
BUREAU OF BUDGET AND MANAGEMENT RESEARCH

STANDARD OPERATING PROCEDURES

SUBJECT: The Budget Call Process

EFFECTIVE DATE: November 8, 2019

Pursuant to §4103 and §4106 of Title 5 GCA, the Governor of Guam is required to prepare and administer the Executive Budget for the Government of Guam on an annual basis. The Executive Budget represents the Governor's financial proposal with recommended priorities for allocating resources. The budget process is essential and necessary for the enactment of a budget and review of government operations. Section 1302 established the duties and responsibilities of BBMR with respect to the budget process.

The Budget Process is comprised of the following phases: 1) Formulation, 2) Adoption, 3) Execution and 4) Audit.

FORMULATION: The economic forecast and the program and financial plans are prepared for the various departments. Economic data and statistics are utilized in developing projected revenues for the General Fund, Special Fund and Federal Match Fund for the upcoming fiscal year. Based on the projected revenues, the bureau identifies the appropriate ceiling levels for each department.

Once revenues have been projected, a Budget Call is distributed to all executive line departments/agencies. This process starts with the Bureau of Budget and Management Research (BBMR) issuing guidelines and instructions to the department/agency to start preparing next year's budget request. The Budget Call consist of the following budget forms and supplemental information:

1. Memorandum
2. Cover Page for Department FY20xx Budget Request
3. Agency Budget Certification (BBMR ABC)
4. Department Organization Chart
5. Agency Narrative Form (BBMR AN-N1)
 - a. Mission statement
 - b. Goals and objectives
6. Decision Package Form (BBMR DP-1)
7. Budget Digest Form (BBMR BD-1)
 - a. Columns A, D, G: Information should reflect total expenditures and encumbrances of the program for the previous fiscal year

- b. Columns B, E, H: Information should reflect appropriations for each program for the current fiscal year. Includes public law appropriations and subsequent amendments to the General Appropriations Act of the current fiscal year.
 - c. Column C: Information should reflect the agency's next fiscal year's General Fund request for the program inclusive of General Fund matching requirements
 - d. Column F: Should reflect the agency's FYxx Special Fund request for the program and should be specified by fund source
 - e. Column I: Should reflect the agency's FYxx Federal Fund(s) matching requirements
 - f. Column J, K, L: Should reflect the agency's Grand Total for ALL funds for the program. Grant Total should be the sum of amounts for each respective fiscal year.
 - g. Off-Island Travel Form (BBMR TA-1) (Schedule A)
- 8. Off-Island Travel Form (BBMR TA-1) (Schedule A)**
- 9. Operational Requirements (BBMR96A) (Schedules B-F)**
- 10. Agency Staffing Pattern (BBMR SP-1) PROPOSED – All Fund Sources**
- a. General: Departments are to prepare the next fiscal year's Proposed Staffing Patterns during every Budget formation period.
 - b. Program: Budget entity within an agency that provides services to Government of Guam and its citizens.
 - c. Fund: Identify source of funding by fund type. If program has more than one fund source, a summary and subsidiary staffing pattern needs to be prepared.
 - d. Column A: Position number – Identify all positions with a corresponding position number
 - e. Column B: Position Title – Identify all positions with the corresponding position title
 - f. Column C: Name – Identify names of employees
 - g. Column D: Pay grade/step – Identify all positions with the corresponding Grade/Step as required under the Competitive Wage Pay Plan
 - h. Column E: Salary – Indicate salary for all positions as required under the Competitive Wage Pay Plan
 - i. Column F: Overtime – Indicate amount of overtime estimated to be incurred by employee in accordance with Executive Order No. 2005-28, DOA Circulars 05-22 and 07-32 and BBMR Circular Nos. 2012-01 and 2007-06
 - j. Column G: Special – Includes night differential, hazardous pay, etc.
 - Below Form SP-1 is a spreadsheet to determine the various types of special pay that applies to those departments incurring special pay expenditures
 - In order to complete the form, agency must manually input the Position Number, Position Title, and Employee's Name; fill in the appropriate special pay category as it applies to the department
 - Column K of this spreadsheet is formulated to total the special pay categories that have been filled out and completed. The total amount per employee is then linked to the corresponding Special Pay Column G on the Primary Staffing Pattern Spreadsheet
 - k. Column H: Increment date – Indicate increment date to employee as required under the current Competitive Wage Pay Plan

- l. Column I: Increment amount – Indicate increment amount to employee as required under the current Competitive Wage Pay Plan
 - m. Column J: Subtotal – Reflect the sum total of Columns E, F, G, and I
 - n. Columns K, M through O: Columns based on formulas. If the employee is not receiving benefits under these columns, input “0.00” in each respective column on the staffing pattern
 - o. Column K: Retirement – Government of Guam’s contribution rate for retirement benefits – i.e. 26.56% during FY19 (Proposed SP). The retirement rate is subject to legislative change every fiscal year.
 - p. Column L: Retirement Death and Disability Insurance (D.D.I.)
 - Government of Guam’s contribution for retirement benefits for the D.D.I. – i.e. FY19 is \$19.02 bi-weekly. Contribution rate is subject to change every fiscal year.
 - Employee’s contribution towards the Defined Contribution Plan – i.e. the D.D.I. is \$19.02 bi-weekly or \$495 annually for FY19. Contribution rate is subject to change every fiscal year.
 - Contributions for other than non-base should be calculated appropriately
 - q. Column M: Social Security – If applicable, the social security rate shall be applied to Column J
 - r. Column N: Medicare – Government of Guam’s contribution for Medicare. Medicare rate shall be calculated based on the employee’s gross salary and applicable to all employees hired after March 31, 1986
 - s. Column O: Life Insurance – Life insurance annual premium. Must budget for all employees.
 - t. Column P: Medical – Medical costs shall reflect the employee’s appropriate medical annual premium
 - u. Column Q: Dental – Costs shall reflect the employee’s appropriate dental annual premium
 - v. Column R: Total Benefits – Reflects the sum total of columns K through Q
 - w. Column S: Grand Total – Reflects the sum total of columns J and R
- 11. Agency Staffing Pattern (BBMR SP-1) CURRENT – All Fund Sources**
- 12. Federal Program Inventory (BBMR FP-1)**
- a. Column A: Federal Catalog Number – Identify the section from the CFDA (Catalog of Federal Domestic Assistance) or enabling authority applicable to the program. More information on Catalog of Federal Domestic Assistance and programs available to agencies can be found at <https://beta.sam.gov/>
 - b. Column B: Grant Award Number – Reflect the grant award number for each respective grant
 - c. Column C: Match Ratio – Reflect the approved ratio of Federal and Local funds as a percentage based of CFDA or match ratio authorized by the grantor agency
 - d. Column D: Total Program Funds for Current Fiscal Year – Reflect the agency’s total program funding request for the current fiscal year. The aggregate amount of local and federal funds

