

Schedule VIII B-1: Priority Listing of Agency Budget Issues for Possible Reduction for Current Year

Purpose

The purpose of the Schedule VIII B-1 is to identify reductions from Fiscal Year 2020-21 recurring and/or nonrecurring appropriations that could be used to address a potential revenue shortfall for Fiscal Year 2020-21. Agencies are required to submit a Schedule VIII B-1 that contains reduction issues for Fiscal Year 2020-21 recurring and/or nonrecurring appropriations, totaling at least 8.5 percent of their general revenue funds and at least 8.5 percent of their state trust funds, for consideration in addressing a potential shortfall.

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." Subsection 216.221(5), F.S., provides guidelines for a plan of action to prevent general revenue deficits.

Format

The Schedule VIII B-1 shall display the total possible reduction for Fiscal Year 2020-21, as well as any nonrecurring amounts or annualization amounts associated with each reduction. The format will be similar to the Exhibit D-3A format and will include narrative justification for each reduction issue.

Guidelines for Reduction Issues

The Office of Policy and Budget will provide target reduction amounts to agencies for the Schedule VIII B-1 by separate memo. The target amount for reductions will be calculated from recurring and nonrecurring appropriations included in the Fiscal Year 2020-21 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, recurring debt service expenditures, double budgeted items and certain pass-through items. The following guidelines should be adhered to in preparing the Schedule VIII B-1:

1. The total for reduction issues submitted in the Schedule VIII B-1 must total to the 8.5 percent target reduction amount provided by OPB (**i.e., the annualization amount may NOT be counted toward the 8.5 percent target**).
2. The total reduction amount may be a combination of recurring and nonrecurring funds. One-time reductions of recurring budget issues are allowed if you determine such issue can be reduced for one year. A justification must be provided to explain the one-time reduction and its impact on critical issues in the agency.
3. 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. To the extent broader programmatic reductions are included, the agency must provide an explanation of how these reductions are feasible while maintaining critical agency operations.

4. Agencies should evaluate all programs and services. Agencies should seriously consider reducing programs and services that do not achieve a sufficient level of performance.
5. Trust fund reductions that yield cash savings, such that funds are available to be transferred to the General Revenue Fund or used for other purposes, can be included to meet the target reduction total. Correspondingly, reductions of unfunded trust fund authority cannot be used to meet the reduction targets for the Schedule VIII B-1 submission. (These reduction issues should be included in the agency's Exhibit D-3A Legislative Budget Request.)

The redirection of revenue to the General Revenue Fund can be counted toward the general revenue target reduction total, provided the agency explains the feasibility of maintaining critical agency operations and indicates if a statutory change is required.

6. Issues reducing appropriations that were excluded from the target (e.g., federally restricted funds, recurring debt service expenditures, double budget items, and certain pass-through items, etc.) may not be submitted as reduction issues.
7. Reductions to requested increases in funding for Fiscal Year 2021-22 cannot be counted toward the Fiscal Year 2020 target total. (i.e., Reductions must be from recurring and nonrecurring Fiscal Year 2020-21 appropriations upon which OPB based the target reduction).
8. Agencies should consider if programs administered by other agencies can be combined to yield a net cost reduction. Coordinate with other agency regarding these types of reductions.
9. Review the Fiscal Year 2020-21 release hold back for each program and determine efficiencies **across all programs** that will result in recurring or nonrecurring reductions for both General Revenue (GR) and trust funds. Consider the following:
 - a. Administrative Reductions;
 - b. Innovative and Efficiency Reductions;
 - c. Program Reductions that have minimal impact on Direct Services.
10. Consider eliminating or rolling back funding for non-mission-critical programs and activities.
11. Review agency organizational structures and eliminate duplicate management levels where streamlining of personnel is possible and reduce ratio of managers to other personnel wherever possible.
12. Review all vacant positions and recommend elimination of long term vacant positions.
13. Review all reversions for the past several years and identify recurring or nonrecurring reductions.