



STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE

TO: State Agencies and Departments
FROM: House and Senate Committees on Appropriations
RE: Fiscal Year 2027 Budget Testimony Documentation Guidelines
DATE: 10/23/2025

The House and Senate Committees on Appropriations have worked together to produce this document on budget testimony documentation guidelines. It is our hope that these guidelines will help Executive Branch agencies and departments understand what information the Committees expect to receive in advance of oral testimony in the 2026 legislative session and beyond.

As you know, the Committees on Appropriations have a very short amount of time to complete the essential work of reviewing each budget request. A lack of information can hamper the Committees' work and negatively impact agencies and departments seeking funds. Our goal for the upcoming session is to have clear, comprehensive documentation of overall budgets and specific budget requests so that we can hit the ground running in January.

We hope that by providing this memo to agency and department heads well in advance of the 2026 legislative session, there will be plenty of time for each agency and department to compile all the essential information we've requested. The documents you provide us are the most valuable resource we have when it comes to doing our work.

We will also send out another document with more details on budget testimony closer to the legislative session. If you have any questions, please reach out to our budget team staff at the Joint Fiscal Office (JFO) as soon as possible.

I. REQUIRED DOCUMENTATION FORMATS

Agencies and departments can select one of the following presentation formats:

Option A: Standalone PowerPoint Presentation

Option B: Comprehensive Annual Budget Book

Examples of Annual Budget Books can be found [here](#) and [here](#).

Examples of Power Point Presentations can be found [here](#) and [here](#).

No matter which presentation format you choose, it must incorporate the following components:

A. Organizational Overview

Each submission should provide a comprehensive overview of agency or department structure and core responsibilities, including total authorized positions and annual vacancy rate. This overview should also include a detailed breakdown of all divisions and programs, grant programs administered, staffing levels by division, and program-specific activities and any applicable measurable outcomes. Please include the point person and contact information in the overview.

B. Prior-year Accomplishments

Submissions should detail key achievements and deliverables from the preceding and current fiscal year, provide updates on multi-year initiatives currently in progress, and report progress on any mandates previously established by the General Assembly.

C. Statutory and Legislative Requirements

Documentation should include the status of prior session law and statutory directives. It should also identify any statutory changes necessary for effective operations.

D. New Funding Requests

All new funding requests should specify total requested amounts by fund source, corresponding reductions by fund source, target populations and problems to be addressed, alternative solutions that were considered, and base appropriations that support the requested increases.

E. New Language Requests

If you are proposing new budget language, please make sure that you provide detailed written information about why the change is necessary (and details on what happens if the change isn't adopted). For any recurring annual language applicable to your agency or department, please also provide a written explanation of its intent and impact.

II. BUDGET ANALYSIS REQUIREMENTS

A. Comparative Analysis Documentation

In addition to the typical “ups and downs” documentation, please provide year-over-year changes by major object categories, including personal services, operating expenses, and grants. Documentation should also include context for significant changes and provide reconciliation with Big Bill B-section amounts as applicable. While some of this information will be provided through the Adaptive Planning reports, please be prepared to provide additional written information to help justify changes.

Other comparative analysis that should be submitted includes:

- i. **Federal Funds** – identify federal funding sources that may be reduced or eliminated in fiscal year 2026 or 2027. Please include detail on any significant change in federal and information on the size and duration of federal grants that are included in the budget. Please identify if there are any major initiatives funded with federal funds that are no longer available. Additionally, if your agency or department is still operating American Rescue Plan Act State Fiscal Recovery (ARPA-SFR) or Capital Project funded programs, please provide an update on them.
- ii. **Position Changes and Vacancy Savings** – document how services provided might be impacted by any budgeted vacancy savings target and any position reductions or increases included in the proposed budget.
- iii. **Grants** – provide a summary of grants that are distributed from each appropriation and report on any changes in these grant amounts from fiscal year 2026 to fiscal year 2027.
- iv. **Carryforward Funds** – for each appropriation, provide a summary of the amount of carryforward funds that were available at the end of fiscal year 2025 and the anticipated amount of carryforward funds available at the end of fiscal year 2026. Please also identify what you plan to use the funds for.
- v. **Single Audit Findings** – it is important that the State complies with federal requirements specific to federally-funded programs. The Office of the Vermont State Auditor annually audits selected State entities and develops Single Audit recommendations. To avoid repeat findings, we request that departments that have undergone Single Audits list any findings and indicate what actions they are taking to address them.
- vi. **Agency of Human Services Specific Request** – Agency of Human Services presentations should include data or links to websites or reports with longitudinal data on services and enrolled populations, such as recent caseload trends, demographics (such as age, income, region, and employment), acuity of need, types of services provided (such as case management), type of workforce participation, and other relevant data for factors that relate to program costs and outcomes.

B. Adaptive Planning Report Integration

Each submission should provide clear descriptions of grant programs with appropriation changes from the prior year, program overviews that demonstrate concrete benefits to Vermonters, direct correlations between comparative changes and Adaptive Planning reports, and accessible links to the Governor's Recommended Budget or other relevant online resources if not available at the time of document creation.

III. PROGRAM TRANSPARENCY REQUIREMENTS

A. Program Identification Standards

Documentation should list all major programs within each Big Bill B-section (or clarify program placement when programs span multiple B-sections) and provide decision-

making rationale for the continued funding of existing programs, the elimination of existing programs, the expansion of existing programs, and the creation of new programs.

B. Legislative Reporting Compliance

Submissions should provide accessible links to all required program reports. Please ensure that all reports are current and complete upon submission of your documentation.

IV. ACCOUNTABILITY MEASURES

For any new funding received in the prior fiscal year, please provide information on outcomes achieved, barriers encountered, resolution strategies implemented, performance data collected, and forward-looking operational plans.

V. SPECIAL FUND CONSIDERATIONS

Submissions should provide comprehensive operating statements for all special funds with expenses greater than \$500,000, including General Fund transfers addressing special fund shortfalls, base appropriation transfers to special funds, and detailed analysis of budgetary impacts resulting from special fund revenue shortfalls (such as child care, cannabis, E-911, and Fish and Wildlife programs).

By following these guidelines, agencies and departments should be able to submit documentation that can function as a stand-alone comprehensive resource for legislative review and analysis. We will, of course, still have further questions and information requests, but with these documents in hand we can ensure that we spend the finite amount of time we have during the budget process asking the right questions. Thank you in advance for your help.

We understand that this might be a bigger lift for some departments than for others, if you need help prioritizing improving your budget submission please reach out to JFO.

If you have any specific questions, please contact the Joint Fiscal Office at askJFO@vtleg.gov.