



STATE OF ALABAMA
OFFICE OF THE DIRECTOR OF FINANCE
STATE CAPITOL
MONTGOMERY, ALABAMA 36130

BOB RILEY
GOVERNOR

JAMES ALLEN MAIN
DIRECTOR OF FINANCE

September 17, 2007

MEMORANDUM

TO: All State Departments, Boards, Bureaus, Commissions, Agencies, Offices and Institutions

FROM: James Allen Main
Director of Finance *James Allen Main*

RE: FY 2008-2009 Budget Request

The forms and instructions for submission of your FY 2008-2009 budget request are available at www.budget.alabama.gov. All requests are required by law to be submitted to the Department of Finance **no later than November 1, 2007.**

If your submission is not received by the due date, we cannot guarantee its inclusion in the Executive Budget Document.

Please contact your budget analyst in the Executive Budget Office (334-242-7230) if you have any questions concerning preparation of the budget forms and other budgetary matters.

Thank you for your continued cooperation.

JAM/lhl

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GENERAL INSTRUCTIONS

Direct questions concerning the budget forms and/or instructions to the Executive Budget Office, telephone number (334) 242-7230, or ATTNET number 220-7230. The budget analyst assigned to your agency will be available to provide technical assistance in the development of your budget.

1. **Due Date** – The due date for budget request packages is **November 1, 2007**, as set by law (§41-4-84, Code of Alabama, 1975).
2. **Explanation of Agency Increase (Decrease)** - Create an agency-level summary that reconciles requested funding increases and decreases in an itemized format by major expense object as shown in the example on page 9. The increases and decreases must match the increases and decreases on the agency summary EBO Form No. 5 or No. 2, as applicable.
3. **Board Members Compensation** - Compensation for attendance at meetings is now subject to FICA withholdings. Please budget accordingly. For additional procedures and guidance, see the online Resource Manual for Alabama Regulatory Boards and Commissions designed by the Examiners of Public Accounts at <http://www.examiners.alabama.gov>. Click on Board Member Training and then click Resource Manual.
4. **Encumbrances** - Add estimated encumbrances to the estimated cash expenditures to reflect total obligations for each fiscal year.
5. **CAS Reports** - Use the following suggested reports as a reference source to obtain data needed to complete the forms.
 - a. ACTUAL RECEIPTS FY 2006-2007 - "A203 DETAIL LISTING OF REVENUES VS. BUDGET" for budget fiscal year 2007 (September 2007 accounting period). Refer to the column entitled "FISCAL YTD REVENUES RECOGNIZED."
 - b. ACTUAL EXPENDITURES FY 2006-2007 - "P441 EOY BUDGET MANAGEMENT REPORT." Refer to the column entitled "TOTAL COMMITMENTS" which includes expenditures, purchase orders and year-end encumbrances. Expenditures by fund, appropriation unit, activity and object code may be obtained from this report.
 - c. ACTUAL EXPENDITURES FY 2006-2007 by Sub-Object - "Detail Listing of Encumbrances vs. Expenditure by Accounting Distribution" (A400) for the September 2007 accounting period.
 - d. BEGINNING AND ENDING CASH BALANCE FY 2006-2007- "Cash Reconciliation Report" (SGCBC115). Use this report when calculating beginning and ending cash balances on EBO Form No. 1.
6. **Zero Balances** - Omit zeros or dots in spaces where figures are not applicable.
7. **Percent Increase or Decrease from Prior Year** - Show the percentage to two decimal places; e.g., 5.45 or 22.00. When there is not an amount shown in the FY 2007-2008 column and there is an amount shown in the FY 2008-2009 column, the percent of increase should be shown by five dots (.....).
8. **Rounding** - Round all figures to the nearest dollar and omit all decimal points and zeros. Do not include cents.
9. **Page Numbering** - Number pages consecutively at the bottom center of each page of the budget request, beginning with EBO Form No. 1.

10. **Signature** - Have the EBO Form No. 1 signed by the agency head.
11. **Number of Copies** - Send an original and one copy to the Executive Budget Office, P. O. Box 302610, Montgomery, AL 36130-2610 (Street address for private carriers is 11 S. Union, Suite 237, Montgomery, AL 36104). Forward five copies to the Legislative Fiscal Office, P. O. Box 303525, Montgomery, AL 36130-3525.
12. Revisions - If a revision to your Budget Request necessitates submitting a new request to the Executive Budget Office, please resubmit an entire revised original (not just revised pages) with the word "REVISION" noted in the top right corner, and resubmit copies to the Legislative Fiscal Office.
13. **EBO Forms** – Forms and instructions are available on the Internet at the Executive Budget Office's website <http://budget.alabama.gov/budreq.htm>.

EXPENDITURE CATEGORIES

The following categories are the major objects of expenditure that will be used on the budget forms for submission of the FY 2008-2009 budget request. For further detail regarding expenditure objects, please refer to the Chart of Accounts published by the State Comptroller's Office, which may also be found on the Internet at <http://www.comptroller.alabama.gov>.

