

Governor's Budget Training

2017-18

2017-18 Governor's Budget Training Outline

- Welcome and Overview of Budget Cycle
- FI\$Cal Resources Page and Basic Treatment/ Concepts in Hyperion
- Expenditures
- Revenues, Transfers, and Loans
- Budget Revisions and Executive Orders
- Upload Templates
- Fund Condition Statements and Past Year Package
- Employee Compensation and Salaries and Wages
- Budget Galley Validation
- Budget Bill Preparation
- Fall Budget Calendar

Objectives

- What**
- budget documents will be received
 - to do with the documents
 - documents should Finance receive from departments
 - is the purpose of the documents

- When**
- to flow documents and due dates

- Who**
- prepares and who submits the budget documents
 - is responsible for document accuracy

- How**
- to get information
 - to complete documents

- Why**
- do all these?

Welcome

- Introductions
- House Keeping (restroom keys)
- Finance's web site (<http://www.dof.ca.gov/>)
- Finance's FI\$Cal Resources Page
- FI\$Cal's web site (<http://fiscal.ca.gov/>)
- Last year's Governor's Budget
- Historical eBudget
- How to subscribe to Budget Letters

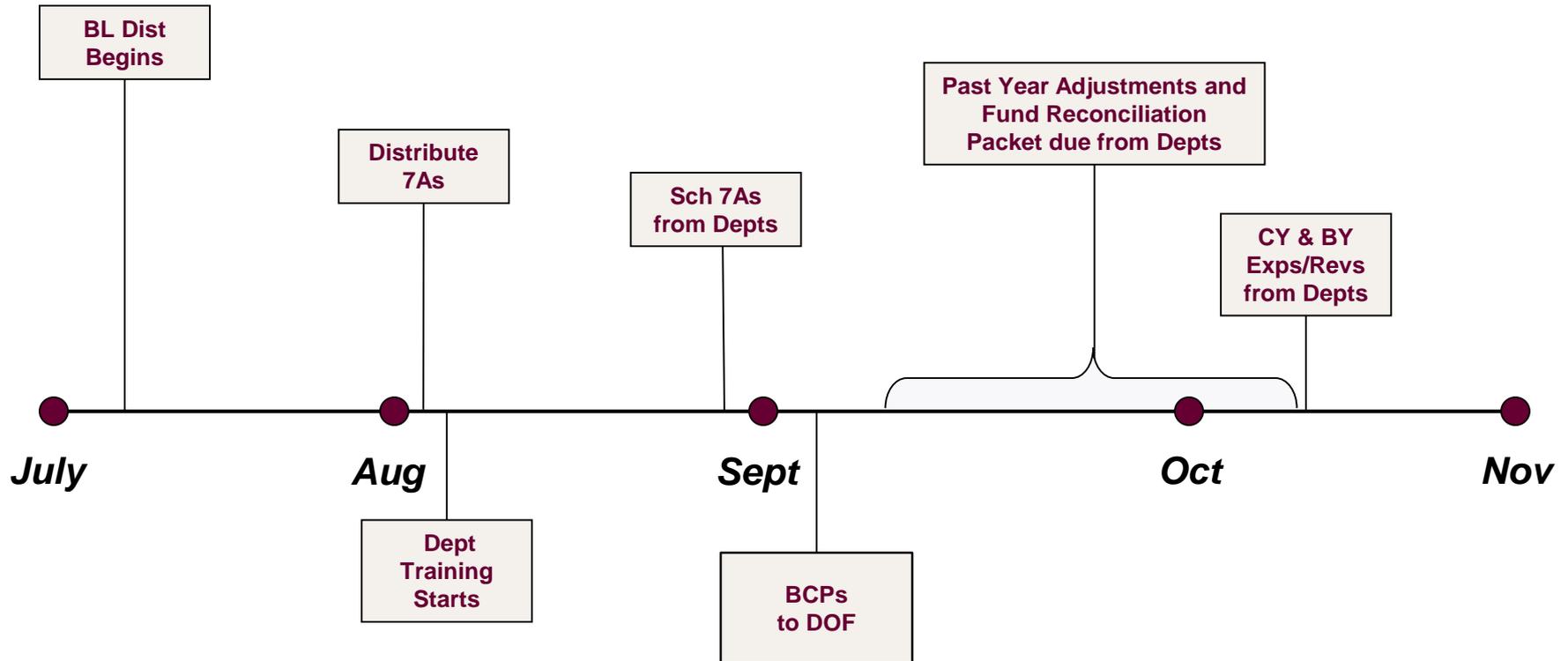
The Budget Cycle

Three main points in time:

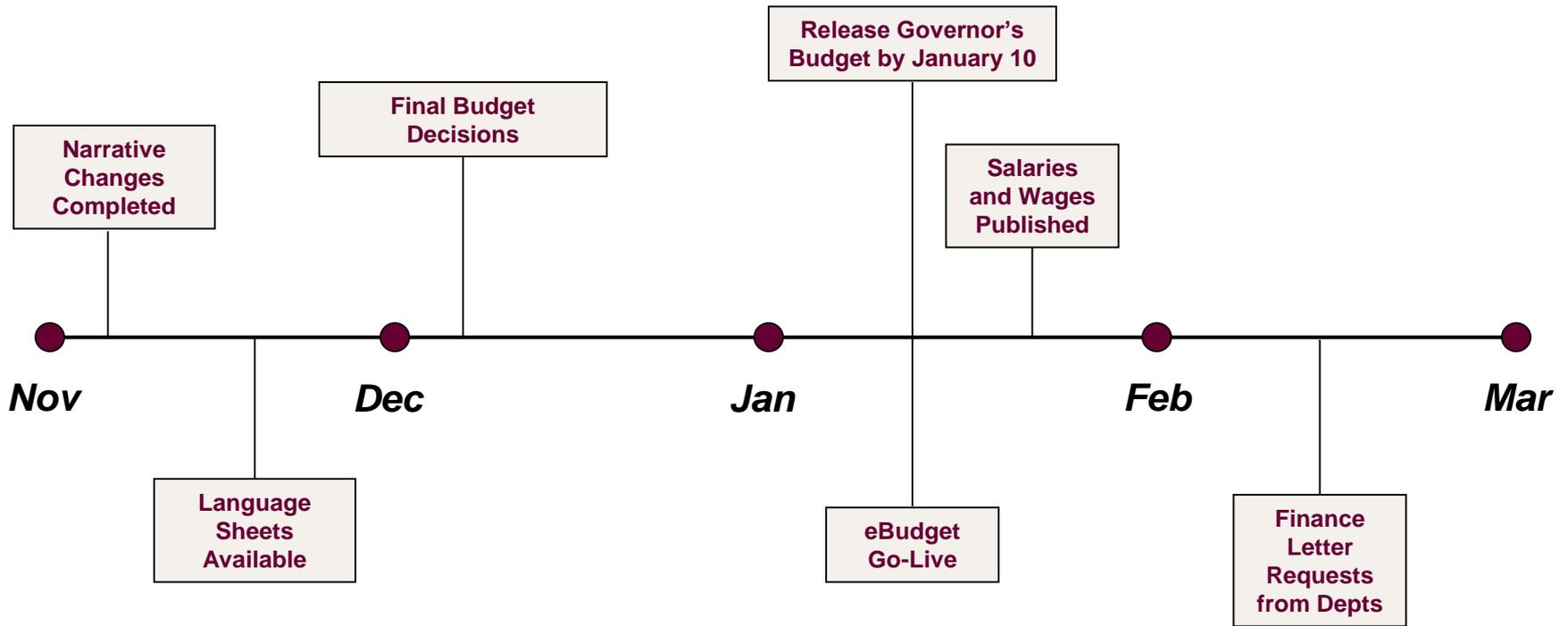
- **Governor's Budget**—Article IV, Section 12, of the State Constitution—the Governor shall present a balanced budget to the Legislature by January 10 of each calendar year.
- **May Revision**—Government Code 13308—The Director of Finance shall provide to the Legislature adjustments to the Governor's Budget on or before: April 1, May 1, and May 14.
- **Budget Act**—*Article IV, Section 12(3), of the State Constitution*—the Legislature shall pass the Budget Bill by midnight on June 15th. The Governor generally has 12 calendar days to either veto or sign.

What is involved in preparing the Governor's Budget?

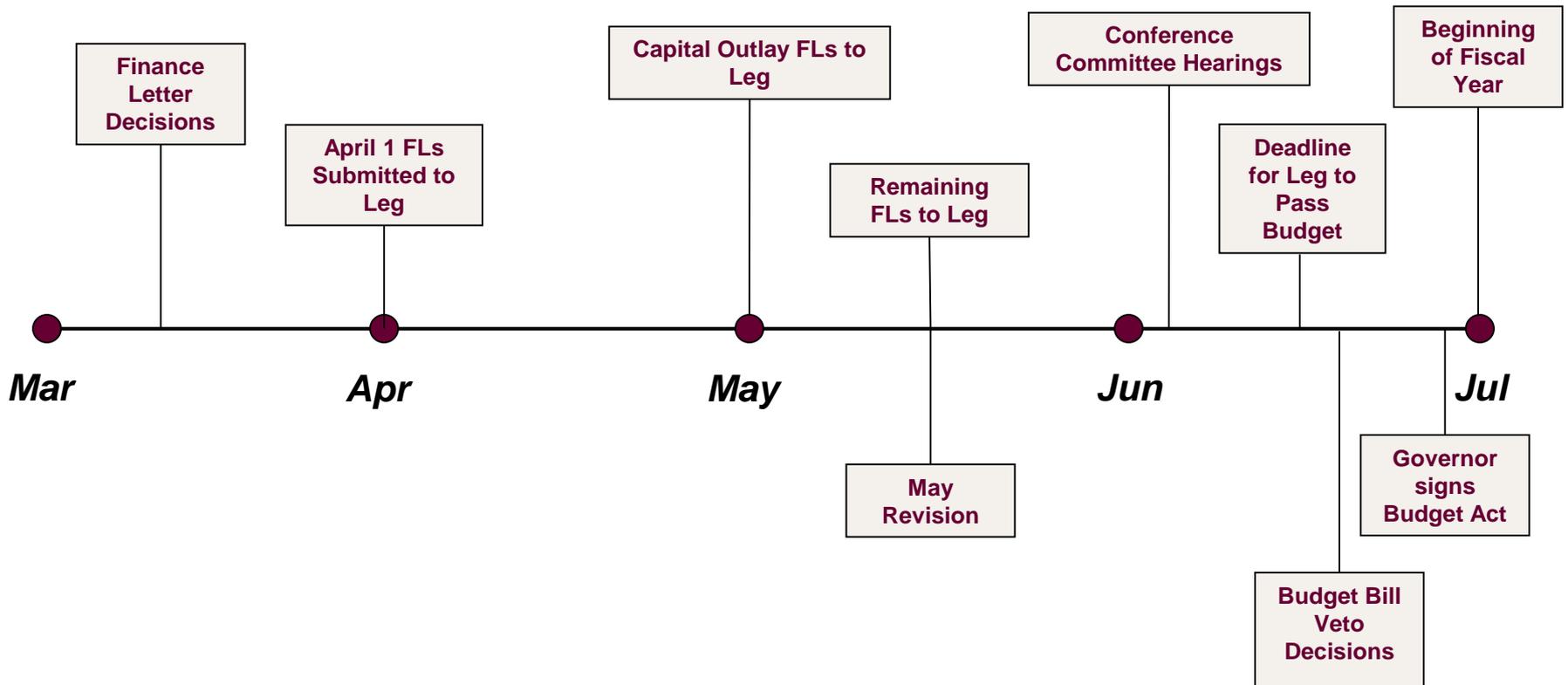
Governor's Budget Process



Governor's Budget



Governor's Budget



FI\$Cal Resources Page and Basic Treatment/Concepts in Hyperion

- **FI\$Cal Job Aids**
- **Common Baseline Adjustment Titles**
- **Rounding**
- **Finance's FI\$Cal Resources Page**
- **BR Naming Convention**
- **Hyperion Reports (FR and BI)**

