NEBRASKA

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DEPT. OF ADMINISTRATIVE SERVICES

Jim Pillen, Governor

MEMORANDUM

DATE: July 14, 2026

TO: All State Agencies, Boards and Commissions
State Financial Officers

FROM: Neil Sullivan, State Budget Administrator NS

RE: Budget Preparation Instructions for the 2027-2029 Biennium

The final State of Nebraska Budget Instructions for the 2027-2029 biennial budget request cycle are now available at http://das.nebraska.gov/budget/nbrrs.html.

The 2027-2029 biennial State budget process emphasizes development of budget requests within a strategic results-oriented process. To underscore the importance of the relationship between strategic planning and the development of an agency's budget request, we have released the Nebraska Budget Request and Reporting System (NBRRS) in two phases.

The Agency, Division, and Program narrative screens were released on June 15, 2026, with a preliminary completion date within the budget request system of August 10, 2026. Today, the second phase of instructions are released, and the remainder of the system screens are available, including the following: 1) operating and aid budget requests (including the Base Appropriation, Permanent Salaries Base, Issue Details, and Funds Analysis screens), 2) capital construction and building renewal requests, 3) budget modifications, and 4) information technology project proposals. **An agency's final budget request version must be locked and submitted in the budget request system by 5:00 p.m. Tuesday, September 15, 2026.**

Neil Sullivanl, Administrator

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Agency, Division, and Program Narratives
It is important that the narrative information accurately reflect your strategic planning efforts and your 2027-2029 biennium budget request. Agencies should carefully review and edit this information to ensure that the narratives represent the agency's current goals, statutory responsibilities, program objectives, and priorities. Agencies are encouraged to provide as much text in the budget request system as is necessary to adequately explain their budget request and budget modifications as well as to provide summary information regarding their programs and activities. The system allows for entry of unlimited narrative information in the "*Supporting Information*" narrative sections.

Please use the attachment function on the Agency Narrative screen to attach any additional strategic plan documents developed by your agency, independent of the elements already included in the Agency, Division, and Program Narrative screens.

Information Technology (IT) Inventory

Pursuant to 81-132(1)(c), each department and agency shall provide as part of the Budget Request Submission:

- An inventory of all software purchased and used by or on behalf of the department or agency, including software licenses and subscriptions;
- An inventory of all information technology hardware used by the department, office, institution, or agency;
- A six-year plan for such software and hardware needs and related costs.

Please complete the Excel template provided on the State Budget Division website at https://das.nebraska.gov/budget/nbrrs.html under Section I, Part A - Agency Narrative. Use the file attachment function within NBRRS to attach the agency completed IT Inventory, as an Excel document.

Federal Fund Inventory

Pursuant to 81-130 All agencies of the state government for which the Legislature appropriates funds shall submit a federal funding inventory to the office of the Director of Administrative Services on or before September 15 of each even-numbered year.

Please complete the Excel template provided on the State Budget Division website at https://das.nebraska.gov/budget/nbrrs.html under Section I, Part A - Agency Narrative. Use the file attachment function within NBRRS to attach the agency completed Federal Fund Inventory, as an Excel document. Supporting documents, such as copies of agreements and contracts, should be combined into one PDF and attached in that format.

Base Appropriation
The Legislature enacted changes to agency appropriations for FY 2025-26 during the 2026 legislative session. The final revised and enacted FY 2025-26 new appropriations as of July 18, 2026, will be used and should be reported in your budget request submission as the "FY 2027 Current Appropriation" on the Base Appropriation screen. The Balance Checking process will compare the agency entered FY 2026-27 current appropriation to the official, legislatively authorized appropriations (including aid earmarks) to ensure that an agency's 2027-2029 budget request begins with the correct base appropriation.

Issues
The Nebraska biennial budget request process places the emphasis on explanation and justification, rather than accounting codes or job codes. An Issue is a change to the base and therefore could be a positive (increase) or negative (decrease). Using the *Issue Details* screen, an agency can identify the specific agency goals, objectives, outcomes, cost-drivers, activities, or initiatives for which the agency is requesting a change in appropriated resources. The Issue is defined by the agency on one screen with all of the justification necessary to support the request encapsulated within the identified Issue,

emphasizing how the requested Issue relates to the agency's operational goals and performance objectives. This information becomes a "decision point" for the Governor and Legislature and facilitates public transparency.

Multi-Agency and Enterprise Issues are created by the State Budget Division and assigned to agencies. Multi-Agency Issues can also be created and assigned at the request of the agencies.

Two Enterprise Issues have been established for the 2027-2029 biennial budget to account for the budget impact to agencies related to employee pay and benefit adjustments. The enterprise issue requests should reflect public servant pay adjustments of 3% in July of each year and employer health insurance premium increases of 8% in July of each year.

The estimated impact associated with these two Enterprise Issues will serve as a placeholder to account for state public servants' pay and benefits cost for the 2027-2029 biennium as agency biennial budget requests are constructed. The amount ultimately included in agency budgets for the 2027-2029 biennium will reflect the outcome of bargaining with labor organizations representing the state workforce and final health benefits design. See Section I – Operating Budget Request, Part C – Issues, Issues – Narrative Content, and Issues – Enterprise Issues for more information.

Budget Modifications

The budget modification process for the 2027-2029 biennial budget request requires that agencies with General Fund appropriations submit modifications at the 92% base level. Budget modifications represent the lowest priorities for continued or additional new funding within the budget request and will be considered as such during the budget process. It is our expectation that the 92% base level will generate several thoughtful choices and priorities for each affected agency for the Governor's and Legislature's consideration and that agencies will give serious attention to their identification of modification issues.

Funds Analysis

Agencies with cash, federal, and revolving funds need to be especially diligent in completing the Funds Analysis screen. The Funds Analysis screen should reflect all enacted adjustments to fund balances. The narrative tab on the Funds Analysis screen should be completed on each screen. The Funds Analysis narrative is required for federal grant awards to provide an outlook on future federal funding. Agencies should also provide narrative explanation in the General Comments tab of the Funds Analysis narrative screen for any situations where estimated annual revenues exceed estimated annual expenditures by an amount greater than 5% for FY 2029, or where the estimated June 30, 2029, fund balance exceeds 25% of FY 2027 estimated expenditures. Please also explain any projected negative fund balances.

If your agency determines that an adjustment of fees/charges would be reasonable and responsible, narrative information should be included outlining agency plans for making such adjustments.

Submission

An agency's final budget request version must be locked and submitted in the budget request system by Tuesday, September 15, 2026. Upon submission and review of the agency request, access to the budget request submissions will be granted to the Nebraska Legislative Fiscal Office, the Coordinating Commission for Postsecondary Education, the Task Force for Building Renewal, the Comprehensive Capital Facilities Planning Commission, and the Nebraska Information Technology Commission.

Public Access and Governor's Recommendations

All budget requests will also be made available to the public via the State Budget Division's public interface. This provides easy, anytime access and full transparency of the 2027-2029 biennial budget requests of all state agencies, boards, and commissions. The Governor's budget recommendations for the 2027-2029 Biennium will be presented to the Legislature on or before January 15, 2027, pursuant to Section 81-125.

Thank you for your special efforts in preparing a quality 2027-2029 biennial budget request. The staff of the Administrative Services - State Budget Division are prepared to answer your questions and assist you in the preparation and submission of your requests.