

CHAPTER 4

CHANGE REQUESTS INCLUDING SCHEDULES AND FACT SHEETS

4.1 INTRODUCTION

This chapter provides instructions for submitting Change Requests to the base Budget Request. Change Requests include Decision Items, Base Reduction Items, Supplementals, and Budget Request Amendments. All requests should be integrated with each department's overall strategic plan and base Budget Request.

The documentation required for all Change Requests consists of a Schedule 13 followed by a required Word Document that defends the request. Decision Items and Base Reduction Items should be prioritized in separate sections of each department's November 1 budget submission to the Joint Budget Committee. Supplementals are due to the Joint Budget Committee January 2 and Stand Alone Budget Amendments are due January 23.

- Section 4.2: Criteria for Making a Change Request
- Section 4.3: 1331 Supplementals (Emergency Supplementals)
- Section 4.4: Priorities
- Section 4.5: Schedule 13 – Summary of Individual Change Request
- Section 4.6: Change Request Narrative Form
- Section 4.7: Cost Benefit Analysis
- Section 4.8: Summary Schedules
- Section 4.9: Comeback Requests
- Section 4.10: Fact Sheets

Information technology requests require additional documentation, which is discussed in Chapter 10.

Quality and accuracy of the Governor's Budget Request(s) is an important focus for OSPB. We expect that Change Requests are submitted to OSPB with a clear description, strong defense, proofed narrative, and self-audited numbers. Requests with egregious errors or absent analysis will be rejected. Making this expectation clear at the beginning of the cycle is hoped to ensure that the Executive Branch has a strong and respected Budget Request and we greatly appreciate your support in this matter.

All references to past Change Requests must be sourced with the number, title, and date, such as "S-3 Caseload Adjustments, submitted on January 2, 2008."

4.2 CRITERIA FOR MAKING A CHANGE REQUEST

All requests that change the base Budget Request require the same basic information. The different types of requests — Decision Items, Base Reduction Items, Supplementals, and Budget Request Amendments — reflect differences in the timing or nature of the request. For all types of Change Requests, it is important to submit individual requests for all issues that can be separated. For example, a Base Reduction Item that results in lower costs should be submitted separately from a Decision Item that proposes a new expenditure in the same program. The criteria for each of these requests are described in the following text.

Most requests to change the budget will be presented as part of the Governor's November 1 Budget Request as Base Reduction Items and Decision Items. Some Change Requests may require legislation. In cases that require legislation, the OSPB will work with the department and other members of the Governor's Office staff to prepare any necessary legislation to implement the Change Requests. It may also be decided not to include a legislative initiative as a Change Request and to price it only as a fiscal note. Close coordination with OSPB is necessary in these circumstances.

Decision Items

Decision items are used to request budgetary changes needed to continue providing the current level of services as costs increase, expand an existing service, or provide a new service. Decision items are required for:

- *Any policy decision with a fiscal impact*, even if that policy can be handled within an appropriation (for example, increasing rates is done through a Decision Item, even if caseload decreases allow funding to become available);
- *Payment rate increases or grant standard increases*, including community provider rate increases;
- *Percent of federal match rate changes* for programs;
- *Caseload increases* for programs.
- *Funding increases* to support programmatic or management changes, such as investments in technology, training, or reorganization, even if they would result in reductions in out-year costs under current statute.
- *Base operating increases* to support the current level of activity (such as increase in postage rates);
- *Changes in Long Bill structure*, including combining line items, transferring programs between departments, separating line items, or changing the title and content of line items, even if they do not result in a need for additional funding;
- *Deviations from the authorized appropriation* to support legislation passed during the previous year (however, requests to backfill missing or inadequate fiscal notes are rarely approved);

- *Deviations from the official fiscal note for out year annualizations* for legislation passed in the previous year (again, requests to backfill missing or inadequate fiscal notes are rarely approved). The out year must annualize as specified in the fiscal note, necessary modifications because of new data or perspective must be Change Requests;
- *Changes in funding sources*, including a request for a change in cash or federal funding. For cash funding, the item should identify whether a fee change is necessary and how the request will affect the fund reserve over time. For federal funding, the item should identify any change in state maintenance of effort requirements and the anticipated availability of the funds over time.
- *Unexpected multi-year projects approved for one year of funding in the previous year*, such as capital outlay for technology or a pilot program (annualizations are excluded, see below).
- *Information technology requests* (see Chapter 10).
- *New operating expenses associated with a capital construction request* (see Chapter 11).
- *New leases and purchases or a renewal/expansion of current leases*, including a description of the leased items, the lease period, as well as the annual and total costs.
- *New fleet vehicles*, which should be requested by the department with a vehicle need, as well as by the Department of Personnel and Administration.
- *Replacement fleet vehicles*, which should be requested only through the Department of Personnel and Administration.
- *Additional legal services hours*, which should be requested at the combined Common Policy rate, rather than the attorney-only rate (see Chapter 8).
- *An impact in the request year for an upcoming Supplemental for the current year*, if it is identified before the submission deadline for the November 1 request, with the specific date depending on the request.
- *Memoranda of understanding* that affect the form and function of a department's budget.
- *Any other dollar, FTE, letternote, or line item change not specifically excluded* (see section below on allowable base adjustments).

If a request includes funding for more than one department, the department with lead responsibility for the program affected by the request should submit the Change Request. The other department is required to provide a Schedule 13. The request should be included on both departments' Schedule 10; as a prioritized item for the lead department and as an unprioritized Change Request for the supporting department. No Change Request can be submitted to the Office of State Planning and Budgeting or the Joint Budget Committee without all relevant Schedule 13s being included. If the corresponding Schedule 13s are not submitted by the OSPB due date, the Change Request will be considered late.

Many Change Requests that impact more than one department involve the lead department utilizing centralized support services provided by the Department of Personnel and Administration (DPA) or the Governor's Office of Information Technology (OIT). The lead

department is responsible for coordinating with DPA or the Governor's OIT provide a Schedule 13 and related cost-benefit analysis for proposed services. DPA and OIT cannot submit statewide requests to the Office of State Planning and Budgeting without including all affected departments' Schedule 13s. OSPB is no longer coordinating the submission of Schedule 13s from departments affected by statewide requests. Examples of these services may include, but are not limited to, the following: printing, design, copying, imaging, microfilm, mail, fleet vehicles, telecommunications services, electronic data warehouse, training, and motor pool. For Change Requests that involve the DPA providing these types of services, David Chittenden, david.chittenden@state.co.us (for DPA) or Timothy Murphy, timothy.murphy@state.co.us (Governor's OIT).

Beginning with the FY 2009-10 Budget Cycle, any adjustment to common policy line items will require a statewide Change Request, rather than working these budget adjustments into the base budget. OSPB is making this policy change to ensure that proper documentation is available to the Executive and Legislative branches, and to the public, regarding annual increases or decreases in these appropriations. The Department of Personnel and Administration's Division of Central Services and the Governor's Office of Information Technology will author these requests and coordinate each affected agency's Schedule 13.

