



OBM

Memorandum

TO: Fiscal Officers of All Departments, Agencies, Boards and Commissions

FROM: David Ellis, Assistant Director
RE: Allotment Planning Guidance for FY 2008
DATE: May 7, 2007

Prior to the start of each fiscal year, agencies work with the Office of Budget and Management to determine how they will allocate or allot their appropriation for each line item (ALI) through the allotment planning process. The Allotment Plan indicates how each agency anticipates spending their annual appropriations during the state fiscal year and offers OBM the opportunity to ensure spending is planned and managed within available state resources, in accordance with state law and will not exceed appropriations. Allotment planning for the FY 2008-2009 biennium will be influenced by two important dynamics: managing implementation of tax reform and OAKS.

Challenging Fiscal Environment

During the upcoming biennia, we will continue implementation of H.B. 66 tax reform policy. As a result, we will need to exercise strong financial management. To meet this challenge, OBM will implement strategies to control expenditures and manage cash balances. OBM relies upon each state agency to be a partner in the exercise of strong financial management and OBM will work collaboratively to achieve this goal.

Implementation of OAKS

The OAKS Financial module will be implemented in fiscal year 2008. As such, there will be changes in the allotment planning process. It is important to note identified changes from previous allotment processes that result from conversion to a new accounting system as well as efforts to facilitate successful implementation. Of particular note, agencies will not be required to prepare an Allotment Plan by Account Class (formerly "Object Class") and instead will focus efforts on the development of an Allotment Budget by Account Category (formerly "Object Category") for fiscal year 2008. (Allotment Plans by Account Class will be required beginning in FY 2009.) The Allotment Budget will be based upon the As-Introduced version of the operating budget bill and will be updated to reflect the final version of the budget bill in June.

Attached to this memorandum are detailed instructions for the allotment planning process for fiscal year 2008 as well as links to useful resources to support this process. A formatted Allotment Budget Journal spreadsheet will be provided to you by OBM via e-mail. **Agencies will submit FY 2008 allotments to their assigned OBM budget analyst by May 18, 2007.**

Should you have questions regarding this process, please feel free to contact your assigned OBM budget analyst or Rebecca Vazquez-Skillings, Chief for Special Projects, via e-mail (Rebecca.Skillings@obm.state.oh.us).

C: OBM Budget Analysts
OAKS Agency Readiness
OAKS Chart of Accounts Team
OAKS General Ledger Team

Attachments/Links: Allotment Planning Guidance
[Introduction to OAKS Budget Structure \(PowerPoint Presentation\)](#)