



LEGISLATIVE BUDGET BOARD

Base Reconciliation

Agency Training

**PRESENTED TO AGENCY STAFF
LEGISLATIVE BUDGET BOARD STAFF**

MARCH 2022

Training Agenda

- What is a Base Reconciliation?
- Why is it Important?
- Getting Started
- Operating ABEST
- Base Reconciliation Adjustments
- Common Errors
- Agency Resources

What is a Base Reconciliation?

Base Reconciliations provide the basis for agencies to reconcile their original appropriations by Method of Finance (MOF) and full-time equivalents (FTEs) for FY 2021 expended, FY 2022 estimated, and FY 2023 budgeted, taking into consideration adjustments made through:

- Agency Riders, Special Provisions, and General Provisions in the General Appropriations Act (GAA);
- Legislation;
- Changes in federal funding levels or collected revenues;
- Governor vetoes; and
- Lapses.

Why is it Important?

The Base Reconciliation is the first step in the Legislative Appropriation Request (LAR) process.

- The LBB-Governor approved Base Reconciliation establishes the **2022-23 Base** for General Revenue (GR) and GR-Dedicated (GR-D) Funds.
- The 2022-23 Base is used to calculate an agency's:
 - **2024-25 GR-Related baseline request limit;** and
 - **GR-Related 10% reduction target** amount.

Getting Started

Before you begin entering information in ABEST...

- 1) Read agency Base Reconciliation instructions.
- 2) Pull and review the approved 2022 Operating Budget to assist with ensuring consistency across submissions.
- 3) Confirm MOF starting points as determined by the Conference Committee bills.
- 4) Gather all adjustments made in the Fiscal Size Up bill.
- 5) Gather all adjustments related to approved Requests to Exceed (RTEs) and/or Notifications.
- 6) Gather all adjustments made during a Special Session, if any.

Instructions

Legislative Budget Board website:


HOME > AGENCIES PORTAL

DATA ENTRY APPLICATIONS	CERTIFICATION & TRAINING REPORTING	REFERENCE DOCUMENTS	LOGON INFORMATION
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Effective March 1, 2022, LBB Applications has moved to the new domain – lbb.texas.gov. Bookmarks and favorites will need to be updated to the new address. See the Data Entry Applications below for details.

WHAT'S NEW

- [Base Reconciliation Instructions for Fiscal Years 2022-23 \(March, 2022\)](#)
- [ABEST Instructions for Base Reconciliation 2022-23 Biennium \(March, 2022\)](#)
- [Base Reconciliation Example for Fiscal Years 2022-23 \(March, 2022\)](#)



ABEST

HOME > AGENCIES PORTAL

**DATA ENTRY
APPLICATIONS**

**CERTIFICATION &
TRAINING REPORTING**

**REFERENCE
DOCUMENTS**

**LOGON
INFORMATION**

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WHAT'S NEW

INSTRUCTIONS

DATA ENTRY APPLICATIONS

Automated Budget and Evaluation System of Texas (ABEST)
New address effective March 1, 2022 – abest1.lbb.texas.gov



ABEST – Reporting MOFs

87TH LEGISLATIVE REGULAR SESSION	Base Reconciliation	SBR - Base Reconciliation	405 - Department of Public Safet	Status: COMPLETE
87TH LEGISLATIVE REGULAR SESSION ▼	Base Reconciliation ▼	SBR - Base Reconciliation ▼	405 - Department of Public Safety ▼	Save Selections

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- MOFs**
- FTEs
- Reports

Base Reconciliation

 MOFs



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Existing MOFs:

MOFs: 555 - Federal Funds

	Appr. Type	Summary Description	Comments	Exp 2019	Est 2020	Bud 2021
	RA	Regular Appropriations from MOF Table (2018-19 GAA)		\$165,693,559	\$0	\$0
	RA	Regular Appropriations from MOF Table (2020-21 GAA)		\$0	\$1,449,651,700	\$2,100,741,839
	RI	Art. IX, Sec 13.01, Federal funds/Block		\$533,007,067	\$0	\$0
	RI	Art. IX, Sec 13.01, Federal funds/Block		\$0	\$443,088,644	\$264,826,230
	SU	Art IX, Sec 18.29, Contingency for HB 2794	TDEM transfer	\$0	(\$7,661,126)	(\$7,661,126)



