




Mike DeWine, Governor  
Jon Husted, Lt. Governor

## Office of Budget and Management

Kimberly Murnieks, Director

### Memorandum

To: Fiscal Officers of All Departments, Agencies, Boards and Commissions

From: Kimberly Murnieks, Director 

Subject: Fiscal Year 2021 Allotment Guidance

Date: May 12, 2020

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As we continue to assess the economic impact of the COVID-19 pandemic and take actions necessary to close Fiscal Year 2020, we must also look ahead and begin planning for Fiscal Year 2021. While there is considerable uncertainty regarding tax revenue projections for the next fiscal year, it is likely that General Revenue Fund (GRF) appropriation reductions will be necessary to maintain a balanced budget. We are releasing this allotment guidance now to give agencies the greatest amount of time possible to plan cost containment strategies and budget reductions. It is important to note that additional or separate Executive action may be taken which could supersede this guidance.

#### Control Totals:

- Non-GRF control totals for initial allotment budgets will equal 100 percent of current Fiscal Year 2021 appropriations; however, if your agency revenue and cash flow projections for a particular fund indicate that non-GRF revenues will fall short of the cash that would be necessary to fund currently-appropriated levels, please work with your OBM budget analyst to institute appropriate spending controls, including allotting necessary amounts to holding account 601.
- GRF control totals will also equal 100 percent of current Fiscal Year 2021 appropriations, though there is an important qualification. Agencies are required to allot a specified dollar amount from among their line items into holding account 601. After exempting specific categories of lines items (e.g. debt service and property tax reimbursements), holding amounts were generally calculated as 20 percent of each agency's projected GRF purchased personal services (510), supplies and maintenance (520), equipment (530), and subsidy (550) expenditures. Agencies will have the flexibility to determine which of their non-exempted line items should contribute a disproportionately smaller or larger share to achieve the holding target.
- OBM budget analysts will provide control totals and the details regarding specific control total calculations this week. If, after receiving the control totals, you believe that your agency's figures are incorrect, please notify your OBM budget analyst to discuss and remedy the situation.



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### Quarterly Allotments:

- For Fiscal Year 2021, payroll (500), supplies and maintenance, equipment, and subsidy accounts will be allotted quarterly.
- All other account categories (including holding account 601) will be allotted annually.

### Due Date and Key Information:

- Allotment budgets are due to OBM on **Friday, June 12, 2020** and must be uploaded to OAKS Financials. Agency journals should use the following naming convention: 3-digit agency code, 21, ALT (e.g. OBM21ALT).
- Fiscal Year 2021 will have 26 pay periods, with quarters 1 and 3 containing six pay periods and quarters 2 and 4 containing seven pay periods.
- The allotment journal must have a journal date of July 1, 2020 to be effective in Fiscal Year 2021.

Agencies should not anticipate having access to allotments held in the holding account. OBM will be issuing updated revenue projections for Fiscal Year 2021 during June and will continue to monitor revenue and expenditures throughout the year. OBM will issue further guidance documents as additional information becomes available.

Thank you for your assistance and leadership during this unprecedented time. Budgeting and finance professionals are critically important as we seek to constrain costs while maintaining services and priority programs for all Ohioans when they are needed most. Your time, knowledge, and expertise are appreciated.