

BUDGET LETTER

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| SUBJECT: EXECUTIVE ORDERS AND BUDGET REVISIONS PROCESS IN 2016-17 | NUMBER: 16-16 |
| REFERENCES: BUDGET LETTERS 16-10 AND 16-12 | DATE ISSUED: July 21, 2016 |
| | SUPERSEDES: 15-21 |

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

FROM: DEPARTMENT OF FINANCE

This Budget Letter (BL) provides instructions for Executive Orders and Budget Revisions for 2016-17.

Executive Orders are generally used 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. Budget Revisions are used to make current year adjustments to a single item of appropriation.

As discussed in last year's BL, the current process for handling Executive Orders and Budget Revisions will eventually be replaced with transactions called Budget Administration Adjustments. These adjustments will be entered in the FI\$Cal system as a budget entry in Hyperion that is then transmitted to the new PeopleSoft accounting system. This will not occur prior to July 2017 when the State Controller's Office (SCO) control functions are anticipated to go live in PeopleSoft.

I. Method of Submittal

Given the SCO is using its legacy system for control functions in 2016-17, hard copy Executive Orders and Form STD-26 for Budget Revisions is still required for processing adjustments. Form STD-26 is found at http://www.dof.ca.gov/budget/resources_for_departments/budget_forms/documents/Std26.pdf.

Departments must provide any necessary justification and backup information (including applications such as a DF-90 for Section 28.00 and a DF-91 for Section 28.50) to the Department of Finance.

II. Adjusting Budget Totals

A Budget Revision or Executive Order submitted to SCO does not adjust budget totals in Hyperion. It simply is a method/document to direct the SCO to make the adjustments in its system for accounting purposes. A separate budget spending adjustment (Baseline Budget Adjustment) may be needed to reflect an adjustment to a budget total in Hyperion. The need for a budget spending authority adjustment depends on whether the spending authority has already been built into a department's budget total when the Budget Revision or Executive Order is processed to the SCO. Please see BL 16-12 for more information on Expenditure Authorization Controls:

http://www.dof.ca.gov/budget/budget_letters/documents/BL16-12.pdf.

If you have any questions, please contact your Finance budget analyst.

/s/Veronica Chung-Ng

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