

## CHAPTER 12

# OTHER BUDGET REPORTS

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Reports in this section are additional items required by statutory provisions or because they provide data not included in other forms. These instructions apply only to agency budgets with the indicated funds or activities. Samples are shown here or at OFM's forms [webpage](#).

### Nonbudgeted local fund summaries

#### Nonbudgeted local fund summaries (RCW [43.88.030\(1\)\(f\)](#))

The nonbudgeted local fund summary is used to summarize financial data for nonbudgeted (nonappropriated/nonallotted) local funds outside the state treasury. Data can be entered in an Excel spreadsheet available on OFM's forms [webpage](#). This information will be displayed in the Governor's budget document.

#### Instructions

- A. Narrative description.** In account code number sequence, list all nonbudgeted local accounts in the agency. Include the full title of each account, a brief description of the purpose and source of revenue and the statutory authority.
- B. Summary financial statement.** In addition to the narrative descriptions described above, prepare a summary financial statement of fund balances on the nonbudgeted local format summary [form](#). List each nonbudgeted local fund by fund code sequence.

The fund balances shown for July 1, 2015, and June 30, 2017, should be reported on a modified GAAP basis. (Refer to Chapter 7.)

An Excel template for this requirement is available on the budget forms [webpage](#).

### State matching requirements for federal funding

#### State matching requirements for federal funding (RCW [43.88.090\(1\)](#))

Agencies must provide a list of any state matching requirements for federal grants (both operating and capital) they receive. Include this information in your budget submittal.

The data include:

- Federal Fund by Appropriation Type:
  - » 0 – Federal Block Grants
  - » 2 – Federal
  - » 5 – DSHS Other Federal
  - » 8 – Federal ARRA
  - » A – Family Support / Child Welfare
  - » C – Medicaid
  - » D – TANF
  - » E – Child Care
  - » J – Federal Stimulus Direct
  - » K – Federal Stimulus Indirect

- Activity inventory number for the most significant activity(s) using the grant in the operating budget.
- Amount shown by federal and state fiscal year.
- State match amount required in each of four state fiscal years.
- Account code of state match source.

An Excel template for this requirement is available on the budget forms [webpage](#).

### Additional federal receipts reporting requirements

RCW [43.88.096](#) requires that designated agencies submit additional information related to receipt of federal funds. The requirements include:

1. Reporting the aggregate value of federal receipts the agency estimated for the ensuing biennium.
2. Developing plans for operating the designated state agency if there is a reduction of:
  - a) 5 percent or more in the federal receipts that the agency receives; and
  - b) 25 percent or more in the federal receipts that the designated state agency receives.

Designated state agencies subject to this requirement are:

- Department of Social and Health Services
- Department of Health
- Health Care Authority
- Department of Commerce
- Department of Ecology
- Department of Fish and Wildlife
- Department of Early Learning
- Office of Superintendent of Public Instruction (OSPI) (the report by OSPI must include the information required for each school district in the state)

An Excel template for this requirement is available on the budget forms [webpage](#).

### Puget Sound recovery

#### Additional budget submittal and reporting requirements to OFM and Puget Sound Partnership

RCW [90.71.320](#) requires state agencies that are responsible for implementing elements of the Action Agenda for Puget Sound (Action Agenda) to provide to the Puget Sound Partnership (PSP) their estimates of the actions and budget resources needed to implement their portion of the Action Agenda. The statute also requires agencies to seek the concurrence of the PSP in the proposed funding levels and sources included in this proposed budget.

Per section 311 of the 2017-19 enacted operating budget and as amended by [ESSB 6032](#), the PSP must provide the Governor with a single, prioritized list of state agency 2019–21 capital and operating budget requests related to Puget Sound by October 15, 2018. The primary criterion used by the PSP to prioritize agency budget requests is how strongly the requests align with the Action Agenda. More specifically, greater consideration is given to budget requests that directly support implementation of priority Action Agenda near term actions (NTAs), either [2016 adopted](#) or

[2018 submitted](#)), ongoing programs, associated [regional priority approaches](#) and [2016-18 Biennial Science Work Plan](#) actions.

In accordance with RCW [90.71.320](#), and to facilitate the PSP’s mandated budget request prioritization process, all agencies requesting budget changes related to Action Agenda implementation must provide information and engage with OFM and the PSP, as described below. These requirements apply to both operating decision packages and capital project requests.

#### **Submittal to OFM:**

- In the RecSum text (for operating) and agency summary (for capital), include the statement, “Related to Puget Sound Action Agenda Implementation.”
- In the narrative justification, under “Other important connections or impacts” (for operating) and the project description, under question 9 (for capital), include the following:
  - » A response to the question, “Is the request related to Puget Sound recovery?”
  - » An explanation of how the budget request relates to NTAs, ongoing programs, regional priority approaches or Science Work Plan actions. Budget requests that include multiple Action Agenda or Science Work Plan components must provide information to distinguish each component, including dollar amounts, FTEs and fund source by fiscal year. This includes Puget Sound-related monitoring and program evaluation requests.
  - » An estimate of the amount of the budget request that impacts Puget Sound, including dollar amounts, FTEs, fund source by fiscal year and an explanation of the methodology used to determine the Puget Sound portion. This is particularly important for programs and requests that cover multiple geographic areas, such as shoreline master program updates and forest practices regulation. See the Puget Sound reference [map](#).
- Send an email with copies of the all Puget Sound budget requests to OFM by your designated budget submittal due date. OFM contact information is provided later in this section.

#### **Submittal to the PSP**

- To aid PSP prioritization, complete a cloud-based template for all your agency’s Puget Sound-related budget requests submitted to OFM. The PSP will email a link to the template and instructions to affected agencies by mid-July, along with criteria for PSP prioritization and updated information about the 2018 Action Agenda update, which is in process.
- To ensure Puget Sound budget requests align with the Action Agenda, all agencies requesting operating and capital budget changes that implement the Action Agenda or affect Puget Sound recovery are required to consult with the PSP prior to submitting their budget requests to OFM. PSP staff will contact agencies to schedule meetings to discuss the budget process and proposed budget requests during the summer of 2018.

#### **Action Agenda implementation – additional financial reporting requirements to the PSP**

**Near-term actions.** Every August, state agencies are required to provide the PSP with their estimates of Action Agenda NTA costs, budgeted amounts and expenditures, pursuant to RCW [90.71.370](#). Agencies implementing NTAs will receive a request from the PSP by late June with detailed instructions related to this reporting requirement.

**Ongoing programs.** A [2016 report](#) of the Joint Legislative Audit and Review Committee (JLARC), recommended that the PSP create a more complete inventory of recovery actions and funding. In response to this recommendation, the PSP and OFM have begun to engage affected agencies to develop the process for collecting this information.

Agencies implementing ongoing programs can expect further engagement with the PSP and detailed instructions in early 2019 related to this reporting requirement. See the contacts below for assistance.

[Diamatris Winston](#), Chief Financial Officer, PSP, 360-464-1231

[Leslie Connelly](#), Budget Assistant to the Governor (operating), OFM, 360-902-0543

[Myra Baldini](#), Budget Assistant to the Governor (capital), OFM, 360-902-0525

## Other budget reports and data

### Updated agency descriptions

Agency descriptions and missions must be published as part of the budget document. OFM will send agencies a template in August that contains the most recent agency description and mission statements. Agencies wanting to make changes must [return](#) the updated template to OFM no later than their agency budget due date. (Appendix 1)