

# BUDGET LETTER

<b>SUBJECT:</b> BUDGET CHANGE PROPOSAL TEMPLATE AND INSTRUCTIONS	<b>NUMBER:</b> 17-18
<b>REFERENCES:</b> BL 17-08, BL 17-10, BL 17-11, BL 17-15 AND 17-16	<b>DATE ISSUED:</b> July 21, 2017
	<b>SUPERSEDES:</b> 16-22

TO: Agency Secretaries  
Department Directors  
Departmental Budget and Accounting Officers  
Department of Finance Budget and Accounting Staff

FROM: DEPARTMENT OF FINANCE

The Financial Information System for California (FI\$Cal) affects all departments as it relates to the annual budget process. This Budget Letter (BL) provides revised forms and instructions to departments for the preparation of regular Budget Change Proposals (BCPs). The documents referenced in this BL can be found on the following Finance web pages:

[http://dof.ca.gov/budget/Resources\\_for\\_Departments/Budget\\_Forms/](http://dof.ca.gov/budget/Resources_for_Departments/Budget_Forms/)

[http://dof.ca.gov/budget/fiscal\\_resources\\_for\\_budget/index.html](http://dof.ca.gov/budget/fiscal_resources_for_budget/index.html)

Separate instructions have been issued regarding general budget preparation guidelines ([BL 17-08](#)), while Capital Outlay BCP instructions are included in [BL 17-10](#). Refer to [BL 17-15](#) for policy direction regarding criteria for BCP submittal.

## I. Glossary Relevant to this BL

- BR = Budget Requests. These are issues identifying changes to dollar amounts and/or positions for any fiscal year in the system.
- BU = Business Unit. This four-digit number is equivalent to an organization code/entity.
- Category = An account code in the Chart of Accounts.
- ENY = Enactment Year (formerly Year of Appropriation).
- FTEs = Full Time Equivalents or Positions. These terms are used interchangeably.
- RTL = Revenues, Transfers, and Loans.

## II. BCP Package

BCP packages are to be submitted via email to your Finance budget analyst and principal program budget analyst providing the following information (see [DF-46 Budget Change Proposal](#) documents):

1. **DF-46 Cover Sheet** (a scanned signed copy).
2. **BCP Narrative Section—Analysis of Problem**—A Word document providing the full explanation of the request.
3. **Fiscal Details**—Departments are to enter or upload fiscal information directly into Hyperion. Departments should use the **GB Dept Working** version for BCP uploads and inform their Finance analyst once the BR is available in the GB Exchange version. For the fall BCP process, departments must generate and submit the Hyperion “**BCP Report**” as part of the BCP package, rather than the Excel fiscal detail sheets used in previous years.
4. Provide an electronic copy of the upload template to their Finance analyst, if the department uploaded the data.

Departments need to submit **one** hard copy of the BCP cover sheet, BCP narrative, and BCP Report. Later in the fall cycle, instructions will be issued to all departments regarding submittal of the approved original signed BCPs including the BCP Fiscal Detail Report in Hyperion.

### **III. Revised BCP Forms and Upload Template**

Departments should provide all necessary budget information by either keying data into Hyperion or by uploading data into the system using BCP upload templates. Various enhancements to the system continue to be added and there have been various changes in the chart of account codes or programs; therefore, all requests entered into Hyperion via templates must use the [upload templates](#) (July or August 2017 version) that will be available on Finance's website. Departments may obtain forms, including templates, on Finance's website at:

[http://www.dof.ca.gov/budget/Resources\\_for\\_Departments/Budget\\_Forms/](http://www.dof.ca.gov/budget/Resources_for_Departments/Budget_Forms/).

All BCPs for 2018-19 **must** include the revised [DF-46](#) forms and BCP Report. The revised [DF-46](#) forms include a cover sheet and a BCP narrative section.

#### **Cover Sheet DF-46**

For details on how to fill out the [DF-46](#), please refer to the [DF-46 Instructions](#).