- 0100 Personnel Costs Includes all personnel costs classified as payroll costs. Includes all costs relating to personnel such as regular and part-time salaries and wages, overtime earnings, special allowances paid to law enforcement officers, employee termination costs, and longevity pay. Also includes the compensation to board/commission members for their attendance at official board meetings. All other compensation paid to board/commission members for travel should be budgeted under object code 0300.
- 0200 Employee Benefits Includes employer costs for all employee fringe benefits such as federal insurance contributions (FICA), retirement contributions, group health insurance, worker's compensation insurance, and unemployment compensation. The following rates should be used to compute employee benefits for the following fiscal years:

FICA (Social Security)

2007 Calendar Year - 7.65%, maximum \$97,500
 2007 Calendar Year - 1.45% over \$97,500
 2008 Calendar Year - 7.65%, projected maximum \$100,200*
 2008 Calendar Year - 1.45% over \$100,200*
 2009 Calendar Year - 7.65%, projected maximum \$103,100*
 2009 Calendar Year - 1.45% over \$103,100*

PROJECTED		<u>FY 2007-2008</u>	<u>FY 2008-2009</u>
<u>RETIREMENT</u>	Teachers	11.75%	12.07%
<u>CONTRIBUTIONS</u>	Judicial	23.23%	23.05%
	Law enforcement	30.42%	30.48%
	All other state agencies	10.26%	11.37%

GROUP HEALTH INSURANCE -Per Employee Projections

State Employees (SEIB)	\$775 monthly	\$837*monthly
Public Education Employees (PEEHIP)	\$775 monthly	\$795*monthly

*These are projected rates only.

Inquiries about amounts of unemployment compensation should be directed to the Department of Industrial Relations (334-242-8830).

- 0300 Travel - In-State Includes the cost of in-state travel and subsistence for persons traveling in the service of the state. Includes all mileage, commercial transportation costs, per diem costs and other travel expenses not otherwise classified. Includes any travel expenses paid to board/commission members. Act 2006-523 of the 2006 Regular Legislative Session provides that the amount allowable to a person traveling inside the State may be fixed by the Governor

at not less than \$75 per day, this includes charges for meals, lodging, fees, and tips (§36-7-20 Code of Alabama, 1975). Refer to the Department of Finance's Fiscal Policy and Procedures Manual. Effective January 1, 2007, the standard mileage rate for travel reimbursement is 48.5 cents per mile for privately owned vehicles.

The travel reimbursement rate is equivalent to the federal standard mileage rate allowable by the Internal Revenue Code and is subject to change. Sections 36-7-20 and 36-7-21, Code of Alabama, 1975, was amended during the 2005 First Special Legislative Session to provide that employees traveling in the service of the state within the state for purposes of attending or assisting in hosting certain meetings shall be allowed all of their actual and necessary expenses in addition to their actual expenses for transportation.

- 0400 Travel - Out-of-State Includes actual and necessary expenses for mileage, commercial transportation, lodging, promotional, meals (limited to \$39 per day without attached itemized receipts), and all other appropriate expenses or out-of-state travel.
- 0500 Repairs and Maintenance Includes repairs and maintenance services for land, buildings/permanent equipment, roadways and bridges, airfields, and office furniture. Budget repairs and maintenance on other equipment under Object 0900 to pay the insurance premium for the State policy that covers such costs. This object does not include repairs and maintenance to automotive equipment.
- 0600 Rentals and Leases Includes rentals and leases (including both operating and capital leases) for land, buildings, automotive equipment, office furniture and equipment, data processing equipment, printing and duplicating equipment, pager rental, as well as motor pool charges other than gasoline.
- 0700 Utilities and Communications Includes costs for electricity, water, gas (except for automotive equipment), fuel oil, coal, telephone, postage, and cellular phones.
- 0800 Professional Services Includes legal, accounting and auditing, actuarial, advertising, appraisal, architectural, data processing personnel services, educational consultants, photography services, medical services, scientific and technical costs and other personnel costs (salaries for contract personnel not on the State payroll). Include in this category transfers made to the State Personnel Department.
- 0900 Supplies, Materials and Operating Expenses Includes costs of materials and supplies used in road and bridge construction, office operations, for scientific and technical uses, for medical-related supplies, and federal taxes and licenses. Also includes payments for the cost of printing and binding; charges for reproduction or copying services; charges for processing or purchasing of microfiche/microfilm; cost of freight and shipping; the cost of products purchased for resale; professional/membership dues; and the cost of books, subscriptions, and periodicals for office or professional use, and insurance and bonding. Also include the premium to the Finance Department-Risk Management Division for insurance coverage.

The following information should be used in estimating costs for insurance premiums paid to the Department of Finance, Division of Risk Management (DORM). A PREMIUM MUST BE PAID IN FULL FOR EACH TYPE OF COVERAGE TO BE INSURED. Departments will be sent premium invoices for FY 2008-2009 by September 30, 2008. You may contact DORM with questions concerning insurance requirements and to obtain a free handbook using one of the following: Telephone- (334) 223-6120; Email- riskinfo@finance.alabama.gov; Fax- (334) 223-6154. Alternatively, visit the website for procedures and additional information at <http://www.riskmgt.alabama.gov>.

- ❖ General Liability Trust Fund Coverage- Rates for each State Department will be as follows:

<u>Liability Index</u>	<u>Annual Rate</u>	<u>Liability Index</u>	<u>Annual Rate</u>
001	\$123.04	006	\$294.75
002	147.64	007	344.48
003	196.84	008	393.66
004	221.44	009	442.91
005	246.06	010	492.10

- ❖ Automobile Liability Coverage- Insurance rates for vehicles and Class I drivers are listed below. This is a reinsurance program, and premiums charged reflect the cost paid by the Division of Risk Management.

<u>Vehicles</u>	<u>Premiums</u>	<u>Drivers</u>	<u>Premiums</u>
Class 001	\$392.00	Class I	\$64.00
Class 002	\$434.00	Class II	No Charge
Class 003	\$589.00		
Class 004	\$738.00		
Class 005	\$893.00		

For information on the following types of coverage contact [Carl Walter](#) in the Division of Risk Management at (334) 223-6138.