FI\$Cal Resources Page

http://www.dof.ca.gov/budget/FISCAL_Resources_for_Budget/

Various Budget/Hyperion Materials

- **Budget Letters**
- **Chart of Accounts (COA) Crosswalk Information**
 - **Account Introduction**
 - **Legacy UCM to FI\$Cal**
 - **Program Crosswalk (SCO Legacy System and Hyperion)**
 - **Capital Outlay Projects (SCO Legacy System and Hyperion)**
- **Links to FI\$Cal job aids and FI\$Cal website**

BR Naming Conventions

❖ BR Name: 3990-001-BCP-2017-GB

3990 BU number (Business Unit, Entity, Organization Code)

001 Sequencer blocks refer to points in time when the issue was originated, not when the issue was revised.

- 001-299 for Governor's Budget
- 300-399 for April 1
- 400-599 for May Revision and May 1 (Capital Outlay)
- 600-699 for Assembly
- 700-799 for Senate
- 800-899 for Conference
- 900-949 for Veto
- 950-999 for Statewide Issues with the exception of:
 - 990 for Pro Rata
 - 991 for SWCAP

BR Naming Conventions

❖ BR Name: 3990-001-BCP-2017-GB

BCP

There are four Budget BR types (excluding Capital Outlay):

- BCP = Budget Change Proposal
- BBA = Baseline Budget Adjustment
- ECP = Enrollment, Caseload, and Population
- RTL = Revenue, Transfer, and Loan

There are three Capital Outlay BR types:

- COBCP = Capital Outlay Budget Change Proposal
- COBBA = Capital Outlay Baseline Budget Adjustment
- COCP = Capital Outlay Concept Paper

2017

First part of the fiscal year (2017-18).

GB

Point in time when the issue is originated (GB, A1, M1, MR, L, V). (No point in time is needed for COCPs).

Hyperion Reports (FR)

❖ Take BU115 from FI\$Cal Training Academy (Based on Hyperion 1.0)

- Department Issue Codes for All BRs
- Detailed Multi-Year Expenditures*
- Detailed Multi-Year Non Add Expenditures
- DF-300 OE&E Schedule
- Expenditures by Entity – Capital*
- Three-Year Expenditures and Positions*
- Expenditures by Entity – Program and Category*
- Non-Add by Entity – Program and Category
- RTL by Fund*
- Version Comparison by Issue (BR) – Expenditure
- Version Comparison by Item*

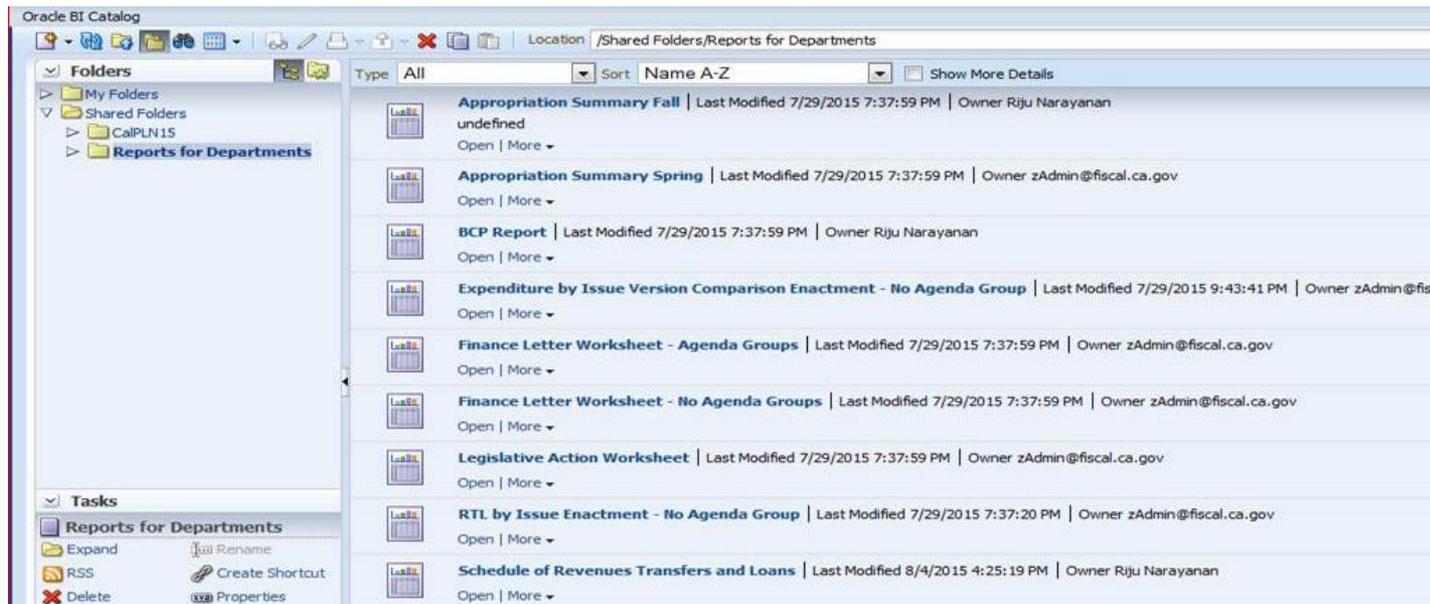
***Currently Available in Hyperion 2.0**



Name	Type	Modified	Description
Department Issue Codes for All BRs	Financial Reporting	7/6/15 9:00 PM	Run for only ONE Fiscal Year (Y88).
Expenditures by Entity - Program and Category	Financial Reporting	7/13/15 11:57 AM	Run for only ONE Entity(BU) and ONE Fiscal Year (Y88).
Non-Add by Entity - Program and Category	Financial Reporting	6/22/15 11:22 AM	Run for only ONE Entity(BU) and ONE Fiscal Year (Y88).
RTL by Fund	Financial Reporting	10/31/14 1:27 PM	Run for only ONE Fiscal Year (Y88).
Version Comparison by Issue(BR) - Expenditure	Financial Reporting	6/22/15 11:33 AM	Run for only ONE Fiscal Year (Y88).

Hyperion Reports (BI)

- Appropriation Summary Fall/Spring
 - BCP Report
 - Expenditure by Business Unit Version Comparison - Administration
 - Expenditure by Issue Version Comparison Administration – No Agenda Groups*
 - Expenditure by Issue Version Comparison Enactment – No Agenda Group
 - Finance Letter Worksheet – Agenda Groups
 - Legislative Action Worksheet
 - RTL by Issue Administration – No Agenda Group*
 - RTL by Issue Enactment – No Agenda Group
 - Schedule of Revenues Transfers and Loans*
 - Three House Comparison
- *Currently Available in Hyperion



Expenditures

- **Expenditure Authority**
- **Item Number**
- **Encumbrance and Liquidation Periods**
- **Expenditure Transfers**

Expenditure Authority

The authorization to make an expenditure (usually by a Budget Act appropriation, provisional language, or other legislation)

Budget Act: Chapter 23, Statutes of 2016

- Other chaptered legislation with appropriations
- Continuous appropriations (through statutes or the Constitution)
- Reappropriations and carryovers of Budget Act and other chaptered legislation
- Court ordered payments

All expenditure authority, regardless of how authorized, is documented in the budget process.

Item Number

Appropriation = Item

- ❖ Each appropriation is identified using an unique item number

BU-REF-FD-ENY
↓ ↓ ↓ ↓
3990-001-0001-17

Item Number

- 3990** **BU** is a four-digit code to identify **Business Unit**.
(aka: organization, department, or agency)
- 001** **REF** provides a **reference** number to distinguish between Budget Act or non-Budget Act spending authority.
See *“Reference Numbers”* handout.
- 0001** **FD** uses four-digits to identify the **fund**.
Refer to **State Manual of Funds** for a complete list of funds.
- 17** **ENY–Enactment year** is the first fiscal year spending authority is available for encumbrance (e.g., for fiscal year 2017-18 the ENY=17; aka: YOA or year of appropriation.)

Item Number

❖ ENY and YOB

YOB–Year of budget is the fiscal year the expenditures are reflected. This is generally the fiscal year when the obligation is incurred.

The enactment year will not always equal the year of budget.

- Chaptered legislation
- Appropriations available without regard to fiscal year (AWRTFY)
- Multi-year appropriations
- Continuous appropriations

May have a YOB that is after the ENY.

Item Number

❖ Year of Completion (YOC)

Represents the last fiscal year in which an appropriation is available for *encumbrance*.

Encumbrance: The commitment of all or part of an appropriation.

When the dollar amount expended is less than the dollar amount appropriated for the item, the difference is displayed as either savings or carryover.

- If the YOC is equal to the YOB, the difference is entered into the “Savings” column.
- If the YOC is later than the YOB, the difference is generally entered into the “Carryover” column.

Encumbrance and Liquidation Periods

Encumbrance period: The amount of time available to make a commitment for goods or services from the dollars available in an appropriation.

Liquidation period: The amount of time after the end of the encumbrance period that is available to receive goods or services and process the payment for those goods and services.

Liquidation period is defined in Government Code section 16304.1 = Two years for Budget Act and other legislation following the last day of the encumbrance period (except federal funds have four years).

Encumbrance and Liquidation Periods

❖ Encumbrance period based on authority:

- **Budget Act (Sec 2.00)** One year unless otherwise stated
YOY = YOB = ENY
- **Chapter augmenting a Budget Act item** Takes on same availability as Budget Act
YOY = YOB = ENY
- **Legislation** Three years, unless otherwise stated in the language providing the appropriation (GC section 16304).
YOY = ENY + 3 (crosses 4 fiscal years) or ENY + 2 (if effective on July 1)
- **Legislation with AWRTFY** Amount appropriated is “available without regard to fiscal year” and remains available from year to year until expended.

Encumbrance and Liquidation Periods

❖ Continuing or Continuous Appropriations

Continuing: *An appropriation for a set amount that is available for more than one year. (SAM 8382)*

Appropriation has a dollar limitation to spend, usually for a specified purpose. Department must keep track of the dollars spent each year.

