



STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT

To: All Agency Heads
From: Brenda L. Sisco, Acting Secretary
Date: August 4, 2010
Subject: Agency Budget Request Submission for the 2011-2013 Biennium

Following is guidance for developing your current services budget for the 2011-2013 biennium. Under CGS 4-77, your current services budget request is due not later than September 1st. However, the Connecticut General Statutes also require that OPM prepare, in any year in which there is a Governor-elect, a transition budget to be made available on November 15th. Due to this requirement, the normal timeline for developing a biennial budget must be accelerated. **Agency current services requests must be received by OPM no later than August 23rd.** Because of this time frame, it is extremely important that agencies meet all budgetary submission guidelines.

General Directions – Current Services Budget

Include as part of Current Services for FY 2011-2013 Biennium:

- Collective bargaining and related costs. The costs of settled collective bargaining agreements will be built into agency budgets. The Automated Budget System (ABS) will automatically build in the costs of these settlements for positions on the Personal Services roster. Agencies will need to build in the costs of these settlements for Other Positions and Other Personal Services items such as overtime, shift differential, and temporary positions. The costs of unsettled collective bargaining agreements are not to be built into agency budgets—these will be handled centrally. Refer to Schedules A and B (attached) for scheduled collective bargaining increases.
- Costs related to the 27th payroll. The Automated Budget System (ABS) will automatically build the costs of the 27th payroll into Personal Services based on the roster for FY 2012. Agencies will need to build in these costs for Other Positions and Other Personal Services items such as overtime, shift differential, and temporary positions, but should remove these costs from Current Services in FY 2013.
- Leap year costs. Where program costs are per diem based, agencies will need to build in costs for FY 2012 related to leap year. Agencies should remove these costs from Current Services in FY 2013.

- Update each year of the biennium for the following factors:
 - Nondiscretionary increases, including caseload growth, mandated by federal or state law, court order or consent decree provisions. Note that supporting information is required in the Agency Five Year Projections (BR6) module.
 - Operating costs of new buildings scheduled to open during the FY 2011-2013 biennium. Note that supporting information is required in the Agency Five Year Projections (BR6) module.
 - New programs authorized by the General Assembly to begin during the FY 2011-2013 biennium. Note that supporting information is required in the Agency Five Year Projections (BR6) module.
 - Reductions due to the completion of projects authorized in previous years or that result from changes in the scope, nature, timing or feasibility of a project.
 - Annualization of partial costs from the prior fiscal year.
 - Inflation allowances (see attached).
 - Replacement cost of essential equipment. Requests for equipment under SID 10050 – Equipment must comply with the statutory definition at CGS 4a-9 and the Comptroller’s guidance: Equipment must have a useful life of at least one year and a unit cost of at least \$1,000; data processing equipment with a unit cost of less than \$1,000 and a useful life of not less than five years may also be included in this request. The Comptroller’s memorandum is available at <http://www.osc.state.ct.us/2008memos/numbered/200812.htm>.
 - Any new positions requested as part of current services will require supporting information in the Agency Five Year Projections (BR6) module. New positions to handle increases in workload are not to be included as part of current services.

Automated Budget System

FY 2010 actual expenditures were extracted from Core-CT on July 19, 2010. The data was recorded to budget programs based on the latest chart of accounts we have on file for your agency. Please review all FY 2010 actuals for completeness and accuracy.

Capital Budget

As capital plans for the next biennium are developed, agencies should keep in mind the statutory cap on general obligation debt. Any requests for additional bonding should only reflect projects that are essential to be completed over the next biennium. Additionally:

1. Agencies must review all authorized, unallocated bonds that are in effect as of July 1, 2010 and determine what authorizations should be cancelled.

2. Agencies that have critical needs or that are a part of an on-going project or program should request additional funds in the appropriate fiscal year via the capital budget application.
3. Agencies can request a change in purpose by submitting a language-only request via the capital budget application.

Capital budget software will be distributed at the same time as the operating budget.

Options

Details regarding the options process will follow shortly. In the meantime, agencies should review every activity they perform and determine whether these activities are appropriate and necessary core functions, or if better ways exist to accomplish the goal. As outlined in the Governor's August 2nd letter, significant reduction options will be required from each agency. **The anticipated due date for options is September 24, 2010.**

You are encouraged to hold discussions with your program staff and budget staff to develop ideas for consideration in a team oriented framework in advance of receiving options guidance. You may also want to discuss areas where responsibilities overlap with or are closely related to other agencies in order to come up with a more effective or efficient way of providing a service or accomplishing a task.