- ❖ Automobile Physical Damage Coverage- This optional coverage is available to cover damage to vehicles.
- ❖ Property Insurance- This is the State Insurance Fund that provides coverage for buildings and contents, blanket replacement coverage, electronic data processing equipment, transit and builders risk insurance.
- ❖ Policy Management- Risk Management purchases special policies for departments as follows: boiler and machinery, flood insurance, aircraft and other policies as needed. The blanket fidelity bond will be \$2.00 per employee per year for FY 2007-2008.
- ❖ State Employee Injury Compensation Trust Fund- Since October 1, 1994, state employees are covered for on-the-job injuries. Each agency will be billed based on its experience rating.

1000 Transportation Equipment Operations Includes all costs of operating transportation equipment. Includes petroleum products, batteries, tires, repairs and maintenance of transportation equipment, and auto tags.

1100 Grants and Benefits Includes costs relating to the payment of grants, benefits and related expenditures. Includes costs for grants or awards made by the State; health benefits for certain eligible persons; retirement and pension benefits; grants made by the State to county and municipal school systems, colleges, universities, trade schools and junior colleges; payments to county and municipal health departments; grants from revenue sharing and all grant payments made in compliance with legislative appropriation acts.

- 1200 Capital Outlay In accordance with §41-4-93, Code of Alabama 1975, Capital Outlay includes expenditures that result in the acquisition of land, buildings, permanent equipment for buildings and/or improvements or alterations to any land, building or permanent equipment for buildings. This includes the cost of construction or alteration to roads, highways, bridges and airfields. Capital Outlay budgeted in Appropriation Unit 050 (Capital Outlay Program) must be coded to the appropriate Expense Objects (from 0100 to 1600). If the project is to be completed within the fiscal year, do not budget it under Appropriation Unit 050.
- 1300 Transportation Equipment Purchases Includes the cost of purchases of all types of equipment used in transportation related activities. Includes purchases of automobiles, light trucks, automotive farming or forestry equipment, boats and heavy equipment.
- 1400 Other Equipment Purchases Includes all equipment purchases over \$500 except those related to transportation. All weapons are included regardless of price. Includes office furniture and equipment, data processing, reproduction and printing, agricultural, communication, medical, scientific/technical, recreational, and heating/cooling equipment. Also includes textbooks and educational teaching aids. (Use 0900 for items less than \$500.)
- 1500 Debt Service Includes the payment of interest, principal and incidental costs on all debt obligations of the State.
- 1600 Miscellaneous To account for operating transfers, reversions, or appropriated operating transfers out of General Fund or Education Trust Fund.

COMPILATION OF AGENCY BUDGET - AN OVERVIEW

An Agency, or other governmental entity, could consist of one or more programs. A "program" shall mean a system of related activities required to achieve a specific objective, by providing services to an identified clientele or group of recipients. The Central Accounting System (CAS) captures and reports programs as appropriation units, which shall mean the same as "program". Begin preparing the budget request at the fund level of each program.

- Step No. 1 Prepare an expense detail for each activity in the department's structure. The expense detail is used to complete EBO Form No. 5 and, therefore, should be developed on the basis of major objects of expenditure (see page 3 for definitions of major objects of expenditure).
- Step No. 2 Identify the source of funds for each activity. Complete EBO Form No. 5 for each separate fund.
- Step No. 3 Combine source of funds and complete a summary of EBO Form No. 5 for each activity.
- Step No. 4 Summarize all the activities into their applicable programs and complete EBO Form No. 5 for each program. If the department has only one program, one activity, and one fund, then only one EBO Form No. 5 will have to be prepared.
- Step No. 5 Complete an EBO Form No. 5 for program "050 - CAPITAL OUTLAY EXPENDITURES" to show all capital outlay expenditures for each of the three fiscal years. Code these expenditures in the appropriate object codes from 0100 to 1600, if applicable.
- Step No. 6 Compile EBO Form No. 2 from the information on EBO Form No. 5 programs and activities. If the department has only one program and one activity, no EBO Form No. 2 is required.
- Step No. 7 Complete EBO Form No. 3 for all FY 2008-2009 capital expenditure, transportation equipment and other equipment proposals.
- Step No. 8 Complete a Summary EBO Form No. 1 for all funds. Balance brought forward, actual receipts, etc. for FY 2006-2007 should correspond with the year-end reports for the September 2007 accounting period.
- Step No. 9 Complete a Summary EBO Form No. 6 listing all personnel actually employed in FY 2006-2007, those budgeted for FY 2007-2008 and those requested for FY 2008-2009. Personnel should be grouped according to classification.
- Step No. 10 Prepare and include an agency summary that itemizes and explains, by major expenditure object, increases and decreases in requested funding. Use the format shown in the example on page 9.

Step No. 11 Arrange forms in the following order for submission to the Executive Budget Office:

- | | | |
|------|-------------------------|---|
| (1) | Cover Letter | Addressed to the Director of Finance. |
| (2) | Program Analysis | New or discontinued program information. |
| (3) | Explanation of Requests | Itemized explanation of agency increases (decreases).
See example on page 9. |
| (4) | EBO Form No. 1 | Estimated condition of funds. |
| (5) | EBO Form No. 2 | Agency summary budget request (if applicable). |
| (6) | EBO Form No. 3 | Agency capital expenditures. |
| (7) | EBO Form No. 5 | Agency summary- all programs in one agency. |
| (8) | EBO Form No. 5 | Program summary- all related activities in one program. |
| (9) | EBO Form No. 5 | Activity summary- all funds in one activity. |
| (10) | More than one Program | Repeat items (9) and (10) for each program. |
| (11) | EBO Form No. 6 | Personnel classification. |

Some of the above forms may not apply to your agency. Call your Budget Analyst if you need assistance at 334-242-7230.