Base Reduction Items

Base Reduction Items are requests that:

1. Result in a reduction of total funds (with no General Fund increase), or
2. Result in a General Fund decrease with no increase in State funds in the request year, or
3. Efficiency cost neutral items (net \$0 request, but results in administrative efficiencies, such as reorganizing Long Bill line items), or
4. Result in an FTE decrease, if there is no increase in General Fund or State funds, **AND**
5. Do not meet the criteria for an allowable base adjustment (e.g., an automatic reduction to reflect elimination of one-time funding for capital outlay).

If any request is a positive request for General Fund or State funds, it is not a Base Reduction Item.

Allowable Base Request Adjustments

Change Requests are not required for:

- *Funding to support continuation of a program or activity that is scheduled to sunset if OSPB approved of introducing legislation to reauthorize the program or activity.*
- *Annualization of prior-year Change Requests or legislation.*

- *Reductions to reflect elimination of one-time funding in prior-year Change Requests or legislation.*
- *Spending authority for custodial funds or non-appropriated federal funds.* However, if federal fund increases are associated with line items that have the “M” headnote provision, OSPB would anticipate a budget action.
- *OSPB approved inflationary increases that are traditionally part of the base, and do not meet the criteria in Section 4.2 “Decision Items.”*
- *Leap-year adjustments.*
- *Annualizations of current year approved 1331 Supplemental Requests.*

However, any budget adjustments due to these items should be clearly noted in the Line Item Descriptions portion of the Budget Request.

Supplementals

Supplementals are used to request budget changes to the current year appropriation and may be used only in very specific circumstances. Supplementals may be requested during the standard supplemental process to address:

- An emergency;
- A technical error which has a substantive effect on the operation of the program;
- New data resulting in substantive changes in funding needs; and
- An unforeseen contingency such as a significant workload change.

If OSPB does not believe the request meets supplemental criteria, OSPB staff may not complete a thorough analysis of the request. How supplemental criteria is met must be explicit and well-defended.

If a Supplemental has an impact in the request year, the department should request a budgetary change using either:

- A Decision Item or Base Reduction Item if the need for a Supplemental is identified before the submission deadline for the November 1 request; or
- A Budget Request Amendment for items identified after the submission deadline.

For example, if a department becomes aware of an issue on or before September 30, it should be typically be submitted as a Decision Item. In such cases, please contact OSPB immediately to discuss submission timeframes.

If a department requires a Supplemental after the January 2 submission, but before 1331s (section 4.3) can be heard, the department should consult with its assigned OSPB analyst to

determine if it is feasible to submit a late Supplemental to address the issue. Late supplementals after the Long Bill has been introduced are very unlikely.

Budget Amendments

Budget amendments are used to request budget changes after a department's operating budget request has been submitted to the JBC. That is, an amendment can only amend the November 1 Budget Request. As such, Budget Request Amendments are used for two purposes:

- 1) To submit a new or revised Change Request after the deadline for submitting the November 1 Budget Request to the JBC. If this type of Change Request is submitted, the department must explain why this request could not have been submitted with the November 1 request and why postponing the request to the following year would have an adverse effect.
- 2) To request a budget change in the request year, which is associated with a supplemental to revise the current year appropriation, and which is identified after the deadline for submitting the operating budget to the OSPB.

Budget amendments may be requested to address:

- An emergency;
- A technical error which has a substantive effect on the operation of the program;
- New data resulting in substantive changes in funding needs; and
- An unforeseen contingency such as a significant workload change.

If OSPB does not believe the request meets amendment criteria, OSPB staff may not complete a thorough analysis of the request and recommend denial to the OSPB Director. How amendment criteria is met must be explicit and well-defended.

Budget amendments require:

- The same documentation as other Change Requests including a revised table or spreadsheet with assumptions and calculations.
- The documentation needs to clearly explain the incremental change to the November 1 request (e.g., do not simply submit the same Change Request with different numbers).

Budget Amendments must be prioritized with Decision Items or with Base Reduction Items on the Schedule 10 and must be listed separately on the Schedule 12. For a Budget Amendment that is associated with a Supplemental, only one document (Excel and Word document) needs to be prepared. However, separate calculations and assumptions should be provided for the current and request year.

All revisions to Decision Items or Base Reduction Items should be submitted as Budget Amendments which identify the incremental funding need. However, a revised Budget Amendment can be submitted as a replacement for an earlier Budget Amendment.

4.3 1331 SUPPLEMENTALS (EMERGENCY SUPPLEMENTALS)

Another special type of Supplemental is a request that needs to be addressed when the General Assembly is not in session. House Bill 98-1331 allows for consideration of requests arising from unforeseen circumstances during these time periods. The HB 98-1331 process has been used to address both emergency issues as well as to correct technical errors. This process should only be used to address emergency issues that cannot be addressed through the standard supplemental process. The statutory language states that this process can be used to receive spending authority for an overexpenditure “due to unforeseen circumstances while the General Assembly is not in session.” In the event the supplemental bill that appropriates funding for such request does not pass, the Office of the State Controller will restrict an equal amount from a corresponding appropriation in the year following the year of the supplemental.

An emergency supplemental request requires the same documentation as other Change Requests. The title of the Schedule 13 should state, “1331 supplemental request.” Column 6 on the Schedule 1331 should be revised to read “1331 Supplemental Request FY 2008-09.”

Emergency Supplementals should not be prioritized when submitted through the 1331 process. However, emergency Supplementals should be included on the Schedule 11 in priority order as part of the January Supplemental Budget Request (and every time the Schedule 11 is submitted).

If the amount of the 1331 Supplemental has changed between the initial approval by the JBC and the regular Supplemental submission, a revised Supplemental must be submitted, rather than a new incremental Supplemental.

To allow for adequate review, 1331 Supplemental requests must be submitted to the OSPB at the earliest opportunity, but at least four weeks prior to the JBC meeting that will vote on the request. This four week window allows OSPB two weeks for review and an additional two weeks for the JBC staff review prior to the Committee’s meeting.

The JBC can meet on an emergency 1331 Supplemental during any scheduled meeting during the summer and early fall, and any day once they start meeting in November for Briefings and Hearings. Because 1331s can only be heard when the General Assembly is out of session, the JBC will not hear 1331s from January through May. Regular Supplementals are submitted January 2, so there has to be a very good reason for submitting a 1331 Supplemental in November that cannot wait until the first of January.

4.4 PRIORITIES

This section describes the required summary schedules for Change Requests and outlines how priority numbers should be assigned to each request. The Schedule 10 is a summary of Change Requests, the Schedule 12 is a summary of Budget Amendments, and the Schedule 11 is a summary of Supplementals.

Please see Chapter 1 for a schedule of when all Summary Schedules should be submitted.