Multi-year—number of years is defined

- YOC=2018 (3 years per legislation enacted 7/1/2016)
- Encumbrance date = 6/30/2019
- Liquidation date = 6/30/2021 (6/30/2023 for federal funds)

AWRTFY—available until appropriation is spent

- YOC=2097
- Encumbrance date = 6/30/YOB
- Liquidation date = 6/30/2098

Encumbrance and Liquidation Periods

Continuous: *Constitutional or statutory expenditure authorization, which is renewed each year without further legislative action.*

Some FUNDS are continuously appropriated for a specific purpose.

A continuous appropriation does not have a time or dollar limitation. Authority is provided to a department to spend for a specified purpose (as much as is needed) as long as there is cash in the fund.

- **YOC=2098**
- **Encumbrance date=6/30/YOB**
- **Liquidation date = 6/30/2099**

See handout “Examples of Various Appropriations”

Carryovers, Reappropriations, and Reversions

Carryovers:

- Check to ensure expenditures are correct for each year the appropriation is available.

Reappropriations:

- Use REF 490 through REF 494 to extend authority.
 - ✓ Dollars are to be included in item number reappropriated.
 - ✓ Provides more time to encumber and (or) liquidate.

Reversions:

- Use REF 495 through REF 500 to remove authority.
- Public Works Board approval for capital outlay (Government Code section 16351.5 or 16408).

Other legislation:

- Indicate authority
 - ✓ Chapter, statutes, and section (or code and section)
 - ✓ Less common: Constitution or court order

Work with Finance budget analyst to set-up any needed items in Hyperion.

Reimbursements

An amount received as payment for the cost of services performed on behalf of another entity (e.g., one department reimbursing another for administrative work performed on its behalf).

- **Reimbursements represent the recovery of an expenditure.**
- **Reimbursements are available for expenditure up to the budgeted amount (scheduled in an appropriation).**
- **A Budget Revision must be approved by Finance before any reimbursements in excess of the budgeted amount can be expended.**
- **Resuming the pre-Hyperion practice, reimbursements are tracked as non-Budget Act items utilizing Fund 0995 (e.g., Item XXXX-XXX-0995).**

Transfers between Funds

In budgeting there are two kinds of transfers:

Expenditure or Revenue

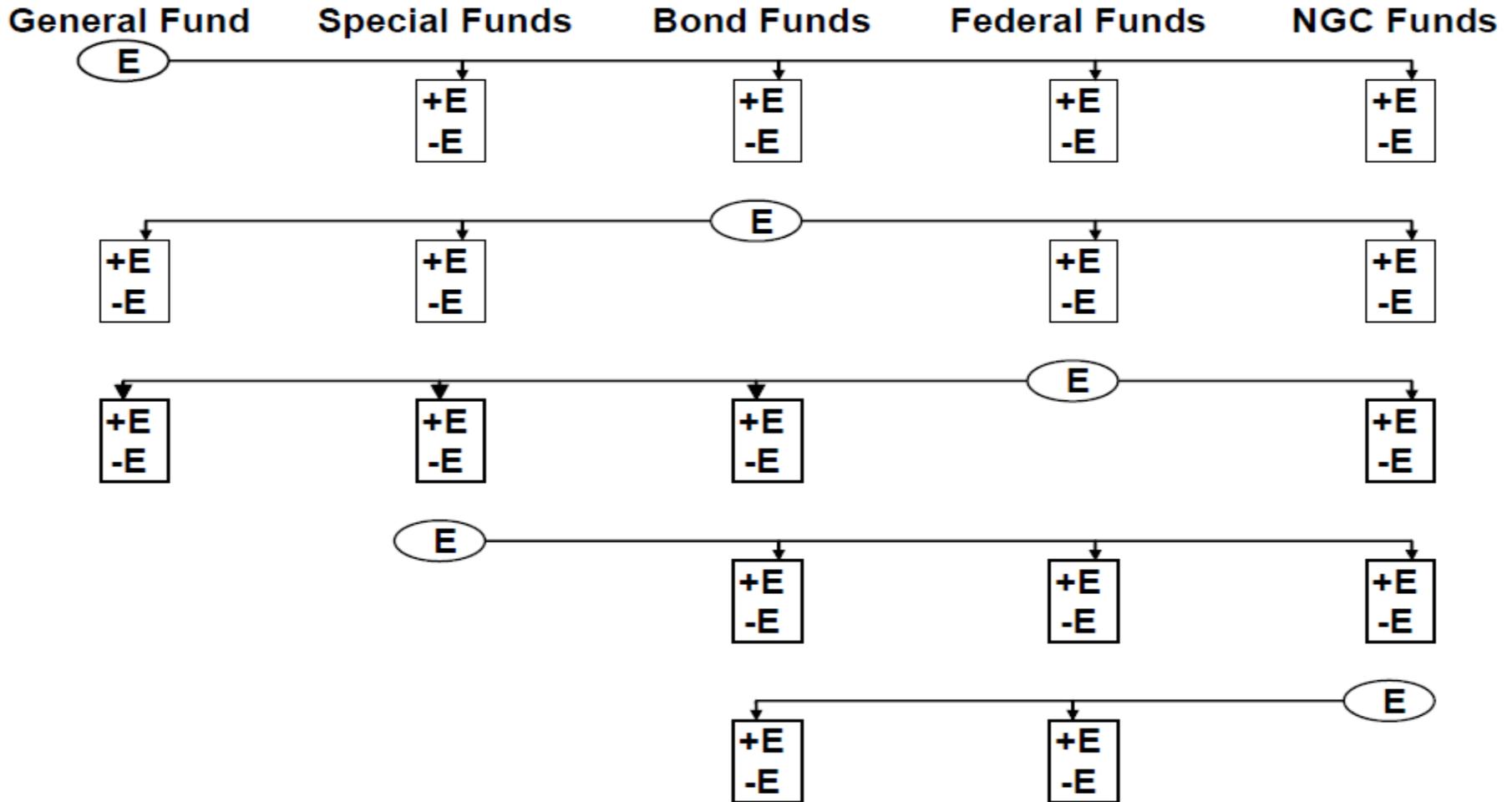
To determine whether a transfer should be treated as an expenditure or a revenue transfer, refer to handout on **“Treatment of Transfers Between Funds”**

TREATMENT OF TRANSFERS BETWEEN FUNDS

The general concept is that we want to record disbursement of moneys as expenditures from the fund which originally received the moneys. However, exceptions exist as noted below where the transfers are treated as "revenue transfers" instead of expenditures.

Transfers between Funds

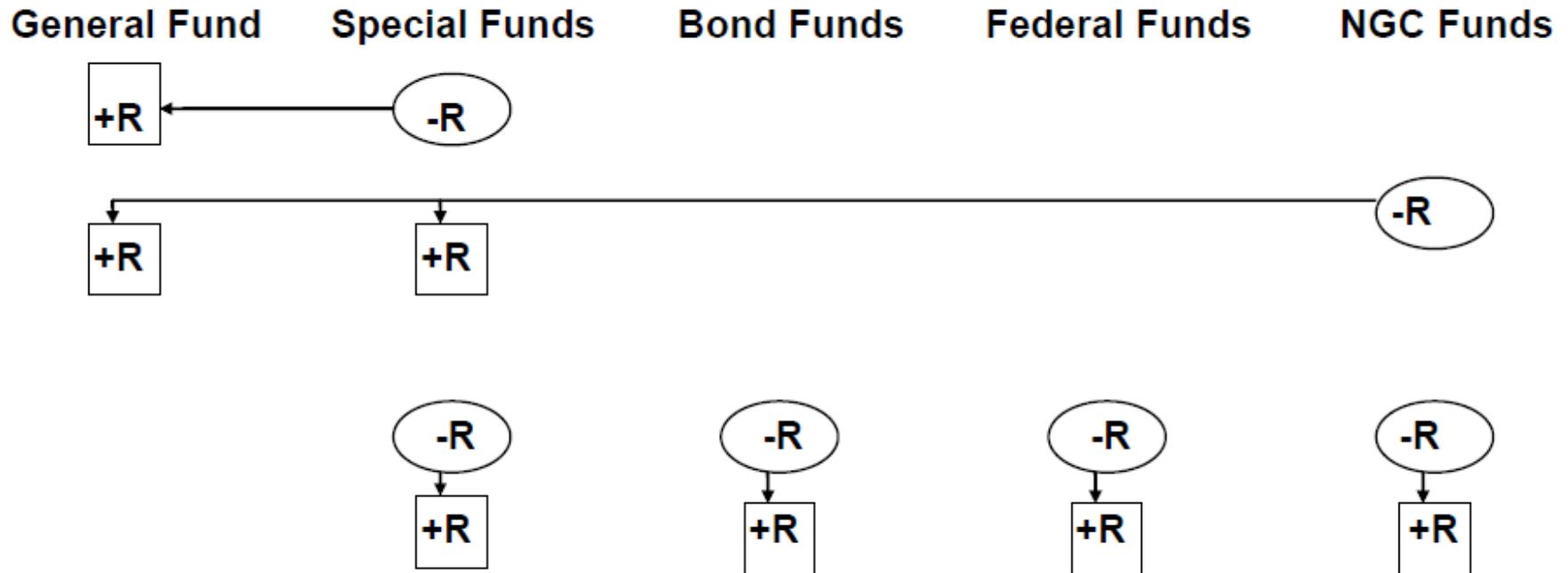
"EXPENDITURE" TRANSFERS



○ = The fund classification from which money is transferred.

Transfers between Funds

"REVENUE" TRANSFERS

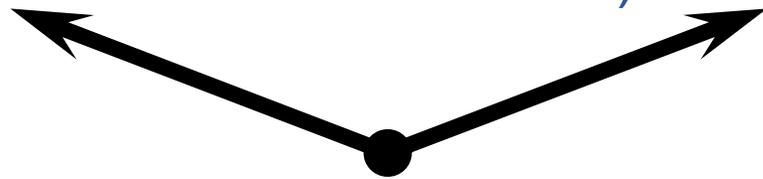


 = The fund classification from which money is transferred.

Expenditure Transfers

Transfer from General Fund to Food Safety Fund (0177) (General Fund to a special fund)

0001	<u>BY</u>	0177	<u>BY</u>
Ch. 37/16 (transfer to Food Safety Fund)	100,000	Ch. 37/16 (transfer from General Fund)	100,000



Usually need three item numbers:

Transfer: 8570-501-0001-17
 Less funding: 8570-598-0177-17
 Spending: 8570-501-0177-17

Spending is double-counted

Less funding provided by the General Fund -100,000

Total expenditure (0177) -0-

Revenues, Transfers, and Loans

A decorative graphic consisting of several horizontal lines of varying lengths and colors (dark red, light red, and white) extending from the right side of the slide towards the center.

Overview

- ❖ Revenues
- ❖ Revenue Transfers
- ❖ Loans

RTLs

What is it?

Revenues, transfers, and loans (RTL) data is entered into Hyperion for all departments (Business Units –BUs) that report such information. RTL–based reports generated by the Hyperion System display information for the General Fund and all special funds, and any other fund as required by your Finance budget analyst.

- For General Fund and all special funds, each department is required to report the revenues, transfers, and loans that they report in their accounting records.
- Revenue information for bond funds, federal funds, and other non-governmental cost funds is entered into Hyperion as needed for certain departments and/or programs.

