

Decision Unit Overview

Governor's Finance Office - Budget Division

A guideline designed for fiscal staff who will be building the agency's biennial budget on the basics for building decision units in Nevada Executive Budget System (NEBS).

Decision Unit Definitions

Decision Units – 3 Parts of a Budget

A stand-alone, balanced budget request that displays the revenue and expenditures associated with a new program, changes to existing programs or increases/decreases from ongoing budgetary levels.

- Adjusted Base – The base budget after adjustments are made to eliminate one-time expenditures, increase (annualize) revenues and expenditures for ongoing programs that are not operational for the entire year, or changes based on decisions during the biennium and approved by the Interim Finance Committee. In NEBS, the adjusted base budget = B000 + M150 decision units
- Maintenance – Revenue and expenditures associated with continuing an existing program at increased levels affected by external factors such as expansion due to pre-approved caseloads, federal mandates, court decisions, consent decrees, inflation, population growth, etc.
- Enhancement – Revenues and expenditures associated with a new program or for new services or initiatives; revisions or deletions that are not currently reflected in the agency's base budget; and changes meant to improve or streamline existing services.

Common Maintenance Decision Units

- M100 – Statewide Inflation - statewide inflationary increase such as OCIO, utilities, etc. (Budget Division only)
- M101 – Agency Specific Inflation – projected change in rates such as medical & food - not for postage or airfare
- M150 - Adjustments to Base – annualize, eliminate one-time costs, correct errors, etc. of Base dec unit
- M200 – Caseload – projected annualization of costs in the current biennium attributed to changes in providing services to a number of clients
- M201 – M220 – projected increase/decrease to incremental costs of providing services to a number of clients for the upcoming biennium
- M300 – Salary and Fringe Benefit rate adjustments (Budget Division only)
- M425 – Deferred Facilities Maintenance – previous requested maintenance that didn't go forward
- M500/M600 – Mandates/Court Orders - requires documentation of court order/mandate from fed gov't.
- M800 – Agency Specific Cost Allocation

Common Enhancement Decision Units

Governor's Strategic Priorities

- E125 – E150 – Education & Workforce
- E225 – E249 – Economic Growth & Business Development
- E250 – E274 – Health & Wellness
- E275 – E299 - Public Safety & Infrastructure
- E300 – E375 – Government Support Services
- E350 – E375 – Rural & Natural Resources
- E550 – E559 – Technology Investment Requests

Other Common Enhancement Decision Units

- E490 – E499 – Expiring Grant/Program – grant/program expiring/sunseting during the upcoming biennium
- E500 – Adjustments to Transfers - adjustments to revenue of receiving budget account (from E900)
- E710 – E718 – Equipment Replacement – used to replace equipment out of warranty, no longer supported, obsolete, or on approved replacement schedule – computers & vehicles are common
 - E719 - E719 – Fleet Services Replacement
- E720 – E728 – New Equipment - new to agency - justify the need & if it will create any costs savings
 - E729 – E729 – New Fleet Services
- E730 – Maintenance to Building & Grounds (B&G) – ongoing maintenance
- E805-E809 – Classified Position Changes – Reclassifications for classified positions
- E815 – E819 Unclassified Position Changes - Reclassifications for unclassified positions
- E900 Transfer - Transfer costs from one budget account to another – must match exactly (one +/one -)

Steps for Building a Decision Unit

Gather Necessary Information for the Proposal – from program staff

- Who will benefit from this proposal?
- What
 - is prompting the proposal?
 - is being requested?
 - is the public need?
 - is the impact on other divisions/departments?
 - is the funding source?
 - is the priority versus other requests?
 - associated costs are needed if new staff are requested – travel, operating, equipment, training, etc.

Steps for Building a Decision Unit (continued)

Gather Necessary Information for the Proposal – (continued)

- Where
 - is the proposal initiating – federal/state/local/departmental?
 - are staff located, if staff are added?
- When is it effective?
- Why is the proposal essential now?
- How
 - much is being requested and how long is it available – General Funds/Federal/Other?
 - will the proposal be implemented – contracts/state staff?
 - is this proposal consistent with division's strategic plan?
 - does it fit with the Governor's Strategic Priorities?
- What are the benefits?
- What are the consequences, if not approved?

Steps for Building a Decision Unit (continued)

Converting the information into a Decision Unit in NEBS

- Determine appropriate Budget Account(s)
- Determine the Decision Unit Number and its priority
- Determine amount of funding available
 - Federal funds?
 - Within General Fund limits?
 - Other funds?
- Set up necessary information in Account Maintenance Tab in NEBS
 - Add necessary decision unit, category, RGL, position groups, as needed
 - Add decision unit synopsis and justification narrative
 - Add attachments such as NPD-19s, grant awards, calculations, funding information quotes, org charts, etc.

Steps for Building a Decision Unit (continued)

Converting the information into a Decision Unit in NEBS – (continued)

- Create Decision Unit in Line Item tab
- Start by adding expenditures in the schedules including vendor, building rent, equipment, OCIO, etc. schedules, as needed
 - Add buttons are similar on all pages – located on the left corner of the grid on each screen
- Add necessary employees in the Positions tab – normally effective date starts in October
- Complete non-schedule driven expenditures in the Line Item tab such as travel, supplies, etc.
- Consider whether agency cost allocation expenditures should be included
- Consider if any adjusted base costs are eliminated with the addition of this decision unit
- Verify all costs are included
- Process schedules after entries are input for schedule completed
- Balance the decision unit with appropriate revenue
- Create fund mapping for decision unit

Final Steps

- Double check the information in the decision unit
- Process all schedules
- Complete narratives – notes for line items in the Line Item tab; decision unit synopsis, justification narrative with full description of who, what, where, why, how much and consequences in the Account Maintenance tab
- Per the Budget Building Manual, attach necessary supporting documentation and calculations to justify the decision unit such as org charts, NPD-19s, quotes, grant awards, funding calculations, fund maps, etc.
- Run Out of Balance Reports and make any necessary corrections

Reference Material

- Manuals on the Budget Division Website
 - Budget Building Manual
 - NEBS Manual

- Tools
 - Template for Vendor Schedule
 - Reconcile actuals to NEBS (on Budget Division website under Forms)

- Template for New Positions
 - Includes checklist of costs to consider (on Budget Division website)

- Department of Administration websites for information
 - OCIO
 - Purchasing
 - Fleet Services
 - State Public Works Division - Buildings & Grounds