

GENERAL INSTRUCTIONS

Section 81-1113, R.R.S. 2014, as amended by Laws 2016, LB1092, directs the State Budget Division to prescribe the forms and procedures that all agencies must use in compiling their budget requests and establishes the deadline for submitting biennial budget requests. **Budget requests for the 2017-2019 biennium are due by 5:00 p.m., Thursday, September 15, 2016.**

The budget request process is used by the State of Nebraska to assist in the development of the most significant State public policy statement and plan for the use of public human and financial resources-its budget. The State budget embodies the policy and financial priorities for State government.

The Nebraska Budget Request and Reporting System (NBRRS) continues to be the method for agencies to prepare and submit their biennial budget requests. The system is accessible, anywhere and anytime, allowing for maximum ease of access and the most efficient use of human and physical resources to accomplish budget request submission.

These instructions provide guidance to agencies, boards, and commissions relative to preparation of their budget requests and include helpful step-by-step instructions on the use of the system screens. The instructions contain the following sections:

- General Instructions - Summary information including requirements for submission
- Section I – Technical instructions for preparation of the operations and aid budget request
- Section II – General information and technical instructions related to the Budget Modification process
- Section III – Capital Construction and Building Renewal Guidelines and technical instructions
- Section IV – General information and Technical instructions related to the Information Technology screens developed in cooperation with staff of the Nebraska Information Technology Commission
- Section V – Agency Administrator / Request Submission technical instructions
- Appendices – Includes projected rates, NBRRS login and password help, along with information on persons who may be contacted for assistance.

Budget Request Process

The Nebraska Budget Request and Reporting System includes the following components:

- Narratives – Agency, Division (if applicable,) and Program
- Base (i.e. FY 2016-17) – Permanent Salaries and Appropriation
- Issues – Issue Details and Issues Summary
- Budget Modifications – Modification Details and Modifications Summary
- Funds – Funds Analysis
- Capital Construction/Building Renewal – Reaffirmations, Building Renewal Projects, Capital Construction Project, Request Summary, and Building Renewal Copy.
- Information Technology – Agency IT Setup, IT Project Proposals, and IT Agency Summary.

Certain elements of the Agency, Division, and Program narratives can be copied forward from the final 2015-2017 biennial budget request upon request to the State Budget Division.

Operations and aid request data will be entered at the subprogram level within each *Issue*. Historical data will be pre-loaded into the system for each agency. You may view your request at the program, division and/or agency level via reports that are available in the system, but editing is

generally done at the subprogram level.

Certification of Evidence-Based Programs and Practices

Pursuant to Laws 2016, LB 1092, each department and agency shall certify with their biennial budget request, for each program or practice it administers, whether such program or practice is an evidence-based program or practice, or, if not, whether such program or practice is reasonably capable of becoming an evidence-based program or practice.

An Excel template form is provided on the State Budget Division website at <http://budget.nebraska.gov/instructions.html> in the “Part A – Narratives” section under the link to the Agency Narrative instructions. The Excel template must be used by agencies for identifying all programs and practices they administer and for indicating whether the programs or practices are evidence-based or reasonably capable of becoming evidence-based. Use the file attachment function to attach the agency completed certification form to the Executive Summary, Management Processes, and Service Delivery Methods tab of the Agency Narrative screen.

Strategic Plans and Performance Measures

For agency convenience, enhanced NBRRS functionality will allow, at an agency’s request, the agency, division (if applicable), and program narratives to be copied forward from the 2015-2017 biennium budget request. While this functionality has been developed to promote efficiency in the preparation and submission of the biennial budget request, it is important that this information be revised to accurately reflect the product of an agency’s current strategic planning efforts leading into preparation of your 2017-2019 biennium budget request. Agencies should carefully review and edit this information to ensure that the narrative to be submitted represents the agency’s current goals, statutory responsibilities, process improvement strategies, program objectives and priorities, among other elements. Essential to a results-based budget request is the development and documentation of performance standards for each program, subprogram, and activity to measure and evaluate present as well as projected levels of expenditures. Taxpayers and their elected representatives expect state agencies and other recipients of state funding to respect the critical link that exists between agency strategic, results-based planning and the allocation of finite public resources.

Attachment of Additional Agency Strategic Plan Documents

Please use the attachment function on the Agency Narrative screen to attach any additional strategic plan documents developed by the agency, independent of the strategic results-based elements already included in the Agency, Division, and Program Narrative screens.