Priority Numbers for Change Requests

The priority represents the rank given to a particular request by the department. Decision Items and Base Reduction Items are prioritized separately on the Schedule 10. Supplementals, including JBC-approved 1331 Supplementals or 1331 Supplementals submitted to the JBC but not yet heard by the JBC, should be prioritized on the Schedule 11.

Budget Amendments are prioritized separately on the Schedule 12, but are also integrated into the Schedule 10 so that all request year Change Requests are prioritized on one schedule in consecutive order with “1” representing the highest priority. For amendments, departments should have two columns on the Schedule 10. One column that has the November 1 Priority Numbers (i.e., DI-1) and the amendment priority numbers on the Schedule 12 (i.e., BA-1), and a separate column for the revised priorities (in this case, “1” and “2”).

For statewide consistency, Change Requests must be numbered in the required format, where numbers represent priority order.

- November 1 Decision Items are to be numbered as DI - __, or, for example, “DI-2,” where the numbers represents the department’s Decision Item priority.
- November 1 Base Reduction Items are to be numbered as BRI-___, or for example, “BRI-3,” in priority order for the base reduction items.
- January 2 Supplementals are to be numbered as S-__, or “S-4.” Late supplementals, such as those submitted during the session after January 2, should continue to be numbered in this numeric order. They should be clearly identified as late supplementals, however.
- January 2 or January 23 Budget Amendments (and subsequent late Amendments, if any) are to be numbered as BA-__, or “BA-5.”
- Supplementals that are submitted with Budget Amendments, either on January 2 or subsequently as late Supplemental/Amendments (if any) should be numbered as S-___, BA-___ in the following format: “S-3, BA-4 Legal Services Adjustments.”
- Non-prioritized requests should be numbered as are to be numbered as NP-__, or “NP-5.” There does not need to be differentiation between non-prioritized Decision Items, Supplementals, and Amendments, as the date of the document will clarify its submission time.

In referencing prior Change Requests in historical material, such as current Change Requests, Line Item History, or fiscal notes, they should be sourced with the number, title, and date, such as “S-3 Caseload Adjustments, submitted on January 2, 2008.”

Emergency Supplementals do not have a priority number, but should be referred to as, for example, the “June 20, 2007 1331 Supplemental.”

4.5 SCHEDULE 13 – SUMMARY OF INDIVIDUAL CHANGE REQUEST

The Schedule 13 is a standard spreadsheet that is used for all Change Requests (i.e., Decision Items, Base Reduction Items, Budget Amendments, Supplementals, and 1331 Supplementals). This schedule provides data on the requested incremental change in spending authority and FTE. It also identifies which line items are affected. See Appendix A for the required Schedule 13 form for Change Requests.

Please use the OSPB required form for Schedule 13s. The format or font should not be changed. Please do not format the Schedule 13s or attachments with negative numbers in red. On the Schedule 13, negative numbers should be in parentheses, e.g. (200).

Although an example and two versions are provided in differing tabs (one version with Medicaid Cash Funds and one without), submit only a maximum of two tabs to OSPB and the JBC. This will be the complete Schedule 13 and the FTE worksheet (if applicable and if not pasted in the Word document). The example, unused version, and Guidelines tab must all be deleted. The FTE form should be deleted before submission if not used.

Even though a specific department has some line items with Medicaid Cash Funds, if the individual request does not impact Medicaid funding, the simpler Schedule 13 (no Medicaid Cash Funds) can be used.

Only columns relevant for each request should be filled out (Exhibit 4-1). Zeroes should be placed in empty columns. Column width may be changed as necessary. For 1331 Emergency Supplementals, add the word “Emergency” or “1331” above “Supplemental” in column 3.

Exhibit 4-1**Necessary Columns to Complete on the Schedule 13 for Specific Base Change Requests**

	1	2	3	4	5	6	7	8	9	10
	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
August 1 Decision Items		X		X	X	X	X			X
October 17 Decision Item	X	X		X	X	X	X			X
August 1 Base Reduction Items		X		X	X	X	X			X
October 17 Base Reduction Item	X	X		X	X	X	X			X
Supplemental	X	X	X	X	X	O	X			
Budget Amendments	X	X	O	X	X	O	X	X	X	X

X = Necessary to complete for all requests of this type

O = Necessary to complete for some requests of this type

Required Elements for the Schedule 13

Request Type and Fiscal Year(s): Check the applicable box to identify the request by type at the top of the page. Doing so identifies the affected fiscal year. It may be necessary to check both Supplemental and Budget Request Amendment.

Priority Number: Identify all requests with a unique priority number (e.g., DI-2). For Supplementals with a corresponding Budget Request Amendment, enter the supplemental priority number, followed by the Budget Request Amendment priority number (e.g., S-3, BA-15). For further information on prioritization, see Section 4.4. The Department must verify that this priority number matches the priority listed on the most recent copy of the Summary Schedule and the Word narrative. It must also follow the format required in Chapter 4 of the Budget Instructions.

Request Title: Describe the request in a short title that will identify it in a unique way. The Department must verify that this matches the Summary Schedule and the Word document narrative exactly. Example: “Compression Pay for Nurses at the Institutes” or “Community Corrections Provider Rate Increase.”

Dept. Approval by: The person who signs here is authorized by the Executive Director to sign official budget requests on behalf of the department AND has reviewed the request for general accuracy and basic compliance with the OSPB Budget Instructions. Only electronic or pen signatures are acceptable; typed names will not be accepted by OSPB.

OSPB Approval/Date: The request must be signed and dated by the Deputy Director of OSPB (or designee). Requests that do not have an authorizing signature from OSPB do not represent a request by the Governor and will not be considered by the Joint Budget Committee. Both the Department signature and the OSPB signature must be present to represent an official request.

Line Item Labels: The Department must use the specific line item names from the Long Bill (no acronyms unless shown as an acronym in the Long Bill), word for word. If this is a request for a new Long Bill line item, mark it “new line item.” Show each line item affected by the request by fund source. Include the Long Bill group number, Long Bill group, and line item name, ensuring that the titles exactly match the Long Bill.”

Numeric Entries: The department must verify that the tables within the Change Request narrative build to the values displayed on the Schedule 13. The total request amount must also be referenced in the "Short Summary of Request."

Column 1 Prior Year Actual FY 2007-08: Enter actual expenditures for the prior year from Period 13 close. This column does not need to be completed for August 1 submissions to OSPB, but should be completed for all other OSPB submissions. This column must match the Schedule 3 and Schedule 2. Do not show amounts rolled forward into the next fiscal year.

Column 2 Appropriation: This must include the Long Bill plus any Special Bills that have been signed. This column must match the Schedule 3, Schedule 2, and the Reconciliation.

