

INVESTING in **Ohio's** **FUTURE**

BUDGET OF THE STATE OF OHIO | FISCAL YEARS 2022-2023

Budget **Recommendations**

The State of Ohio Executive Budget
FISCAL YEARS **2022-2023**



MIKE DEWINE
GOVERNOR OF OHIO

Office of Budget and Management

Director Kimberly Murnieks

The Blue Book: Book One of Three



**Governor Mike DeWine
State of Ohio, Executive Budget Recommendations
for Fiscal Years 2022-2023**

**Developed by the Ohio Office of Budget and Management
Kimberly Murnieks, Director**

Presented to the Ohio General Assembly on February 1, 2021



February 1, 2021

Fellow Ohioans and Members of the General Assembly:

The past year has been a challenging time in Ohio and across the nation and the world. The coronavirus pandemic has made clear that the strength of our economy depends on the health and well-being of our citizens.

With our Executive Budget for Fiscal Years 2022 and 2023, we have an opportunity to make needed investments to help our great state recover. Our budget is built upon the knowledge that a thriving economy -- and ultimately the future of our state -- depends on healthy citizens and revitalized communities. By investing in our future, our proposed budget will help all Ohioans move forward together as we emerge stronger than ever.

This is our "Year of Recovery!" Our Executive Budget includes a \$1 Billion ***Investing in Ohio Initiative***, an aggressive plan to accelerate economic growth and ensure economic vitality. By making targeted investments for businesses that have been hardest hit during the pandemic and for our communities most in need, we can address disparities, build prosperity, and set Ohio on the road to a brighter future. This budget also represents the core values and mission of my Administration by investing in Ohio families, in the education and well-being of our children, in Ohio's workforce, in our communities, and in our precious natural resources.

Ohio is in a position to make these vital investments because we took immediate action to ensure that our budget remained balanced at the onset of the pandemic. We made the hard choices early on that put us on stable footing as we enter this phase of economic recovery. As Governor, I will do all that I can to protect Ohioans' health and put Ohio's economy on a path to even greater success.

In my first State of the State Address, I quoted Robert Louis Stevenson, who said, "Don't judge each day by the harvest you reap, but [rather] by the seeds that you plant." These words are even more significant today. The budget for the next two years continues to plant the seeds of hope and possibility -- and of courage and recovery -- that will grow into a more vibrant, prosperous, and flourishing Ohio for generations to come.

Very respectfully yours,

A handwritten signature in blue ink that reads "Mike DeWine".

Mike DeWine
Governor



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BUDGET OF THE STATE OF OHIO | FISCAL YEARS 2022-2023

SECTION A

Reader's Guide

Introduction to the Executive Budget

The Reader's Guide is an introductory section of the Executive Budget that contains general information to help readers understand and use the contents of Governor DeWine's budget proposal for fiscal years 2022 and 2023. It contains the following informational sections:

- Demographic information about Ohio;
- State of Ohio organization chart;
- Glossary of key terms;
- Summary of the state's financial accounting methods;
- Description of the process used to develop the state budget, including a budget calendar;
- Description and listing of state funds;
- Frequently asked questions about the budget; and
- Guide to reading and understanding the budget tables that are included in the summaries for each agency.

Background

The state's first Constitution was adopted in 1802, and Ohio attained statehood in 1803. Ohio's present Constitution was modified by a state Constitutional Convention in 1851 and has since been amended on numerous occasions. The Constitution establishes a state governmental structure similar to the federal model, with three separate branches of government: executive, legislative, and judicial.

The executive branch consists of the Governor and Lieutenant Governor, who are jointly elected, and four additional statewide elected officials: the Attorney General, the Auditor of State, the Secretary of State, and the Treasurer of State. These officials are elected to four-year terms. Over 100 departments, agencies, boards, and commissions are part of the executive branch of government and receive appropriations from the legislature, along with three judicial and seven legislative agencies.

The state legislature in Ohio is referred to as the General Assembly and consists of two separate chambers: the Senate, a 33-member body, and the House of Representatives, a 99-member body. Each member of the General Assembly is elected to represent the residents of a geographical district for a specified term. Members of Ohio's General Assembly are subject to term limits: Senators are restricted to serving two four-year terms and Representatives are restricted to serving four two-year terms. Each chamber has a presiding officer to call the chamber to order and direct the calendar of events. The presiding officer in the Senate is the President of the Senate, and the presiding officer in the House of Representatives is the Speaker of the House. A new General Assembly is convened in January of each odd-numbered year. The legislature that convened in January 2021 is the state's 134th General Assembly.

Along with the establishment of the state governmental structure, the State Constitution requires Ohio to have a balanced budget. Ohio's budget is prepared for a period of two years, a biennium, which begins on July 1 of odd-numbered years and ends 24 months later on June 30. Within a biennium are two separate fiscal years, each beginning on July 1 and ending on June 30. The budget proposed by Governor DeWine in this document is for the two-year period beginning July 1, 2021 and ending June 30, 2023.

Overview

The Executive Budget for fiscal years 2022 and 2023, as submitted to the General Assembly by Governor DeWine, consists of two separate documents. Book One, prepared by the Office of Budget and Management, contains detailed spending and revenue information as required by law and summary information to help readers understand the policy and financial context of the Governor's proposals. Book Two, a report on the state's tax expenditures, is prepared by the Department of Taxation. This section focuses on the organization of Book One.

Introduction to the Executive Budget

Governor's Message

The first item in the Executive Budget is a letter from Governor DeWine to the people of Ohio and the General Assembly. Governor DeWine's letter provides an overview of his budget recommendations and outlines his goals and priorities for the fiscal years 2022-2023 biennium.

Section A - Reader's Guide

The Reader's Guide section is intended to help the reader understand the Executive Budget document. The Guide provides demographic information about the state, a State of Ohio organization chart, a glossary of key terms, a summary of the state's financial accounting methods, a description of the budget process, a listing and description of state funds, answers to frequently asked questions about the budget, and a guide to reading the tables.

Section B - Economic Forecast and Income Estimates

This section contains information on the forecasts for the national and state economies for fiscal years 2022 and 2023. It describes the methods used to estimate future revenues and contains a summary table of historical and estimated revenues and ending balances.

Section C - Budget Overview

This section summarizes revenue estimates and spending recommendations for fiscal years 2022 and 2023. It contains information describing historical and estimated General Revenue Fund (GRF) balances, information describing the relationship between debt service spending and GRF revenues and ending fund balances by budget fund group for each year of the biennium. It also contains information on the state's capital budget.

Section D - Agency Budget Recommendations

This section contains historical and recommended spending information as well as narrative descriptions for all state agencies. The agencies appear in alphabetical order by the first key word in an agency's name. The narrative provides an overview of that agency's role, followed by the Governor's funding recommendations for fiscal years 2022 and 2023.

Narratives for certain agencies may also include Appropriation Line Item (ALI) analyses, which could describe one or more of the following:

- An [ALI Analysis](#) is provided to explain significant budget changes such as ALIs that are proposed to end or have substantial increases or decreases in appropriation.
- An [ALI Restructuring](#) is provided for agencies that have changed their line item structures to accommodate a more accurate presentation of funding. With a new line item structure, it is difficult for the reader to understand how funding levels have changed over time. To illustrate changes in funding for new line items, estimated fiscal year 2021 amounts are converted from the current line item structure into the proposed line item structure. This is then compared to recommended funding levels for fiscal years 2022 and 2023.

Each agency also has four main budget tables that provide historical and recommended spending information. The budget tables are described in more detail in the Guide to Reading the Budget Tables.

Section E - Professional Licensing Boards and Commissions Recommendations

This section contains historical and recommended spending information as well as narrative descriptions for the state's professional licensing boards and commissions. There is a budget table that shows historical and recommended spending information. This summary table is followed by an overview for each agency along with a table displaying expenses and Governor's funding recommendations for fiscal years 2022 and 2023 by expense account category for each agency.

