

BUDGET LETTER

SUBJECT: BUDGET CHANGE PROPOSAL TEMPLATE AND INSTRUCTIONS	NUMBER: 16-22
REFERENCES: BL 14-07, BL 14-08, BL 16-10, BL 16-13 AND BL 16-15	DATE ISSUED: August 4, 2016
	SUPERSEDES: 15-14

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/fiscal_resources_for_budget/index.html

Separate instructions have been issued regarding general budget preparation guidelines (BL 16-10) and Capital Outlay BCP instructions will be issued in the near future.

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.
- Request by Category = Spending authority by account code.
- RTL = Revenues, Transfers, and Loans (**New** for this year: "loan repayments" are now included in "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. Analysis and Justification—A Word document providing the full explanation of the request.
3. Fiscal Details—Wave 1 and 2 departments have already been trained and can independently enter or upload fiscal information directly into Hyperion using the **GB Dept Working** version, and inform Finance once the BR is available for Finance to accept on the GB Exchange version. Training for the remaining user departments will be offered in September.

For the fall BCP process, departments should use and submit as part of the BCP package, the Excel fiscal detail sheets from the Finance website instead of the BCP Fiscal Detail Report in Hyperion. The BCP report will not be available in time for the BCP submission deadline.

For **all departments**, a hard copy of the BCP cover sheet, fiscal detail sheets, and BCP narrative must be submitted in duplicate. BCPs requesting information technology, auditing, or accounting positions, which propose increased facility operations expenditures (leases), related capital outlay costs, or that impact other departments must be submitted in quadruplicate. Later in the fall cycle, instructions will be issued to all departments regarding submittal of the approved original signed BCP copies together with the BCP Fiscal Detail Report in Hyperion.

III. Revised BCP Forms and Upload Template

All BCPs for 2017-18 **must** include the revised DF-46 forms dated August 2016. These forms include a cover sheet, fiscal detail sheets, and a BCP narrative template, to capture fiscal information. To ensure the accuracy of data uploaded into Hyperion, departments must use the most recent version of the Excel upload template on the Finance website, reflecting the latest chart of account codes and enhancements. **Submission of older versions of the BCP template will be returned to departments.** Departments may obtain forms, including templates, on the Finance website at:
http://www.dof.ca.gov/budget/Resources_for_Departments/Budget_Forms/.

Cover Sheet DF-46

For details on how to fill out the DF-46, please refer to the DF-46 instructions.

BCP Narrative—Analysis of Problem

All departments must provide a hard copy of the BCP narrative along with the Cover Sheet to their Finance budget analyst.

For more details on analysis of problem, please refer to the DF-46 Instructions.

Fiscal Detail Sheets and BCP upload template August 2016 Version

After receiving training from Finance staff, departments will enter or upload fiscal information directly into Hyperion including expenditures, position change request position summary, reimbursements, and revenues, etc. (if applicable). Departments with a high volume of unique entries may choose to populate the upload template and upload.

Departments should use the updated BCP template to provide fiscal details. Separate tabs 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
- White color: Do not change. No input 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 fields, copy one of the blue color 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 point of views, position and dollar tie points, and correct BR naming conventions. Prior to upload or submitting a template to Finance, this tab must have “No Issues” highlighted in green.
- 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.”](#)
 - 2. BR Title should be a meaningful title (short, and succinct) used on 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 requested resources are projected to affect the related workload for affected years (BY through BY4). These are the number of units of workload, e.g., inquiries responded, backlog reduced, applications processed, etc.
- e) **Program Budget Measures**—Provide 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, 2017, 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).
- g) **Position Summary**—Specify Item, ENY, program, and related salaries and wages category of expenditure associated with each position. Enter total positions for affected years (current year and out years). Positions (Full Time Equivalent) in CY through BY4 in the Position Summary tabs must tie to 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 should use the RTL template or enter information directly in 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 your 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 BR type of BCP for expenditures or RTL for revenues, transfers, or loans, and 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 and therefore, departments should work with their Finance analyst before selecting a BR sequencer to avoid duplication. See "[Budget Request Naming Convention in Hyperion](#)" for additional information regarding the required naming convention.

Budget Request Name: 5225-001-BCP-2017-GB

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

For new one-year appropriations, use:

- 2016 for current year
- 2017 for budget year
- 2017 for years beyond budget year

For multi-year or continuously appropriated spending requests, consult with your Finance budget analyst.

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

New to Hyperion this year is the concept of items (BU, reference, and fund). 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, 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" http://www.dof.ca.gov/Budget/Fiscal_Resources_For_Budget/ to provide one 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.

Also refer to FI\$Cal Job Aids available at <http://www.fiscal.ca.gov/access-fiscal/budgetsjobaid.html>

VIII. Rounding to “000

New: For budget purposes, there is no need to track dollars below one thousand. The level of precision is unnecessary, and creates additional workload and reconciliation problems between level zero data and rolled up data. As part of the rollover process, all data now ends with “000.” Users must not enter new amounts that do not end with “000.”

IX. Invalid Items

Please inform your Finance budget analyst if you have any new items to ensure those items are set up correctly in Hyperion. Otherwise, those items will not be reflected in the Governor’s Budget and/or certain Hyperion reports.

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 system technical questions, please contact the FI\$Cal Service Center (fiscalservicecenter@fiscal.ca.gov) and copy your Finance budget analyst.

/s/Veronica Chung-Ng

Veronica Chung-Ng
Program Budget Manager