Column 3 Supplemental Request: This column is not filled out unless a FY 2008-09 adjustment is being submitted, typically used for 1331s and January 2 JBC Submissions. If the request is a 1331, the column title should be revised to state: "1331 Supplemental Request FY 2008-09." This column should reflect the incremental change in appropriation requested for the current year by line item.

Column 4 Total Revised Request: Simply column 2 + column 3

Column 5 Base Request FY 2009-10: This column is the FY 2008-09 Appropriation plus Annualizations. See Chapter 1 of the Budget Instructions for information about Annualizations. This column is required for Decision Items, Base Reduction Items, and Budget Amendments. For these requests, show the base Budget Request as reflected in the Schedule 3s as submitted on November 1. This column must match the Schedule 3, Schedule 2, and the Reconciliation.

Column 6 Decision Item/Base Reduction: This column is required for Decision or Base Reduction Item requests and should reflect the incremental change in the Base Request by line item. This column is the incremental adjustment to the request year, based on the Base Request in Column 5. Only Change Requests submitted on November 1 to the JBC go in this column. This column is also required for all Budget Amendments that are submitted to revise a Decision or Base Reduction Item, and, in these cases, should show the original Decision or Base Reduction Item request from November 1.

Column 7 November 1 Request: Simply column 5 + column 6. This column should be filled in for all Decision Item, Base Reduction Items, and Budget Amendments. For the November 1 submission, add the Change Request (Column 6) amount to the base request (Column 5) and sum

to the November 1 request (Column 7). For Budget Amendments, all Decision Items and Base Reduction Items associated with the Budget Amendment should be shown in Column 6. Column 7 is the sum of the associated Change Requests (Column 6) and the base request (Column 5).

Column 8 Budget Amendment: Budget Amendments are always for the request year, and always an adjustment to the November 1 request. Therefore, this column reflects only the incremental adjustment AFTER November 1, so that it is the total amount needed, less November 1 Change Requests, less the Request Year Base Request (prior year appropriation plus annualizations). This column is always blank on November 1. Amendments are always submitted after November 1, for the Request Year. Even if the November 1 Column is blank (column 6), any adjustment to the request submitted after November 1 goes in this Column 8.

Column 9 Total Revised Request: This column totals to Column 5 + Column 6 + Column 8 **OR** Column 7 + Column 8 (same thing). This column is adjusted for all Budget Amendments. Show the total revised request by line item.

Column 10 Change from Base in Out Year FY 2009-10 column: Unlike Column 8, which is the incremental amount OVER the November 1 Change Request (in Column 7), Column 10 is the incremental impact over Column 5, the Base request (Prior Year Appropriation plus Annualizations). This column should be the impact/change from the Base Request FY 2009-10 column to FY 2010-11. For example, if an ongoing project starting mid-year FY 2009-10 for six months is \$50,000, then column 10 would be \$100,000. If the Decision Item is all one time costs of \$25,000, then Column 10 is \$0 for FY 2010-11.

Non-Line Item Request: Occasionally, a department must make an official request for a revenue transfer, off-budget action, or footnote revision that is not a letternote revision. This request must still be made on a Schedule 13, and this line is provided to accommodate such requests. If no such request is involved, please state "None."

Letternote Revision: Must be completed if 1) there is or should be a letternote tied to a Long Bill line item that is on this Schedule 13, and 2) a letternote requires an addition or a change due to the impact of this request. For example, this line must be completed in the dollar amount in the current Long Bill needs to be adjusted due to the request.

Cash or Federal Fund Name and Number: Must be provided for every request that includes Cash Funds or Federal Funds. This must match the Schedule 4. Example: "RF: Children's Basic Health Plan Fund 11G, Breast and Cervical Cancer Prevention and Treatment Fund 15D, FF: Medicaid Title XIX"

Reappropriated Funds Source: Must be provided for every request that includes Reappropriated Funds, and must site the source of the Reappropriated Funds, by Department and Line Item(s). Example: "Transfer from Department of Public Health and Environment, Surveys and Certifications line item." For Indirect Recoveries that cannot be easily sourced, please note "Indirect Recoveries come from multiple lines based on a cost allocation model." Any other exceptions require prior written approval by OSPB. All other Reappropriated Funds must be sourced, with dollar amounts, even if from multiple sources.

Approval by OIT: Starting with the FY 2009-10 budget cycle, departments must not only identify that a request is an IT request, they must work with OIT ahead of time to obtain

approval for the request, before submission to OSPB and JBC. See Chapter 10 for more information.

Schedule 13s from Affected Departments: All other departments with a budgetary impact must have a Schedule 13 that accompanies the request. List the other departments that require a Schedule 13 here. Do not use acronyms. If none, state: "None."

FTE: Include the FTE information in each column as appropriate. FTE are to be represented to a single decimal.

4.6 CHANGE REQUEST NARRATIVE FORM

OSPB requires departments to utilize the prescribed form for all types of Change Requests. This form is provided at Appendix A. OSPB's goal is to publish a uniform and professional Governor's Budget Request on November 1, 2008. Change Requests not submitted on this form will not be accepted by OSPB.

Budget Directors must ensure that the following format is used on all Change Requests submitted to OSPB:

- Please use 12 point font, Times New Roman.
- Full justification on paragraphs.
- The narrative is to be indented 3 inches.
- Align any bullets or numbering on the 3 inch margin.
- Only section titles are in left margin, except for tables.
- Do not eliminate any section titles in the left margin. All sections are required, even if they are determined to be inapplicable. Do not add new sections unless prior approval has been given by OSPB.
- First person (I, we, our) is not used in official budget documents; instead, use third person ("the Department" or "Department staff").
- Abbreviations and acronyms should be minimized; assume that the public is reading the request and ensure it can be understood.
- Fiscal Year format is "FY 2008-09" and never just "FY 09"
- To maintain consistency between requests, tables in the Word Document should use gridlines.
- Titles should be centered and bolded in tables.

- Cells representing no funding should be populated with “\$0.”
- Table labels should be clear, able to stand alone, and make the contents self-evident.
- All numbers in tables must be right and top aligned.
- Please use the “currency” format for numbers in Excel (except the Schedule 13).
- All dollar numbers should have a “\$” and “commas” between thousands.
- No cents should be displayed unless when necessary to display a unit cost.
- FTEs are always presented to the one decimal (for example, round 3.25 FTE up to 3.3 FTE and not 3 FTE).
- Tables may use entire width of page to minimize wasted space.
- Attempt to fit tables on a single page. If it takes more than one page, please ensure that the header is carried forward.
- Please keep fund source columns in tables in the same order as the Schedule 13.
- Numbers must add properly and rounding issues resolved, on both the Schedule 13 and in all tables. For example, a sum that is actually $1.2+1.2+1.2 = 3.6$ cannot be presented as $1+1+1 = 4$. Non-displayed fractional values may be used in the Schedule 13 or in any other schedules or calculations provided. Therefore, all tables, calculations, and schedules should clearly add when viewed from the hard copy.
- Change requests should show exactly how the requested dollars and FTE were calculated. JBC staff should be able to look at clear and concise calculation tables that show how each portion of the request was calculated. Staff should not have to ask follow-up questions or ask for additional information in order to understand how the request was calculated.