The State of Ohio

History

Of Ohio's first inhabitants during the prehistoric era, the Adena (800 B.C. - 100 A.D.) were the first to farm Ohio, and the Hopewell (100 B.C. - 400 A.D.) built Ohio's mounds that can still be seen today. Marietta, established in 1788 by New England Revolutionary War veterans, was the first permanent non-native settlement in the state. Ohio was admitted to the union as the 17th state in 1803 and was the first state created from the Northwest Territory. Chillicothe was designated as the first capital of the new state until 1810, when the capital was moved to Zanesville. The capital was temporarily moved back to Chillicothe in 1812, and Columbus became the state's permanent capital in 1816.

Ohioans have played important roles in our nation's history. There have been eight presidents from Ohio, earning Ohio the nickname "the Mother of Presidents." Ohio is also the birthplace of world-famous inventors, actors, athletes, authors, and astronauts. March 1, 2021 marks the 218th anniversary of statehood for Ohio, a state with many accomplishments, a rich history and culture, and a strong future.

Governance

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Demographics

Ohio's population of approximately 11.7 million is the seventh largest in the nation and holds 3.6% of the total U.S. population. During the 1950s, Ohio gained 1.8 million residents and grew by 22%, compared to the national average of 19%. Since then, the rate of growth has increased and from 2010 to 2019, Ohio's population estimates grew by 1.3%, while the nation's total population grew by 6.3%. Over this same time period, Ohio ranked 7th in numeric growth and 39th in percentage change growth.

The geographic location of most of the population has been fairly consistent over the last several decades, with four out of five Ohioans living in a metropolitan area. As of 2019, over one third of Ohioans live in the four northeast Ohio metropolitan areas of Akron, Canton, Cleveland, and Youngstown, while approximately one in four live in the southwestern metropolitan areas of Cincinnati and Dayton.

The State of Ohio

In 2019, Ohio's per capita income was \$50,199, while its median household income was \$56,602. Ohio's unemployment rate averaged 4.1% in 2019 compared to 4.5% in 2018. The national rate in 2019 averaged 3.7%. The number of jobs in Ohio is expected to rise approximately 4.4% over the ten-year period from 2016-2026, which is a projected increase of more than 253,000 jobs.

Figure A-1: State of Ohio Demographic Information

State Population		Percent of State Population by Race and Hispanic Origin		Other Demographic Facts	
Female	51.0%	White	81.70%	Population under 5 years	5.90%
Male	49.0%	African-American	13.10%	Population under 18 years	22.10%
Total 11,689,100		Asian	2.50%	Population over 65 years	17.50%
		Native American	0.30%	Homeownership rate	66.10%
		Pacific Islander	0.10%	Foreign born residents	4.60%
		Two or More Races	2.40%	High school graduates	90.40%
		Hispanic (may be of any race)	4.00%	Bachelor's degree or higher	28.30%
		Total Minority*	21.60%	Veterans	6.10%

* "Total Minority" is the total population minus white non-Hispanic or Latino
Source U.S. Census Bureau: State and County Quick Facts, Revised July 1, 2019

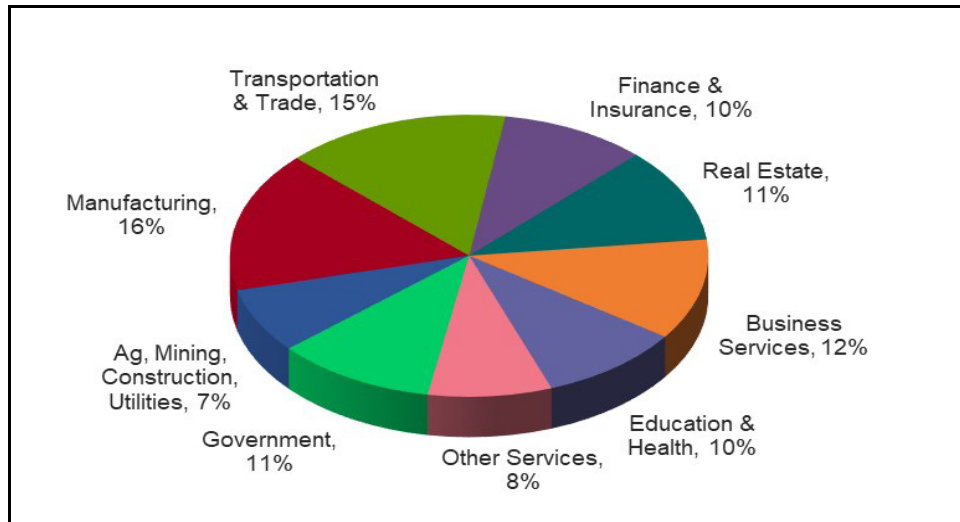
Economy

Ohio's gross domestic product was estimated at \$695.4 billion in 2019, which represents an increase of approximately 3.0% compared to 2018 total GDP of \$675.0 billion. This makes Ohio the 7th largest state economy in the nation in 2019 with 3.2 percent of the national total. Ohio ranks 4th in the nation in manufacturing gross domestic product, producing \$112.1 billion worth of goods - 4.8 percent of America's manufacturing output in 2019. Because of its diverse population and its location, Ohio has become home to a variety of businesses and industries, including tourism, manufacturing, agriculture, and the service industry. Manufacturing is the largest of Ohio's major sectors, based on gross domestic product. The state's factories are among the nation's leading sources for the production of plastics, rubber, fabricated metals, and electrical equipment and appliances. The state's largest durable goods manufacturing industries are transportation equipment and fabricated metals. These two industries are closely identified with a number of nationally recognized firms with a major presence in Ohio, including General Electric, General Motors, Ford, Chrysler, Honda, AK Steel, ArcelorMittal, Timken, and Whirlpool. In 2019, Ohio was the 9th largest exporting state in the nation with \$53 billion in merchandise exports. By comparison, the United States experienced a decrease of 1.1 percent in exports from 2018 to 2019. In 2019, the state's leading export commodities were machinery and motor vehicles. In total, Ohio firms shipped products to 210 countries.

Ohio is the headquarters for 27 members of the 2020 Fortune 500, including Cardinal Health, Kroger, Marathon Petroleum, Procter & Gamble, Nationwide Insurance, Goodyear Tire and Rubber, Progressive, American Electric Power, FirstEnergy, Parker-Hannifin, L Brands, Sherwin-Williams, TravelCenters of America, Fifth Third Bancorp, OwensCorning, Cintas, O-I Glass, Alliance Data Systems, AK Steel Holding, Huntington Bancshares, American Financial Group, Andersons, Cincinnati Financial, Western & Southern Financial Group, J.M. Smucker, KeyCorp, and Dana Holding Corporation. Ohio is home to the Cleveland Clinic, the Ohio State University, Case Western Reserve University, Wright-Patterson Air Force Base, Battelle Memorial Institute, NASA's Lewis Research Center, leading hospitals, and a major operations center for J.P. Morgan Chase.

