



LEGISLATIVE BUDGET BOARD

Base Reconciliation

Agency Training

PRESENTED TO AGENCY STAFF

LEGISLATIVE BUDGET BOARD STAFF

MARCH 2024

Training Agenda

- What is a Base Reconciliation?
- Why is it Important?
- Getting Started
- What's New
- 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 2023 expended, FY 2024 estimated, and FY 2025 budgeted, taking into consideration adjustments made through:

- Agency Riders, Special Provisions, and General Provisions in the General Appropriations Act (GAA);
- Approved Requests to Exceed (RTEs);
- Legislation affecting appropriations;
- 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 Base Reconciliation, as approved by the LBB and Governor, establishes the **2024-25 Base** for General Revenue (GR) and GR-Dedicated (GR-D) Funds.

The 2024-25 Base is used to calculate an agency's **2026-27 GR/GR-D baseline request limit**.

Getting Started

Before you enter information in ABEST:

- 1) Read agency Base Reconciliation instructions;
- 2) Review the approved 2024 Operating Budget to ensure consistency across submissions;
- 3) Confirm MOF starting points as determined by the Conference Committee Report GAAs;
- 4) Gather adjustments made in the Fiscal Size-Up GAA;
- 5) Gather adjustments related to approved Requests to Exceed (RTEs); and
- 6) Gather adjustments made during a Special Session, if any.

What's New

- Five Percent Salary Adjustments
 - Reflect 2023 salary adjustment funding provided by SB 30, 88(R), as a “Transfer”
 - Reflect 2024-25 salary adjustment funding as a “Transfer” **only** for any additional funds received from the Comptroller to implement the adjustment
 - Reflect any lapsed salary appropriations
 - LBB analysts will provide a supplemental spreadsheet to capture additional salary data
- Unexpended Balance (UB) authority provided by rider should be classified as “UB” rather than “Rider Appropriation”

Instructions


Legislative Budget Board website:

https://www.lbb.texas.gov/Agencies_Portal.aspx

HOME > AGENCIES PORTAL



WHAT'S NEW

- [Base Reconciliation Instructions 2024-25 Biennium \(March, 2024\)](#)
 - [Instructions for Preparing and Submitting Agency Strategic Plans \(Feb, 2024\)](#)
 - [ABEST Instructions for Finalizing Budget Structures and Defining Measures \(Feb, 2024\)](#)
- 

ABEST & Example Document

https://www.lbb.texas.gov/Budget_Submissions.aspx

HOME > AGENCIES PORTAL > INSTRUCTIONS: BUDGET SUBMISSIONS



Budget Submissions

Strategic Plan Instructions

Base Reconciliation Instructions

Base Reconciliation Instructions for Fiscal Years 2024-25 (March, 2024)

ABEST Instructions for Base Reconciliation 2024-25 Biennium (March, 2024)

Base Reconciliation Example for Fiscal Years 2024-25 (March, 2024)



ABEST – Reporting MOFs

Set session to
"89th Legislative Regular Session"

88TH LEGISLATIVE REGULAR SESSION	Base Reconciliation	SBR - Base Reconciliation	403 - Veterans Commission	Status: COMPLETE
88TH LEGISLATIVE REGULAR SESSION ▼	Base Reconciliation ▼	SBR - Base Reconciliation ▼	403 - Veterans Commission ▼	Save Selections

- News
- Status
- MOFs**
- FTEs
- Reports

Base Reconciliation

MOFs

Existing MOFs:

MOFs: 1 - General Revenue Fund

Appr. Type	Summary Description	Comments	Exp 2021	Est 2022	Bud 2023
RA	Regular Appropriations from MOF Table (2020-21 GAA)		\$14,415,008	\$0	\$0
RA	Regular Appropriations from MOF Table (2022-23 GAA)		\$0	\$14,541,428	\$14,413,095
RI	Art IX, Sec 13.11, Earned Federal Funds (2022-23 GAA)	EFF estimated earned above \$1,110,194 per Art IX, Sec	\$0	\$1,358,792	\$1,358,792
SU	HB 2, 87th Leg, Regular Session	Fiver Percent Reduction 2020-21	(\$722,667)	\$0	\$0