Required Elements for the Word Document

Department. Identify the department submitting the request. Also add the department name to the form’s header. Do not use acronyms.

Priority Number. Identify all requests with a unique priority number (e.g., DI-2). For Supplementals with a corresponding Budget Request Amendment, enter the supplemental priority number, followed by the Budget Request Amendment priority number (e.g., S-3, BA-15). The priority number MUST match the Schedule 13 and all summary schedules.

Request Title. Describe the request in a short title that will identify it in a unique way. The title MUST match exactly to the title on the Schedule 13 and the Summary Schedules (Schedule 10, 11, or 12).

Request Type and Fiscal Year(s). Check the applicable box to identify the request by type and fiscal year at the top of the page. Doing so identifies the affected fiscal year. It may be necessary to check both Supplemental and Budget Request Amendment boxes.

Supplemental or Budget Request Amendment Criteria. Check the applicable box to identify the applicable criterion for any and all Supplementals and Budget Request Amendments. If none of the criteria are appropriate, then the request does not meet requirements and cannot be accepted.

Short Summary of Request. This is a BRIEF and specific summary of the request from a fiscal perspective. The summary should be not more than several sentences and should be a succinct description of what is being requested, with dollars and FTE. This is a quick and easy reference for the reader. Include fund splits if they are important to the request. No editorial comments or language to defend the request should be included. See examples at Exhibit 4-2.

Exhibit 4-2
Examples of Short Summary of Request

“This is a FY 2009-10 Budget Request to move 5.0 FTE and \$412,000 total funds from the Medicaid Community Mental Health Long Bill Group, to the Personal Services line item under the Executive Director’s Office Long Bill group. This request has no impact to the General Fund.”

“This is a FY 2008-09 Supplemental Request for a 5% increase or \$37,000 total funds at 100% General Fund for the Service Contracts line item in the (M) San Carlos Subprogram Long Bill division to address a cost of living adjustment.”

Background and Appropriation History. This section should describe the history of the line item and the background of the line item. The section should lay the ground work for how the current situation came into being. What do readers need to understand in order to “get” this request? History? Problems in the past? The current way things are done? Contractor complaints? Federal issues? If the request is large, this can be organized into sections. If creating sections, please use bold, not underlined titles that are aligned with the three inch margin. Do not defend the specific request as this will be done in the following section.

General Description of Request. This is where the department describes the specific recommendation and convinces the reader that this is a necessary investment. This section should be fairly detailed and extensive, and very clearly and logically laid out, so that a lay person could read it and understand the importance of the request. If the request is large, this can be organized into sections. If creating sections, please use bold, not underlined titles that are aligned with the three inch margin. This section does not need to describe the specific calculations and variables in the calculations.

If there are other options to consider besides the one that is being proposed, they can be described here at the end of the section.

Consequences if Not Funded. These are programmatic concerns if the request is not approved. Explain exactly what would happen if this request is not approved. It should be clear to the

reader after reading this section what the drawbacks for non-approval would be. They should be realistic.

Calculations for Request. The two tables provided with the required Change Request form must be completed. However, they should not be simply a replica of the Schedule 13. The provided tables should clearly build to the Schedule 13 numbers, pulling in numbers referenced elsewhere in the Calculations for Request section. Some rows of these tables MUST match either 1) columns 3, 6, or 8, or 2) columns 4, 7, or 9 of the Schedule 13, as applicable, and preferably both. Please use these tables to build to the Schedule 13 number in a logical way. Rows should be labeled well so it is clear what they are and what the subtotals and totals are. Tables should be tailored to do what makes sense for the request. They do not have to all be the same.

In addition, include other tables needed to show all calculations and how the numbers in the first two tables and Schedule 13 were derived. These tables can be pasted in from Excel, or, only if more extensive, can be added to the request as an “Attachment.” Please label attachments clearly and refer to them explicitly in the *Calculations for Request* section and the *Assumptions for Calculations* section. “X” * “X” in a table must equal the end number exactly on a regular calculator. Please run tapes to check all math. You may need to calculate each row independently. If the number is a calculation, show the calculation. See examples at Exhibit 4-3.

This section does not contain text to explain the tables.

Exhibit 4-3			
Examples of Additional Calculations for Request Tables			
<i>History of the Children’s Basic Health Plan Children’s Medical Premiums Line Item</i>			
	<i>Caseload</i>	<i>Rate</i>	<i>Appropriation/Request</i>
FY 2001-02 Actual¹	39,843	\$73.48	\$36,116,890
FY 2002-03 Actual¹	49,393	\$80.74	\$48,590,088
<i>FY 2003-04 Appropriation</i>	52,965	\$87.65	\$55,708,587
<i>FY 2004-05 Request</i>	50,050	\$90.92	\$54,606,552

¹For FY 2001-02 and 02-03, the caseload and expenditures are actuals. The rate displayed is the rate that was appropriated. For both FY 2001-02 and FY 2002-03, the rate is a blended rate of all rates paid for all subgroups, therefore caseload * appropriated rate will not equal appropriation or actual exactly.

Exhibit 4-3 (continued)			
Examples of Additional Calculations for Request Tables			
Line	Calculation Table for Children’s Premium and Enrollment Fee Collections	FY 2008-09 Budget Factors	See Assumption
1	FY 2008-09 Annual Caseload	50,050	Table G
2	FY 2008-09 Percentage of clients enrolled in HMOs	70%	
3	FY 2008-09 Percentage of clients enrolled in self-insured network	30%	
4	FY 2008-09 Average HMO cost (per member per month)	\$87.29	
5	FY 2008-09 Average self-insured network cost (per member per month)	\$99.40	
6	FY 2008-09 Total average program-wide cost (per member per month) (Line 2 x Line 4) + (Line 3 x Line 5)	\$90.92	calculation
7	FY 2008-09 requested children’s medical premiums (Line 1 x Line 6 x 12 (months))	\$54,606,552	calculation
8	Estimated FY 2008-09 annual enrollment fees (Line 17) (Not matchable with federal funds)	\$220,220	Line 17
9	Total available for federal match (Line 7 - Line 8)	\$54,386,332	calculation
10	Net federal share (Line 9 x 0.65)	\$35,351,116	calculation
11	State share of medical premiums appropriation (Line 7 - Line 10)	\$19,255,436	calculation
Calculation of General Fund Appropriation to the Children’s Basic Health Plan Trust Fund			
12	FY 2008-09 Portion of State share covered by Tobacco Settlement funds	\$17,475,477	appropriation
13	FY 2008-09 Additional State funds required to cover remaining portion of State share (Line 11 – Line 12). Of this amount, \$1,127,440 is requested as General Fund with the balance covered with reserves of the Trust Fund.	\$1,779,959	calculation
Methodology for Estimating Annual Enrollment Fees			
14	Actual FY 2005-06 annual enrollment fees collected	\$217,520	Table E
15	Estimated FY 2005-06 average monthly enrollment for purposes of calculating enrollment fees	49,393	Table G
16	Implied annual enrollment fees per enrollee (Line 14/Line 15)	\$4.40	calculation
17	Projected FY 2008-09 enrollment fees (Line 1 x Line 16)	\$220,220	calculation

Cash Funds Projections. A new requirement for the Change Request form in FY 2009-10 is the “Cash Funds Projection” table. This table is required for any request that involves funding from a cash fund or trust fund. The table must report prior year expenditures (which will be preliminary for the August 1 version of Change Requests) and appropriation year, request year, and two out-year balance projections. A department may insert “Not Applicable” and delete the table template only if there are no cash funds indicated on the Schedule 13.