RTLs

What information does the RTL contain and provide?

- BU, Account Code and Name, Fund, and Amounts.
- Revenue codes and titles, as listed in the FI\$CAL Chart of Accounts (a COA crosswalk from legacy UCM to FI\$Cal is available on the Finance website).
- Revenue information in Hyperion is recorded for past year to budget year plus four (in whole dollars), but should be rounded to 000's.
- Past year information must reconcile to year-end financial statements submitted to SCO. Note: rounding differences under one thousand are expected between SCO and Finance.

RTLs

- Revenues, transfers, and loans to and from other funds (General Fund and special funds).
- Cite legal authority for revenue transfers and loans.
- Revenue transfers and loans must have appropriate transfer authority. Specific Budget Request descriptions must be followed for these types of issues. There is a 256 character limit (including spaces) to the descriptions, so very long descriptions may require some abbreviations.
- Revenue Transfers:
 - Revenue Transfer from (formal name of a fund and its fund number) to (formal name of a fund and its fund number) per (cite authority for the transaction).
 - Example: Revenue Transfer from Local Revenue Fund 2011 (3171) to Mental Health Account, Local Revenue Fund 2011 (3179) per GC Section 30027(a)

RTLs

❖ Loan:

- Loan or loan repayment from (formal name of a fund and its fund number) to (formal name of a fund and its fund number) per (cite authority for the transaction).*
 - Example: Loan from Air Pollution Control Fund (0115) to California Beverage Container Recycling Fund (0133) per Item 3900-011-0133, Budget Act of 2013.
- ❖ Please see Fiscal Resources webpage on the DOF website for the list of commonly used baseline adjustment titles:
http://www.dof.ca.gov/budget/FISCAL_Resources_for_Budget/
- ❖ * When citing a fund, use the fund's legal title from the Manual of State Funds.

RTL Report (Departments can run this report or may ask their Finance budget analyst)

RTL by Fund

(Budget and Capital) in Whole Dollars

2017-18, GB Dept Working,

Total_Fund, Fund Class: Fund_Class

Fund	BU	AC Code & Name	Fund Class	Revenue Request PY	Revenue Request CY	Revenue Request BY	Revenue Transfer PY	Revenue Transfer CY	Revenue Transfer BY	Loan Amount PY	Loan Amount CY	Loan Amount BY
0001-General Fund	BU_XXXX	4172500-Miscellaneous Revenue	G	300,021	2,000	2,000	--	--	--	--	--	--
0001-General Fund	BU_XXXX	6540000-Revenue Transfers From Other Funds	G	--	--	--	1,751,000	1,000	--	--	--	--
0001-General Fund	BU_XXXX	6230000-Loans to Other Funds	G	--	--	--	--	--	--	--	--	--
0001-General Fund	BU_XXXX	6530000-Loans From Other Funds	G	--	--	--	--	--	--	92,120,354	116,700,000	12,540,000
0001-General Fund	BU_XXXX	6540000-Revenue Transfers From Other Funds	G	--	--	--	148,377,144	128,673,000	89,114,000	--	--	--
0041-Aeronautics Account State Transportation Fund	BU_XXXX	4140000-Document Sales	S	650	1,000	1,000	--	--	--	--	--	--
0041-Aeronautics Account State Transportation Fund	BU_XXXX	6540000-Revenue Transfers From Other Funds	S	--	--	--	5,755,378	9,443,000	5,443,000	--	--	--
0042-State Highway Account State Transportation Fund	BU_XXXX	4115400-Motor Vehicles - Registration Fees	S	976,347,426	987,801,000	1,011,524,000	--	--	--	--	--	--
0042-State Highway Account State Transportation Fund	BU_XXXX	4129400-Other Regulatory Licenses and Permits	S	11,457,434	11,386,000	12,095,000	--	--	--	--	--	--
0042-State Highway Account State Transportation Fund	BU_XXXX	6230000-Loans to Other Funds	S	--	--	--	--	--	--	-92,120,354	-116,700,000	-12,540,000
0042-State Highway Account State Transportation Fund	BU_XXXX	6240000-Revenue Transfers To Other Funds	S	--	--	--	-976,265,913	-973,609,000	-1,099,435,000	--	--	--
0042-State Highway Account State Transportation Fund	BU_XXXX	6540000-Revenue Transfers From Other Funds	S	--	--	--	4,068,954,620	3,842,153,000	3,177,093,000	--	--	--
Total				988,105,531	999,190,000	1,023,622,000	3,248,572,229	3,006,661,000	2,172,215,000	0	0	0

Schedule of Revenues, Transfers, and Loans Report

(Departments can run this report or may ask their Finance budget analyst)

DEPARTMENT OF FINANCE SCHEDULE OF REVENUES, TRANSFERS, AND LOANS (Whole Dollars)

BUSINESS UNIT: XXXX- BU Name
FUND : 0001-General Fund
FUND CLASS : G
FUND SAL: I

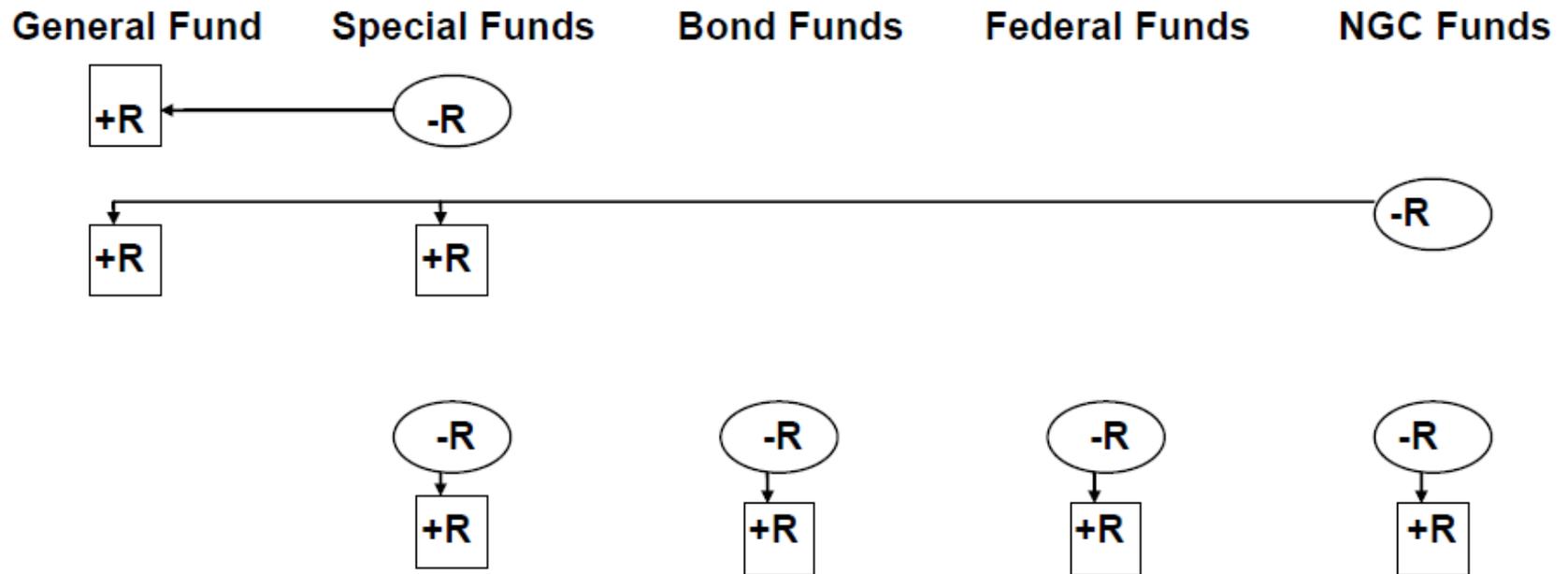
BUDGET REQUEST	DESCRIPTION	Actual 2014-15	Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21
TRANSFERS:								
0840-003-BRTL-BR-2016-GB	Revenue Transfer from the California Olympic Training Account (0442) to the General Fund (0001) per Government Code Section 7592	65,000	74,000	74,000	74,000	74,000	74,000	74,000
0840-006-BRTL-BR-2016-MR	Revenue Transfer from the California Olympic Training Account (0442) to the General Fund (0001) per Government Code Section 7592	-	-13,000	-13,000	-13,000	-13,000	-13,000	-13,000
TOTAL, TRANSFERS		65,000	61,000	61,000	61,000	61,000	61,000	61,000

BUSINESS UNIT: XXXX- BU Name
FUND : 0442-California Olympic Training Account
FUND CLASS : S
FUND SAL: E

BUDGET REQUEST	DESCRIPTION	Actual 2014-15	Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21
TRANSFERS:								
0840-003-BRTL-BR-2016-GB	Revenue Transfer from the California Olympic Training Account (0442) to the General Fund (0001) per Government Code Section 7592	-65,000	-74,000	-74,000	-74,000	-74,000	-74,000	-74,000
0840-006-BRTL-BR-2016-MR	Revenue Transfer from the California Olympic Training Account (0442) to the General Fund (0001) per Government Code Section 7592	-	13,000	13,000	13,000	13,000	13,000	13,000
TOTAL, TRANSFERS		-65,000	-61,000	-61,000	-61,000	-61,000	-61,000	-61,000

Revenue Transfers

"REVENUE" TRANSFERS



○ = The fund classification from which money is transferred.

Treatment of Loans

LOAN PROGRAMS—(Expenditures)

- When state agencies make loans to local governments or individuals, these disbursements are shown as expenditures. In budgeting, subsequent loan repayments are generally shown as minus expenditures, although there are some exceptions. Examples of programmatic loans are the student loans made by the Student Aid Commission, loans to local governments for harbor improvements by the Department of Parks and Recreation, Division of Boating and Waterways and loans to local school districts by the Department of Education.

LOANS BETWEEN STATE FUNDS—(Revenues)

- Loans between funds are shown under the “Revenues and Transfers” portion of a Fund Condition Statement. If interest is charged, the interest must be shown as a revenue to the loaning fund and as an expenditure to the borrowing fund.

RTLs - Submittal

How to prepare RTLs

- ❖ Finance budget analysts should provide a Schedule of Revenues, Transfers, and Loans report (this contains past year through BY+4 information) in Excel format to their departments so they have the latest data.
- ❖ New to Hyperion this year is the concept of RTL items (BU, reference, and fund). Each RTL will require a 3-part item consisting of the BU, a specific reference identifier, and the fund. This is in addition to using revenue account category codes, which is standard practice. For example, if BU 0840 has a proposed revenue adjustment to the General Fund, the item would be “0840 787 0001”. Use one of the following reference numbers based on the type of RTL:
 - Revenue: 787
 - Transfer: 788
 - Loan: 789

RTLs - Submittal

How to prepare RTLs

- ❖ If needed, use the COA crosswalk from legacy UCM to FI\$Cal to look up the proper revenue code and title when creating a new BR for a revenue adjustment.
- ❖ To create a revenue transfer or loan, be sure to have all necessary information for both the “TO” and “FROM” funds. Coordination of information may be needed if a revenue transfer or loan involves another department.
- ❖ For existing revenue transfers and loans, please use the existing BRs since those have been rolled over intact in the budget rollover process for the 2017-18 budget cycle. Please remember to update the point in time to GB and FY 2017 in the BR description.
- ❖ When entering new loan or revenue transfer information, please remember to clearly state the authority in the proper format.