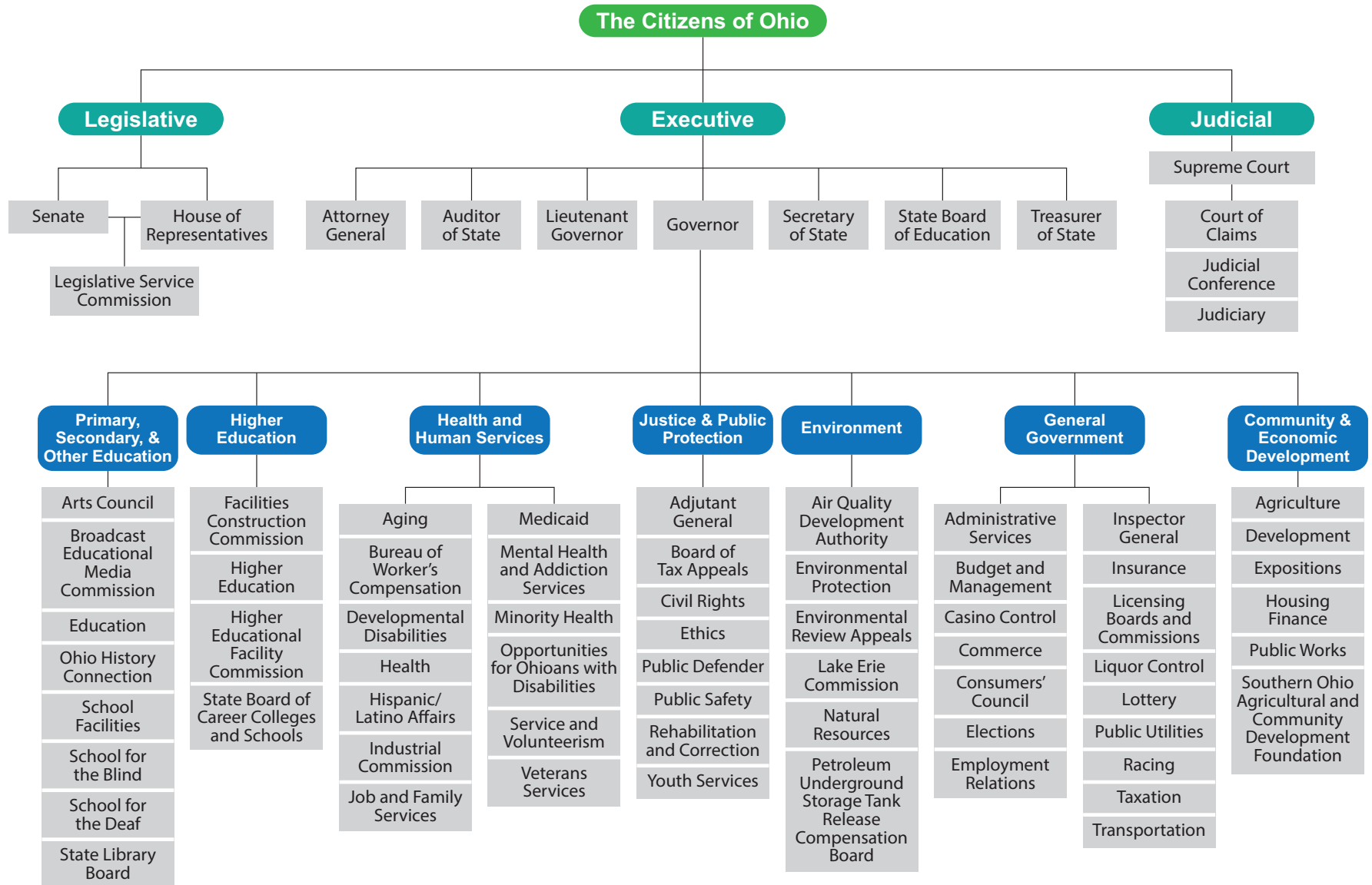
Ohio's companies are also technology intensive. Battelle has used federal government standards to identify over 28,000 establishments employing 820,000 people as Ohio's technology engine. Overall, Ohio has a 14% higher concentration of technology operations than the nation. In research, Ohio's educational institutions and private research facilities have core strengths in advanced manufacturing, biosciences, instruments and controls, power and propulsion, and information technology. The National Science Foundation identifies \$12.0 billion in R&D contracts in Ohio, ranking the state 11th nationally. Individuals in Ohio received over 3,473 patents ranking the state 13th nationally. The Ohio State University, Case Western Reserve University, and the University of Cincinnati are major research institutions that receive over \$150 million annually in federal research grants. Combined with NASA Glenn, Battelle Institute, and Wright-Patterson Air Force Base, Ohio is a major center of emerging technologies.

Figure A-2: Gross State Product by Sector



State of Ohio Organization Table

Figure A-3: State of Ohio Organization Table



Organization Table as proposed in fiscal years 2022-2023 Executive Budget

Glossary of Key Terms

Agency Priority: A broad goal toward which a state agency strives. Agency priorities tie to the Governor's overall agenda. They also guide the objectives to be accomplished by the executive funding recommendations, as stated for each agency.

Appropriation: An authorization granted by the Ohio General Assembly to make expenditures and incur obligations for specific purposes. An appropriation limits the amount that may be spent for a given purpose in a given period of time. No appropriation may be made for a period longer than two years.

Appropriation Line Item (ALI), or Line Item: An ALI is a six-digit numeric code (in the format xxxyyy) used to identify and account for amounts appropriated for the activities of an agency. The first three digits identify the administering agency, division, or activity responsible for the specific purpose. The last three digits indicate the specific purpose.

Balanced Budget: A budget where expenditures do not exceed the amount of cash and revenue available within each fiscal year.

Biennium: A two-year period. In Ohio, the fiscal biennium begins July 1 and ends 24 months later on June 30.

Budget: A plan for the expenditure of funds to support an agency, program, or project.

Budget Fund Group, or Fund Group: The categories used to group similar state funds for Ohio's budgetary reporting purposes. Funds are categorized according to their revenue sources and the purposes for which they are used.

Budget Stabilization Fund: A reserve balance account that receives transfers from the General Revenue Fund (GRF). The balance in this fund is intended to stabilize budgets against cyclical changes in revenues and expenditures. This fund can carry a balance of up to five percent of prior-year GRF revenues. Sometimes referred to as the Rainy Day Fund.

Capital Budget: The budget for the acquisition or construction of major capital items including land, buildings, structures, and equipment. The capital biennium covers a two-year period beginning in odd-numbered fiscal years. Moneys for the capital projects are typically appropriated from funds with revenues that come from bond sales.

Capital Expenditure: Funds spent by state agencies from capital budget appropriations for the acquisition of a long-term asset.

Cash: Actual balance of moneys available to support disbursements and appropriations. All state dedicated purpose funds, federal funds, and bond funds must have an available cash balance to support disbursements. Agencies monitor cash balances of these funds to ensure there are sufficient funds for disbursements. Agencies that receive a General Revenue Fund (GRF) appropriation are not required to monitor the GRF cash balance for disbursements as that is a responsibility of the Office of Budget and Management.

Custodial Funds: Some funds (sometimes "account" is used in Revised Code) are held "in the custody of the Treasurer of State" and are not a part of the state treasury. These funds are referred to as custodial funds (or accounts). A custodial fund must have specific language that establishes it outside of the state treasury.

Debt Service: The payment of principal, interest, and associated costs on the state's bonded indebtedness. Debt service appropriations are usually made to the agency on whose behalf the bonds were issued.

Dedicated Purpose (DPF): The Dedicated Purpose Budget Fund Group consists of funds that receive specific revenues for particular activities and limited expenditures under the law.

Encumbrance: Reservation of appropriation authority in the state accounting system, typically representing purchase orders and contracts entered into by state agencies.

Equipment: Expenditures for durable goods such as computers, desks, chairs, or vehicles.

Glossary of Key Terms

Executive Budget: Also known as the "Blue Book," the Executive Budget provides the legislature and the public with the Governor's funding recommendations for the next operating budget biennium. Proposed funding levels, historical spending patterns, and descriptive narratives are presented for each agency. The Executive Budget also includes information about the budget process, revenue sources and estimates, economic forecasts, capital improvements, state funds, and special program areas. The document is the executive's financial plan for state government and is made available via the Office of Budget and Management (OBM) website.

Expenditures: Payments against appropriations that reduce the cash balance after legal requirements have been met. A fiscal year's expenditures are payments made in that fiscal year, regardless of the state fiscal year in which the appropriations were reserved or encumbered for such payments.

