



## ACCOUNTING POLICY AND PROCEDURES (APP) MANUAL

|  |                            |
|--|----------------------------|
| TOPIC: Section 5 – Budget Control 3.0                    | EFFECTIVE DATE: 05/05/1983 |
| TITLE: Federal Appropriations – Allotments and Budgeting | REVISION DATE: 02/27/2014  |
| AUTHORIZED BY: Director, Bureau of Fiscal Services       |                            |

### BACKGROUND

There are basically three categories of federal appropriations in the department that must be budgeted:

1. Zero-based budgeting appropriations which contain multiple federal grants and budget levels are based on grant awards provided to the state.
2. Program appropriations related to specific programs, such as Medical Assistance and AFDC.
3. GPR-like appropriations where there is a composite state/federal share based on calculations made after the fact (using, for example, a time study). Appropriation 444 is such an example.

Category 2 and category 3 use Chapter 20 as the basis of budget control. Appropriations in category 1 more often use federal grants control.

### PROCEDURES – BUDGETING FOR CATEGORY

Federal appropriations are estimated based on an annual amount for Chapter 20 presentation. In most cases this involves one quarter of the current federal fiscal year and three quarters of the following federal fiscal year since the federal year runs from October 1 to September 30. However, there are many grants that start throughout the year where a similar ratio would be estimated.

If the federal award has not been received by the time a budget is needed, a contingent budget may be entered into the system. When the federal grant award is received, the contingent budget should be adjusted to reflect that award. The entire grant award is budgeted so that the Department's fiscal system can control the federal grant award. This frequently results in the FMS appropriation level containing more than four quarters of federal authority.

To assist the Department of Administration (DOA) budget analyst and the Office of Policy Initiatives and Budget (OPIB) in both allotment sign-off and biennial budget development, a worksheet may be created for each appropriation with multiple projects to track how the Chapter 20 balance is used. This worksheet may incorporate Chapter 20 assumptions provided by OPIB. See attachment for an example of a worksheet covering appropriations that have this treatment. Simple appropriations with only one or two federal awards could be handled with similar information at the bottom of the allotment request.

**ATTACHMENT**

Chapter 20/Allotment Control

**CONTACTS**

[Lead Accountant, Bureau of Fiscal Services](#)

**ATTACHMENT**

**DEPARTMENT OF HEALTH & SOCIAL SERVICES  
APP XXX – 20.4355 (X) (XX)  
FY 92–93**

| PROJ # | DESCRIPTION | FISCAL PERIOD     | CHAPTER 20 +<br>ENCUMBRANCES | ALLOTMENT | ALLOTMENT | ALLOTMENT | TOTAL        |
|--------|-------------|-------------------|------------------------------|-----------|-----------|-----------|--------------|
| 000    | NO PROJECT  |                   | 250,000.00                   |           |           |           | 250,000.00   |
|        |             |                   |                              |           |           |           | 0.00         |
| 175    | TITLE       | 10/01/89–09/30/90 | 45,800.00                    |           |           |           | 45,800.00    |
| 285    | TITLE       | 10/01/90–09/30/91 | 38,000.00                    |           |           |           | 38,000.00    |
| 303    | TITLE       | 10/01/91–09/30/92 | 297,000.00                   |           |           |           | 297,000.00   |
| 316    | TITLE       | 10/01/91–09/30/92 | 100,000.00                   |           |           |           | 100,000.00   |
| 338    | TITLE       | 10/01/91–09/30/92 | 200,000.00                   |           |           |           | 200,000.00   |
| 345    | TITLE       | 10/01/92–09/30/93 | 83,000.00                    |           |           |           | 83,000.00    |
| 355    | TITLE       | 10/01/92–09/30/93 | 20,000.00                    |           |           |           | 20,000.00    |
| 741    | TITLE       | ONGOING           | 46,000.00                    |           |           |           | 46,000.00    |
|        |             |                   |                              |           |           |           | 0.00         |
|        |             |                   |                              |           |           |           | 0.00         |
|        |             |                   |                              |           |           |           | 0.00         |
|        |             |                   |                              |           |           |           | 0.00         |
|        |             |                   | 1,079,800.00                 | 0.00      | 0.00      | 0.00      | 1,079,800.00 |

**AVAILABLE FUNDS  
CHAPTER 20  
6/30 ENCUMBRANCES**

1,000,000.00  
79,000.00

**TOTAL**

1,079,000.00