Budget Revisions and Executive Orders

Overview

- **Budget Revisions and Executive Orders**
 - Process
 - Commonly Used Control Sections
(Adjustment Authority)
- **Budget Revisions and Executive Order Submittal**
 - All departments
 - Budget Administration Adjustment

Budget Revision process

- The Budget Revision process begins when it is determined either by the department or by Finance that an appropriation needs to be adjusted. After the authority for the adjustment (control section, provisional language, or specific statute) is determined, the department prepares a Budget Revision using the state form STD. 26. The Budget Revision is then forwarded to the Department of Finance (Finance) budget analyst for analysis.
- A Budget Revision is used to make current year adjustments to a single item of appropriation. If more than one type of an adjustment is being made, then a separate budget revision must be processed for each item's adjustment. For example: if a department needs to increase expenditure authority pursuant to Section 28.00 but they also need to realign their authority between programs pursuant to Section 26.00, a Budget Revision for each section's adjustment must be processed.

Executive Order Process

- The Executive Order process begins when it is determined either by the department or by Finance that an adjustment is necessary to make a transfer between funds, make increases or decreases to appropriations on a statewide basis, or make adjustments that involve two or more appropriations.
- Executive Orders for statewide adjustments (such as increases in employee compensation) are prepared by Finance. Adjustments for transfers between funds or between two or more appropriations are typically initiated by the department.

What's your Adjustment Authority?

- **Control Section 1.50** (Technical changes)
- **Control Section 8.50/28.00** (Non-State and Federal Funds)
- **Control Section 26.00** (Intra-schedule Transfers)
- **Control Section 28.50** (Reimbursements)
- **Budget Act Item provisional language**
Individual or Statewide (Ex. CS 3.60 Retirement Rate Adjustment)

Adjustment Authority reference

**Refer to the Budget Analyst Guide
“Commonly Used Control Sections to Revise
Budgets” for further reference.**

http://www.dof.ca.gov/budget/Resources_for_Departments/Budget_Analyst_Guide/

Departments must read the entire control section to ensure full compliance and understanding.

Submittal process- All Departments

- Same process as 2015-16.
- Continue using Form STD-26 with the program numbers identified in the 2016 Budget Act.
- Since SCO's control functions are still in its legacy system for 2016-17, a Form STD-26 for budget revisions is still required for processing adjustments.
- A Budget Revision/Executive Order does not adjust budget totals. It simply is a document to direct SCO to make the adjustments in its system for accounting purposes.
- **A separate budget spending adjustment (Baseline Budget Adjustment) may be needed to reflect the adjustment to a budget total. The need for a budget spending authority adjustment depends on whether the spending authority has already been built in the budget total when the Budget Revision or Executive Order is processed to the SCO.**

All Departments (Continued)

- Adhere to Expenditure Authorization Controls identified in Budget Letter 16-12 and Control Section 32.00
- Control Section 32.00 of the Budget Act and Government Code 13324 provide that state officers are expressly forbidden to make any expenditure adjustments in excess of their appropriation. Any officer or employee, except those specified in Control Section 32.00, who creates any indebtedness in excess of their appropriation, can be held personally liable for the amount of such unlawful indebtedness.
- Departments must inform Finance promptly if they become aware of a funding shortage situation.

Budget Administration Adjustment (BAA)

- This type of Hyperion adjustment was introduced last fall (BL 15-21), however, it was not actually used.
- The submittal process of budget revisions and executive orders via Hyperion will not take place until at least July 2017 when SCO's control functions will go live in PeopleSoft.
- Departments will be provided instructions next year for the BAA process.

Recap- All departments

- For budget revisions, prepare Form STD-26 and submit to your Finance budget analyst.
- Make appropriate budget spending authority adjustment in Hyperion using direct entry, upload templates, or whatever method the department and the Finance budget analyst agree upon.

STATE OF CALIFORNIA
BUDGET REVISION
 STD. 26 (Rev. 7-2000)

SEE SAM SECTION 6500, ET SEQ. FOR INSTRUCTIONS

DEPARTMENT	FUND	DOCUMENT NUMBER	
		FISCAL YEAR	
SOURCE OF FUNDS	AMOUNTS AVAILABLE	INCREASE (+) OR DECREASE (-)	
		REVISION REQUESTED	REVISION APPROVED (Dept. Of Finance use only)
APPROPRIATION: (LIST ADJUSTMENTS IN DETAIL)			
TOTAL (must equal the NET APPROPRIATIONS TOTAL below)			
UNSCHEDULED APPROPRIATIONS			
LIST OF PROGRAMS, CATEGORIES OR PROJECTS IN SCHEDULED APPROPRIATION			
NET APPROPRIATION TOTAL			

STD 26

PURPOSE OF REVISION: (List in detail, including workload, fiscal history on capital outlay, and cross-reference supporting and related documents.)

REQUESTED BY		RECOMMENDED BY (DEPARTMENT)		APPROVED BY (DEPT. OF FINANCE)	
NAME		NAME		NAME	
TITLE	DATE	TITLE	DATE	TITLE	DATE

(for additional space, see reverse)

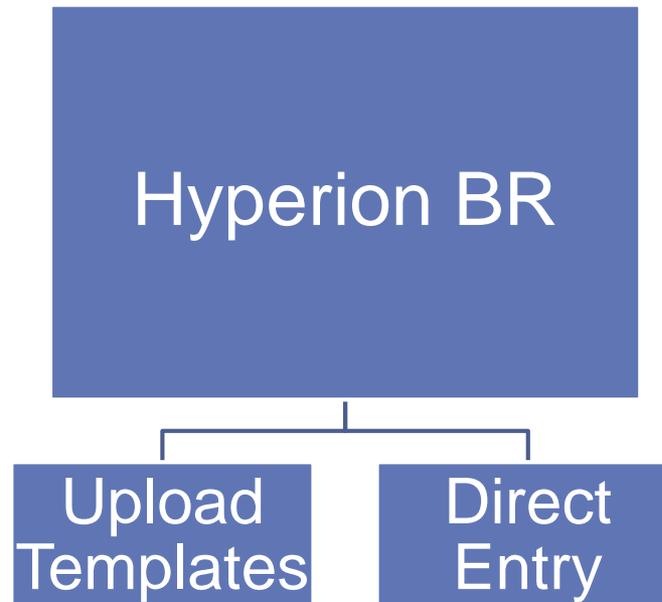
Upload Templates

Upload Templates

An introduction to Templates:

Information can be input into a Hyperion BR two ways:

1. Direct Entry
2. Upload Templates



Upload Templates

An introduction to Templates (continued):

- Each template is utilized for a specific type of transaction
- BBA, BCP (includes ECPs), RTL, and Past Year BBA templates may be accessed via DOF webpage
 - http://www.dof.ca.gov/budget/resources_for_departments/budget_forms/index.html

Upload Templates

The FI\$Cal team provided training on uploading templates in July.

Technical/System questions? Contact the FI\$Cal Service Center:

Phone: 1-855-FISCAL0 (1-855-347-2250) (Toll Free)

E-mail: fiscalservicecenter@fiscal.ca.gov

Contact your Finance budget analyst for business/process questions

Upload Templates

Template Changes from the 2016-17 Cycle

- Updated AC Code names per latest Chart of Accounts
- No need for a separate template for changes associated with reimbursements.

Upload Templates

Enhancements to keep in mind

- **DOF Reduced the Number of Account Category (AC) Codes used in Hyperion**
 - Minimized in spring of 2015 to increase efficiency
 - If no AC code matches what you require, talk to your DOF analyst to determine the most appropriate code
 - Review “Account/Category Codes Available in Hyperion” link on FI\$Cal Resources page

***ALWAYS use the latest template available on the DOF website (current one is dated August 2016)**

Account/Category (AC) Codes available in Hyperion:

<i>AC Code</i>	<i>Description</i>
51 – Personal Services	
510	Salaries and Wages
5100	Civil Service Employees – Permanent
AC_5100000	Earnings – Permanent Civil Service Employees
AC_5100150	Earnings – Temporary Civil Service Employees
5105	Exempt/Statutory Employees
AC_5105000	Earnings – Exempt/Statutory Employees
AC_5105100	Board Members
5108	Overtime, Holiday and Other Earnings
AC_5108000	Overtime Earnings (Other than to Temporary Help)



AC codes available for accounting 5108 - Overtime, Holiday & Other Earnings
 5108000 - Overtime Earnings (Other than to Temporary Help)
 5108100 - Holiday Earnings
 5108150 - 401k Plan Contributions
 5108200 - Flex Elect Contributions
 5108250 - Employee Merit Award Program Contributions
 5108900 - Employee Payments - Other

**Refer to handout for complete list of AC codes for budget purposes.
Only AC codes on the list should be used for budget purposes**

Upload Templates

Things to remember when populating a template

1. Complete the “Budget Request Details” tab
 - Ensure Version, Entity, Year are correct
 - Fill in “BR Request” with data from Hyperion
2. No duplicate lines
 - Unique Item-Program-Category for each line
3. Do not insert or delete rows
 - Inserting and deleting lines will create errors in the checklist tab and possibly affect the quality of the data uploaded

***ALWAYS use the latest template available on the DOF website
(current one is dated August 2016)**

Upload Templates

Things to remember when populating a template

3. Match Positions with Dollars

- FTEs match between Position Summary tabs and Position Change Request tab
- Salaries and Wages match between Position Change Request and Expenditure tabs

4. Review the “Checklist” tab prior to uploading

- Ensure all are green “No Issues” and **no red fields**.

***ALWAYS use the latest template available on the DOF website
(current one is dated August 2016)**

Upload Templates

Closer look at an Upload Template

BCP Template

- Sample Fiscal Detail Sheets:
 - BCP Excel Upload Template Sample Workbook

Time to jump in and take a look at the template.

Baseline Budget Adjustments

- Baseline Budget Adjustments (BBAs) are changes to the budget to maintain the current level of service.
- BBAs will be used to make incremental adjustments in Hyperion for current year through budget year+4.
- There are 12 baseline adjustments types in Hyperion that can be used to make baseline expenditure changes (See BL 16-23 for details).
- A separate Budget Request (BR) should be completed for each adjustment type.

BBA Types

1. Salary Adjustments
2. Benefit Adjustments
3. Retirement Rate Adjustments
4. Budget Position Transparency
5. Carryover / Reappropriation
6. Legislation with an Appropriation
7. Pro Rata
8. SWCAP
9. Miscellaneous Baseline Adjustments
10. Lease Revenue Debt Service Adjustment
11. Statutory Cost of Living Adjustments (COLAs)
12. Issue Specific Adjustment

BBA Types continued

- The first 11 baseline adjustment types do not show individual BBA BRs for any given Business Unit in the Detailed Budget Adjustments section of the budget galley, but are combined with the same baseline adjustment type and show the BBA type label.
- The new 12th BBA type “Issue Specific Adjustment” was specifically created to identify large dollar amounts or sensitive issues that would otherwise be categorized as Miscellaneous Baseline Adjustments or combined within another BBA type.
- BBA BRs coded as “Issue Specific Adjustment” will be individually shown in the Detailed Budget Adjustments table in the budget galley. The BR title will be displayed, so meaningful titles are critical.

