

## Introduction to the Office of Management and Budget's Reports

### Operating Budget Bill

Annual appropriations covering ongoing operations. Appropriations are typically made for a fiscal year, with funds lapsing at the end of the fiscal year.

### Capital Budget Bill

Appropriations for items exceeding one year and that usually cost more than \$25,000. Appropriations lapse only if funds remain after the project is completed.

### Mental Health Budget Bill

Operating and Capital appropriations related to the state's integrated comprehensive mental health program under AS 37.14.003(a)

### What the Columns Mean – the Annual Operating Budget Cycle

The following stages of the operating budget cycle are displayed in various combinations to show incremental changes or comparisons.

Conference Committee (Enacted)	Authorized	Management Plan	Governor Prior Year Actuals	Governor's Amended Supplemental
Final budget passed by the Legislature. Governor has 20 days after it is sent to exercise line item veto power.	Includes impacts of legislative actions not included in Conf. Committee such as new legislation and vetoes.  Released publicly Dec 15 <sup>th</sup> .	Implementation plan done part-way into the fiscal year which may include changes that do not require legislative approval. Used as a base for the next year's budget development.  Released publicly Dec 15 <sup>th</sup> .	Governor's proposed budget for the next fiscal year.  Actuals for the last completed fiscal year represent money spent during the fiscal year.	Governor's Amended reflects final decisions and changes to the budget proposed by the Governor.  The Supplemental budget provides additional funds or changes to appropriations in the current fiscal year budget.
May/June	July	August	December 15th	February

### How the Operating Budget is Organized

The operating budget is presented in one of two ways. Departments, Result Delivery Units, and Components are used in management reports. Departments, Appropriations, and Allocations are used in the budget bills. Agencies generally cannot move money between appropriations but they do have discretion across allocations.

Department	Results Delivery Unit (RDU)	Component
Highest level of the budget structure	Second level of the budget structure. May relate to divisions and usually is equivalent to appropriations in the budget bill.	Lowest level of the budget structure. May relate to divisions and usually is equivalent to allocations in the budget bill.

### How the Capital Budget is Organized

The capital budget is presented as projects within departments. Each project is classified as either an appropriation or allocation. Agencies generally cannot move money between appropriations but they do have discretion across allocations.

### Where the Money is Spent

The following line item accounts are used to track categories of expenditure and correspond to accounts used in the state's accounting system.

Line 1000	Line 2000	Line 3000	Line 4000	Line 5000	Line 7000	Line 8000
Personal Services – state staffing costs. Positions counts are classified on reports as Full-time (PFT), Part-time (PPT) or Non-permanent (NP)	Travel – transportation and per diem expenditures	Services – contractual services by 3 <sup>rd</sup> parties	Commodities – items consumed within year or equipment under \$5,000.	Capital Outlay – for durable items valued between \$5,000 and \$25,000	Grants/Benefits – Funds disbursed by the state to units of local government and to individuals in payment of various benefits and claims	Miscellaneous – Expenditures not specifically covered by other line items

### Where the Money is Coming From

4-digit fund codes specify funding sources for an appropriation. Each fund code is classified as one of four types: UGF, DGF, Other, or Federal.

Unrestricted General Fund (UGF)	Designated General Fund (DGF)	Other	Federal (Fed)
Money with no statutory restrictions on its use.	Money designated by the legislature for a specific purpose.	Money the legislature has limited discretion over. Includes "duplicated" funds such as interagency receipts where one state agency pays another.	Money received from the federal government.

For a more detailed look at the budget process, refer to the [Alaska Legislative Budget Handbook](http://www.legfin.state.ak.us) available from the State of Alaska Division of Legislative Finance website at [www.legfin.state.ak.us](http://www.legfin.state.ak.us).