
 <p>State of Connecticut Department of Correction</p> <p><b>ADMINISTRATIVE DIRECTIVE</b></p>	Directive Number 3.1	Effective Date 4/28/2017	Page 1 of 3
	Supersedes Budget Process and Management, dated 10/03/14		
Approved By  Commissioner Scott Semple	Title Budget Process and Management		

1. Policy. The Department shall manage its budget and expenditures in accordance with approved annual plans which shall be consistent with governing state policies and guidelines.

2. Authority and Reference.

- a. Connecticut General Statutes, Sections 4-77 and 18-81.
- b. State Accounting Manual, Office of the Comptroller.
- c. Operating and Capital Budget Request Instructions, Office of Policy and Management.
- d. American Correction Association, Standards for the Administration of Correction Agencies, Second Edition, April 1993, Standards 2-CO-1B-01 through 2-CO-1B-04.
- e. American Correctional Association, Standards for Adult Correctional Institutions, Fourth Edition, January 2003, Standards 4-4028 through 4-4030, 4-4032, 4-4035 and 4-4040.
- f. American Correctional Association, Performance-Based Standards for Adult Local Detention Facilities, Fourth Edition, June 2004, Standards 4-ALDF-7D-11 and 4-ALDF-7D-13.
- g. American Correctional Association, Standards for Adult Probation and Parole Field Services, Fourth Edition, , Standards 3-3037, 3-3038, 3-3040 through 3-3042.
- h. American Correctional Association, Standards for Correctional Training Academies, First Edition, May 1993, Standards 1-CTA-1B-03, 1-CTA-1B-04 and 1-CTA-1B-06.

3. Definitions. For the purposes stated herein, the following definitions apply:

- a. Allotment. A portion of an appropriation or the process by which funds are made available to an agency for commitment and expenditure.
- b. B-1a. An Office of Policy and Management form used to schedule the allotment of an Operating Budget to an agency over the course of a fiscal year.
- c. Budget Option. A request to significantly change the current services operating budget.
- d. Budget Request. A detailed financial plan projecting funding requirements for a given fiscal period.
- e. Comprehensive Financial Status Report (CFSR). A monthly report which details expenditures to date and projections for the remaining fiscal year.
- f. Current Services Budget. Funding sufficient to maintain previously approved operations and staffing levels.
- g. Legislative Appropriation. Fiscal year funding level as finalized by the General Assembly.
- h. Management Plan. A line item breakdown of all budgeted funding reflected in a B-1.
- i. Operating Budget. An adjusted Budget Request approved by the Office of Policy and Management and the General Assembly to fund the agency's operations in the current period.
- j. Position Count. The total number of permanent full-time positions authorized by the General Assembly.