Method of submittal and deadlines

- Training for the template upload process has been provided by FI\$Cal project staff in July.
- Electronically send BBA templates to your respective Finance budget analyst or notify your budget analyst when the entry is available for review in Hyperion.
- The deadline is **Wednesday, October 14.**

Out-year Data in Hyperion

- Every BR in Hyperion includes fields to enter data for four years (BY1, BY2, BY3, and BY4) beyond the budget year.
- For baseline adjustments, the data entered in the out-years must be based on continuation of existing law and policies.
- For policy adjustments, the data entered in the out-years must be based on continuation of the proposed or approved policy.
- Out-year revenue and expenditures must be updated to reflect specific proposed adjustments or known adjustments that have been approved by the Legislature.
- Out-year forecast assumptions that are not specifically proposed (and later approved) are not to be entered in Hyperion.

Past Year Revenue/Expenditure Adjustments

Past Year Adjustments for the 2017-18 Cycle

- See Budget Letter 16-20 for detailed instructions on the revised 2-step process this year.
 1. Validation of initial expenditure authority
 - Updates may be needed to reflect missing budget revisions, missing records, or changes to category distribution.
 - A new BR is required to perform these types of updates
 2. Past year actual updates
- Finance budget analysts will provide their departments with reports from Hyperion to facilitate the 2-step approach.
- Departments are to use the reports, in conjunction with the information in their 2015-16 year-end financial statements and accounting reports, to make budget adjustments to reflect past year actuals.
- Department packages (which include expenditure, revenue, and special fund reconciliation documents) are to be provided to Analysts on a flow basis by fund.

Past Year Update - Expenditures

- Finance has developed tools to help minimize workload for departments.
 - A translation from legacy codes to Hyperion codes.
 - A CALSTARS report “Past Year Expenditure” that departments can request. The CALSTARS report translated expenditures from legacy expenditure codes to appropriate accounting codes in Hyperion.
 - A past year baseline adjustment upload template specifically for past year expenditure updates.

Past Year Update - Expenditures

Expenditure Reports

- The expenditure files reflect AC5.
- The Excel report will include a section for departments to post past year actuals, including request amount (authorized), budgetary expenditures, savings and carryovers, and a section that calculates the incremental adjustments to be made in Hyperion.

Verification/Reconciliation of Past Year Data

- Final past year budgetary expenditures should reconcile to dollar amounts reported to the SCO on year-end financial statements.
- Departments are required to provide a written explanation for any discrepancies.

Past Year Update - Expenditures

Updating Adjustments to Past Year Values in Excel Spreadsheet

- After the request amounts are confirmed/updated, the other changes should be made to savings and carryovers.
- If the encumbrance period for the expenditure authority has expired, the difference should be reflected as savings.
- Adjustments to an item will be made at the program and category level.
- In most cases, budgetary expenditures for an item should equal the authorized amounts net of savings and carryovers.
- Provide past year upload template to your Finance budget analyst.

Past Year Update - RTLs

RTLs—Revenues, revenue transfers, and loans

- Departments are required to reflect the actual RTL amounts in the Excel spreadsheet provided and submit it together with an upload template, if needed, to your Finance budget analyst.
- Each department will receive the Past Year Incremental RTL Adjustments report containing the following sections: (1) revenue request, (2) revenue transfer, and (3) loan amount.
- In Hyperion, past year revenues were consolidated by account code while BRs containing revenue transfers, and loans were rolled over intact (not consolidated).
- Unlike revenues, the actual/final amounts entered into Hyperion for revenue transfers and loans will overlay the existing amount (not an incremental adjustment via a new BR).

Past Year Update - Overall

RTL, Expenditure, and Position Updates in Hyperion

- For revenues, the calculated incremental adjustments to past year amounts should be made in a new BR.
- Past year information must tie to any related Detailed Fund Balance Reports (DF-303 and/or DF-304) prepared by a department. This will be discussed later in the training today.
- Submit completed past year packages, which includes expenditure and revenue information, the related DF-303/304, and appropriate backup to your Finance budget analyst as follows:
 - September 9, 2016 – General Fund
 - Early September, through October 3 – Non-Shared Funds
 - Early September, through October 14 – Shared Funds

Fund Condition Statement and Fund Reconciliation



Overview

- **Past Year General Fund Reconciliation with SCO**
- **Fund Classifications**
- **Fund Condition Statement (FCS)**
 - **Display and Components**
 - **Prior Year Adjustments**
- **Fund Reconciliation Packet**
 - **Deliverables and Deadlines**
- **Reconciling between Finance and SCO**

General Fund Past Year Reconciliation with SCO

- For the General Fund, Finance reconciles past year expenditures and revenues between Finance and SCO.
- Past year expenditure and past year revenue amounts reported to Finance must ***reconcile to amounts reported to the SCO in the year-end financial statements.***

General Fund Past Year Reconciliation with SCO

- After submittal of past year updates, **no changes to General Fund** can be made without prior approval from Finance.
- For material differences between Finance and SCO, you may be contacted by your Finance analyst for further clarification and assistance.

Fund Classifications:

- ❖ **General Fund (G):** Used to account for revenues not specifically designated to be accounted for by any other fund. Primary sources of revenue are personal income tax, sales tax, and corporation tax.
- ❖ **Special Funds (S):** Used to account for taxes, licenses, and fees which are restricted by law for particular activities of government.
- ❖ **Bond Funds (B):** Used to account for proceeds of general obligation (non-self liquidating) bond authorizations.
- ❖ **Nongovernmental Cost Funds (N):** Used to account for revenues from sources other than general or special taxes, licenses, fees or other state revenues (excluding bond proceeds and federal receipts).
- ❖ **Federal Funds (F):** Used to account for all monies received from an agency of the federal government.

Fund Condition Statement- Displayed in the Governor's Budget

Per Department of Finance policy:

- All special funds are displayed in the Governor's Budget. Revenue and expenditure fund information displayed allows readers to see how all the financial information ties together.
- Additionally, there are some Fund Condition Statements for federal and other nongovernmental cost funds displayed in the Governor's Budget.

Fund Condition Statement— Resource Components

- Beginning Balance
- Prior Year Adjustment
- Revenues
- Transfers/Loans
- Other Adjustments
- **Total Resources**

Fund Condition Statement— Expenditure Components

- State Operations
- Local Assistance
- Capital Outlay
- Unclassified
- Other adjustments such as Less Funding provided by
- **Total Expenditures**

Fund Condition Statement-

Components

Beginning Balance is the ending balance from the latest Enacted galley. This amount cannot be changed.

The prior year adjustment amount is provided by departments on the department FCS and DF-303.

Receipt Code, titles and amounts reflect the data in Hyperion at the point in time the FCS is generated.

Non-add lines may be added to provide additional detail.

Transfer Code, titles and amounts reflect the data in Hyperion.

Total Revenues, Transfers and other adjustments equal the total in Hyperion (formerly 10Rs).

0181 Registered Nurse Education Fund^S

BEGINNING BALANCE

Prior year adjustments

Adjusted Beginning Balance

REVENUES, TRANSFERS AND OTHER ADJUSTMENTS

Revenues:

4129200 Other Regulatory Fees

License Renewal Fees

New License Fees

4163000 Investment Income - Surplus Money Investments

4151000 Interest Income - Other Loans

4171400 Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons

Transfers and Other Adjustments:

6540000 General Fund Per Item 4140-002-0181, Budget Act of 20XX

Total Revenues, Transfers and Other Adjustments

Total Resources

	PY	CY	BY
BEGINNING BALANCE	\$1,016	\$1,259	\$1,245
Prior year adjustments	147	-	-
Adjusted Beginning Balance	\$1,163	\$1,259	\$1,245
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS			
Revenues:			
4129200 Other Regulatory Fees	692	633	633
License Renewal Fees	(432)	(450)	(450)
New License Fees	(260)	(183)	(183)
4163000 Investment Income - Surplus Money Investments	109	95	95
4151000 Interest Income - Other Loans	32	20	20
4171400 Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	2	-	-
Transfers and Other Adjustments:			
6540000 General Fund Per Item 4140-002-0181, Budget Act of 20XX	-	-	-800
Total Revenues, Transfers and Other Adjustments	\$835	\$748	-\$52
Total Resources	\$1,998	\$2,007	\$1,193

Fund Condition Statement-

Components continued

Expenditure amounts reflect the amounts posted in Hyperion at the point in time the FCS is generated.

EXPENDITURES AND EXPENDITURE ADJUSTMENTS

Expenditures:
 4140 Office of Statewide Health Planning-
 Development (State Operations)

739 762 737

Total Expenditures and Expenditure Adjustments equal the total of all Hyperion records at that point in time for the fund.

Total Expenditures and Expenditure Adjustments

 \$739 \$762 \$737

FUND BALANCE

Other designations (reserves) of Fund Balance can be added by providing that information on the FCS document BY submitting the information to Finance.

Reserve for economic uncertainties

=====
 \$1,259 \$1,245 \$456
 1,259 1,245 456

Fund Condition Statement- Prior Year Adjustments

FUND CONDITION STATEMENT

	2014-15 Last Estimate	2014-15 Actuals	2015-16	2016-17	2017-18
0950 Training Fund^N					
BEGINNING BALANCE	\$9	\$9	\$9	\$15	\$20
Prior year adjustments	-	-	5	-	-
Adjusted Beginning Balance	\$9	\$9	\$14	\$15	\$20
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS					
Revenues:					
4164000 - Gain/Loss on Sale of Investments	\$13	\$13	\$13	\$15	\$18
Total Revenues, Transfers, and Other Adjustments	\$13	\$13	\$13	\$15	\$18
Total Resources	\$22	\$22	\$27	\$30	\$38
EXPENDITURES AND EXPENDITURE ADJUSTMENTS					
Expenditures:					
0554 Department of Training	13	8	12	10	15
Total Expenditures and Expenditure Adjustments	\$13	\$8	\$12	\$10	\$15
FUND BALANCE	\$9	\$14	\$15	\$20	\$23

Difference of 5

Prior year adjustments are made to record the difference between previous accruals (including encumbrances) and actual expenditures, transfers, or revenues for prior year(s). Also includes statewide assessments for SCO GAAP and Finance, FSCU, and SCO – MyCalPAYS charges. See Detailed Fund Balance Report (DF-303) for details.

Fund Reconciliation Packet

Refer to Department of Finance Website at

http://dof.ca.gov/Accounting/Policies_and_Procedures/Fund_Reconciliation/

Who Does What:

- ✓ DF-117 and Cover Memo: Department Director or equivalent
 - May be delegated down only one level, such as Chief Deputy Director
- ✓ DF-303: Accounting
 - For funds that have a Fund Condition displayed in Governor's Budget
- ✓ DF-304: Accounting
 - For funds that do not have a Fund Condition displayed in Governor's Budget
- ✓ Department Fund Condition Statement: Budgeting
- ✓ Submit complete Fund Reconciliation Packet to Finance: Budgeting

Provide Fund Reconciliation Packet as part of the Past Year Packet to Finance analyst on a flow basis.