- e. Column E: Total Estimated Funds for Next Fiscal Year – Reflect the agency’s total program funding request for the next fiscal year. The aggregate amount of local and federal funds
 - f. Column F: Local Matching Funds – Reflect the total local match fund request
 - g. Column G: Federal Matching Funds – Reflect the total federal match fund request
 - h. Column H: 100% Federal Grants – Reflect the program’s 100% federally funded amount
 - i. Column I: Grant Period – Reflect the authorized grant period
- 13. Equipment/Capital Listing/Office Space Requirements (BBMR EL-1)**

a. Equipment/Capital

- Description: Provide a description of each equipment/capital item assigned and/or used by each department or agency program
- Quantity: Reflect the number of each type of item(s)
- Percentage of Use: Reflect the percentage of use per equipment/capital whether the item(s) is(are) to be partially or fully used by the program. Example: If a computer is to be used exclusively for Program A, reflect 100% in the respective field. If a computer is to be shared with Program B, 50% should be reflected in the respective field
- Comments: Column is available to provide specific details on respective items, use if necessary
- Equipment Threshold: Pursuant to Title 5, Ch.IV, §4117, Equipment is defined as items having a purchase price of \$5,000 or less. Items having a purchase price in excess of \$5,000 are defined as capital outlay

b. Space Requirement

- Description: Provide a description of personnel and/or equipment/capital requiring occupancy of department/agency space. Include rental space
- Total Program Space: Reflect each program’s total occupied and unoccupied space (in sq.ft.)
- Total Program Space Occupied: Reflect the total program occupied space defined as workspace used for personnel, computers, copiers, file cabinets, library, break/lounge rooms, other work related areas including parking space. Unoccupied space may be defined as space used as storage, vacant rooms and other non-work related areas
- Square Feet: Reflect total space requirement (in sq.ft.) for personnel and/or office equipment/capital items. Total square footage is computed by multiplying width by length
- Percent of Total Program Space: Percent is computed by dividing the square feet for each item listed by the total program space
- Comments: Column is available to provide additional information, use if necessary

14. Prior Year Obligation Listing (BBMR PYO-1)

15. Budget Document Checklist (BBMR BDC-1)

The transmittal of the Executive Budget Request to the Legislature is no later than January 31st of the current fiscal year, as mandated by law. The Department Budgets are then submitted to BBMR for approval for submission to the Legislature between March 1, 20xx and March 15, 20xx.

ADOPTION: The Legislature considers the Governor's proposal and passes the overall revenue and spending in the form of a General Appropriations Bill. The Bill usually receives more detailed hearings within the auspices of the applicable legislative committees. Customarily, a series of hearings are called by the Committee on Appropriations to allow department heads and staff to present an overview of the Governor's proposed budget, relative to their department's/agencies' annual appropriation requirements.

This phase concludes when the Legislature passes a General Appropriations Bill no later than August 31st of the current fiscal year as mandated by law. The Bill is then transmitted to the Governor for consideration and approval into public law. Other Bills, to include amendments during the fiscal year, may be introduced for enactment into law. The Governor must review and act within ten (10) days of the passage of the General Appropriations Bill.

EXECUTION: The Execution phase involves the management of funds appropriated per the General Appropriations Act. Each department prepares and submits its allotment of appropriations which BBMR will upload in the AS400 Financial Management System (FMS). Departments may request revisions, legislative or administrative transfers, or supplemental appropriations throughout the fiscal year. BBMR must approve such allotment revisions. BBMR monitors and manages the Current General Appropriations by tracking revenue collections made by the Department of Revenue and Taxation (DRT), using reports prepared by the Department of Administration (DOA). BBMR monitors the department expenditures made on a daily, monthly or quarterly basis and ensures that expenditures are within the allotments released during the current period. BBMR also monitors and assists departments and agencies in carrying out the approved budget in line with established policies of the Governor.

AUDIT: The Audit phase involves the evaluation of all departments and agencies' financial performance at year end to ensure compliance with applicable laws and regulations. During the audit phase, financial transactions and accounts are reconciled. Reports are then assessed and analyzed in an effort to improve accountability, efficiency and effectiveness in the achievement of goals and objectives. This phase is also to ensure best economic use of resources to enhance the quality of public service.

The Budget Document Checklist (BBMR BDC-1) form can be found on BBMR's Website: <http://bbmr.guam.gov>

NOTE: This SOP is subject to change by the Bureau of Budget & Management Research