Your approach to building your options submission this year will again require a critical look at all of your current programs and activities. Programs established in the past in response to the needs of that time may not be justified for continuation. Our ability to fund necessary new or existing programs is severely constrained by projected revenues. Resources must be directed to the highest priorities of the department.

Prevention Report

CGS 4-67v requires that the Governor's Budget submittal include a Prevention Report and outlines the requirements of said report. Instructions regarding your involvement in the creation of the report or any other requirements under this section of the statutes will be communicated at a later date.

Fringe Benefit Recovery Rate

Please refer to the Comptroller's memorandum regarding the fringe benefit recovery rate in developing your budget for the 2011-2013 biennium. This information is available at <http://www.osc.state.ct.us/2010memos/numbered/201019.htm>.

As you plan your budget submission for the next biennium, please keep in mind the seriousness of the fiscal challenge facing the state as noted in the Governor's July 26th letter. I look forward to seeing how your submissions help in achieving budgetary balance. If you have any questions, please consult your agency's assigned OPM budget analyst.

Enclosure – Sent to Fiscal Officers only

xc: Fiscal Officers

2011-2013 Biennial Budget Inflation Guidelines

<u>Item</u>	FY 2011-12 Over <u>FY 2010-11</u>	FY 2012-13 Over <u>FY 2011-12</u>
Food & Beverage	1.8%	1.8%
Medical Care	4.4%	4.2%
All Other (including discretionary grants and revolving fund)	2.5%	3.1%

Source: Moody's Economy.com, July 20, 2010 and OPM Budget Division

Fuel and Utility Price Forecast

<u>Energy</u>		
Fuel Oil	4.9%	4.3%
Motor Vehicle Fuel (gasoline, diesel)	6.2%	3.4%
Electricity (incl. district cooling)	4.9%	4.3%
Natural Gas (incl. district heating)	4.9%	4.3%