Assumptions for Calculations. In this section, please include sources for all numbers. All numbers must either have a source referenced or be identified as a calculated result. When referencing prior Change Requests, include title number and page. When referencing Figure Setting, include date, Department, and page. For example, “and the line was increased by \$25,000 (FY 2002-03 Figure Setting dated March 13, 2002, pg. 12 but adjusted in SB 02-233).”

This section is not to defend policy, but to explain assumptions in the calculations or math part of the request. See examples at Exhibit 4-4.

Exhibit 4-4
Examples of Assumptions for Calculations

“The volume inflator of 6.91% is based on the child welfare caseload growth in FY 2005-06 from page EB-1 of the November 1, 2008 Budget Request. The volume inflator for FY 2008-09 is 5.44%. The FY 2005-06 inflator is held constant as the estimate for FY 2009-10. These numbers will change when FY 2006-07 actuals become available in February 2009.”

“The cost inflator is based on the Medicare Economic Index, which is the cost inflator used by Medicare to set hospital base rates. This number is published each year on August 1 in the Federal Register. The Federal Register number used for FY 2008-09 is 2.75%, which is a market basket increase of 3.3% (Consumer Price Index-Urban) minus 0.55%.”

“The caseload projection for FY 2008-09 is based on enrollment as reported in the July 13, 2008 report to the Joint Budget Committee.”

“An exponential smoothing model is used to forecast “baseline” enrollment for FY 2008-09 due to a reduction in recidivism. For July 2008 through June 2009, the forecast is then adjusted for reduced volume.”

“On average, 33% of children do not renew foster care placement twelve months later. Many no longer meet the eligibility criteria. Others do not renew for various reasons. A portion of these children, illustrated in the same chart, do not continue on in FY 2008-09. See Table G for this delineation for November 2008 through June 2009.”

“To forecast FY 2009-10, monthly enrollment is expected to increase at roughly 2/3 of its historical rate as described in the March 12, 2007 Figure Setting document, page 57. This lower rate is assumed to reflect the absence of commercial advertising and marketing in FY 2008-09.”

Impact on Other Government Agencies. This section is for OSPB and JBC staff to clearly see the impact of the request on other departments in the State budget. If there is no impact to another department, please indicate “not applicable.” If it is applicable, explain the specific impact on their budget and show the line items in the other department and how they would be affected. Please include fund splits. See example at Exhibit 4-5.

Exhibit 4-5
Example of Impact on Other Government Agencies

Because the Department of Human Services holds the only contract with EDS for the Colorado Benefits Management System, the Department must transfer funds to the Department of Human Services, (B) Office of Information Technology, Colorado Benefits Management System line item to pay the contractor. All costs have been allocated assuming the CBMS calculator.

Fund Split for the Department of Human Services per the Colorado Benefits Management System Calculator					
	Total Funds	General Fund	Cash Funds	Reappropriated* Funds	Federal Funds
<i>Supplemental Request</i>	\$102,000	\$16,010	\$8,186	\$35,404	\$42,401

**Reappropriated Funds in the Department of Human Services' figures above is a transfer of funds from the Department of Health Care Policy and Financing.*

Cost Benefit Analysis. Please see Section 4.7 for a description of the cost benefit analysis requirements.

Implementation Schedule. This section must be tailored to meet the needs of the request. In some instances, an implementation schedule is not applicable. If so, please indicate so and why. Use clear row titles that make sense to the project. Think about all the steps that need to occur before the final end product is achieved. Delete rows that do not apply and sort into chronological order. Please delete the directions at the bottom of the table. See example at Exhibit 4-6.

Exhibit 4-6 Example of Implemental Schedule	
Task	Month/Year
<i>Internal Research/Planning Period</i>	<i>May 2009</i>
<i>Written Agreement with Department of Corrections, Department of Public Safety, and Department of Human Services</i>	<i>May 2009</i>
<i>Interagency Agreement Written</i>	<i>May 2009</i>
<i>Youth Improvement Payment System Modifications Made</i>	<i>April 2009</i>
<i>Rules Written</i>	<i>June 2009</i>
<i>Youth Improvement Payment System Modifications Operational</i>	<i>September 2009</i>
<i>Rules Passed</i>	<i>September 2009</i>
<i>Start-Up Date / 1st County on Youth Improvement Payment System</i>	<i>October 2009</i>
<i>Final Cutover to new card process using legacy system initially and gradually phasing in to Youth Improvement Payment System</i>	<i>October 2009</i>
<i>Completion Date / Last County on Youth Improvement Payment System</i>	<i>May 2010</i>

Statutory and Federal Authority. In this section, copy and paste actual cites from Colorado statute or federal regulations or statute. If citations are voluminous, agencies should select excerpts from applicable sections and select only those sentences that are relevant to the request. Actual statutory or federal regulatory language should be shown in italics. Citing state

administrative rules is not sufficient. All citations should be left aligned at the 3” margin. No “all caps;” please use sentence case. Eliminate additional tabs or indentions so each citation is a solid paragraph(s).

Only include the specific pertinent cites, include the citation and year, such as:

25.5-4-204 (1), C.R.S. (2008) The General Assembly hereby finds and declares that the agency responsible for the administration of the State's medical assistance program would be more effective in its ability to streamline administrative functions . . . through the implementation of an automated system that will provide the following: . . . (d) Electronic fund transfers; and (e) Automation of other administrative functions associated with the medical assistance program.

or

45 C.F.R. §162.404 (2007) Compliance dates of the implementation of the standard unique health identifier for health care providers. (a) A covered health care provider must comply with the implementation specifications in §162.410 no later than May 23, 2007.

or

25.5-5-318 (2) (a), C.R.S. (2008) Health Services – Provision by School Districts. Any school district may contract with the state department under this section to receive federal matching funds for amounts spent in providing health services through the public schools to students who are receiving Medicaid benefits pursuant to this article.