Expense Account Category: A three-digit code used to categorize expenses as follows:

- **Personal Services (500):** Payroll, including fringe benefits;
- **Purchased Personal Services (510):** Purchased or contracted services (e.g., consultants);
- **Supplies & Maintenance (520):** Expendable goods and supplies such as utilities, gasoline, postage, paper, pens, repairs, and travel;
- **Equipment (530):** Durable goods such as computers, furniture, or vehicles;
- **Subsidies & Shared Revenue (550):** Distributions made to individuals, organizations, school districts, higher education facilities, or other local government units;
- **Goods & Services for Resale (560):** Goods or services purchased by one state agency to be sold or resold to another state agency or to the public;
- **Capital Items (570):** Significant fixed assets such as land and buildings;
- **Judgments, Settlements, & Bonds (590):** Payments on negotiated settlements, judgments rendered, and reparations awarded against the State of Ohio to individuals and companies;
- **Debt Service (591):** The payment of principal, interest, and associated costs on the state's bonded indebtedness; and
- **Transfers & Non-Expense (595):** Cash disbursements and other transactions that reduce cash resources but are not an operating expense, such as transfers between funds and tax refunds.

Federal Budget Fund Group (FED): The category for funds that receive federal grants or awards.

Fiscal Year (FY): A 12-month period used for fiscal planning purposes. The state fiscal year (SFY) begins July 1 and ends the following June 30. The federal fiscal year (FFY) begins October 1 and ends the following September 30.

Full-Time Equivalent (FTE): For budget development purposes, OBM uses this method of calculating personnel levels where one FTE works 2,080 hours per year. Part-time employees have an FTE value that is proportionally less than one.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts. A fund in the state treasury usually has one or more appropriation items from which expenditures are made. If the fund has only one appropriation line item, the line item name often is the same as the fund name.

Fund Balance: The unencumbered cash remaining in a fund at a specified time.

General Revenue Fund (GRF): The GRF is the primary operating fund of the state. This fund receives the unrestricted revenues of the state, primarily from such revenue sources as the personal income tax, the sales and use tax, the corporate franchise tax, and the public utilities excise tax. The fund also receives significant federal revenues that primarily support human services programs.

Goal: The end result to which a state agency is directing its efforts. Something to be accomplished in a broad way, or a final outcome.

Glossary of Key Terms

Internal Service Activity (ISA): The Internal Service Activity Budget Fund Group consists of funds used for operations serving other funds or departments within the state.

Lapse: Appropriations not encumbered or expended prior to their expiration.

Maintenance: Expenditures for expendable goods and supplies such as utilities, gasoline, postage, paper, pens, repairs, telephone service, and travel.

Objective: An aim toward which a state agency directs its effort to accomplish a stated goal. Something to be accomplished in specific, often measurable terms and that is achievable within a specific time frame.

Ohio Administrative Knowledge System (OAKS): The state enterprise resource planning system that integrates the functions of financial accounting, fixed assets, human resources, and budgeting.

Operating Budget: The budget established for the operation of a state agency or program, typically based on legislative appropriation, and completed in a two-year period beginning with even-numbered fiscal years.

Personal Services: Expenditures for payroll including fringe benefits.

Program: A program is a discrete activity within an agency's organization that provides a specific good or service administered by the agency pursuant to law. Often, a program addresses a specifically identified need or problem facing Ohioans within an agency's mission. An example of a program is the Public Defender Commission's Pro Bono Training Program that provides continuing legal education training programs to public defenders and private counsel representing indigent persons in criminal and juvenile matters.

Program Series: A program series groups closely related programs into an overarching category that captures the state's efforts to provide for a public need. A program series corresponds with a major area of focus or goal for a state agency and in most cases is composed of two or more programs. Most agencies are characterized by more than one program series. An example of a program series is the Department of Insurance's Investigation and Licensing Program Series that includes market conduct, licensing, and fraud and enforcement programs.

Purchased Personal Services: Services for which state agencies contract such as consultants, physicians, and temporary services.

Reappropriation: Legislative action that provides for the renewal of a prior year appropriation.

State Appropriation Limitation (SAL): A restriction that limits, with certain exceptions, GRF appropriation increases between operating biennia pursuant to section 107.033 of the Revised Code.

Subsidy: A government distribution for designated purposes. Such distributions are made to individuals, organizations on behalf of individuals, school districts, higher education facilities, local governmental units, or other recipients.

Tax Expenditure: A tax provision in the Revised Code, that exempts, either in whole or in part, certain persons, income, goods, services, or property from the effect of taxes levied by the state provided that the provision (1) reduces or has the potential to reduce GRF revenue; (2) the persons, income, goods, services, or property exempted would have been part of a defined tax base and are not subject to an alternate tax; and (3) the provision is subject to modification or repeal by the General Assembly. Tax expenditures represent a loss of tax revenue to state government for the purpose of encouraging certain activities or providing relief to taxpayers in designated circumstances to accomplish public policy goals. Section 5703.48 of the Revised Code requires the Department of Taxation to prepare a tax expenditure report as a supplement to the Governor's Executive Budget proposal referred to as Book Two.

Zero-Based Budgeting: A budgeting approach that requires agencies to justify all requested expenditures, instead of only expenditures above the funding level provided in the previous period. Section 126.02 of the Revised Code requires the Director of OBM to determine a method to incorporate the principles of zero-based budgeting in the budget preparation process.

Basis of Budgeting

Introduction

The budget is a plan of financial operations that embodies an estimate of proposed expenditures for each fiscal year of the biennium. The objective of budgetary control is to manage the state's finances within the limitations set forth in the enacted budget. Budgetary control allows the state to keep its expenditures within limitations of available appropriations and available revenues.

The state has designed and continues to upgrade its enterprise resource planning system, the Ohio Administrative Knowledge System (OAKS) to ensure and demonstrate compliance with the budget. The appropriated budget is integrated into the OAKS as the enterprise system is specifically designed to provide ongoing and timely information on what is still available to be spent within established budget limitations.

The following discussion addresses specifics about the state's budgetary process and related policies, including the level of budgetary control, the basis of budgetary accounting, and the use of encumbrance accounting.

Budgetary Process

The Governor submits the biennial operating and capital budgets to the General Assembly in accordance with Ohio law. The respective operating or capital budget makes appropriations from funds in the state treasury and includes budgetary authority for all proposed expenditures for the state and estimated revenues and borrowings for a biennium.

The General Assembly enacts the budget through passage of specific departmental line item appropriations. Line item appropriations are typically established one to a fund except for the General Revenue Fund, which has multiple line item appropriations associated with many different agencies and agency programs. The Governor has the authority to veto any item in an appropriation bill. Such vetoes are subject to legislative override.

It is not uncommon to need adjustments to line item appropriations after the budget is enacted. The state's Controlling Board, composed of six members of the General Assembly and the Director of the Office of Budget and Management (OBM) or a designee, can transfer or increase a line item appropriation within the limitations set under Chapter 127 and Section 131.35 of the Ohio Revised Code.

Budgetary Control

The state maintains its legal level of budgetary control at the departmental line item appropriation level. The OAKS controls expenditures at this level. Therefore, expenditures cannot exceed appropriations to comply with the state's financial-related constitutional and statutory requirements.

Basis of Accounting

Ohio prepares its budget using the modified cash basis of accounting. Under this basis of accounting, the state recognizes revenues when cash is received and expenditures when paid. Furthermore, at the close of a fiscal year the state reserves cash sufficient to cover the payment of outstanding encumbrances and other obligations. For external financial reporting purposes, the state issues the Comprehensive Annual Financial Report (CAFR). This report is prepared in conformity with generally accepted accounting principles (GAAP). Because the state budgets on a modified cash basis of accounting, which differs from GAAP, the required reconciliation of the differences between the state's budgetary schedules and its GAAP-basis financial statements is presented in the CAFR. This reconciliation identifies the differences in the recognition of accruals, deferred revenues, interfund transactions, and loan transactions, as well as the timing differences in the budgetary basis of accounting for encumbrances. On the budgetary schedules, the state recognizes encumbrances as expenditures in the year encumbered, while on the GAAP-basis financial statements, the state recognizes expenditures when goods or services are received regardless of the year encumbered.