**DEPARTMENT ON AGRICULTURE AND INDUSTRIES
EXPLANATION OF REQUESTED INCREASES AND DECREASES
FY 2009**

	General Fund	Earmarked Funds	Inc/Dec TOTAL
FY 2008 Budgeted Expenditures (EBO Form No. 1)	677,100	345,000	1,022,100
FY 2009 INCREASES (DECREASES)			
PERSONNEL:			
<i>Please separate all new hires increases/decreases from current personnel.</i>			
New hires as follows:			
2-Ag Development Specs, 1-IT Specs, 1 Ag & Consumer Protection Spec. Eliminates laborer position.	20,700		20,700
Merit/probational raises for new hires	886		886
Merit and probational raises for current personnel - ending November 16	1,314		1,314
Increase in longevity	2,500		2,500
Increase/reduction in termination costs		(63,734)	(63,734)
Promotions: Accountant I to Staff Accountant & ASA I to ASA II (2 employees)	1,580		1,580
COLA increase current personnel	40,040	37,274	77,314
Est. Overtime pay due to drought	35,987	24,413	60,400
<i>Subtotal</i>	103,007	(2,047)	100,960
EMPLOYEE BENEFITS:			
Increase in insurance benefits due to new hires	1,000		1,000
Increase in retirement from 9.84% to 10.26%	860		860
Increase in health insurance premium from \$775 to \$837	8,816		8,816
Health insurance, FICA, and retirement contributions for new hire.	5,067	(2,843)	2,224
Increase in benefits due to raises for current personnel	2,400		2,400
<i>Subtotal</i>	18,143	(2,843)	15,300
TRAVEL-IN-STATE:			
Increase travel for new hires	2,000		2,000
Increase number of site inspections and workshops	2,000		2,000
<i>Subtotal</i>	4,000		4,000
TRAVEL-OUT-STATE:			
Increase travel for new hires	2,000		2,000
REPAIRS AND MAINTENANCE:			
Increased costs for repairing & roofing the main office building	35,000	(55,000)	(20,000)
UTILITIES & COMMUNICATIONS:			
Increase in utility rates		1,000	1,000
To purchase communications equipment for field work.		1,000	1,000
<i>Subtotal</i>	-	2,000	2,000
PROFESSIONAL SERVICES:			
Increased professional service contract		2,500	2,500
SUPPLIES, MATERIALS AND OPERATING EXP:			
Increased cost of materials for office operations		6,800	6,800
TRANSPORTATION EQUIPMENT OPERATIONS:			
Increased gasoline costs	(10,000)	5,000	(5,000)
GRANTS & BENEFITS:			
Increase grants to agricultural districts and on-site workshops	(120,000)	95,000	(25,000)
CAPITAL OUTLAY:			
Roof replacement		25,000	25,000
Purchase of Land		25,000	25,000
<i>Subtotal</i>	-	50,000	50,000
TRANSPORTATION EQUIPMENT PURCHASE:			
2 Trucks		4,000	4,000
Trailers/Haulers		4,500	4,500
<i>Subtotal</i>	-	8,500	8,500
TOTAL REQUESTED INCREASE (DECREASE)	32,150	109,910	142,060
FY 2009 TOTAL REQUESTED EXPENDITURES (Must match Total on EBO Form No. 1)	709,250	454,910	1,164,160

EBO FORM NO. 5 PROGRAM SUMMARY

NOTE: EBO Form No. 5 is used in three levels of budgeting compilation:

- A. Prepare one EBO Form No. 5 for each fund within an activity.
- B. Prepare one EBO Form No. 5 summary for each activity, and list all funds.
- C. Prepare one EBO Form No. 5 summary for each program, and list all activities and funds.

EBO Form No. 5 will be used to summarize worksheet data for the fund, activity and program level(s) of each agency. P441 EOY Budget Management Report for the period ending "year end" may be helpful in completing EBO Form No. 5.

The following detailed instruction numbers pertain to the example on page 12.

1. **HEADING-** Identify the agency and complete the three-digit agency number.
2. **SEQUENCING-** Identify the page number of the sequence and total number of pages in the sequence (e.g. if you have three activities within a program, the summary page would be 1 of 4.)
3. **CODE NAMES-** Identify the appropriate program and activity names. Fill in the organization name only if your agency budgets at the organization level in CAS.
4. **CODE NUMBERS-** Fill in the appropriate three-digit code number for each program and four-digit code number for each activity. Fill in the four-digit organization number if your agency budgets at the organization level in CAS.
5. **EXPENDITURES-** Identify expenditures within major objects of expenditure as defined in the Chart of Accounts section entitled, "Expenditure Categories." Complete a separate EBO Form No. 5 for each fund.
6. **EMPLOYEES-** Specify the actual number of employees utilized for FY 2006-2007, budgeted for FY 2007-2008, and requested for FY 2008-2009. Number of employees should be shown on a full-time equivalency basis, calculated as total time employed divided by the total available work time. One employee utilized for the entire year represents one man-year of service (i.e. 1/1= 1.00). Two secretaries employed for six months are equal to one man-year of service (i.e. 6 months/12 months = .50 x 2 secretaries = 1.00 FTE). Show number of employees to two decimal places.
7. **ACTUAL EXPENDITURES-** Use the End-of-Year Budget Management Report (Report P441) to list actual expenditures for FY 2006-2007. When listing these expenditures, use the totals from the "Total Commitments" column of the P441 Report, because this total includes expenditures, purchase orders, and encumbrances. Never should actual expenditures exceed the amount appropriated.
8. **BUDGETED EXPENDITURES-** Base expenditures for FY 2007-2008 on the actual legislative appropriations and estimated revenues. This column should reflect the same numbers as those on your 2007-2008 Operations Plan, including any approved revisions.