Fiscal Years will be
Exp 2023, Est 2024, Bud 2025



Summary descriptions of appropriations
adjustments are updated

ABEST – Reporting FTEs

Set session to
"89th Legislative Regular Session"

88TH LEGISLATIVE REGULAR SESSION Base Reconciliation SBR - Base Reconciliation 403 - Veterans Commission Status: COMPLETE

88TH LEGISLATIVE REGULAR SESSION Base Reconciliation SBR - Base Reconciliation 403 - Veterans Commission Save Selections

- News
- Status
- MOFs
- FTEs**
- Reports

Fiscal Years will be
Exp 2023, Est 2024, Bud 2025



Base Reconciliation

FTEs

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

FTEs:

Appr. Type	Summary Description	Comments	Exp 2021	Est 2022	Bud 2023
LA	Regular Appropriations from MOF Table (2020-21 GAA)		(15.5)	0	0
LA	Regular Appropriations from MOF Table (2022-23 GAA)		0	(13.1)	0
RA	Regular Appropriations from MOF Table (2020-21 GAA)		396.5	0	0
RA	Regular Appropriations from MOF Table (2022-23 GAA)		0	438.5	438.5
RE	Art IX, Sec 6.10 (a) FTE Request to Exceed (2020-21 GAA)	22 FTEs approved by Commissioners in August 13,	22	0	0
FTE Summary Total:			403	425.4	438.5

Summary descriptions of appropriations adjustments are updated

Of 100% Federally Funded FTEs:

Exp 2021	Est 2022	Bud 2023
193	182	182

ABEST – Pulling Reports

Set session to
"89th Legislative Regular Session"

88TH LEGISLATIVE REGULAR SESSION	Base Reconciliation	SBR - Base Reconciliation	403 - Veterans Commission	Status: COMPLETE
88TH LEGISLATIVE REGULAR SESSION ▾	Base Reconciliation ▾	SBR - Base Reconciliation ▾	403 - Veterans Commission ▾	Save Selections

- News
- Status
- MOFs
- FTEs
- Reports

Base Reconciliation

 Reports



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

ABEST – Pulling Reports

89th Regular Session will be displayed

Summary of Base Reconciliation by Method of Finance
 88th Regular Session, Base Recon, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

3/11/2024 1:14:47PM

Fiscal Years will be updated to Exp 2023, Est 2024, Bud 2025

403 Veterans Commission

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023
<u>GENERAL REVENUE</u>			
1 General Revenue Fund			
<i>REGULAR APPROPRIATIONS</i>			
Regular Appropriations from MOF Table (2020-21 GAA)	\$14,415,008	\$0	\$0
Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$14,541,428	\$14,413,095
<i>RIDER APPROPRIATION</i>			
Art IX, Sec 13.11, Earned Federal Funds (2022-23 GAA)	\$0	\$1,358,792	\$1,358,792
Comments: EFF estimated earned above \$1,110,194 per Art IX, Sec 13.10 (b), Memo sent to LBB and CPA March 11, 2022			
<i>SUPPLMNTL, SPECIAL APPRO.</i>			
HB 2, 87th Leg, Regular Session	\$(722,667)	\$0	\$0
Comments: Fiver Percent 2020-21			

Summary descriptions of appropriations adjustments are updated

MOF Adjustment Types

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

- Regular Appropriations
- Rider Appropriations
- Emergency and Supplemental Appropriations
- Governor's Disaster/Deficiency/Emergency 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 2022-23 & 2024-25 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. SB 30, 88R)
- Governor's veto proclamations

Governor's Disaster/Deficiency/Emergency 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”).
- New: UB authority provided by rider should be reported as a UB, not 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.

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 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 the GAA.

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 and Example
 - **See Appendix A of the instructions for helpful links and other reference documents**
- 2024 Operating Budget Reconciliation
- Conference Committee Report Bill Pattern
- 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