Key Performance Indicators-Excel template for submission

To further highlight the importance of the development and documentation of an agency’s key performance indicators, the Administrative Services State Budget Division has developed an Excel template to facilitate the entry and submission of performance measures for each budget program. The template is available at <http://budget.nebraska.gov/instructions.html> in the “Part A – Narratives” section under the link to the Program Narrative Instructions. The “attachment” functionality on the Performance Measures tab of the Program Narrative screen is available for submission of the performance measures Excel template file for each respective budget program.

Narrative Due in Preliminary Form

The Agency, Division (if applicable), and Program level narratives should be completed in a preliminary form in the NBRRS by Friday, August 5th. At that time, the assigned State Budget Division budget analyst will begin reviewing the strategic results-based elements (vision, mission, goals, objectives, performance measures) of these narratives for conformity with the narrative content instructions as provided in the 2017-2019 Biennium Budget Instructions. The information contained in the narrative budget request screens will be finalized and electronically submitted with information contained in other completed budget request screens on or before September 15, 2016.

Issues

The Nebraska Budget Request and Reporting System (NBRRS) places the emphasis on explanation and justification, not accounting codes or job codes. An *Issue* is a change to the base and therefore could be a positive (increase) or negative (decrease). Using the “*Issue Details*” screen, an agency can identify the specific agency goals, objectives, outcomes, cost-drivers, activities or initiatives for which the agency is requesting a change in appropriated resources. The *Issue* is defined by the agency on one screen with all of the justification necessary to support the request encapsulated within the identified issue. This information becomes a “decision point” for the Governor and Legislature. The issues submitted for consideration can also be much more easily understood by the public than was previously the case when account codes were the primary basis for requested appropriation changes.

Issues are categorized into Issue Types, including:

- *Agency Issues* (specific to the agency)
- *IT Issues* (an issue created to accompany an IT Project Proposal to be submitted to the NITC)
- *Multi-Agency Issues* (an issue in which two or more agencies collaborate), and
- *Enterprise Issues* (an issue common to most, if not all, agencies).

Multi-Agency and *Enterprise Issues* are created by the State Budget Division and assigned to agencies. In the case of *Multi-Agency Issues*, they will be created and assigned at the request of the agencies.

Two Enterprise Issues have been established for the 2017-2019 biennial budget, “2017-2019 Employee Salary Increase” and “2017-2019 Employee Health Insurance”. These two Enterprise Issues should be used by the agency as placeholders to calculate an estimated cost of employee salary increases equivalent to 2.4% each July 1st as well as the estimated cost related to the employer share of an 8% annual increase in the employee health insurance premiums. These placeholder estimates provided in the Enterprise Issues will allow for agencies to account for these costs as they consider their overall biennial budget request. However, as has been done in recent years, the Governor and Legislature will ultimately calculate, once more details are known, the actual amounts necessary to fund any negotiated increases in employee salaries as well as increases in the employer share of the cost of employee health insurance.

Budget Modifications

The budget modification process for the 2017-2019 biennial budget request requires that agencies with General Fund appropriations submit modifications at the 92% base level. Budget modifications represent the lowest priorities for continued or additional new funding within the budget request and will be considered as such during the budget process. It is our expectation that the 92% base level will generate a number of thoughtful choices and priorities for each affected agency for the Governor’s

and Legislature's consideration and that agencies will give serious attention to their identification of modification issues.

Amended Budget Requests

Revising a budget request after submission requires a formal request by the agency to the State Budget Division. The System Administrator in the State Budget Division will need to "unlock" the final version of the budget request to allow revisions to be made by an agency. Once the revisions have been made in the NBRRS and the version re-submitted by the agency, the State Budget Administrator must be formally advised (email to Gerry.Oligmueller@nebraska.gov and also to the agency's assigned State Budget Division budget analyst explaining the revisions). The NBRRS System Administrator will "post" the final version to the web.

Mid-Biennium Budget Requests for FY 2016-17

Mid-Biennium budget requests for FY 2016-17 will be submitted using the NBRRS. The instructions will be posted on the State Budget Division website.

The deadline for submission of supplemental deficit requests for FY 2016-17 will be Wednesday, October 26, 2016. If the FY 2016-17 mid-biennium request results in higher costs for subsequent years, those amounts should also be identified as well. The 2017-2019 biennium budget request should not assume any change in the current FY 2016-17 base appropriation related to anticipated FY 2016-17 mid-biennium requests. In other words, the FY 2016-17 base appropriation entered in the NBRRS should reflect appropriations as of the completion of the 2016 legislative session.