Source: Moody's Economy.com, July 20, 2010 and OPM Budget Division

2011	77	Auditors of Public Accounts	0	0	0	0	0	0	0	0	0
2011	78	RCTC - Counselors & Librarians	0.03	23	0	0	0	0	0	0	0
2011	79	Div Public Svcs - Statutory (Chief & Dep Chief PD)	0	0	0	0	0	0	0	0	0
2011	80	Judicial Supervising Marshals	0.035	25	0	0	0	0	0	0	0
2011	99	No Designated Unit	0	0	0	0	0	0	0	0	0
2012	01	Exempt/Elected/Appointed	0	0	0	0	0	0	0	0	0
2012	02	Managerial Confidential (MP Pay Plan)	0	0	0	0	0	0	0	0	0
2012	03	Confidential - Other than Mgr Pay Plan	0	0	0	0	0	0	0	0	0
2012	04	Non-bargaining	0	0	0	0	0	0	0	0	0
2012	05	State Police (NP-1)	0.025	25	18	5	0	0	0	0	0
2012	06	Services, Maintenance (NP-2)	0.025	25	18	5	0	0	0	0	0
2012	07	Administrative Clerical (NP-3)	0.025	24	18	5	0	0	0	0	0
2012	08	Correction Officers (NP-4)	0	0	0	0	0	0	0	0	0
2012	09	Protective Services (NP-5)	0.03	25	25	12	0	0	0	0	0
2012	10	Health Care Unit -Non-Professional (NP-6)	0.025	25	18	5	0	0	0	0	0
2012	11	Health Care Unit - Professional (P-1)	0.025	25	18	5	0	0	0	0	0
2012	12	Social Services (P-2)	0.025	25	19	6	0	0	0	0	0
2012	13	Education Administrative (P-3A)	0.025	25	19	6	0	0	0	0	0
2012	14	Education Technical (P-3B)	0.025	25	19	6	0	0	0	0	0
2012	15	Engineering, Science and Technical (P-4)	0.025	25	18	5	0	0	0	0	0
2012	16	Administrative Residual (P-5)	0.03	25	25	12	0	0	0	0	0
2012	17	Vocational Schools - Faculty	0.03	21	21	21	21	0	0	0	1500
2012	18	Vocational Schools - Directors	0.03	25	25	0	0	0	0	0	0
2012	19	Comm-Tech Colleges - Faculty	0.025	25	19	6	0	0	0	0	0
2012	20	Comm-Tech Colleges - Exempt	0	0	0	0	0	0	0	0	0
2012	21	State University - Faculty	0.03	21	0	0	0	0.025	8 A	0	0
2012	22	State University - Non-faculty Professionals	0.042553	25	0	0	0	0	0	0	0
2012	23	State University - Exempt	0	0	0	0	0	0	0	0	0
2012	25	Community Colleges - Faculty - 10 & 12 Months	0.025	25	19	6	0	0	0	0	0
2012	26	Community Colleges - Exempt	0	0	0	0	0	0	0	0	0
2012	27	DHE Manager Employees	0	0	0	0	0	0	0	0	0
2012	28	University - Faculty	0.0499	21	0	0	0	0	0	0	0
2012	29	University - Non Faculty Professional	0.0499	24.2	0	0	0	0	0	0	0
2012	31	University - Exempt	0	0	0	0	0	0	0	0	0
2012	32	University Health Center - Exempt	0	0	0	0	0	0	0	0	0
2012	33	University Health Center - Faculty	0	0	0	0	0	0	0	0	0
2012	34	UConn Law School - Faculty	0	0	0	0	0	0	0	0	0
2012	39	Legislative Mgt	0	0	0	0	0	0	0	0	0
2012	41	Judicial - Managerial & Confidential	0	0	0	0	0	0	0	0	0
2012	42	Judicial - Professional	0.025	25	19	6	0	0	0	0	0
2012	43	Judicial - Non-Professional	0.025	25	19	6	0	0	0	0	0
2012	44	Judicial Law Clerks	0	0	0	0	0	0	0	0	0
2012	45	University Health Center -Non-Faculty Professional	0.025	25	0	5	0	0	0	0	0
2012	46	RCTC Admin	0.025	25	19	6	0	0	0	0	0
2012	47	BSAA Exempt	0	0	0	0	0	0	0	0	0
2012	50	RCTS Managerial DHE Professionals	0	0	0	0	0	0	0	0	0
2012	51	Higher Ed Exempt	0	0	0	0	0	0	0	0	0
2012	52	Managerial Confidential (MP Pay Plan)	0	0	0	0	0	0	0	0	0
2012	53	Criminal Justice Non-Managerial Exempt	0	0	0	0	0	0	0	0	0
2012	54	CT Association of Prosecutors	0.03	25	18	5	0	0	0	0	0
2012	55	Technical Colleges - Administrators	0.025	25	19	6	0	0	0	0	0
2012	56	Connecticut Development Authority	0	0	0	0	0	0	0	0	0
2012	57	Criminal Justice Residual (DCJ Employees)	0.025	25	19	6	0	0	0	0	0
2012	59	DHE-Professionals	0.025	25	19	6	0	0	0	0	1000
2012	60	Charter Oak College - Professional	0.025	25	0	0	0	0.0265	6 A	0	0
2012	61	Criminal Justice - Juvenile Prosecutors	0	0	0	0	0	0	0	0	0
2012	63	DHE- Confidentials	0	0	0	0	0	0	0	0	0
2012	65	Judicial Marshals	0.025	25	19	6	0	0	0	0	0
2012	66	BESB Industries Division "360" Employees (NP-7)	0	0	0	0	0	0	0	0	0
2012	67	Correction Supervisors (NP-8)	3.5	25	25	12	0	0	0	0	0
2012	70	Criminal Justice Exempt/Managerial	0	0	0	0	0	0	0	0	0
2012	71	Criminal Justice Statutory	0	0	0	0	0	0	0	0	0
2012	72	DPDS Assistant Public Defenders	0.025	25	19	6	0	0	0	0	0
2012	73	DPDS Chief Public Defenders	0	0	0	0	0	0	0	0	0
2012	74	Criminal Justice Inspectors	0.025	25	19	6	0	0	0	0	0
2012	75	DPDS Confidential/Exempt	0.03	25	19	6	0	0	0	0	0