9. REQUESTED EXPENDITURES- This column represents the budget that you are requesting for FY 2008-2009.
10. VARIANCES- Calculate the Amount of the Increase (Decrease) From Prior Year by subtracting column 8 (Budgeted Expenditures) from column 9 (Requested Expenditures).
11. PERCENTAGE- Calculate Percent by dividing column 10 by column 8 and multiply that result by 100 (i.e. $3,957 \div 195,706 = .0202$; and $.0202 \times 100 = 2.02$). The Percent of Increase or Decrease Prior Year should be shown to two decimal places. This may require adjusting the mode or setting on your calculator. When there is not an amount shown in column 8 (Budgeted Expenditures) and there is an amount shown in column 9 (Requested Expenditures), the percent of increase should be shown by inserting five dots (.....).
12. SOURCE OF FUNDS- Fill in the Source of Funds and the four-digit fund code number. Only one fund number should be on each page; however, it may be listed more than once. For example, list the General Fund appropriation on one line and the General Fund appropriation from a special act on a separate line of the same form (Multiple funds may appear on summary pages only). Total Funds must equal Total Expenditures for each of the three fiscal years. Total Funds on EBO Form No. 5 will not necessarily equal Total Receipts on EBO Form No. 1, but rather justify sources for expenditures for each of the three fiscal years.
13. SUPPLEMENTAL APPROPRIATIONS- Show any supplemental appropriations from separate acts on a separate line. For example, agencies that received additional appropriation authority during fiscal year 2006-2007 (from Act 2007-286) should list that appropriation on a separate line on EBO Form No. 5 under the ACTUAL EXPENDITURES column.

Agencies that received additional appropriation authority for the 5% COLA (Act 2006-421) in fiscal year 2006-2007 should show these amounts as separate line items as well.
14. EXPANSION / DISCONTINUATION- If the agency will be either starting a major new service or discontinuing any existing services, attach a summary analysis (or include a footnote) explaining this Program Change.

Program Name: Agricultural Development Services (3) Program No.: 011 (4)
 Activity Name: Livestock Market News Services (3) Activity No.: 0002 (4)
 Organization Name: (3) Budget Org No.: (4)

(5) MAJOR OBJECTS	(7) ACTUAL EXPENDITURES 2006-2007	(8) BUDGETED EXPENDITURES 2007-2008	(9) REQUESTED EXPENDITURES 2008-2009	(10) INCREASE (DECREASE) FROM PRIOR YEAR	
				AMOUNT	(11) PERCENT
(6) Number of Employees	12.00	12.00	12.50	0.50	4.17%
0100 Personnel Costs	191,206	194,850	199,696	4,846	2.49%
0200 Employee Benefits	40,290	41,700	44,224	2,524	6.05%
0300 Travel-In-State	17,900	17,900	16,000	(1,900)	-10.61%
0400 Travel-Out-Of-State	850	850	1,200	350	41.18%
0500 Repairs and Maintenance	150	150	500	350	233.33%
0600 Rentals and Leases					
0700 Utilities and Communication	5,000	5,000	7,250	2,250	45.00%
0800 Professional Services			250	250
0900 Supplies, Materials and Operating Exp	8,765	6,000	5,200	(800)	-13.33%
1000 Transportation Equipment Operations	10,752	11,000	12,000	1,000	9.09%
1100 Grants and Benefits					
1200 Capital Outlay			50,000	50,000
1300 Transportation Equipment Purchases	6,821	5,000	50,000	45,000 *	900.00%
1400 Other Equipment Purchases	792	900	1,000	100	11.11%
1500 Debt Service					
1600 Miscellaneous		1,000	1,000		
TOTAL EXPENDITURES	282,526	284,350	388,320	103,970	36.56%
FUND NO. (12) SOURCE OF FUNDS					
0100 State General Fund	231,610	235,240	296,950	61,710	26.23%
(13) 0100 State General Fund-Act 2007-286	4,000				
(13) 0100 State General Fund-Retirement (Act 2007-257)		210		(210)	-100.00%
(13) 0100 State General Fund-Employee Payraise	14,385	11,400	12,010	610	5.35%
0301 Federal Funds	11,000	16,000	53,860	37,860	236.63%
0300 Shipping Point Inspection Receipts	21,531	21,500	25,500	4,000	18.60%
TOTAL SOURCE OF FUNDS	282,526	284,350	388,320	103,970	36.56%

(14) * Large increase due to a legislative requirement to increase inspection activities, which require additional automobiles for state travel.

EBO FORM NO. 2 SUMMARY REQUEST

NOTE: Prepare one EBO Form No. 2 as an agency summary of all EBO Forms No. 5 if there are multiple activities or programs. An agency with one program and one activity should not complete EBO Form No. 2.

Detailed instruction numbers refer to the example on page 14.

1. Identify the Agency and complete the three-digit agency number.
2. Identify the Page Number of the sequence and the total number of pages in the sequence used in the Agency Summary Budget Request.
3. List all programs and activities within each program in order of priority. Pay special attention to the format. The title of the program should be typed in ALL CAPITALS followed by a colon. The activities should be typed in upper and lower case and indented. Enter three-digit program number and four-digit activity code number in the left-hand column.
4. Show the Total Expenditures for each program for each of the three fiscal years and the increase (decrease) over prior year amounts and percentages. These amounts must match corresponding program totals on EBO Form No. 5.
5. Calculate Total Expenditures by summing all agency program expenditures for each fiscal year.
6. Develop an Agency Summary based on the format given in the example. Identify all applicable major objects of expenditure and their code numbers (major object code numbers are the same for all agencies). Do not include objects which have no expenditures. The agency summary is derived by summing the major objects of expenditure of all EBO Form No. 5 Program Summaries.
7. Verify that Total Expenditures under the agency summary equals Total Expenditures under the Program and Activity Summary (Item 7 = Item 5).
8. Show the Total Number of Employees for each fiscal year to equal the sum of Number of Employees shown on each EBO Form No. 5 Program Summary and the Total Number of Employees shown on EBO Form No. 6 Personnel Classification. Extend to two decimal places, e.g., 1.50 or 10.00.
9. Identify the agency Source of Funds and four-digit fund code numbers based on the format given. Total Funds must equal Total Expenditures in all columns but will not necessarily equal Total Receipts on EBO Form No. 1. Total Funds should justify Total Expenditures. List any supplemental appropriations separately and identify the Act number.