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4. Budget Request. The Director of Fiscal Services, in consultation with the agency's executive management, division and unit heads, shall prepare and submit a recommended agency budget request to the Commissioner for review and approval. The approved Budget Request shall be submitted in accordance with time frames and format established by the Office of Policy and Management.
- a. Position Count. The agency's position count shall consist of:
    - i. permanent, filled, full-time positions;
    - ii. vacant full-time positions; and
    - iii. Authorized but unestablished full-time positions.
      1. The sum shall equal the total number authorized by the Legislative Appropriation and shall be used to calculate pertinent personnel costs.
  - b. Guidelines. Guidelines, including inflation guidelines, as promulgated by the Office of Policy and Management, shall be used to reflect the anticipated cost for each line item of the Budget Request.
5. Budget Option. A Budget Option may be prepared for reduction, expansion or reallocation of funding or revenue that varies from current services. The Budget Option shall be submitted as follows:
- a. Preparation. Budget Options may be initiated to meet Departmental program goals and/or as directed by the Office of Policy and Management. Option requests shall include a thorough narrative, a detailed breakdown of affected budget and program measures, and any other information deemed necessary by the Office of Policy and Management.
  - b. Submission. A completed Budget Option shall be reviewed for completeness and accuracy by the Director of Fiscal Services and submitted to the Deputy Commissioner of Administration for review and recommendation to the Commissioner. Only those Budget Options authorized by the Commissioner shall be submitted to the Office of Policy and Management.
  - c. Ranking. The Budget Options shall be reviewed and priorities established by the Commissioner. An Agency Budget Options Summary shall be prepared by the Director of Fiscal Services, to include the prioritization for each type of option (e.g., reduction, expansion, reallocation and/or revenue).
6. B-1a Request for Allotment of Appropriations. In accordance with instructions issued by the Office of Policy and Management, the Director of Fiscal Services shall prepare form B-1a, requesting a schedule of allotments of the Departmental Operating Budget, for the fiscal year. The B-1a request shall be submitted for approval to the Deputy Commissioner of Administration, and to the Commissioner, prior to submission to the Office of Policy and Management.
- a. Preparation. The B-1 shall be supported by line item budgets for each funded Unit within the Department. The Director of Fiscal Services shall develop proposed budgets based on Current Services levels, programmatic concerns, and relevant fiscal issues.
  - b. Review. The proposed budgets shall be reviewed by each Unit Administrator, Deputy Commissioner, and the Commissioner.
  - c. Approval. Upon approval, the consolidated budgets shall constitute the Departmental operating budget.
7. Management (Spending) Plan. The Director of Fiscal Services shall develop a management (spending) plan that balances to the B-1a total appropriations.
- a. Preparation. The Management Plan shall be supported by line item budgets for each funded Facility/Divisional Unit within the Department. The Director of Fiscal Services shall develop proposed budgets based on Current Services levels, programmatic concerns, and relevant fiscal issues.
  - b. Approval. Upon approval, the consolidated budgets shall constitute the Departmental operating budget.

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8. Unit Administrator Participation. During each process outlined in Sections (4), (5) and (7), Unit Administrators may suggest proposed changes, including budget options to be reviewed for consideration during the development of current or out year budget plans.
9. Comprehensive Financial Status Report. Financial reports shall be prepared monthly by the Fiscal Services Unit using the Comprehensive Financial Status Report (CFSR) format. The reports shall consist of:
- a. Contents. The CFSR shall consist of:
    - i. expenditures to date;
    - ii. projected expenditures to the end of the year;
    - iii. budget appropriation;
    - iv. total end of year expenditure projection;
    - v. percent of expenditures compared to the appropriations;
    - vi. the projected surplus or deficit; and
    - vii. filled and vacant positions.
      1. In addition, quarterly expenditures, allotments and balances shall be included.
  - b. Categories. Any expenditure shall be categorized as:
    - i. Personal Services;
    - ii. Other Expenses;
    - iii. Equipment;
    - iv. Other Current Expenses.
      1. Within these categories, line items shall denote the type of expenditures. Changes to the CFSR format are subject to approval by the Office of Policy and Management.
  - c. Distribution. The consolidated Department CFSR shall be forwarded by the Director of Fiscal Services to the Commissioner, Deputy Commissioners, the Office of Policy and Management and the General Assembly's Office of Fiscal Analysis. Each Unit Head shall receive the monthly report for their respective unit.
  - d. Authority. The Commissioner, Deputy Commissioners, Division Heads, District Administrators or the Director of Fiscal Services may request additional fiscal reports as necessary for the management and oversight of the Department of Correction's budget.
10. Budget Management. The monthly CFSR shall be used to report and monitor expenditures and as a basis to modify budget and/or request budget modifications.
- a. Unit Head. Each Unit Head shall be responsible for insuring appropriate use and control of Unit expenditures, and shall review the monthly CFSR for variations from the Unit budget.
  - b. Requests for Modification. Unit Head may request budget modifications through the Director of Fiscal Services, with the approval of the appropriate Division Head or District Administrator.
11. Exceptions. Any exception to the procedures in this Directive shall require prior written approval from the Commissioner.