ABEST – Reporting FTEs

87TH LEGISLATIVE REGULAR SESSION	Base Reconciliation	SBR - Base Reconciliation	405 - Department of Public Safet	Status: COMPLETE
87TH LEGISLATIVE REGULAR SESSION ▼	Base Reconciliation ▼	SBR - Base Reconciliation ▼	405 - Department of Public Safety ▼	Save Selections

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- Reports



Base Reconciliation

FTEs



[FTEs](#) [Fed Funded FTEs](#) [Bottom](#)

FTEs:

Appr. Type	Summary Description	Comments	Exp 2019	Est 2020	Bud 2021
RA	Regular Appropriations from MOF Table (2018-19 GAA)		10,596.8	0	0
RA	Regular Appropriations from MOF Table (2020-21 GAA)		0	11,424.7	11,424.7
RA	Vacant Positions		(932.3)	0	0
RI	Art.IX. Sec. 18.08 Contingency for House Bill 1399.		0	6	6
RI	Art.IX. Sec. 18.20. Contingency for House Bill 2048		0	(43)	(43)
RI	Art.IX. Sec. 18.49 Contingency for House Bill 8		0	21	21
RI	Art. IX. Sec. 18.92 Contingency for Senate Bill 616		0	0	(9)
TR	Art.IX. Sec. 18.29 Contingency for House Bill 2794		0	(304)	(304)
FTE Summary Total:			9,664.5	11,104.7	11,095.7

Save Cancel

Of 100% Federally Funded FTEs:

Exp 2019	Est 2020	Bud 2021
420	281	281

Save Cancel

ABEST – Pulling Reports

87TH LEGISLATIVE REGULAR SESSION	Base Reconciliation	SBR - Base Reconciliation	405 - Department of Public Safet	Status: COMPLETE
87TH LEGISLATIVE REGULAR SESSION ▼	Base Reconciliation ▼	SBR - Base Reconciliation ▼	405 - Department of Public Safety ▼	Save Selections

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- FTEs
- Reports

Base Reconciliation

 Reports 

..... [Summary of Base Reconciliation by Method of Finance](#)

ABEST – Pulling Reports

Summary of Base Reconciliation by Method of Finance
 87th Regular Session, Base Recon, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

3/17/2022 3:54:43PM

405 Department of Public Safety

METHOD OF FINANCING	Exp 2019	Est 2020	Bud 2021
<u>GENERAL REVENUE</u>			
1 General Revenue Fund			
<i>REGULAR APPROPRIATIONS</i>			
Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$1,113,406,815	\$1,033,631,429
Regular Appropriations from MOF Table (2018-19 GAA)	\$908,636,621	\$0	\$0
<i>RIDER APPROPRIATION</i>			
Art. IX, Sec 18.09, Contingency HB 281 (2018-19 GAA)	\$238,185	\$0	\$0
Comments: HB 281 - Statewide electronic tracking system for evidence of a sex offense.			
Art. IX, Sec 14.04, Disaster Related Transfer Authority (2018 19 GAA)	\$(62,511,327)	\$0	\$0
Comments: Funding transfers from FY 19 to FY 18 to reimburse DPS (multiple strategies) for Hurricane Harvey expenditures.			
Art. IX, Sec 18.20, Contingency for HB 2048 (2020-21 GAA)	\$0	\$(2,191,892)	\$(2,191,892)
Comments: HB 2048 - Repeal of the Driver Responsibility Program.			

MOF Adjustment Types

Adjustments to MOF appropriations are grouped by **Appropriation Type** including:

- Regular Appropriations
- Rider Appropriations
- Emergency and Supplemental Appropriations
- Governor's Disaster, Emergency & Deficiency Grants
- Transfers
- Unexpended Balances
- Lapsed Appropriations

MOF Adjustments

Regular Appropriations

- Agencies should start with the exact regular appropriations amount from the agency's Method of Financing table in the **Conference Committee Report** versions of the 2020-21 & 2022-23 GAAs.
- FTE reconciliation should start with the “Number of Full-Time-Equivalents (FTE)” amounts in the Conference Committee Reports.