Fund Reconciliation Packet

Deadlines	Deliverables
September 9, 2016	Complete Past Year Package for General Fund
Early September through October 3, 2016	Complete Past Year Package from non-shared fund administrators
Early September Through October 14, 2016	Complete Past Year Package from shared fund administrators

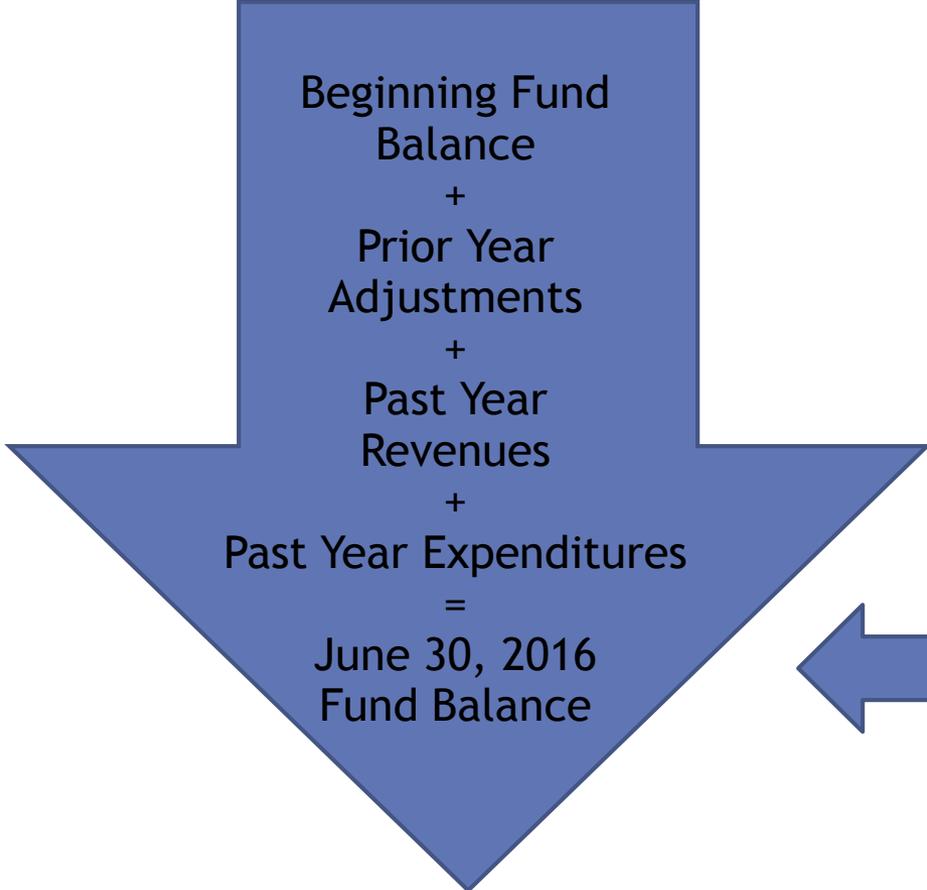
For more detail, reference BL 16-20 (Past Year Adjustments and Fund Reconciliation for the 2017-18 Budget Cycle).

Detailed Fund Balance Report (DF-303) vs. Fund Condition Statement

- Beginning Balance
- Prior Year Adjustments
- Fund Assessment Adjustments
- Revenues, Transfers, and Other Adjustments
- Expenditures and Expenditure Adjustments
- Ending Fund Balance

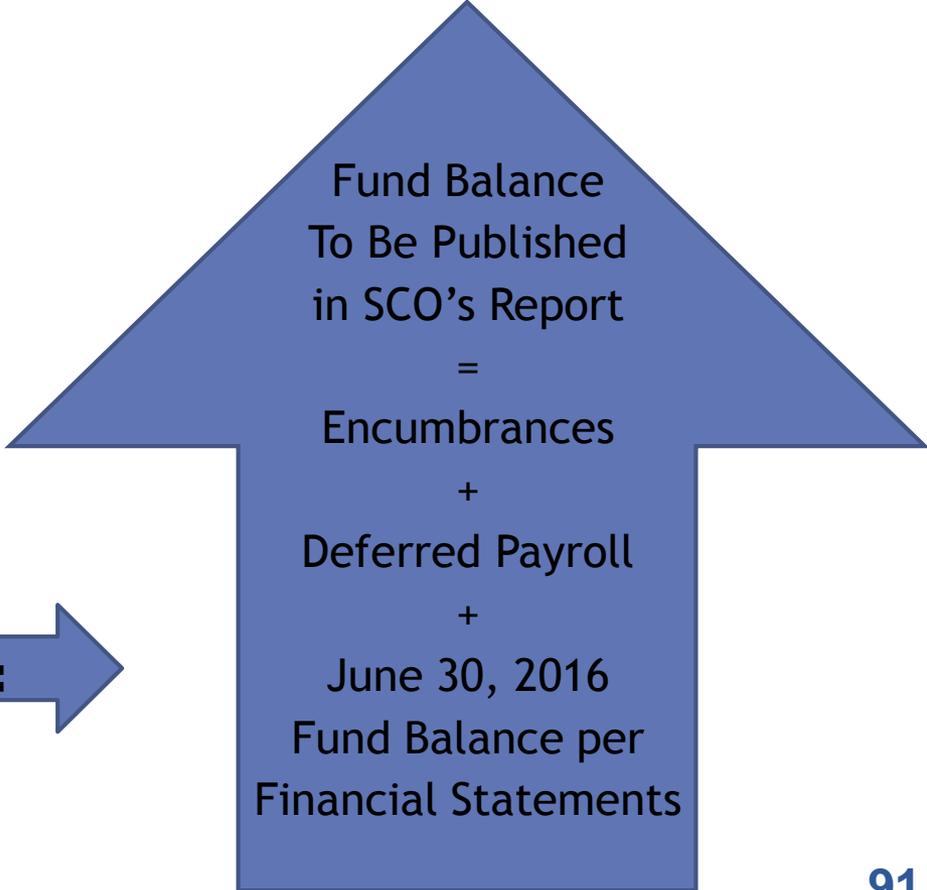
Reconciling Fund Balances Between Finance and SCO

Governor's Budget

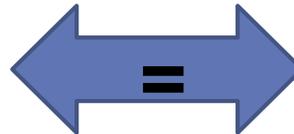


Beginning Fund Balance
+
Prior Year Adjustments
+
Past Year Revenues
+
Past Year Expenditures
=
June 30, 2016 Fund Balance

SCO's Report



Fund Balance To Be Published in SCO's Report
=
Encumbrances
+
Deferred Payroll
+
June 30, 2016 Fund Balance per Financial Statements



Fund Condition Statement—Review

- **Tie Past Year column to DF-303 and Dept FCS (including the Prior Year Adjustment).**
- **FCS expenditures must reconcile to Past Year upload templates.**
- **Beginning Balance rolled from prior year ending balance as shown in the latest enacted galley.**
- **Departments must also review the FCS for negative fund balance.**

Statewide Budget Adjustments

Employee Compensation,
Retirement Contributions,
OPEB Contributions &
Position Control

Employee Compensation Unit

- David Muñoz – Principal
- Gregory Crettol Jr. – Employee Compensation/OPEB & Control Section 3.61
- Patrick Campion – Control Section 3.60

Objectives

- Employee Compensation
- OPEB Contributions
- Retirement Contributions
- Position Control

Employee Compensation Item 9800

Primary Adjustments

- Health Premiums
- Other Post Employment Benefits (OPEB)
- General Salary Increases
- Departments Funded for these Increases
- Miscellaneous

Retirement Contributions

Control Section 3.60

- Retirement Rates Increased...Again
- CalPERS Earned Less Than 1% Investment Return in 2015-16
- Rates Will Continue Increasing for the Foreseeable Future
- Departments Funded for Increase

Don't Forget...

- 3.60 due date 9/23/16
- 9800 due date 10/1/16
- Adjustment Type
- Whole \$ rounded to 000's
- ENY must be 2016 or 2017
- Use current BBA upload template
- Supporting documents
- Reimbursements
- Admin/Distributed Admin
- Use programs from the Budget Act

Position Control

- Standard 607 Process
- Control Section 31.00
- **Do Not** Key in the Classification Change Until
Finance Has Approved the 607
- Budget Letter Coming Soon

Salaries and Wages Spreadsheet Process

A decorative graphic consisting of a solid dark red horizontal bar at the top, followed by a white horizontal bar, and then three thin, parallel horizontal lines in a light red color on the right side of the white bar.

Salaries and Wages Spreadsheet Process

- **Salaries and Wages Overview**
- **Calendar of Events**
- **Reconciling the 7A**
- **Control Section 4.11**
- **Changes for the 2017-18 Process**
- **Checklist and Reminders**

The 7A Is...

- A published document of the organizational structure, position classification, and salaries of each state department.
- A point-in-time reconciliation of authorized positions along with their salaries and wages.
- The Schedule 8, from SCO, plus the Supplemental 8, and Blanket Expenditure Report.

Distribution

Initial distribution from Finance to departments includes:

- Salaries and Wages Budget Letter (BL 16-21) (electronic copy)
- Salaries and Wages Spreadsheet (electronic copy)

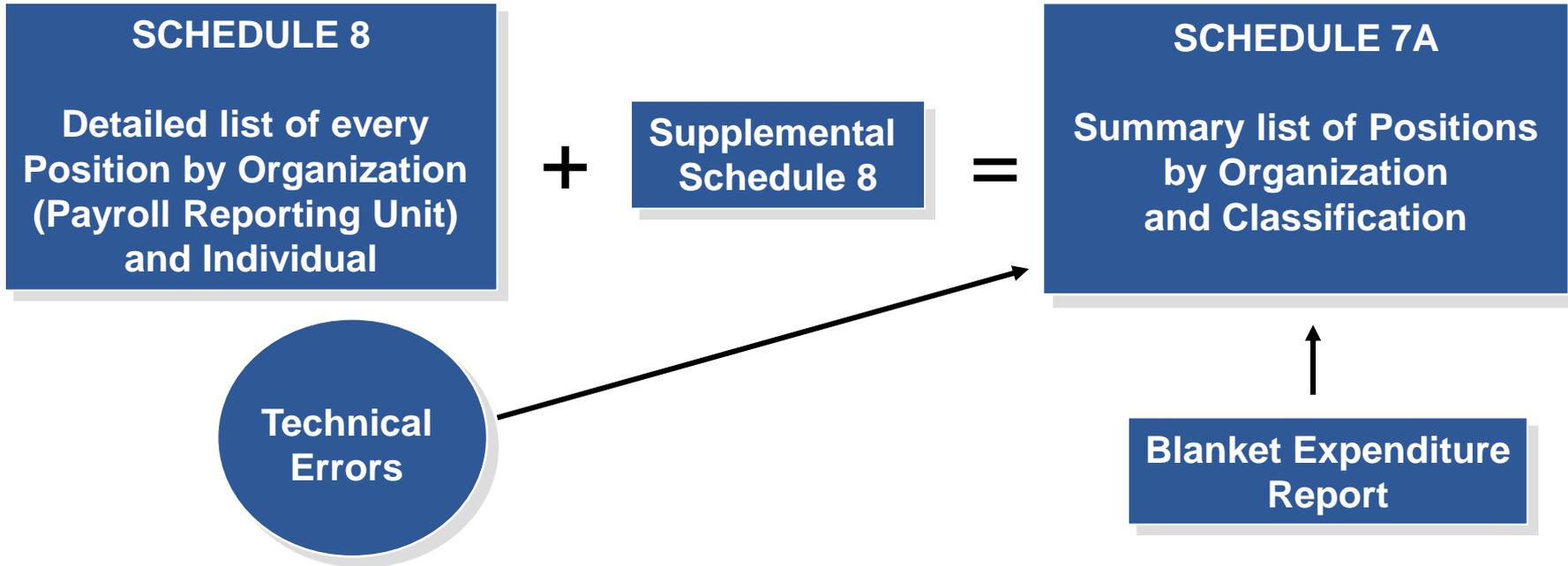
Report distribution from SCO to departments includes:

