

**Department of Finance
Pro Rata and SWCAP
Assessment Variance Analysis**

This sheet can be used in conjunction with reviewing a department's Pro Rata Assessment (Green Sheet) and the SWCAP Apportionment (Pink Sheet) along with the following reports available online at the following links:

1. Pro Rata: <https://dof.ca.gov/accounting/accounting-statewide-cost-allocation/pro-rata-library/>
2. SWCAP: <https://dof.ca.gov/accounting/accounting-statewide-cost-allocation/swcap-library/>

In addition, using the current reports to compare to prior years' reports will provide information to evaluate any increases or decreases by allocation, fund, or function.

A. Increase/Decrease in Allocation (Overall)

1. *Review workload for reasonableness* (as presented on the Detail Report by Department and Function). For example, if the State Auditor hours are significantly higher than they were in the 2022-23 Plan, did the department have a large audit(s) done? That would lead to an increase in costs and Roll-Forward amounts.
2. *Using the 2022-23 Governor's Budget, review the department's budget from 2021-22 (mid column) to the department's 2020-21 budget.* If the department's total funding had a significant increase/decrease, it is possible there would be a corresponding significant increase/decrease for its total allocation.

B. Increase/Decrease in a Specific Fund

1. *Compare the budgeted amount for the fund in 2021-22 to that of 2020-21.* If the fund's budgeted amount significantly increased/decreased, then the funds allocation should have a corresponding increase/decrease (assuming workload is comparable). This increase/decrease would be based on the fund's proportion of the department's total state operations budget (excluding reimbursements).
2. *Evaluate the current Roll-Forward amount.* If a fund has a large roll-forward amount, there will be a corresponding increase in their total allocation. If a fund has a large negative roll-forward amount, then that would result in a corresponding decrease in their allocation.
3. *Compare the 2022-23 and 2023-24 Roll-Forward amounts.* If the 2022-23 had a large negative roll-forward amount, and the 2023-24 has no roll-forward amount or a positive roll-forward amount, this will lead to an increase in the funds allocation.

C. Increase/Decrease in a Specific Function

1. *Compare the 2022-23 and 2023-24 workload amounts.* For example, if the 2023-24 Budget hours are significantly higher than the 2022-23 budget hours, did the department have a significant amount of budget work done? Was there an increase in BCPs? Did legislation affect the department's budget? Activities such as these would lead to an increase in costs and Roll-Forward amounts. Evaluate workload to ensure reasonableness.
2. *Compare the 2022-23 and 2023-24 Roll-Forward amounts.* For example, if in 2022-23 there was a large negative roll-forward amount, and in 2023-24 there is a positive roll-forward amount, that would lead to an increase in the function allocation.
3. *Evaluate the reasonableness of the Budget Year Estimate.* If the department had a State Auditor audit performed in 2021-22 (Past Year Actuals) but will not have an audit in 2023-24, then the allocation for this function will be higher based on the current workload.

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How Does the Calculation Work?

