



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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August 20, 2020

TO: Agency Directors

FROM: David Schumacher
Director

SUBJECT: 2021 SUPPLEMENTAL BUDGET INSTRUCTIONS

As the coronavirus pandemic continues to impact our national and state economies, we must maintain services to protect and provide for those most vulnerable in our state with the limited resources available. This will require difficult choices on what we prioritize to do and what we eliminate or reduce.

As I have indicated in previous memoranda, the savings we identify will be reflected in appropriation adjustments in a potential early action bill, the 2021 supplemental budget, or both. We must continue to work together as a team to help address General Fund-State and other fund shortfalls, including the transportation budget, in the current and next several biennia.

Here are the submittal instructions for the 2021 supplemental operating and capital budgets, which are due to OFM by **Thursday, October 1**.

Operating Budget

Any 2021 supplemental operating budget requests should be limited to individual component savings pursuant to the governor's directives and OFM memoranda:

- [Governor's Directive 20-05](#) and [Hiring, Personal Services Contracts and Equipment Purchases Freeze](#)
- [Governor's Directive 20-08](#) and [Agency Furlough and Salary Savings](#)
- [Agency Savings and Coronavirus Relief](#)
- Non-discretionary changes in legally-mandated caseloads or workloads.
- Necessary technical corrections to the enacted 2019-21 budget.
- Necessary funding and adjustments to close the biennium.

Narrative descriptions for revisions should be as detailed as possible and fully explain why the request for additional funding cannot be absorbed within your existing budget. Detailed decision package instructions may be found in [Chapter 2 of the 2019-21 Budget Instructions](#).

Governor Inslee has made a commitment to focus on equity in the upcoming budget discussions, so that the communities furthest from opportunity receive greater support during these difficult economic times. To that end, agencies must analyze the impacts on affected communities and describe how their budget requests affect disparities and equity in our state.

In addition, include specific budget provisos or statutory changes necessary to achieve any proposed savings.

Additional funding from other sources. Agencies should continue to leverage to the maximum extent possible additional federal or private/local funding during the 2019-21 biennium and beyond. Agencies also should consult with their [assigned OFM budget analyst](#) about utilizing, where appropriate, the unanticipated receipt process or including those funds in a supplemental or biennial budget decision package. As always, the normal unanticipated receipt process is suspended during the legislative session.

New fees and extensions of existing fees. All fee increases – whether or not legislation is required – must be part of the agency budget submittal. Submit justification for new, extended or increased fees using the process described in [Chapter 8 of the 2019-21 Operating Budget Instructions](#).

Electronic submittal only. Proposed supplemental operating budget requests may only be submitted to OFM electronically through the Agency Budget System (ABS). Alternatives to ABS electronic submittals will not be accepted. When submitted, agency budget requests are available to the public at the [Agency Budget Request](#) (ABR) website (best viewed in Chrome). **Again, do not submit paper copies.**

Capital Budget

Proposals for the 2021 supplemental capital budget should be limited to technical corrections, emergency issues, or return of projected savings.

Electronic submittal in CBS. All capital budget revisions must be submitted to OFM using the Capital Budget System (CBS). The justification for requests must follow the format found in [Chapter 3 of the 2019-21 Capital Budget Instructions](#).

E-mail electronic copy instead of traditional paper binder. In addition to CBS data, each agency must submit a PDF of its supplemental capital budget request to OFM. This PDF will substitute for the paper binders that are usually required. There are three options for submitting this PDF:

- If the submittal is below the 20 MB restriction for email, email it to ofm.budget@ofm.wa.gov.
- For agencies *within the SGN*, larger files should be copied to our FTP site by pasting the following address into File Explorer (not a browser) – “ftp://ftp.ofm.wa.gov/OFM/Capital Budget Submittals”.
- For agencies *not within the SGN*, mail a thumb drive to OFM at the following address:

Office of Financial Management
300 Insurance Building
P.O. Box 43113
Olympia, WA 98504-3113

Thank you for your assistance. Please direct questions to your [assigned OFM operating or capital budget analyst](#).

cc: Agency Budget Officers