0154).

Non-General Funds: See [Section 1.6](#). All non-General Funds MUST be

- (1) entered into a HOBO Fund File, **or**
- (2) submitted in an electronic Excel file in the same format as the HOBO Fund File

In addition, the hard-copy budget submitted to Vanessa Plante-McDonald MUST have

- (1) Form 3A and Form 20 printed from HOBO, **or**
- (2) Excel Form 3A and DA-20 with all fund source information. The Fund File information must reconcile with the Budget File information in the request.

Pay Plan Adjustments

Any reclassification proposals that affect entire classifications must be included in the FY 2017 request, and submitted using the DA-25 forms. Any adjustments should be budgeted in subobject 0112 (reclassifications). If an agency has included funding in subobject 0112 without supporting documentation, DBM will reduce funding when developing the FY 2017 allowance. See [Section 1.7.2](#) for more information.

Organizational Charts

Section 30 of the FY 2016 Budget Bill requires a one-page organizational chart for each department, unit, agency, office and institution in Microsoft Word or Adobe PDF. [See Section 1.26](#).

Reorganizations

An agency must discuss any reorganization with the DBM budget analyst prior to submission of the budget request. Reorganizations include (a) the creation or movement of a unit that will have a

budgetary impact or (b) more than 3 positions being reclassified at one time. Agencies should submit to the analyst the affected positions, existing and proposed organizational charts, necessary reclassifications, rationale for the change, policy and Managing for Results impacts, and current or long-term budgetary impacts.

The budget documents for the request should reflect any pending or approved reorganization by including actual year (2015) and appropriation year (2016) data that is consistent with the reorganization plan (ie. analysts should be able to compare across years, even accounting for a reorganization).

Vehicle Requests

Please email all DA-2, DA-8, DA-8F, and DA-8AP forms in Excel to Kurt Stolzenbach: kurt.stolzenbach@maryland.gov and to the DBM budget analyst.

Grants

Each agency is required to provide detail on funds granted by the agency to other entities. Each grant of \$25,000 or more must be listed on a DA-23. Refer to instructions in Section 1.13.

Indirect Cost Allocation Plans

If applicable, each State agency must submit a copy of its indirect cost allocation plan currently approved by the applicable federal agency. Instructions are included in Section 1.25 that outline the specific reporting requirements for submitting the indirect cost allocation plan. The estimated figures for FY 2016 and FY 2017 should be added.

Budget Amendments

- (1) Agencies must adjust the FY 2016 appropriation for budget amendments prepared by DBM, such as those for FY 2016 Annual Salary Reviews (ASR), for the approved FY 2016 2% Across-the-Board reduction plan, and for the reinstatement of FY 2016 funding to continue the FY 2015 COLA.
- (2) Budget amendments for new Major Information Technology Development Projects must include an Information Technology Project Request (ITPR).
- (3) Only budget amendments signed by the Governor will be included in the FY 2016 appropriation detail printed in the Governor's Budget Books for FY 2017, excluding the Maryland Department of Transportation PAYGO capital program, (per Section 32 of the FY 2016 Budget Bill). To update the FY 2016 appropriation to reflect budget amendments in process, all budget amendments must be submitted to DBM no later than September 25, 2015.
- (4) Agency staff must carefully evaluate cash flow needs and accurately estimate the federal and special fund requirements included in the Governor's budget for FY 2017. If potential budget amendments can instead be appropriated through FY 2016 deficiencies, those deficiencies should be brought to the attention of DBM as the FY 2017 budget request is prepared.

Over-the-Target Requests

Requests for funding above the target should be completed in accordance with guidance in Section 1.20 and submitted separately on the DA-21 forms *at the same time as the budget request*. DBM will not accept any over-the-target request until the electronic base budget has been submitted. Before submitting an over-the-target request, each agency and department should consider whether there are funds that could be reallocated from within current resources to cover the request. There is a limit of three items only and multiple requests should not be combined into a single item. **Over-the-**

target items in excess of three will not be reviewed. Over-the-target requests need to be prioritized.

Major Information Technology Development Projects (MITDPs)

The funding for each year of a MITDP must be carefully reviewed by the agency budget staff and DBM staff. Please carefully align the budget and ITPR to reflect any changes in the scope of the MITDP. Any special and federal fund sources to be used to support the project should be identified in the budget request.

Controlled Subobjects

The FY 2016 legislative appropriation amount per controlled subject will be included in the target letter from DBM. **The FY 2017 budget request must contain** exactly the same amounts by fund as the FY 2016 legislative appropriation sent with the targets (HOBO columns 15, 36, 37, 38, 39) for the following subobjects. DBM will modify the FY 2017 budget once decisions about the items are finalized.

- 0175 = Injured Worker's Insurance Fund (IWIF) premiums
- 0305 = DBM paid telecommunications
- 0322 = DBM telecommunications lease costs
- 0697 = Maryland Environmental Service charges
- 0831 = Office of Administrative Hearings
- 0833 = eMaryland Marketplace
- 0874 = Office of the Attorney General administrative fee
- 0875 = Retirement administrative fee
- 0876 = DoIT services allocation
- 0882 = Annapolis Data Center charges
- 0894 = Statewide Personnel System allocation
- 0897 = Enterprise Budgeting System allocation

Agencies for which special-funded legislative audit chargebacks were budgeted in FY 2016 should deduct the chargebacks in the FY 2017 request.

Lease Purchase Program for Equipment

If an agency's total budget request for equipment financed through the Treasurer's Lease Purchase Program is different from the amount in the Schedule of Payments, [Section 1.15](#), please provide an itemization of additions and subtractions on a [DA-2](#) form, clearly identifying how the request is derived. If an agency plans to finance the purchase of additional equipment, the amounts on the schedule should be increased. If an agency plans to "pre-pay" any leases, the amount should be decreased.

Agencies requesting funds in FY 2017 for additional equipment lease purchases must wait until the General Assembly approves the budget before purchasing the item from the vendor. See [Section 1.14](#) for more information.

Operating Maintenance

Requests for new or additional operating maintenance projects should be sent directly to the Assistant Secretary for the Office of Facilities Planning, Design and Construction, Department of General Services, 301 W. Preston Street, Room 1400, Baltimore, MD 21201. Call (410) 767-4214 with questions. The budget submission should exclude any funding for the following items in the request year:

- Operating maintenance projects administered by the Department of General Services, and
- General-funded capital projects.

MFR Submission Requirements

Please review the requirements in Section 4 to ensure that the MFR performance measures are accurately reflected in the final Budget Books.