Citations in the FY 2009-10 cycle, starting with the November 1 submission, must contain references to the 2008 Colorado Revised Statutes, and must be verified as accurate to the 2008 version (see example references above). OSPB will be checking cites and incomplete or inaccurate cites will be returned.

Performance Measures. Delineate the Performance Measures from the department’s Strategic Plan and then describe how the request will affect the corresponding benchmark. See Chapter 3 for more information.

4.7 COST BENEFIT ANALYSIS

This section provides instructions for conducting a cost benefit analysis. Please pay particular attention to the following changes as they are substantially different from prior years:

- Pursuant to the OSPB budget instructions letter of April 25, 2007, the efficiency and effectiveness analysis has been replaced by a required cost benefit analysis for all change requests. The term “cost benefit analysis” is used loosely; the department should apply a quantitative defense for the request in tabular form.

- Change Requests which are not dependent on a cost benefit analysis (technical adjustments, state or federal mandates, caseload fluctuation) do not require this section to be completed. If it is unclear as to whether or not a cost benefit analysis should be included, please check with the department OSPB analyst. If the department believes that the cost benefit analysis is not applicable, the Change Request form must indicate so and briefly specify the reason it is not applicable.
- Quantitative analyses are the only type of analysis that is permissible. Multi-criteria analyses and narrative risk assessments are not acceptable.

The focus of the cost benefit analysis is on demonstrating the efficiency and the effectiveness of a budget request by comparing the negative impacts (i.e., costs) to the positive impacts (i.e., benefits). This analysis is used to provide the financial justification for change requests. The Change Request template that is to be used for all Decision Items, Base Reduction Items, Supplementals, and Budget Request Amendments has a cost benefit analysis section included.

Description of the Cost Benefit Analysis

The cost benefit analysis involves identifying the full range of benefits and costs associated with a program or a budget change. To the extent feasible, costs both internal and external to state government should be identified, quantified, and valued. In addition, the full range of benefits should be identified, and, where possible, quantified and valued. The quantification of physical, social, and economic impacts is a key step in describing benefits, and considerable attention should be paid to developing credible estimates of positive impacts per a specific unit (i.e., reduction in the number of forms a start-up business must fill out and an estimate of the number of new start-up businesses affected per year). Valuation of quantified benefits should be undertaken with caution and should not be pursued if it would detract from the defensibility of the analysis.

The comparison of benefits to costs can be used to assess whether net benefits will be generated by an alternative. For example, an analysis may estimate that a new highway will generate net benefits through reduced wait time. This analytical framework can also be used to examine redistribution programs by comparing proposed alternatives for implementing a program or by comparing the proposed alternative to existing programs. For example, the net benefits of a housing program implemented through county agencies may be compared to the net benefits of a housing program implemented centrally through the State. Alternatively, the net benefits of a State-run housing program could be compared to the net benefits of a similar program in the private sector or another state. The key step in each of these examples is how to fully measure the different costs of the programs and, where feasible, how to quantify and monetize benefits.

If a Change Request impacts multiple departments, the cost benefit analysis of the lead agency must summarize the cost benefit analyses of all other affected agencies. The sum total analysis must be included in the lead agency's Change Request.

Factors to Consider

The following information should be taken into consideration when developing a cost benefit analysis:

- The level of precision and detail required;
- The assumptions and calculations required to quantify the cost or benefit; and
- The presentation of the result of the analysis.

The development of a cost benefit analysis is dependent on the level of precision and detail required. For example, a much lower level of precision may be needed for a small request to fund the replacement of a copier than for a multi-year information technology project. The level of precision in an analysis will depend on many factors including the scope of the item analyzed, the availability of data, and the level of risk or uncertainty associated with the outcomes.

All figures used in the cost benefit analysis should be clearly referenced and sourced in the “Calculations for Request” and “Assumptions for Calculations”. The cost estimates should track to the request amount shown in the Schedule 13. If out year costs and benefits are different than the request year, be sure to show the cost benefit for several years. Potential benefits may include future cost savings (i.e., anticipated budget reductions), future costs avoided (i.e., avoided or smaller future budget requests), or improved or additional services. The benefits discussion should only address the incremental benefits. Finally, it is necessary to appropriately attribute benefits to the specific budgetary expenditure being requested.

The conclusion of the analysis should be presented as a comparison of benefits to costs. In order for the Change Request to be considered, the analysis should show a net benefit to the State. A table of the total costs as compared to the total benefit over a specific period of time is a common format for presenting results. See examples in Exhibit 4-7.

Exhibit 4-7
Example A of a Cost Benefit Analysis

Benefits	Cost	Ratio
Benefits are based upon the economic value of crop production that can be realized with adoption of this alternative.	The total amount that is requested is \$93,553.	Benefit/Cost ratio is: \$8,867,110/\$93,553 = 95
A reduction in mileage of 217,442 equates to illegal diversion of 133,000 acre-feet of water.		
Total benefits: \$66.67/acre-foot x 133,000 acre-feet of water diverted to appropriate senior water rights holders = \$8,867,110		

Example B of a Cost Benefit Analysis

The cost benefit analysis shows a full annual net benefit of \$1,100 for providing the district manager a state vehicle. This net benefit is the difference between the amount of subsidy born by the district manager (\$0.28 vs. \$0.56) and the cost for the state to provide the district manager an appropriate state vehicle.

Cost to State	Year	Benefit to Employee	Net Benefit-(Cost)	Comments
\$1,360	1	\$1,727	\$367	Four months – Positive net benefit.
\$4,081	2	\$5,181	\$1,100	Twelve months – Positive net benefit

Leased vehicles are not received until March 1, 2007. Year 1 (FY 2009-10) is based on the final four months of the year. Year 2 (FY 2010-11) is based on the entire twelve months.

4.8 SUMMARY SCHEDULES

Summary Schedules for Change Requests

All Change Requests are listed on one of three summary schedules. Each Change Request on a summary schedule should include:

- A priority number;
- Name of the request;
- Total funds and FTE for the request (do not show each line item separately);
- If it is an information technology request; and
- Amount of funds from each fund source.

Schedule 10: Summary of Change Requests

Decision and Base Reduction Items should be prioritized separately by their relative importance on the Schedule 10, with a subtotal for Decision Items, a subtotal for Base Reduction Items, and a grand total for both. All information technology requests must be marked with the checkbox next to the request title on the Schedule 10. After Budget Amendments are approved by the OSPB, they should also be prioritized on the Schedule 10 with the Decision Items. A revised Schedule 10 must be submitted showing the new priority order for the January 2 and January 23 Budget Requests, and February 15 if applicable, as well as every time a Budget Amendment is submitted to OSPB or to JBC.

If a Budget Request Amendment priority is higher than a Decision Item priority, it should be inserted in the existing priority list with a letter added to the previous priority number on the list (e.g., DI-10 – Decision Item, BA-10A – Budget Request Amendment, DI-11 – Decision Item). The priority number for a Change Request should not change through the legislative budget cycle.