#### **BCP Narrative Section**

All departments must provide a hard copy of the BCP narrative along with the signed Cover Sheet to their Finance budget analyst. The BCP narrative must indicate how the BCP is consistent with the Governor's annual policy direction as outlined in the [BL 17-15](#).

For more details on the narrative, please refer to the [DF-46 Instructions](#).

#### **Fiscal Detail (BCP Report) and BCP Upload Template**

Departments are required to enter or upload fiscal information directly into Hyperion, including expenditures, position change requests, position summaries, reimbursements, and revenues, etc., if applicable. Departments with a high volume of unique entries may choose to populate the upload template and upload.

Departments must use the updated BCP Report to provide fiscal details. Separate tabs of the BCP template will capture detailed information for every affected item, program, and category of expenditure, consistent with the chart of accounts. The forms are color coded as follows:

- Blue color: Select from drop down menu;
- Salmon color: Input, no drop down menu;
- Gray Cells: Update as necessary.

**Please note:** When updating BCP templates, **do not delete or insert new rows** in any tabs as this corrupts the Checklist tab. When updating BCP templates, users should select the row(s) they want to delete and clear or delete contents, rather than deleting rows. In the event users exceed the preset rows, copy one of the blue colored rows and paste the information into a new white row(s) below the blue preset rows. Finance requires a clean Checklist tab for accurate uploads. If rows are deleted or inserted, the cross-ties in the Checklist tab will not work and the department will be required to prepare a new template.

The following provides a summary of the required data for each of the tabs in the new upload template. The same descriptions apply to direct entries into Hyperion.

- a) **Checklist**—The checklist tab has a cross-tie page to check various issues such as duplicate rows, invalid points of view, position and dollar tie points, and correct BR naming conventions. Prior to uploading or submitting a template to Finance, ensure all “No Issues” fields are **green** and that there are no **red** fields.
- b) **Summary**—No action is needed by departments. This page is similar to the prior BCP fiscal summary pages. The summary tab links to all other tabs in the Excel workbook and provides a summary to Finance.
- c) **Budget Request Details**—Departments should note the following:
  1. BR Name must use a unique naming convention to post accurate detail in Hyperion. See [“Budget Request Naming Convention in Hyperion.”](#) Please coordinate BR Names with your Finance budget analyst.
  2. BR Title must be a meaningful title (short and succinct) used on the BCP cover sheet and in other budget documents, such as the Detailed Budget Adjustment section in department budgets.
  3. Enter BU (organization code).
- d) **Workload Measures**—Provide workload metrics associated with the program, beginning with the past five years through the current year. Specify how the requested resources are projected to affect the related workload for the affected years (BY through BY4). These are the number of units of workload, e.g., inquiries responded to, backlog reduced, applications processed, etc.
- e) **Program Budget Measures**—Provide a five-year resource history of the program (unless it is a new program proposal).
- f) **Position Change Request**—Specify the Job Code (class code and classification title), Start Date (only if the position will not be filled on July 1, 2018, such as a January start date), End Date (if applicable), Proposed Position(s) (# requested), and Salaries and Wages for all the position(s) in the same classification. Enter total positions and dollars for affected years (CY, BY, BY1, BY2, BY3, BY4, if applicable). Salaries and Wages entered on the Position Change Request tab must tie to the total Salaries and Wages (AC\_510xxx) entered on the Expenditure Tab.
- g) **Position Summary**—Specify Item, ENY, program, and related salaries and wages categories of expenditure associated with each position. Enter total positions for the affected years (current year and out years). Positions (Full Time Equivalent) in CY through BY4 in the Position Summary tabs must tie to the total proposed positions in CY through BY4 in the Position Change Request tab for the overall BR.
- h) **Expenditures** (level of spending authority)—Specify Item, ENY, program, and related category of expenditure for each unique combination of funding needed to support the BCP. See [“Account/Category Codes Available in Hyperion”](#) for categories of expenditure/account codes available in Hyperion. Departments must provide the same level of information as is required in the DF-300 Supplementary Schedule of Operating Expenses and Equipment. The BY through BY4 tabs must be updated to include the amounts projected for each of those years.
- i) **Revenues, Transfers, and Loans (RTL)**—If the BCP proposes new revenues (either an increase to an existing revenue source or proposed new revenues), a new revenue transfer, and/or a new

loan, departments must either use the RTL template or enter information directly into Hyperion using the RTL BR Type.

