

Schedule VIII B-2: Priority Listing of Agency Budget Issues for Possible Reduction in the Event of Revenue Shortfalls for Legislative Budget Request Year

Purpose

The purpose of the Schedule VIII B-2 is to identify recurring budget reductions that can be made in Fiscal Year 2019-20 in the event that budget reductions are necessary. Agencies are required to submit a Schedule VIII B-2 that contains reduction issues for Fiscal Year 2019-20, totaling at least 10 percent of their 2018-19 recurring general revenue funds and at least 10 percent of their 2018-19 recurring state trust funds, for consideration in developing the 2019-20 budget.

Authority

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." Section 216.221(5), Florida Statutes, provides guidelines for a plan of action to prevent general revenue deficits.

Format

The Schedule VIII B-2 displays each reduction issue. Agencies must assign a priority number for each reduction issue and include the priority number in the issue narrative. The format is similar to the Exhibit D-3A format and must include narrative justification which should also reference any nonrecurring and annualization amounts associated with each reduction issue.

Guidelines for Reduction Issues

The Office of Policy and Budget (OPB) will provide target reduction amounts to agencies for the Schedule VIII B-2 by separate memo. The target amount for reductions will be calculated from recurring appropriations included in the Fiscal Year 2018-19 General Appropriations Act as adjusted for vetoes, supplemental appropriations and failed contingencies. Reduction target amounts will be adjusted for appropriate exclusions, such as, federally restricted funds (Funding Source Identifiers (FSI) 3 and 9), recurring debt service expenditures, certain double budgeted items and certain pass-through items. A target reduction amount for the Social Services Block Grant Trust Fund and the Welfare Transition Trust Fund may be provided to the appropriate state agencies. Agencies must follow the following guidelines when preparing the Schedule VIII B-2:

1. **All reductions must be recurring.**
2. Reductions must be program/issue specific and cannot simply be across-the board percentage reductions to achieve the target. **IMPORTANT NOTE: Agencies that do not adhere to this guideline will be asked to redo this schedule.**
3. Agencies should evaluate all programs and services. Agencies should seriously consider reducing programs and services that do not achieve a sufficient level of performance.

Trust fund reductions must generate revenue that could be redirected to the General Revenue