Agencies that received additional appropriation authority for the 5% COLA (Act 2006-421) in fiscal year 2006-2007 should show these amounts as separate line items as well.
10. Show Percent Increase or Decrease From Prior Year including two decimal places. When there is not an amount shown in FY 2006-2007 column and there is an amount shown in the FY 2007-2008 column, the percent of increase should be shown by five dots (.....).

STATE OF ALABAMA EBO Form No. 2		AGENCY BUDGET REQUEST SUMMARY BUDGET REQUEST			(1) Agency: Agriculture and Industries (1) Agency No. 001 (2) Page 1 of 1	
PROGRAMS & ACTIVITIES (Listed in Priority Order)		ACTUAL 2006-2007	BUDGETED 2007-2008	REQUESTED 2008-2009	INCREASE (DECREASE) FROM PRIOR YEAR	
					AMOUNT	(10) PERCENT
656	(3) ADMINISTRATIVE SERVICES PROGRAM:					
0441	(3) Executive Administration Activity	424,908	432,370	442,850	10,480	2.42%
011	AGRICULTURAL DEVELOPMENT SERVICES PROGRAM:					
0002	Livestock Market News Services Activity	282,526	284,350	388,320	103,970	36.56%
0003	Marketing Development Activity	296,906	305,380	132,990	(172,390)	-56.45%
	(4) TOTAL	579,432	589,730	521,310	(68,420)	-11.60%
050	CAPITAL OUTLAY PROGRAM:					
0003	Marketing Development Activity			200,000	200,000
	(5) TOTAL EXPENDITURES	1,004,340	1,022,100	1,164,160	142,060	13.90%
	(6) DEPARTMENT OF AGRICULTURE AND INDUSTRIES SUMMARY:					
0100	Personnel Costs	511,012	466,600	567,560	100,960	21.64%
0200	Employee Benefits	69,749	82,000	97,300	15,300	18.66%
0300	Travel - In-State	31,847	36,000	40,000	4,000	11.11%
0400	Travel - Out-of-State	2,733	3,000	5,000	2,000	66.67%
0500	Repairs and Maintenance	51,555	55,000	35,000	(20,000)	-36.36%
0700	Utilities and Communication	82,551	83,000	85,000	2,000	2.41%
0800	Professional Services	3,500	6,000	8,500	2,500	41.67%
0900	Supplies, Materials and Operating Exp	25,890	25,500	32,300	6,800	26.67%
1000	Transportation Equipment Operations	10,875	15,000	10,000	(5,000)	-33.33%
1100	Grants and Benefits	119,053	150,000	125,000	(25,000)	-16.67%
1200	Capital Outlay	24,875		50,000	50,000
1300	Transportation Equipment Purchases	50,900	75,000	83,500	8,500	11.33%
1400	Other Equipment Purchases	19,800	25,000	25,000		
	(7) TOTAL EXPENDITURES	1,004,340	1,022,100	1,164,160	142,060	13.90%
(8)	Total Number of Employees	24.00	20.00	21.00	1.00	5.00%
(9)	SOURCE OF FUNDS:					
0100	State General Fund	617,992	658,000	689,500	31,500	4.79%
0100	State General Fund-Employee Payraise	21,000	18,700	19,350	650	3.48%
0100	State General Fund-Retirement Act 2007-257		400			
0100	State General Fund-Act 2007-286	10,000				
0485	Egg Inspection Fund	87,050	30,000	25,000	(5,000)	-16.67%
0300	Shipping Point Inspection Fund	210,000	248,000	250,000	2,000	0.81%
0301	Federal Funds	58,298	67,000	180,310	113,310	169.12%
	TOTAL SOURCE OF FUNDS	1,004,340	1,022,100	1,164,160	142,060	13.90%

EBO FORM NO. 3 CAPITAL EXPENDITURE PLAN

NOTE: Prepare one EBO Form No. 3 at the agency level.

The purpose of EBO Form No. 3 is to justify, describe, and plan for financing all requested capital expenditures for FY 2009 only. Individually itemize all capital items having an estimated cost in excess of \$1,000 and a useful life exceeding one year. Combine all items costing less than \$1,000 with an estimated life exceeding one year and identify as "Miscellaneous Capital Expenditures" under the appropriate capital expenditure category. Items having a useful life of less than one year should be identified as another object, not as capital expenditures. Capital Outlay, Transportation Equipment Purchases, and Other Equipment Purchases were defined under "Expenditure Categories". All figures should be representative of the entire agency.

The detailed instruction numbers for EBO Form No. 3 apply to the example on page 16.