Basis of Budgeting

Encumbrance Accounting

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded as a reserve of the applicable appropriations, is employed as an extension of formal budgetary integration in the OAKS. Outstanding encumbrances at the end of the fiscal year are recorded as reservations of fund balance for expenditure in subsequent years. As authorized by law, prior year legal operating encumbrances are generally canceled five months after the end of the fiscal year while capital encumbrances are generally canceled two years after the biennial period for which they are appropriated. Unencumbered operating appropriations lapse at the end of each fiscal year.

For external reporting in its non-GAAP budgetary schedules, the state also reports encumbrances as expenditures in the year when related purchase commitments are made.

Budget Calendar

The following calendar is used for preparation of the Executive Budget for the fiscal years 2022 and 2023 through the enactment of the appropriation bills.

July 20, 2020	The Office of Budget and Management (OBM) distributes guidelines to state agencies for preparation of the Executive Budget for fiscal years 2022 and 2023.
September – November 2020	Agencies' budget requests are due to the OBM.
September – December 2020	The OBM completes its review and analysis of agency requests. Agencies may be asked to provide additional information to assist in the development of recommendations.
October 2020 – January 2021	The OBM prepares revenue estimates internally for the upcoming biennium.
November 2020 – January 2021	The OBM evaluates agencies' budgets and makes recommendations on funding priorities to the Governor within established revenue projections.
January 2021 – February 2021	The Governor makes final decisions for the Executive Budget. The Executive Budget is published and presented to the General Assembly. The OBM and the Legislative Service Commission prepare the main operating appropriations bill based on the Executive Budget document.
February 2021	Budget bills for transportation and roadway related needs, the Bureau of Workers' Compensation, and the Industrial Commission are introduced in the House of Representatives.
February 2021	The main operating budget bill is introduced in the House of Representatives.
February – June 2021	The House and the Senate hold hearings, amend, and vote on the budget bills.
June 2021	The Conference Committee works out differences between the versions of the budget bill introduced by the Governor and passed by the House and the Senate. The House and the Senate vote on the Conference Committee report. The Governor signs the appropriations bill, which takes effect July 1, 2021. If the budget bill is not signed by June 30, 2021, an interim budget must be enacted.

Budget Process

Introduction

Every two years, the Governor is required by section 107.03 of the Revised Code to propose a budget for the operation of state government. This operating budget proposal must be submitted to the General Assembly not later than four weeks after its organization and is usually submitted to the legislature in early February of each odd-numbered year. In years when a new Governor is inaugurated, submission of the proposal is not required until March 15.

The Governor's budget proposal represents a statement of priorities and sets the administration's strategic policy direction for state government programs. In addition to the Executive Budget book, or Blue Book, the budget proposal is presented as legislation to the General Assembly, which then makes legislative changes and enacts the final operating budget through a series of appropriation bills. To effectively understand and advocate for resolutions to state government financial issues, a detailed budget preparation process is necessary to generate information that will help the Governor and the General Assembly reach consensus regarding the priorities of the state and the most effective use of state resources. The process can be divided into the following steps:

- Development of the Governor's Executive Budget;
- Enactment by the legislature; and
- Gubernatorial approval and vetoes.

Development of the Governor's Executive Budget

The Office of Budget and Management (OBM) is the executive agency charged with preparing the Governor's budget recommendations. In July 2020, the OBM issued the Operating Budget Guidance for Fiscal Years 2022 and 2023 to all agencies. The guidance document specifies the content, format, and due dates for agency budget requests.

Agency budget submissions were subject to established limitations and were due on September 15, 2020 for professional licensing boards and commissions and other smaller agencies, October 14, 2020 for Cabinet and all remaining executive agencies, and November 1, 2020 for legislative and judicial agencies and constitutional office holders. Once budget requests were received, the OBM worked closely with agency representatives to gain a full understanding of the budget submission, agency circumstances, and needs.

In addition to reviewing the agency budget requests, as part of the budget development process, the OBM evaluates and estimates the availability of revenue to support the proposed state expenditures within the Governor's budget recommendations. The OBM and the Department of Taxation work together to produce revenue estimates in consultation with economists at IHS Markit and Moody's. As part of this process, cabinet agencies reconsidered their priorities and budgetary needs in a manner consistent with Governor DeWine's policy agenda.

Enactment by the Legislature

Although the Governor is required to make budget recommendations, the authority to appropriate money rests with the legislature. The Governor's spending plan, along with any statutory amendments and uncodified law necessary to make it operational, is drafted into a bill. Separate budget bills are prepared for the Bureau of Workers' Compensation, the Industrial Commission, and most of the non-General Revenue Fund portions of the budgets for the Departments of Transportation and Public Safety, the Public Works Commission, and roadwork development funding for the Department of Development.

Traditionally, budget bills are introduced in the House of Representatives under the sponsorship of the chair of the House Finance Committee. Once introduced, the bill is referred to the House Finance Committee. The committee and its various subcommittees conduct extensive hearings, reviewing all aspects of agency budgets and law changes. The full committee concludes its work when it reports, with any approved amendments, a bill with a favorable vote by a majority of the committee members. The bill is then considered before the full House of Representatives, where further amending may take place, until the bill is passed by a majority of the members. Once passed by the House, the bill is sent to the Senate for consideration. It is referred to the Senate Finance

Budget Process

Committee where, again, extensive hearings are held, and the bill is reported with any amendments to the full Senate for further amending and passage.

Typically, differences exist between the Executive, House, and Senate versions of the budget bill, requiring the appointment of a Conference Committee. The Conference Committee is composed of three members of each chamber and is responsible for resolving the differences between the versions of the bill. Once all differences are resolved, the committee prepares a report that it recommends to both chambers for final approval. Majority affirmative votes in each chamber are required to accept the report of the Conference Committee and enact the budget bill.

Gubernatorial Approval and Vetoes

In Ohio, the Governor is empowered to veto any or all items in an appropriations bill. Upon receipt of the bill passed by the legislature, the Governor conducts a thorough review of its contents and determines whether any items should be disapproved. Disapproved items are noted in the bill and are signed by the Governor, then the bill, along with the written objections, is returned to the House where the bill originated. The legislature is empowered to override any vetoed item with a three-fifths majority vote of each chamber. The Governor files the budget bill with the Secretary of State at which point the act generally takes effect.

Capital Budgeting Process

Apart from the operating budget process, Ohio also must budget for capital expenditures, such as the construction or rehabilitation of structures and the purchase of permanently affixed equipment. The capital bill is generally submitted every even-numbered calendar year, while the operating bill is submitted in each odd-numbered year. The current capital budget, H.B. 310 of the 133rd General Assembly, is effective for fiscal years 2021 and 2022. H.B. 481 of the 133rd General Assembly reappropriated spending authority from the capital biennium period of fiscal years 2019 and 2020 that had not yet been spent so that it may be used during the current capital biennium.

Funds of the State

The state's funds are organized into budget fund groups forming categories of similar funds for budgetary reporting purposes. The funds are categorized according to their revenue sources and spending authority. The budget fund group (BFG) concept is used in the Executive Budget to summarize history and recommendations for each agency. The list below contains descriptions of budget fund groups.

Table A-1: The State's Budget Fund Groups

Budget Fund Group	Abbreviation
Bond Research & Development	BRD
Budget Stabilization	BSF
Capital Projects	CPF
Debt Service	DSF
Dedicated Purpose	DPF
Facilities Establishment	FCE
Federal	FED
Fiduciary	FID
General Revenue	GRF
Highway Operating	HOF
Highway Safety	HSF
Holding Account	HLD
Internal Services Activity	ISA
Revenue Distribution	RDF
State Lottery	SLF

The budget fund groups are described below:

Bond Research and Development (BRD): The Bond Research and Development Budget Fund Group consists of funds that receive state bond proceeds to fund research and development activities, pilot or demonstration projects, and related commercialization projects. Expenditures from this fund group consist of grants and loans for eligible projects undertaken by non-profit organizations, higher education institutions, political subdivisions, and private for-profit entities.