- Schedule 8 and Supplemental Schedule 8
- Blanket Expenditure Report (HR can print from SCO's system)

Calendar of Events

January	Schedule 8 Media Reporting*
March	Form 607 Processing Due Dates*
April	Reorganization Questionnaire*
May	Annual Header Report—Form PR421* Position Roster Listing—Reorganization*
June 30	Fiscal Year End
Late July	Preliminary Budget Reports Schedule 8* Supplemental Schedule 8* Blanket Expenditure Report (Temp Help & Overtime)*
Early Aug	S&W Budget Letter (electronic copy) S&W spreadsheet to departments (electronic copy)
Aug 26	Departments deadline to submit ALL FINAL S&W documents to Finance

Reconciling the 7A



- Positions not on Schedule 8:**
- 1. Incorrect class code
 - 2. Positions not established
 - 3. Reporting unit not valid
- Could be SCO or Dept. errors

Schedule 8 Summary- Form 33

Prepare the Schedule 8 Summary (Form 33)

This is the reconciliation form prepared by departments to summarize all changes made to the Schedule 8. These changes reflect the additions included on the Supplemental 8, and the Blanket Expenditure Report.

Let's Take a Look at the Form 33

Budget Position Transparency

- Pursuant to C.S. 4.11, the Budget Position Transparency analysis occurs biennially and was last completed as part of the 2016-17 Governor's Budget process.
- This adjustment will not be reflected in the 7A this year.

2017-18 Salaries and Wages Display

LJE

3999 DEPARTMENT OF AIR QUALITY

1

ORGANIZATIONAL UNIT Classification	NUMBER OF POSITIONS			EXPENDITURES		
	Filled 2015-16	Authorized 2016-17	Proposed 2017-18	Actual 2015-16 (Salary Range)	Estimated 2016-17	Proposed 2017-18
Administration						
Exec Secretary	1.0	1.0	1.0	\$9,399-10,472	\$125,664	\$125,664
C.E.A. A	0.4	1.0	1.0	6,296-9,051	75,552	75,552
Treasury Prog Mgr II	1.0	1.0	1.0	5,974-7,422	88,800	89,064
Treasury Prog Mgr I	3.2	3.0	3.0	5,181-6,437	221,610	226,382
Assoc Treasury Prog Officer	4.7	5.0	5.0	4,488-5,618	275,044	285,800
Assoc Govtl Prog Analyst	1.0	1.0	1.0	4,488-5,618	57,252	60,117
Exec Asst	1.0	1.0	1.0	3,354-4,198	40,674	42,096
Staff Services Analyst ^{1,2}	6.9	10.0	10.0	2,873-4,671	424,109	447,153
Office Techn-Typing ²	1.5	4.0	4.0	2,740-3,429	134,038	140,745
Limited Exam/Appt Candidate	0.2	-	-	2,740-3,429	-	-
Temporary Help	1.2	0.8	0.8	(54,398)	38,434	38,434
Overtime	-	-	-	(8,341)	-	-
TOTALS, AUTHORIZED POSITIONS	22.1	27.8	27.8	\$1,298,666	\$1,481,177	\$1,531,007
<i>Regular/Ongoing Positions</i>	20.9	27.0	27.0	1,235,927	1,442,743	1,492,573
<i>Temporary Help</i>	1.2	0.8	0.8	54,398	38,434	38,434
<i>Overtime</i>	-	-	-	8,341	-	-

¹ 3.0 positions limited-term to 12/31/2018.

² 1.0 position limited-term to 12/31/2018.

Changes for the 2017-18 7A Process

- Departments will not display:
 - FI\$Cal Current Service Level Adjustment line
 - BASELINE POSITIONS line
 - BASELINE BUDGETED POSITIONS and BUDGET POSITION TRANSPARENCY lines

10 Most Common Mistakes

1. Changed Formatting (Column Widths, Removed Header, etc.).
2. Used an Old/Incorrect Spreadsheet Shell.
3. Mis-numbered Limited-Term Positions.
4. Regular/Ongoing Positions, Temporary Help, and Overtime Does Not Add to TOTALS, AUTHORIZED POSITIONS.
5. Did Not Use Approved Abbreviations.
6. Salary Ranges Not In Descending Order.
7. Zeros Displayed as 0. Should Be Dashes (-).
8. Total Lines Formatted as Bottom-Scores. Should Be Top-Scores Above Total Line.
9. First Line and Total Lines Don't Have Dollar Signs.
10. Spelling. (Excel comes with spell check.)

Checklist

- ✓ **Do NOT** submit a manually updated spreadsheet
- ✓ Position classifications should be displayed in descending salary range order according to the minimum step of the salary range.
- ✓ Double-check all total lines in the spreadsheet to ensure that formulas are correct.
- ✓ It is the department's responsibility to certify that existing positions on the SCO position roster, as amended by the department payroll and position documents, reflect the approved program.
- ✓ Filled out the new Reconciliation page (Attachment D in the BL 16-21)

Checklist

- ✓ Have any approved reorganizations been reflected?
 - Government Code Section 11152 provides authority to department heads for reorganizations, subject to the approval of the Governor.

- ✓ Spot check the manual changes made to the Schedule 8 as follows:
 - Have reclasses been approved by the Department of Finance as necessary? Control Section 31.00 (b) of the latest version of the 2016 Budget Bill requires approval of any reclasses to a position with a maximum step per month of \$7,331 as of July 1, 2016.
 - Are dollar changes appropriate?
 - Are vacant positions shown at the **minimum** step?

Checklist

- ✓ Verification Checks for the Schedule 7A:
 - Do the TOTALS, AUTHORIZED POSITIONS dollars and positions match the Schedule 8 reconciled positions and expenditures?
 - Do blanket positions and dollars look reasonable?
 - Do temporary help blankets have associated positions identified?
 - Are limited-term positions listed in “footnote format” at the end of the 7A?
 - Are footnotes ordered correctly (in numerical order from top to bottom)?
 - Perform other analytical review before submitting to Finance

Reminders

Limited-Term Positions Footnote Format:

Limited-Term Position footnotes follow the Vacant Position footnote.

-
- ¹ 1.0 position limited-term to 6/30/20XX.
 - ² 5.0 positions limited-term to 6/30/20XX.
 - ³ 2.0 positions limited-term to 6/30/20XX.
 - ⁴ 3.5 positions limited-term to 6/30/20XX.

Reminders

SPREADSHEET FORMAT

- **Use the current spreadsheet that was sent to you by your Finance Budget Analyst.**
- **Font must be Arial Narrow, 8 point.**
- **Spreadsheets must be single-spaced.**
- **Orientation must be Portrait.**
- **The first line and all total lines must have dollar signs.**

Reminders

SPREADSHEET FORMAT, continued

- Positions must be provided to the tenths (e.g., 9.5).
- Negative data must be represented with a minus sign, **NOT in parentheses.**
- Past Year Temp Help and Overtime dollars are displayed in parentheses, but are included in totals.
- **TOTAL AUTHORIZED POSITIONS** must be bold.
- Regular/Ongoing Positions, Temporary Help, Overtime totals must be in italics.
- **DO NOT** adjust column widths.

**Questions on Salaries
and Wages?**

**Questions on
Positions?**

Questions on 7As?

Budget Galley

Changes for the 2017-18 Process

- The Budget Position Transparency analysis is performed biennially and last completed as part of the 2016-17 GB process.
- Therefore a new Budget Position Transparency adjustment will **not** be reflected in this year's budget galleys.
- Your Finance analyst may send you reports to validate your galley.

Let's take a look at the galley!

Budget Bill

(Language Sheets)

Budget Bill (Language Sheets)

- Used to prepare the forthcoming Budget Bill, introduced Jan. 10 with Governor's Budget (see Sample for Budget Bill Language Sheets)
- Produced by Office of State Publishing
- Starting point is a copy of the 2016 Budget Act items
- One item per page
- Language sheets will be available mid-November
- Finance analysts/departments update schedules and dollars based on final decisions

Budget Bill (Language Sheets)

- Now is the time to review and update existing provisions, if needed, or propose new provisions
- Do not forget to revise dates in provisional language
- Now is the time to renumber schedules and provisions, if necessary (renumbering cannot be done in the spring)
- For a new item or provision, type the language to be included and provide the electronic copy along with the hard copy to your finance budget analyst

Budget Bill (Language Sheets)

- If deleting an item, return language sheet marked deleted
- All language sheets distributed must be returned
- You must use the original copy of language sheet provided
- Capital outlay may attach a typed insert for the schedules section listing projects

Fall Development Calendar

Fall Development Calendar (Proposed)

- | | |
|-------------------------------|--|
| Early Aug | Finance staff distributed Salaries and Wages spreadsheets to departments |
| Aug 26 | Salaries and Wages spreadsheets due from departments to Finance |
| Sept 9 thru
Oct 14 | Past Year Adjustments and Fund Reconciliation Packet due to Finance (BL 16-20) |

Fall Development Calendar (Proposed)

- Oct** Finance prepares a Data Capture narrative report for review/input/comments from agencies
- Mid Dec** BL on Submission of Budget Materials to the Legislature and the LAO
- Late Dec** Finance sends Budget Bill language sheets to OSP
- Jan 10** Governor must present his budget to Legislature

Who to Contact for Questions?

Contact the FI\$Cal Service Center (FSC):

- Hyperion Log-in Access/Passwords
- System Error Messages
- Technical issues with uploading completed upload templates to Hyperion
- E-mail: fiscalservicecenter@fiscal.ca.gov

**Be sure to copy your DOF Finance Budget Analyst on any emails to FSC*

- Phone: 1-855-347-2250

Contact your Finance Budget Analyst:

- Budget Policy/Processes
- Expenditures
- Revenues
- FCS
- Past Year Package
- Salaries and Wages
- Item Changes or New Items
- Budget Galley
- Budget Bill
- Programs (new or change)
- Funds (new, change, or abolish)
- Hyperion Reports (FR or BI)
- Data Issues with upload templates
- Deadlines
- Employee Compensation



Thank You For Coming!