1. Identify the agency and complete the three-digit agency number.
2. Identify the page number of the sequence and the total number of pages in the sequence.
3. Identify the items requested in order of priority.
4. Show the estimated cost under the appropriate capital expenditure category.
5. Identify the code number of the program affected by the expenditure. Capital Outlay expenditures should be budgeted to program 050 if it is a multi-year appropriation.
6. Specify the location(s) for use of the proposed item; e.g., Montgomery, Statewide, Headquarters, Dothan, etc.
7. Indicate the proposed sources and/or methods of financing; e.g., General Fund, Federal Funds, fees, etc.
8. Indicate the four-digit fund code number from which each item will be funded.
9. Total each column of capital expenditures. Totals must equal the object totals shown under the Agency Summary on EBO Form No. 2 for FY 2008-2009 and Program Summary EBO Form No. 5 for FY 2008-2009.
10. Prepare a brief narrative description and justification concerning the use of the proposed item. Explain why it is needed and estimate the potential effect on services provided. For Capital Outlay expenditures, provide an approximate completion date.

IDENTIFICATION OF REQUESTED ITEMS (Priority Listing if Multiple Items) (3)	(4)			(5)	(6)	(7)	(8)
	CAPITAL OUTLAY	TRANSPORTATION EQUIPMENT PURCHASES	OTHER EQUIPMENT PURCHASES	PROGRAM AFFECTED	LOCATION	SOURCE OF FINANCING	FUND CODE NO.
1 2 Trucks		45,000		011	Statewide	SGF	0100
2 Trailers		38,500		011	Headquarters	SGF	0100
3 Poultry Equipment			25,000	011	Montgomery	Federal	0301
4 Purchase of Land	25,000			011	Montgomery	SGF	0100
5 Roof replacement	25,000			050	Montgomery	Ag Fees	0301
TOTALS (9)	50,000	83,500	25,000				

(10) DESCRIPTION AND JUSTIFICATION:

- 1 Needed for increased inspections
- 2 Replace outdated equipment
- 3 Replace worn equipment
- 4 Purchase of land for new building site
- 5 Re-roofing admin building, to be completed by September 2012.

EBO FORM NO. 1 CONDITION OF FUNDS

NOTE: Prepare one EBO Form No. 1 to summarize all agency receipts including General Fund and ETF appropriations, federal matching funds, federal grants, local funds, departmental receipts earmarked for specific programs, and all other funds and revenues.

Detailed instruction numbers apply to the example on page 19.

1. Identify the agency and complete the three-digit agency number.
2. Show actual receipts and expenditures for FY 2006-2007, budgeted receipts and expenditures for FY 2007-2008 and requested receipts and expenditures for FY 2008-2009. Receipt figures for FY 2006-2007 should agree with the year-end Detail Listing of Revenues vs. Budget Report (A-203) for budget fiscal year 2007 (September 2007 accounting period). All numbers should be rounded to the nearest dollar. Do not show decimal places at all. Refer to the column entitled "Fiscal Year to Date Revenue Recognized" in the report noted above for each fund.
3. Calculate the Amount of Increase (Decrease) From Prior Year by subtracting the FY 2007-2008 fund amount from the FY 2008-2009 fund amount.
4. Calculate the Percent of Increase (Decrease) From Prior Year by dividing the Amount of Increase/(Decrease) by the FY 2007-2008 budgeted fund amount. The percent figure should be shown to two decimal places (i.e. 2.13).
5. Using the Cash Reconciliation Report (C115), calculate the Unencumbered Balance Brought Forward by subtracting from Beginning Cash any prior year (other than the one just ended) expenses and/or prior year unpaid P.O.'s and encumbrances.
6. Fill in the appropriate four-digit fund code numbers assigned by the State Comptroller's Office.
7. List all receipts of Federal and Local Funds such as federal matching funds, federal grants and local funds. Show each source separately; e.g., Federal Grant.
8. List all receipts of State Funds such as the State General Fund, ETF, departmental receipts, and all other state sources. List any supplemental appropriations separately, and identify by Act number. Agencies that received additional appropriation authority for the 5% COLA in fiscal year 2006-2007 should show these amounts as separate line items as well.
9. Calculate Total Receipts as the aggregate total of all receipts for the fiscal year but do not include the Unencumbered Balance Brought Forward.
10. Calculate Total Available by adding the Unencumbered Balance Brought Forward and Total Receipts (Item 5 + Item 9).
11. Show Expenditures to equal Total Expenditures on EBO Form No. 2 and Total Expenditures on Program Summary EBO Form No.5 for each fiscal year.

12. List any Transfers which are the amounts transferred from one agency or fund to another agency or fund when no service is received by the agency transferring the funds. Do not include transfers as a part of total expenditures on EBO Forms No. 1, 2, and 5. State to which agency or fund the transfer is to be made; e.g., Transfer to ABC Board. Do not include intra-agency transfers.
13. List any Reversions which are amounts reverted to the fund from which the monies were originally appropriated. Do not include reversions as a part of total expenditures on the EBO Forms No. 1, 2, and 5. Identify the fund to which the reversion is to be made; e.g., Reversion to State General Fund.
14. Calculate the Balance Unencumbered by subtracting Expenditures, Transfers and Reversions from Total Available (Item 14 = Item 10 - Items 11, 12, and 13). The Balance Unencumbered at the end of one fiscal year becomes the Unencumbered Balance Brought Forward for the beginning of the next fiscal year.