2012	76	DPDS Executive Public Defenders	0.03	25	19	6	0	0	0 0	0
2012	77	Auditors of Public Accounts	0	0	0	0	0	0	0 0	0
2012	78	RCTC - Counselors & Librarians	0.025	25	19	6	0	0	0	0
2012	79	Div Public Svcs - Statutory (Chief & Dep Chief PD)	0	0	0	0	0	0	0 0	0
2012	80	Judicial Supervising Marshals	0.03	25	19	6	0	0	0	0
2012	99	No Designated Unit	0	0	0	0	0	0	0 0	0
2013	01	Exempt/Elected/Appointed	0	0	0	0	0	0	0	0
2013	02	Managerial Confidential (MP Pay Plan)	0	0	0	0	0	0	0	0
2013	03	Confidential - Other than Mgr Pay Plan	0	0	0	0	0	0	0	0
2013	04	Non-bargaining	0	0	0	0	0	0	0	0
2013	05	State Police (NP-1)	0	0	0	0	0	0	0	0
2013	06	Services, Maintenance (NP-2)	0	0	0	0	0	0	0	0
2013	07	Administrative Clerical (NP-3)	0	0	0	0	0	0	0	0
2013	08	Correction Officers (NP-4)	0	0	0	0	0	0	0	0
2013	09	Protective Services (NP-5)	0	0	0	0	0	0	0	0
2013	10	Health Care Unit -Non-Professional (NP-6)	0	0	0	0	0	0	0	0
2013	11	Health Care Unit - Professional (P-1)	0	0	0	0	0	0	0	0
2013	12	Social Services (P-2)	0	0	0	0	0	0	0	0
2013	13	Education Administrative (P-3A)	0	0	0	0	0	0	0	0
2013	14	Education Technical (P-3B)	0	0	0	0	0	0	0	0
2013	15	Engineering, Science and Technical (P-4)	0	0	0	0	0	0	0	0
2013	16	Administrative Residual (P-5)	0	0	0	0	0	0	0	0
2013	17	Vocational Schools - Faculty	0	0	0	0	0	0	0	0
2013	18	Vocational Schools - Directors	0	0	0	0	0	0	0	0
2013	19	Comm-Tech Colleges - Faculty	0	0	0	0	0	0	0	0
2013	20	Comm-Tech Colleges - Exempt	0	0	0	0	0	0	0 0	0
2013	21	State University - Faculty	0	0	0	0	0	0	0	0
2013	22	State University - Non-faculty Professionals	0	0	0	0	0	0	0	0
2013	23	State University - Exempt	0	0	0	0	0	0	0 0	0
2013	25	Community Colleges - Faculty - 10 & 12 Months	0	0	0	0	0	0	0	0
2013	26	Community Colleges - Exempt	0	0	0	0	0	0	0 0	0
2013	27	DHE Manager Employees	0	0	0	0	0	0	0 0	0
2013	28	University - Faculty	0	0	0	0	0	0	0	0
2013	29	University - Non Faculty Professional	0	0	0	0	0	0	0	0
2013	31	University - Exempt	0	0	0	0	0	0	0 0	0
2013	32	University Health Center - Exempt	0	0	0	0	0	0	0 0	0
2013	33	University Health Center - Faculty	0	0	0	0	0	0	0 0	0
2013	34	UConn Law School - Faculty	0	0	0	0	0	0	0 0	0
2013	39	Legislative Mgt	0	0	0	0	0	0	0 0	0
2013	41	Judicial - Managerial & Confidential	0	0	0	0	0	0	0 0	0
2013	42	Judicial - Professional	0	0	0	0	0	0	0	0
2013	43	Judicial - Non-Professional	0	0	0	0	0	0	0	0
2013	44	Judicial Law Clerks	0	0	0	0	0	0	0 0	0
2013	45	University Health Center -Non-Faculty Professional	0	0	0	0	0	0	0	0
2013	46	RCTC Admin	0	0	0	0	0	0	0	0
2013	47	BSAA Exempt	0	0	0	0	0	0	0 0	0
2013	50	RCTS Managerial DHE Professionals	0	0	0	0	0	0	0 0	0
2013	51	Higher Ed Exempt	0	0	0	0	0	0	0 0	0
2013	52	Managerial Confidential (MP Pay Plan)	0	0	0	0	0	0	0 0	0
2013	53	Criminal Justice Non-Managerial Exempt	0	0	0	0	0	0	0 0	0
2013	54	CT Association of Prosecutors	0	0	0	0	0	0	0	0
2013	55	Technical Colleges - Administrators	0	0	0	0	0	0	0	0
2013	56	Connecticut Development Authority	0	0	0	0	0	0	0 0	0
2013	57	Criminal Justice Residual (DCJ Employees)	0	0	0	0	0	0	0	0
2013	59	DHE-Professionals	0	0	0	0	0	0	0	0
2013	60	Charter Oak College - Professional	0	0	0	0	0	0	0	0
2013	61	Criminal Justice - Juvenile Prosecutors	0	0	0	0	0	0	0 0	0
2013	63	DHE- Confidentials	0	0	0	0	0	0	0 0	0
2013	65	Judicial Marshals	0	0	0	0	0	0	0	0
2013	66	BESB Industries Division "360" Employees (NP-7)	0	0	0	0	0	0	0 0	0
2013	67	Correction Supervisors (NP-8)	0	0	0	0	0	0	0	0
2013	70	Criminal Justice Exempt/Managerial	0	0	0	0	0	0	0 0	0
2013	71	Criminal Justice Statutory	0	0	0	0	0	0	0 0	0
2013	72	DPDS Assistant Public Defenders	0	0	0	0	0	0	0 0	0
2013	73	DPDS Chief Public Defenders	0	0	0	0	0	0	0 0	0
2013	74	Criminal Justice Inspectors	0	0	0	0	0	0	0 0	0

