



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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May 4, 2023

TO: Agency Budget Officers

FROM: Nona Snell *Nona Snell*
Budget Director

SUBJECT: BUDGET FORMAT CHANGE REQUESTS

I am writing to provide instructions for agencies considering revisions to their budget format reporting structure. As provided in [RCW 43.88.030](#), a “budget format change” requires prior approval from the Office of Financial Management (OFM) and the Legislative Evaluation & Accountability Program (LEAP) Committee. A budget format change refers to any of the following changes in budget, allotment, or accounting formats:

- shift of costs between programs (subprograms/categories for the Department of Social and Health Services; Department of Children, Youth, and Families; Department of Corrections; and Health Care Authority);
- program creation, consolidation, elimination, or division of programs, subprograms, or categories;
- title change, if the new title is different from the current program, subprogram, or category name; or
- any other revisions that would affect the comparability of expenditures, revenues, workload, performance and personnel overtime.

Agencies proposing any such changes must submit a request to OFM no later than **Friday, May 19, 2023**, in anticipation of a future LEAP Committee hearing (typically held in June). To sign up for updates to legislative committees, schedules, and other information, [follow this link](#).

Please note that agencies are not *required* to submit budget format change proposals; please limit changes to those that meet the criteria identified above.

Program changes already adopted by legislative action in substantive legislation or an appropriations act do not require LEAP Committee approval; however, **a ten-year history restructure of historical data is still required** ([RCW 44.48.150](#)). For information on the type and format of the data required, please contact Sara Rupe in OFM’s Statewide Accounting Division at (360) 725-0189 or sara.rupe@ofm.wa.gov.

Required Elements of Program Structure Change Request

Agency submittals must provide a thorough description and explanation of each proposed budget format change. Include the elements on the following page to ensure that your agency submittal is complete.

1. **Narrative Description of Change** should focus on the following questions (see Tab A of the *Program Structure Change Example* at the link below).
 - What purpose is served by the change?
 - How will this change affect the availability and understanding of budget and accounting information for policymakers and the public? For example, if programs are being consolidated, explain how this change will affect the availability and understanding of data from formerly independent programs.
 - The name, telephone number, and email address of the staff who will testify on the agency's proposed changes at the LEAP Committee hearing. All agencies with program structure change requests must have a representative available to testify.
2. **Crosswalk** should display details within the affected programs in the existing structure compared to the proposed structure. (See Tab B of the *Program Structure Change Example*.)
3. **Comparison of Current Structure to Proposed Structure** should compare the current total estimated biennial expenditures and FTEs for all programs, before and after the proposed changes. (See Tab C of the *Program Structure Change Example*.)

[Program Structure Change Examples, Templates and FAQs](#)

4. **Name and email address** of staff who will represent your agency at the LEAP Committee meeting.

After conferring with legislative staff, OFM will send recommendations to the LEAP Committee, which will only consider requests recommended by OFM. Please do not forward program structure change requests directly to LEAP.

Accounting-related program restructure requests recommended by OFM and approved by the LEAP Committee are contingent upon OFM and LEAP Committee staff's receipt of the reconstructed ten-year operating and capital expenditure and FTE history reflecting the revised structure. This information will be used to update OFM's historical database. **No accounting-related program restructure may be instituted prior to validation of the 10-year reconstruction of data by OFM and LEAP Committee staff.**

Only budget-related program restructure requests recommended by OFM and approved by the LEAP Committee are to be included in 2023-25 agency budget request proposals. Please email your agency program structure change requests, as editable source documents (e.g., Excel, Word), not .pdf files, to Budget.Operations@ofm.wa.gov.

You will find FAQs on Tab D of the *Program Structure Change Example*. Additional questions should be directed to your [assigned budget analyst](#).

cc: Susan Howson, Senate Ways & Means Committee
Dave Johnson, House Appropriations Committee
Mark Matteson, House Transportation Committee
Kelly Simpson, Senate Transportation Committee
Michael Mann, LEAP Committee
Kathy Barnett, LEAP Committee
Sara Rupe, OFM
Bryce Andersen, OFM