Budget Stabilization (BSF): The Budget Stabilization Budget Fund Group consists of the Budget Stabilization Fund that receives transfers from the General Revenue Fund or other funds as provided in law. The purpose of the Budget Stabilization Fund is to provide reserve funds for unexpected economic or other budgetary circumstances.

Capital Projects (CPF): The Capital Projects Budget Fund Group consists of funds that receive proceeds from general obligation and special obligation debt issuances, and the sale of revenue bonds. Expenditures are for capital improvements.

Debt Service (DSF): The Debt Service Budget Fund Group consists of several debt service funds that receive taxes, interest revenue, and transfers from authorized funds including the General Revenue Fund. Expenditures from these funds provide for payment of general long-term debt including principal, interest, and associated costs.

Dedicated Purpose (DPF): The Dedicated Purpose Budget Fund Group consists of funds that receive specific revenues for activities conducted in accordance with the law. Often these funds receive fee revenue or funding transferred from another agency for specific purposes.

Facilities Establishment (FCE): The Facilities Establishment Budget Fund Group consists of funds that receive proceeds from the sale of revenue bonds that are used for loans and loan guarantees to assist businesses in building or expanding Ohio-based facilities. Funds that loan moneys also receive repayments of those loans.

Funds of the State

Federal (FED): The Federal Budget Fund Group consists of funds that receive federal grants or awards. Expenditures from these funds are made in accordance with state and federal laws.

Fiduciary (FID): The Fiduciary Budget Fund Group consists of funds used to account for cash receipts held by the state as custodian or agent. Ultimately, this cash is distributed from these funds to individuals, corporations, private organizations, other state funds, or local governmental entities. This fund group also contains funds that receive direct payroll charges and interest that are expended on payments to state employees for accrued vacation, sick, and personal leave time as well as disability benefits.

General Revenue (GRF): The General Revenue Budget Fund Group consists only of the General Revenue Fund (GRF). Pursuant to section 113.09 of the Ohio Revised Code, the GRF receives all state revenue except when required to be credited to another fund by law. Primary sources of revenue include personal income tax, the sales and use tax, commercial activity tax, and the public utilities tax as well as reimbursements from the federal government (which are not specifically directed to another fund) that primarily support human service programs. The law allows for broad discretion in the purposes for which the General Revenue Fund is used. For example, expenditures support education, health and human services, general government, and property tax relief.

Highway Operating (HOF): The Highway Operating Budget Fund Group consists of transportation-related funds that receive both federal and state motor fuel taxes, highway use taxes, and other related federal grants. Expenditures support primarily the construction and maintenance of the highway system.

Highway Safety (HSF): The Highway Safety Budget Fund Group consists of highway safety-related funds that receive federal grants, fees and fines related to motor vehicles, and various reimbursements, rentals, and revenues from sales. Expenditures support motor vehicle safety and law enforcement programs.

Holding Account (HLD): The Holding Account Budget Fund Group consists of funds used to collect moneys for which the fund most appropriate for deposit is unknown or the moneys are not yet determined to be earned by the state. A holding fund will retain moneys until the appropriate external party or other state fund is identified. In instances when moneys on deposit in these funds are determined not to be earned by the state, a refund disbursement is recorded.

Internal Service Activity (ISA): The Internal Service Activity Budget Fund Group consists of funds used for operations serving other funds or departments within the state or within a state agency.

Revenue Distribution (RDF): The Revenue Distribution Budget Fund Group consists of funds that receive tax and fees for distribution by law to other state funds or local governmental entities.

State Lottery (SLF): The State Lottery Budget Fund Group consists of the funds used to operate the Ohio Lottery Commission and funds that receive lottery profits for the support of elementary, secondary, vocational, and special education programs. Primary sources of revenue are lottery ticket sales and license fees. Major expenditures consist of operating costs, the payment of certain lottery prizes, and support of educational programs using the net proceeds.

Frequently Asked Questions

What is the state budget?

In Ohio, the state budget is a biennial spending plan for state government. It represents a statement of priorities for a two-year period. In common use, the state budget generally refers to the operating budget, rather than the capital budget. A capital budget directs the expenditure of funds for infrastructure and maintenance needs, such as buildings, parks, and historical sites.

What is a biennial budget?

Ohio prepares a biennial budget, which is a spending plan for a two-year period. Operating appropriations are made separately for the two fiscal years in a biennium. The state's fiscal year begins on July 1 and ends the following June 30. The Executive Budget presented in this document shows recommended spending levels for fiscal year 2022 (July 1, 2021 to June 30, 2022) and fiscal year 2023 (July 1, 2022 to June 30, 2023).

Where does the money for the budget come from?

Revenue, or "money," to support governmental operations comes from a variety of sources. The largest portion of this revenue is derived from the general unrestricted taxes for state use authorized by law such as the income tax or the sales tax. Ohio also receives money through special fees, the sale of goods and services, and from the federal government. More information as well as graphical depictions of the major sources of state revenues can be found in Section C under "Revenue Summaries."

How does the state know how much money it can spend?

The Office of Budget and Management, working with the Department of Taxation, prepares projections for state revenues (referred to as a "revenue forecast"). Projections are usually prepared in November preceding the issuance of the Executive Budget, and revenues are forecast for more than a 30-month period. Revenue estimates are updated throughout the process of enacting the budget as the state has more experience with actual receipts from different revenue sources. The Legislative Service Commission prepares independent revenue estimates, which are compared to the administration's forecast. Consensus between the legislature and the executive must be built around the revenue assumptions that support the final version of the budget. Ultimately, no method of forecasting is 100 percent accurate so forecasts will always deviate from the actual performance of state revenue sources.

What is the GRF?

The GRF is the General Revenue Fund. It is the largest fund of the state and receives most of the state's tax receipts. Since there are few restrictions on how GRF dollars can be used, much of the focus of the budget process is on development of a spending plan for GRF resources. Federal dollars that reimburse the state for certain human services-related expenditures are also deposited into the GRF.

How big is the budget?

Many people think of the "size" of the budget in terms of the level of recommended spending from the GRF. Recommended spending from the GRF is \$35.4 billion in fiscal year 2022 and \$39.3 billion in fiscal year 2023. However, the true size of the budget is the amount appropriated from all funds. Appropriations from all operating funds total \$85.4 billion in fiscal year 2022 and \$85.8 billion in fiscal year 2023.

How much is the budget growing?

When compared to fiscal year 2021 estimated expenditures, GRF spending increases by 3.4 percent in fiscal year 2022 and then grows by 11.0 percent in fiscal year 2023, and the total budget for all funds grows by 1.8 percent in fiscal year 2022 and 0.5 percent in fiscal year 2023.

Which agencies have the largest budgets?

The agency with the largest budget in fiscal years 2022 and 2023 is the Department of Medicaid. Total recommended appropriations in fiscal year 2022 are \$31.3 billion, and total recommended appropriations in fiscal year 2023 are \$32.0 billion. Not only does the department have the largest total budget, it also has the largest GRF budget (\$15.7 billion in fiscal year 2022 and \$19.5 billion in fiscal year 2023) and the single largest line item in the GRF — line item 651525, Medicaid/Health Care Services (\$15.0 billion in fiscal year 2022 and \$18.8 billion in fiscal year 2023).

Frequently Asked Questions

Based on total funding, the agencies with the next largest budgets are as follows:

- Department of Education, with total appropriations of \$13.4 billion in fiscal year 2022 and \$13.4 billion in fiscal year 2023. GRF appropriations total \$8.2 billion in fiscal year 2022 and \$8.1 billion in fiscal year 2023.
- Department of Job and Family Services, with total funding of \$4.3 billion in fiscal year 2022 and \$4.3 billion in fiscal year 2023. Of this amount, \$981.9 million in fiscal year 2022 and \$978.8 million in fiscal year 2023 is from the GRF.
- Department of Developmental Disabilities, which is recommended to receive total funding of \$3.6 billion in fiscal year 2022 and \$3.7 billion in fiscal year 2023. The GRF provides \$702.8 million in fiscal year 2022 and \$773.4 million in fiscal year 2023.
- Department of Transportation, which is primarily funded with state and federal motor fuel tax revenues and has total appropriations of \$3.5 billion in fiscal year 2022 and \$3.3 billion in fiscal year 2023.
- Department of Higher Education, primarily funded from the GRF, with total appropriations of \$2.8 billion in fiscal year 2022 and \$2.8 billion in fiscal year 2023.