A revised Schedule 10 should be submitted after all the Budget Request Amendments have been approved by the OSPB.

Schedule 12: Summary of Budget Request Amendments

Amendments should be listed on the Schedule 12, with a subtotal for stand alone Budget Request Amendments, a subtotal for Budget Request Amendments associated with Supplementals, and a grand total for both. All information technology requests should be marked with the checkbox next to the request title on the Schedule 12.

The Schedule 12 should show the priority of the Budget Request Amendment relative to Decision or Base Reduction Items identified on the Schedule 10 (see above). Budget amendments should not be on the supplemental summary (Schedule 11). The Schedule 12 is submitted on both January 2 and January 23 to the Joint Budget Committee, as well as February 15 if applicable, and every other time a Budget Amendment is submitted to OSPB or JBC, as long as the department has Budget Amendments on those dates.

Schedule 11: Summary of Supplementals

Supplementals should be prioritized on the Schedule 11 in order of importance. All information technology requests should be marked with the checkbox next to the request title on the Schedule 11. The Schedule 11 is submitted on January 2 to the Joint Budget Committee, and on February 15 if applicable, and every other time a Budget Amendment is submitted to OSPB or JBC.

4.9 COMEBACK REQUESTS

After the Joint Budget Committee (JBC) has voted on supplemental requests and the next year's budget request (Figure Setting), OSPB is often given an opportunity to ask for reconsideration of actions taken by the JBC. This may include Change Requests that were not approved or only partially approved, as well as action affecting the base budget. This process is referred to as “comebacks” and the criteria used by the OSPB for determining which items to bring back to the JBC are very selective. There are three cases in which a comeback request may be submitted:

- 1) When the department is able to provide additional information that was not provided to the JBC during its original deliberations;
- 2) When the executive request has not been completely presented; or
- 3) When the issue is a priority of the Administration.

Either the department or the Governor's Office may initiate the comeback request. Comeback requests initiated by a department must be approved by the department's Executive Director prior to submission to the OSPB. Departments should submit each comeback request using the format at Exhibit 4-8.

The Comeback request is officially from “OSPB,” and is presented to the Joint Budget Committee by the OSPB Director. The affected department is required to have a technical expert or management personnel (preferably the Executive Director) available to speak, should he/she be requested to come to the table by the OSPB Director.

The following information should be entered in the table on the comeback request.

Appropriation. Show the amount appropriated for each affected line item and the total of all affected line items.

Request. The request column is used to identify the Department's request as presented to the JBC. Show the amount of the request by line item and fund source.

JBC Action Column. Show the action taken by the JBC on this request by line item and fund source. This should reflect action on the base request or the Change Request.

Comeback Request. Show the amount requested in the comeback by line item and fund source.

Difference between JBC Action and Comeback Request. Show the difference between the department's request, including Budget Request Amendments, and the JBC action for the line item.

**Exhibit 4-8
Comeback Requests**

Department:	
OSPB Priority Number:	
Original Department Priority:	
Change Request Title:	

SELECT ONE:

- Decision Item FY 2008-09
- Base Reduction Item FY 2008-09
- Supplemental Request FY 2007-08
- Budget Request Amendment FY 2008-09

	FY 2008-09 Appropriation	Request	JBC Action	Comeback Request	Difference between Action and Comeback Request
Total					
FTE					
GF					
CF					
RF					
FF					
Line Item					
FTE					
GF					
CF					
RF					
FF					

Summary of Initial Request:

Committee Action:

OSPB Comeback:

Required Justification

The following information is required for justifying the comeback request.

Summary of Initial Request. Briefly describe the request as presented to the JBC. Use total fund amount, and if relevant, the amount from specific fund sources of interest. In a second paragraph describe the problem or opportunity the department is addressing with this request.

- If the comeback relates to a Change Request, only discuss this request.
- If the comeback relates to the base appropriation or base request, focus the comeback on the base appropriation or request.

Committee Action. Describe the JBC action taken on the request. Include a brief summary of the Committee's reason for not approving the request.

- If the comeback relates to a Change Request only discuss the committee's action for this request.
- If the comeback relates to the base appropriation request, note the action on the supplemental Change Request, but focus on the action taken on the base appropriation or base request.

OSPB Comeback. Briefly, describe the reason for the comeback and any additional information that should be considered. The description should include: 1) why this is a comeback request; 2) any new information not available at the time of original submission; 3) any necessary clarification of information originally submitted; and 4) the consequences of not funding the request.

4.10 FACT SHEETS

OSPB expects departments to lobby their OSPB-approved Budget Requests with the Joint Budget Committee, after submission to the JBC. One tool in doing this is the Change Request Fact Sheet.

The Change Request Fact Sheet is different from the Department Fact Sheet (Chapter 2). The Department Fact Sheet is one summary sheet describing the entire department. Change Request Fact Sheets are for specific budget actions.

Departments will create one to two page fact sheets for each prioritized request (including Decision Items, Base Reduction Items, Budget Amendments, and Supplementals). The Department of Personnel and Administration and the Governor's Office of IT will be responsible for Fact Sheets related to statewide common policy requests. The primary audience for this is typically the Joint Budget Committee, and the OSPB Director will give each Joint Budget Committee member a binder of the Fact Sheets for all the official submission dates (November 1, January 2, January 23, February 15). Other members of the General Assembly, stakeholders, and the public will also be interested in these Fact Sheets, and they will be posted on the OSPB website for general reference.

The Fact Sheets are due via e-mail and hard copy to each departments assigned OSPB Budget Analyst on the same date as the initial Change Request is submitted to OSPB (see Budget Cycle Calendar). OSPB Analysts will ensure that the format is consistent and the message easy to understand. They are also due with every final binder that is sent to the Joint Budget Committee by OSPB.

Appendix A has two examples of a Fact Sheet. All fact sheets should look like the examples. [The examples provided do not necessarily represent OSPB approved change requests]. The Fact Sheets **MUST** not exceed two pages, **MUST** have 1 inch margins, and **MUST** be 12 point type Times New Roman. Only use the fund rows and columns that are applicable to the request; delete the others.

Decisions Items in the title are numbered in the format "DI-1" and Base Reduction Items as "BRI-2." Please use the prioritization format discussed in Section 4.4.

Please do not use obscure acronyms anywhere in document - spell them out. Departments should tailor the document for the public, for people who do not know the programs. The language must make sense to the public. It is not primarily a budgeting document; it is a lobbying or marketing document.

Make sure the fact sheet describes the request as **FINALLY** approved by OSPB and as submitted to the Joint Budget Committee.

A cost benefit analysis should be included, but make it practical for the reader. If it doesn't make sense, leave it out and expand the argument instead.

Department Fact Sheets must be approved by the department's Legislative Liaison before submission to OSPB.