STATE OF ALABAMA EBO Form No. 1		AGENCY BUDGET REQUEST ESTIMATED CONDITION OF FUNDS			(1) Agency: <u>Agriculture and Industries</u> Agency No. <u>001</u>	
RECAP OF ALL FUNDS		(2)			INCREASE (DECREASE) FROM PRIOR YEAR	
		ACTUAL 2006-2007	BUDGETED 2007-2008	REQUESTED 2008-2009	(3) AMOUNT	(4) PERCENT
FUND NO.	RECEIPTS					
(5)	Unencumbered Balance Brought Forward	445,456	561,323	686,323	125,000	22.27%
(6)	RECEIPTS:					
(7)	Federal and Local Funds:					
0300	Shipping Point Inspection Fund	210,000	248,000	281,000	33,000	13.31%
0301	Poultry and Egg Assoc.	25,867	30,000	30,000		
0301	Federal Grant	58,298	67,000	196,640	129,640	193.49%
0485	Egg Inspection Fund	87,050	30,000	60,940	30,940	103.13%
0399	Federal Funds	100,000	100,000	250,000	150,000	150.00%
(8)	State Funds:					
0100	State General Fund	627,992	658,000	689,500	31,500	4.79%
0100	State General Fund-Employee Payraise	21,000	18,700	19,350	650	3.48%
0100	State General Fund-Retirement (Act 2007-257)		400		(400)	-100.00%
0100	State General Fund-Act 2007-286	10,000				
(9)	TOTAL RECEIPTS	1,140,207	1,152,100	1,527,430	375,330	32.58%
(10)	TOTAL AVAILABLE	1,585,663	1,713,423	2,213,753	500,330	29.20%
(11)	LESS: EXPENDITURES	1,004,340	1,022,100	1,164,160	142,060	13.90%
(12)	TRANSFERS TO AGRICULTURE MUSEUM BOARD	10,000	5,000	10,000	5,000	100.00%
(13)	REVERSIONS TO STATE GENERAL FUND	10,000				
(14)	BALANCE UNENCUMBERED	561,323	686,323	1,039,593	353,270	51.47%

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APPROVED *AGENCY HEAD*

Agency Head

October 21, 2007

Date

EBO FORM NO. 6 PERSONNEL CLASSIFICATION

NOTE: Prepare EBO Form No. 6 - a one-page summary for the total agency.

Detailed instruction numbers apply to the example on page 21.

1. Identify the agency and complete the three-digit agency number.
2. Identify the page number of the sequence and the total number of pages in the sequence.
3. Indicate only the major groups of employee classifications utilized. Combine similar classifications; for example, Accountants, Inspectors, Engineers, Analysts, etc. would not be listed as individual classifications such as Analyst I, II, III, etc.
4. Indicate the number of employees in each classification grouping for each of the three years. Number of employees should be shown on a full-time equivalency basis, calculated as total time employed divided by the total available work time. One employee utilized for the entire year represents one man-year of service (i.e. 1/1= 1). Two secretaries employed for six months are equal to one man-year of service (i.e. 6 months/12 months = .50 x 2 secretaries = 1.00 FTE). Show number of employees to two decimal places.
5. Indicate the total amount of salary for each category listed for each of the three years. Round personnel cost to the nearest dollar.
6. Show all additional personnel costs that are not a part of regular salary on a separate line; e.g., termination costs, overtime, special allowances, board members' per diem, etc.
7. Show the total paid or budgeted for longevity for each year on a separate line.
8. Indicate the total number of employees and personnel cost for each of the three years which should agree with the amounts presented on EBO Form No. 2 and the program summary EBO Form No. 5.
9. Other Personnel Information - the number of employees affected should be identified in one or more of the following categories for each of the three years.
 - (a) Anniversary/Annual/Promotional Raises - raises granted on the anniversary date of employment after an evaluation and a qualifying score is earned; at the time of a promotion, and at the time permanent status is granted in a new classification (i.e. raises that are granted when employee has completed probationary period).
 - (b) Special Merit Raises - any special meritorious increases granted in addition to the regular anniversary raise or a promotional raise.
 - (c) New Positions - includes any newly created positions not previously allotted to your department. For example, approval has been granted by the State Personnel Department to your agency for a new classification slot of an Attorney I. This new employee would be listed as a "New Position."
 - (d) Vacant Positions Filled - any position within your agency that has been vacant for six months or more that will be filled during the current year.
 - (e) Actual Number of Employees on September 30th - actual number of employees as of the last pay period of each fiscal year.

NOTE: After completing Form 6, compare it to the Agency Summary EBO Form No. 5 (or, EBO Form No. 2) to make sure that the totals are the same.

(3) EMPLOYEE CLASSIFICATIONS	ACTUAL 2006-2007		BUDGETED 2007-2008		REQUESTED 2008-2009	
	(4) NO. EMPLOYEES	(5) AMOUNT	(4) NO. EMPLOYEES	(5) AMOUNT	(4) NO. EMPLOYEES	(5) AMOUNT
Administrative Support Assistants	5.00	66,164	5.00	66,953	3.00	62,366
Laboratory Technicians	4.00	75,283	2.00	37,641	2.00	39,523
Commissioner	1.00	77,619	1.00	77,700	1.00	81,585
AG & Consumer Protection Specialist	5.00	82,974	5.00	85,777	6.00	140,066
Accountant	4.00	76,789	2.00	53,101	2.00	55,756
Account Clerks	2.00	28,500	2.00	25,225	2.00	26,486
Information Technology Specialist	2.00	66,000	2.00	67,120	3.00	92,583
AG Development Specialist	1.00	21,083	1.00	31,083	2.00	61,166
(6) Termination Costs		15,000		20,000		5,129
(7) Longevity		1,600		2,000		2,500
(8) TOTALS	24.00	511,012	20.00	466,600	21.00	567,160
(9) OTHER PERSONNEL INFORMATION:	2006-2007		2007-2008		2008-2009	
Number of Anniversary, Special, Promotional Raises	12.00		9.00		15.00	
Number of Special Merit Raises						
Number of New Positions						
Number of Vacant Positions Filled					4.00	
Actual Number of Employees on Sept 30th	25.00		20.00		21.00	