MOF Adjustments

Rider Appropriations

- Agency Bill Pattern Riders
- Article IX General Provisions
- Special Provisions (end of Articles II, III, IV, V, VIII & X)

Supplemental, Special, or Emergency Appropriations

- Legislative appropriations not contained in the GAA
- Supplemental Appropriations Bills (e.g., HB 2, 87R)
- Governor's veto proclamations

Governor's Emergency/Deficiency Grants

MOF Adjustments

Unexpended Balances (UB)

- Authority to carry forward unspent appropriations from one fiscal year to another provided at the MOF or Strategy level (“& UB”).
- UB authority provided by rider should be reported as a Rider Appropriation.

Lapsed Appropriations

Appropriations not spent during the applicable fiscal year that cannot be carried forward. This can include lapses in funding or lapses in authority.

Transfers

Appropriations transferred from one agency for expenditure by another agency.

Coronavirus Relief Fund (CRF) Swaps

METHOD OF FINANCE	EXP 2021	EST 2022	COMMENTS
GENERAL REVENUE			GENERAL REVENUE
1 General Revenue Fund			
RIDER APPROPRIATION:			
Art IX, Sec 17.48, Additional Reductions to Appropriations made under other Articles (2022-23 GAA) - GR Reduction	\$0	(\$53,047,196)	General Revenue Savings as a result of receiving CRF funding from CFDA 21.019 (Estimated Benefits: FY2022 - \$11,952,804)
SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS:			
87th Legislature, Regular Session, House Bill 2	(\$174,900,652)	\$0	General Revenue Savings as a result of receiving CRF funding from CFDA 21.019 (Estimated Benefits: FY2021 - \$51,677,481)
LAPSED APPROPRIATIONS:			
Art II (2020-21 GAA)	(\$139,225,314)	\$0	General Revenue Savings as a result of receiving CRF funding from CFDA 21.019 (Estimated Benefits: FY2020 - \$41,233,869)
FEDERAL FUNDS			FEDERAL FUNDS
325 Coronavirus Relief Fund			
RIDER APPROPRIATION:			
Art IX, Sec 17.48, Additional Reductions to Appropriations made under other Articles (2022-23 GAA) - CFDA 21.019 - Coronavirus Relief	\$0	\$53,047,196	Grant award adjustments (Estimated Benefits: FY2022 - \$11,952,804)
Art IX, Sec 14.04, Disaster Related Transfer Authority (2020-21 GAA) 93.556.119 IVB-2 - Coronavirus	\$139,225,314	\$0	Estimated Grant award adjustments. (Benefits: FY2020 - \$41,233,869)
SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS:			
87th Legislature, Regular Session, House Bill 2	\$174,900,652	\$0	Supplemental Appropriations - CRF Funding - CFDA 21.019 (Estimated Benefits: FY2021 - \$51,677,481)

Common Errors

- **Incorrect Starting Point:** The starting appropriations for each MOF should be from the Conference Committee Report, not the Fiscal Size Up version of the bill.
- **Incorrectly Reflecting RTEs:**
 - Unless given explicit approval, Base Reconciliations should not include any adjustments for pending RTEs.
 - All approved RTEs must be included.
- **Office of the Governor Grants:** Use MOF 8000 (Other Funds) to report grant funds, excluding ARPA (MOF 325) received from the Trusteed Programs within the Office of the Governor.

Common Errors

- **Transfers Not Netting to Zero:** All transfers must net to zero such that the transfer out matches the transfer in.
- **Missing/Incorrect Appropriation Authority:** All provisions for additional appropriation authority should be included and correctly cited. You should always use the most specific citation possible.
- **Incorrectly Reflecting Earned Federal Funds (EFF):** EFF amounts are included in the starting point for General Revenue Fund 0001. Agencies should only include a separate line for EFF if there was a lapse or increase compared to amounts assumed in appropriations.

Common Errors

- **COVID-19 Funds:**
 - All federal funds provided in response to COVID-19 should utilize a .119 suffix for the CFDA and be reported under MOF 325.
 - Unless a more specific authority is applicable, agencies should use Article IX, Sec 14.04 as the citation for the related MOF adjustments.

Agency Resources

- Base Reconciliation Instructions
- 2022 Operating Budget Reconciliation
- Fiscal Size Up Bill Pattern
- USAS Reports for Lapses and UBs
- State Auditor's Office FTE Report
- Your assigned budget analyst

Questions?



LEGISLATIVE BUDGET BOARD

Contact the LBB

Legislative Budget Board

www.lbb.texas.gov

512.463.1200