2013	75	DPDS Confidential/Exempt	0	0	0	0	0	0	0	0
2013	76	DPDS Executive Public Defenders	0	0	0	0	0	0	0	0
2013	77	Auditors of Public Accounts	0	0	0	0	0	0	0	0
2013	78	RCTC - Counselors & Librarians	0	0	0	0	0	0	0	0
2013	79	Div Public Srvs - Statutory (Chief & Dep Chief PD)	0	0	0	0	0	0	0	0
2013	80	Judicial Supervising Marshals	0.03	25	25	12	0	0	0	0
2013	99	No Designated Unit	0	0	0	0	0	0	0	0

Schedule B – 2011-2012 Budget Summary of Additional Personal Services Contract Costs

Note: Schedule B is intended to alert agencies to new or increased personal services cost items, which may impact budget formulation. This summary is not all-inclusive, does not address higher education bargaining units, and represents OPM's interpretation of the contract language. Actual contract language should take precedence.

State Police (NP-1)

2011-2012	Canine Care Pay Increased by 3%
	Meal Allowance Increased by 3%
2012-2013	Unsettled

Service, Maintenance (NP-2)

2011-2012	2.5% Lump Sum Bonus Payment at Maximum (no increase) delayed 3 months
2012-2013	Unsettled

Administrative Clerical (NP-3)

2011-2012	\$750 Lump Sum Bonus Payment at Maximum (no increase) delayed 3 months
2012-2013	Unsettled

Corrections (NP-4)

2011-2012	Unsettled
2012-2013	Unsettled

Protective Services (NP-5)

2011-2012	\$600 Lump Sum Bonus Payment at Maximum (no increase) paid on time
2012-2013	Unsettled

Health Care Non Professionals (N-6) and Health Care Professionals (P-1)

2011-2012	No new items
2012-2013	Unsettled

Corrections Supervisors (NP-8)

2011-2012	Lump Sum Bonus Payment for annual increment amount which exceeds the salary group maximum (same as prior year) paid on time
2012-2013	Unsettled

Social and Human Services (P-2)

2011-2012	\$750 Lump Sum Bonus Payment at Maximum (no increase) delayed 3 months
2012-2013	Unsettled

Education Administrators (P-3A)

2011-2012	No new items
2012-2013	Unsettled

Education Instructors (P-3B)

2011-2012	No new items
2012-2013	Unsettled

Schedule B (Continued)

Summary of Additional Personal Services Contract Costs

Administrative & Residual (P-5)

2011-2012 2.5% Lump Sum Bonus Payment at Maximum (no increase) paid on time
 2012-2013 Unsettled

Vocational Technical School Faculty

2011-2012 \$1,500 Lump Sum Bonus Payment at Maximum (increased from the prior payment of \$1,100) paid on time
 Stipends for Supplemental Responsibility increased by 3%
 Hourly rates for Night School, Summer School, Special Programs and Apprenticeship Program Increased by 3%
 2012-2013 Unsettled

Vocational Technical School Administrators

2011-2012 No new items
 2012-2013 Unsettled

DCJ Prosecutors

2011-2012 2.5% Lump Sum Bonus Payment at Maximum (no increase) delayed 3 months
 Longevity Schedule increased by 2.5%
 2012-2013 Unsettled

DCJ Inspectors

2011-2012 Longevity Schedule increased by 2.5%
 2012-2013 Unsettled

DCJ Employees

2011-2012 \$500 Lump Sum Bonus Payment at Maximum (no increase) delayed 3 months
 Longevity Schedule increased by 2.5%
 2012-2013 Unsettled

Judicial Professionals

2011-2012 \$750 Lump Sum Bonus Payment at Maximum (no increase) delayed 3 months
 2012-2013 Unsettled

Judicial Employees

2011-2012 \$500 Lump Sum Bonus Payment at Maximum (no increase) delayed 3 months
 2012-2013 Unsettled

Judicial Marshalls

2011-2012 \$750 Lump Sum Bonus Payment at Maximum (no increase) delayed 3 months
 2012-2013 Unsettled

Supervising Judicial Marshalls

2011-2012 \$750 Lump Sum Bonus Payment at Maximum (no increase) paid on time
 2012-2013 Unsettled