How big is the budget deficit?

Ohio does not have a budget deficit. While the federal budget is permitted to have a deficit, the Ohio Constitution prohibits the state from borrowing money to fund operating expenses. Therefore, the budget must be balanced.

How big is the budget surplus?

The concept of a "surplus" is not one that is specifically defined. It is generally understood, however, to be funds that remain above and beyond any planned uses (including planned reserves and planned carryover balances). Typically, a surplus is an unexpected result of higher than anticipated revenues or lower than anticipated spending. Amounts typically excluded from consideration as part of the surplus include one-half of one percent of GRF revenues (considered to be a necessary amount for a beginning carryover fund balance), amounts in the Budget Stabilization Fund up to eight- and one-half percent of GRF revenues, and funds needed to support appropriations made by the General Assembly. Based on statute, state budget surpluses cannot accumulate because the law requires that any "surplus" at the end of each fiscal year be deposited into the Income Tax Reduction Fund and returned to Ohio taxpayers.

What is the Blue Book?

Many years ago, the Executive Budget document was printed with a blue cover and, as a result, people began to call the document the "Blue Book." Over the years, each Executive Budget has been presented with a blue cover (or variation), and it is now considered a tradition. Beginning with the Executive Budget for fiscal years 2004 and 2005, the Executive Budget was no longer published in hardcopy but was made available electronically. Beginning with the Executive Budget for fiscal years 2006 and 2007 and continuing today, the Executive Budget is only available on the OBM website: <http://www.obm.ohio.gov/>.

Guide to Reading the Budget Tables

The purpose of this section is to help the reader understand the tables included in the Executive Budget for each agency. Each agency has budget tables that contain the Governor's detailed spending plan for the fiscal years 2022-2023 biennium.

What are Budget Tables?

Agencies have three types of budget tables: summaries of budget history and recommendations by budget fund group, summaries of budget history and recommendations by expense account category, and a summary of executive recommendations by line item for the entire agency. All of these tables show spending history for fiscal years 2018, 2019, and 2020; estimated spending for fiscal year 2021 (since this fiscal year will not end until June 30, 2021); and the Governor's recommended spending for fiscal years 2022 and 2023.

Where are the Tables?

In Sections D and E, the Executive Budget contains Governor DeWine's funding recommendations including the Budget Tables for each agency and the professional licensing boards and commissions. The agencies appear in alphabetical order and each agency has its own section that begins with an overview narrative followed by the agency's summary of budget history and recommendations tables. The agency line item summary table by budget fund group is at the end of each agency section.

Summary of Budget History and Recommendations Tables

The two summaries of budget history and recommendations tables can be found following an agency's executive recommendation bullets. These summaries show actual agency spending in fiscal years 2018, 2019, and 2012; estimated spending in fiscal year 2021; and the Governor's recommended appropriations for fiscal years 2022 and 2023—first by budget fund group and then by expense account category. A diagram of these two tables appears on pages A-21 and A-22.

Executive Recommendations by Line Item Summary Table

Agencies have a line item summary table that shows expenses and Executive recommendations by fund and line item at the end of the agency section. This table shows, by line item, actual spending for fiscal years 2018, 2019, and 2020; estimated spending in fiscal year 2021; and the Governor's recommended appropriations for fiscal years 2022 and 2023. The line items listed on the agency-wide table are grouped and subtotaled by budget fund group with an overall total appearing at the bottom of the table. A diagram of this table appears on page A-24.

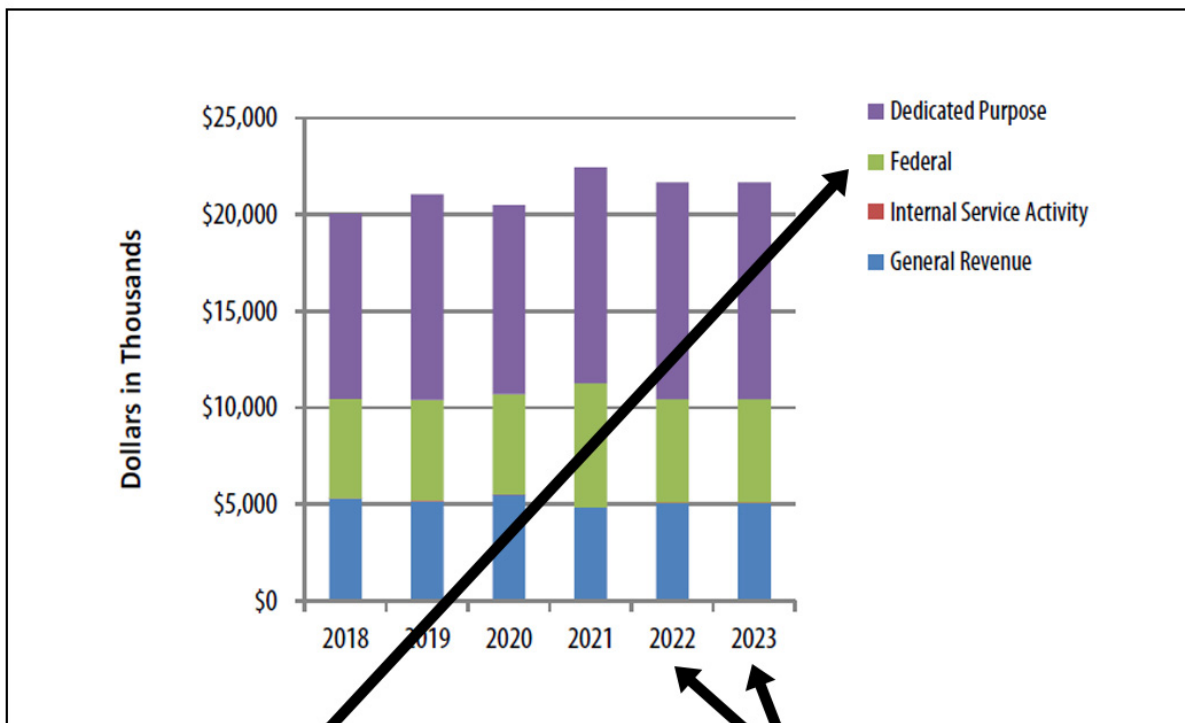
Line Item Restructuring Analysis

Some agencies budget for significant changes in how ongoing programs will continue to be funded in the next biennium, which can cause multiple appropriation line items to have large spending changes compared to the current year. In these cases, agencies will have the line item restructuring analysis table. For only the funds and appropriation line items affected, this table shows current year estimated costs as if the changes budgeted for in the upcoming biennium were already in place. This gives a clearer picture of the continuity of program funding aside from the shifting among line items. A diagram of this table appears on page A-23.

Guide to Reading the Budget Tables

The two summaries of budget history and recommendations tables immediately follow each agency's funding recommendation bullets. These tables show summary budget information for the agency by budget fund group and expense account category. The diagrams below use the State Library Board's summary of budget history and recommendations tables as an example.