The BY through BY4 tabs must be updated to include revenues coded for each of those years. For transfers and loans, if both sides of the transaction do not fall within the same BU, the owner of the other BU must carry the appropriate side of the transaction and the Department must notify their Finance budget analyst of the other BU's transaction.

#### **IV. Unique BR Naming Convention**

The department is required to create a BR for each BCP or RTL. Each BR must have a BU number, a unique sequencer (001 to 299 for the Governor's Budget process), use the BR type of BCP for expenditures or RTL for revenues, transfers, or loans, and the point-in-time when the issue is initiated (e.g., GB for Governor's Budget). Departments must use a unique naming convention for each budget request as shown below. Budget request sequencers are shared between Finance staff and departments; therefore, departments should work with their Finance analyst before selecting a BR sequencer to avoid duplication that causes system problems. See "[Budget Request Naming Convention in Hyperion](#)" for additional information regarding the required naming convention.

e.g., **Budget Request Name: 5225-001-BCP-2018-GB**

#### **V. Enactment Year (ENY) (aka Year of Appropriation)**

For appropriations, use:

- 2017 for current year
- 2018 for budget year
- 2018 for years beyond budget year

#### **VI. Use of Items instead of Separate "BU," "Reference," and "Fund" In Upload Template and Data Entry Forms:**

Each Expenditure and RTL will require a 3-part item consisting of the BU, a reference identifier, and the fund. For example, if BU 0250 has a proposed expenditure and/or revenue adjustment to the General Fund, the expenditure item would be "0250-XXX-0001" and the revenue item would be "0250-787-0001." Please note that for RTLs, the specific reference numbers to use depend on the type of RTL as follows:

Revenue: 787  
Transfer: 788  
Loan: 789

#### **VII. Additional Resources Related to FI\$Cal**

Finance maintains the website page "FI\$Cal Resources" at: [http://www.dof.ca.gov/Budget/Fiscal\\_Resources\\_For\\_Budget/](http://www.dof.ca.gov/Budget/Fiscal_Resources_For_Budget/) to provide one convenient location for all relevant FI\$Cal resources. This page is updated and expanded frequently. Please continue to check and utilize the information on this page for reference materials.

Departments may also refer to FI\$Cal Job Aids available at: <http://www.fiscal.ca.gov/access-fiscal/budgetsjob aids.html>.

### **VIII. Rounding to “000**

For budget purposes, there is no need to track dollars below \$1,000. This level of precision is unnecessary, and creates additional workload and reconciliation problems between level zero data and rolled up data. Users must only enter into the system new dollar amounts that end with “000.”

### **IX. Invalid Items**

All valid items that existed as of 2017-18 budget enactment, as well as those already created for the 2018-19 budget cycle, will be posted on Finance website in late July or early August. Please provide your Finance budget analyst with a completed New Item Creation form if you need any new items. Otherwise, those new items will not be available in Hyperion. Departments should run the Invalid (in Red) & Valid Items with Dollars report in Hyperion to verify that all items are valid. **NEW!** The report will be made available to departments in late July/early August.

If you have any questions about this BL or budget/policy questions regarding the use of Hyperion, please contact your Finance budget analyst. For system logon/password issues or other technical system questions, please contact the FISCAL Service Center ([fiscalservicecenter@fiscal.ca.gov](mailto:fiscalservicecenter@fiscal.ca.gov)) and copy your Finance budget analyst.

/s/ Veronica Chung-Ng

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