Expense by BudgetFund Group



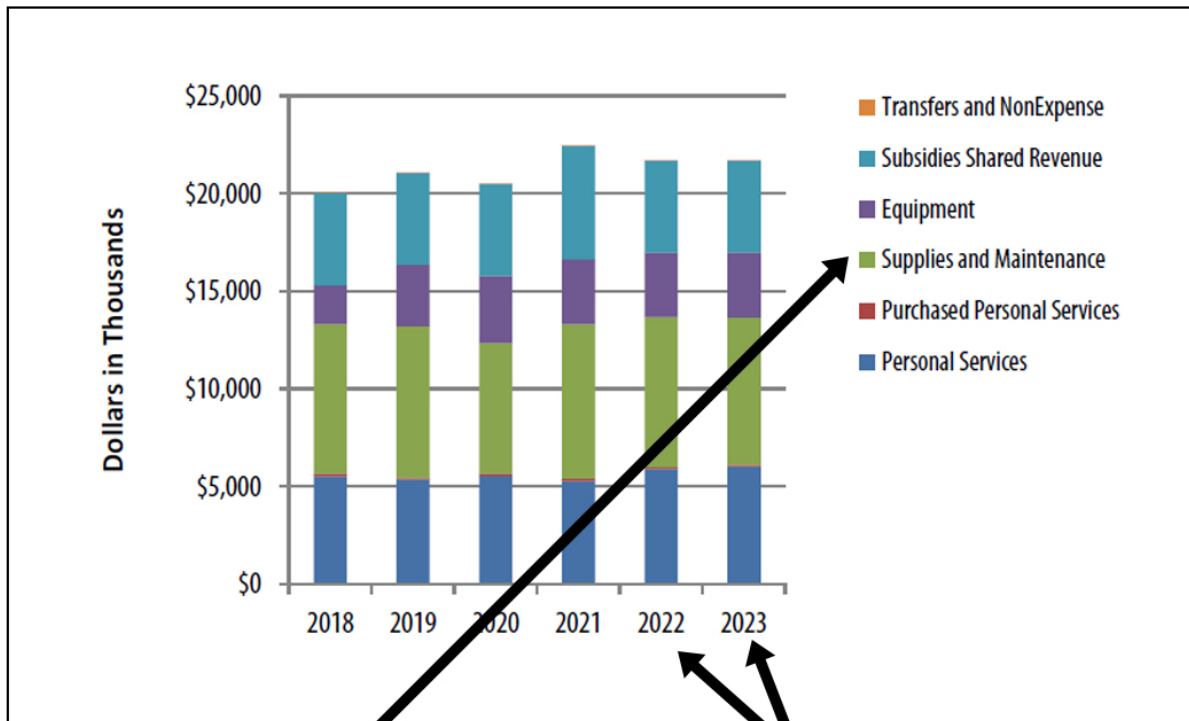
The first summary of budget history and recommendations table summarizes information by budget fund group.

The "Recommended" columns show the Governor's recommendation for fiscal years 2022 and 2023.

(in Thousands)	Actual			Est.	% Change	Recommended			
Budget Fund Group	FY 2018	FY 2019	FY 2020	FY 2021	FY 20-21	FY 2022	% Change	FY 2023	% Change
General Revenue	5,308	5,178	5,495	4,831	-12.1%	5,078	5.1%	5,078	0.0%
Internal Service Activity	2	1	7	2	-71.4%	8	300.0%	8	0.0%
Federal	5,165	5,210	5,187	6,423	23.8%	5,367	-16.4%	5,367	0.0%
Dedicated Purpose	9,551	10,662	9,798	11,174	14.0%	11,224	0.4%	11,226	0.0%
Total	20,025	21,052	20,487	22,429	9.5%	21,677	-3.4%	21,679	0.0%

Guide to Reading the Budget Tables

Expenses by Account Category



The second summary of budget history and recommendations table summarizes information by expense account category

The "Recommended" columns show the Governor's recommendation for fiscal years 2022 and 2023.

(in Thousands)	Actual			Est.	% Change	Recommended			
Expense Account Category	FY 2018	FY 2019	FY 2020	FY 2021	FY 20-21	FY 2022	% Change	FY 2023	% Change
Personal Services	5,501	5,331	5,526	5,268	-4.7%	5,881	11.6%	6,015	2.3%
Purchased Personal Services	151	94	135	130	-3.4%	106	-18.6%	103	-2.8%
Supplies and Maintenance	7,661	7,782	6,667	7,908	18.6%	7,672	-3.0%	7,514	-2.1%
Equipment	1,987	3,130	3,457	3,317	-4.0%	3,322	0.2%	3,351	0.9%
Subsidies Shared Revenue	4,713	4,715	4,696	5,796	23.4%	4,685	-19.2%	4,685	0.0%
Transfers and Non-Expense	12	0	6	10	79.6%	10	0.0%	10	0.0%
Total	20,025	21,052	20,487	22,429	9.5%	21,677	-3.4%	21,679	0.0%

Guide to Reading the Budget Tables

Agencies with significant changes in how ongoing programs will continue to be funded among line items have the ALI Restructuring table. This table shows current-year estimated costs by fund and appropriation line item as if the budgeted changes were already in place. The diagram below uses the Department of Developmental Disabilities' line item restructuring analysis table as an example.

DDD ALI Restructuring

Beginning in fiscal year 2022, appropriation typically found in GRF line item 322420, Screening and Early Identification will be appropriated in GRF line item 322421, Part C Early Intervention. This is a structural budget change; services are not being reduced.

Fund	ALI	ALI Name	Estimated	Recommended			
			FY 2021	FY 2022	% Change	FY 2023	% Change
GRF	322420	Screening and Early Intervention Identification	250,000	0	-100.0%	0	0.0%
GRF	322421	Part C Early Intervention	22,076,431	22,326,431	1.1%	22,326,431	0.0%

Estimated spending for fiscal year 2021 is shown as if the restructuring already existed. This allows a direct, meaningful comparison with fiscal years 2022 and 2023.

Recommended funding for fiscal years 2022 and 2023 is when the restructuring will actually occur.

Guide to Reading the Budget Tables

Each agency section ends with Executive Recommendations by Line Item table that summarizes historical spending and recommended spending information for the entire agency by appropriation line item. The spending and recommendations are presented by fund and are subtotaled by budget fund group. The diagram below uses the State Library Board's line item summary table by budget fund group as an example.

The two "% Change" columns show the percent change between:
 (1) the FY 2021 estimate and FY 2022 recommended columns and
 (2) the FY 2022 and FY 2023 recommended columns.

Executive Recommendations by Line Item

Fund	ALI	ALI Name	Actual			Estimated	Recommended			
			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	% Change	FY 2023	% Change
GRF	350321	Operating Expenses	4,512,572	4,378,001	4,708,060	4,030,746	4,293,122	6.5%	4,293,122	0.0%
GRF	350401	Ohioana Rental Payments	295,114	300,114	295,114	300,114	305,000	1.6%	305,000	0.0%
GRF	350502	Regional Library Systems	500,000	500,000	492,000	500,000	480,000	-4.0%	480,000	0.0%
Total General Revenue			5,307,686	5,178,115	5,495,174	4,830,860	5,078,122	5.1%	5,078,122	0.0%
1390	350602	Services for State Agencies	2,065	1,420	6,990	2,000	8,000	300.0%	8,000	0.0%
Total Internal Service Activity			2,065	1,420	6,990	2,000	8,000	300.0%	8,000	0.0%
3130	350601	LSTA Federal	5,164,888	5,210,319	5,186,825	6,422,565	5,366,565	-16.4%	5,366,565	0.0%
Total Federal			5,164,888	5,210,319	5,186,825	6,422,565	5,366,565	-16.4%	5,366,565	0.0%
4590	350603	Services for Libraries	3,730,668	3,663,367	3,546,322	4,202,887	4,252,887	1.2%	4,252,887	0.0%
4540	350604	Ohio Public Library Information Network	4,545,720	5,724,856	4,977,200	5,696,898	5,696,898	0.0%	5,698,898	0.0%
5GB0	350605	Library for the Blind	1,274,194	1,274,194	1,274,194	1,274,194	1,274,194	0.0%	1,274,194	0.0%
Total Dedicated Purpose			9,550,582	10,662,417	9,797,716	11,173,979	11,225,979	0.4%	11,225,979	0.0%
Grand Total State Library Board			20,025,221	21,052,271	20,486,705	22,429,404	21,678,666	-3.4%	21,678,666	0.0%

Subtotals are shown for each budget fund group.

Reductions appear as negative entries.



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