

# BUDGET LETTER

	NUMBER: 14-27
SUBJECT: BUDGET ADMINISTRATION ADJUSTMENTS (FI\$CAL TEMPLATE)	DATE ISSUED: September 25, 2014
REFERENCES: BUDGET LETTERS 14-05, 14-07, 14-08, 14-09, 14-15, AND 14-18	SUPERSEDES:

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 Budget Administration Adjustments, which will eventually replace all Executive Orders and Budget Revisions in **support** budgets.

In 2014-15, only Wave 1 departments and statewide adjustments are shifting into this new process. Other departments/adjustments will be phased in at a later time.

## I. Glossary Relevant to this BL

- BAA = Budget Administration Adjustments (Executives Orders and Budget Revisions).  
DP = Decision Package. An adjustment in the Budget Administration "scenario" in Hyperion in this context.  
BR = Budget Request. A component within the DP used to identify changes to dollars.

## II. Method of Submittal

In addition to providing the necessary justification and backup information (including applications such as DF-90 for Section 28.00 and DF-91 for Section 28.50), departments will be required to do the following depending on their FI\$Cal implementation Wave:

**Wave 1 departments**—The State Controller's Office (SCO) requires all BAAs to be entered directly in the new FI\$Cal System (Hyperion), through the creation of a Decision Package (DP) and Budget Request (BR). Once approved by Finance, this DP/BR will be forwarded electronically to the SCO in Hyperion (within the Budget Administration scenario). A hard copy of a report for this DP/BR will be signed by a Finance budget analyst and submitted to the SCO.

Before a Wave 1 department enters a BAA in Hyperion under the Budget Administration scenario, it should confirm whether proper spending authority exists in the budget total, under the Budget Preparation scenarios in Hyperion. A DP/BR to increase/adjust the budget total in a Budget Preparation scenario may be needed depending on the nature of the BAA adjustment and timing of the budget cycle.

**Non-Wave 1 departments**—These departments will continue using Form STD-26 with the old/legacy chart of account codes for its Budget Revisions, **except** for statewide Executive Orders (e.g., Augmentation for Employee Compensation and Control Section 3.60 PERS retirement rate adjustment). For those specific statewide adjustments, information must be provided to Finance using a BAA template (with the new chart of account codes) so the information can be uploaded into the FI\$Cal system. Finance coordinators of those statewide adjustments will provide separate instructions in the future.

## AA Template

Non-Wave 1 departments will use the new Excel template to provide fiscal details. It is available at <http://www.dof.ca.gov/budgeting/forms/view.php>. Separate tabs will capture detailed information for every affected item, program, and category of expenditure consistent with the new chart of accounts. The forms are color coded:

- Blue color: Select from drop down menu
- Salmon color: Input, no drop down menu
- White color: Do not change. No input necessary

The following provides a summary of the required data for each of the tabs in the new template:

- a) **Budget Request Details (first tab)**—Departments should complete only the following:
  1. Use unique naming conventions to provide DP and BR Names (see more information below in Section III)
  2. DP/BR Description must have a meaningful title. This will likely be provided to you by the coordinator of a statewide BAA.
  3. Enter Entity (the four digit organization code or business unit)
- b) **Expenditures by Category (second tab)**—Enter expenditure information.
- c) **Reimbursements (third tab)**—If the adjustment changes reimbursement spending authority, specify the fund information (Ref, Fund, ENY), Program, and source of reimbursements. Under the new Chart of Accounts: [http://www.dof.ca.gov/FISCAL\\_Resources/view.php](http://www.dof.ca.gov/FISCAL_Resources/view.php), these are reflected under account code of 48XXXXX. Changes in reimbursement authority must also have a corresponding change in expenditure authority and will be reflected in the Expenditures by Category tab. Please see Section IV for more detail on Reimbursements.
- d) Generally, for BAAs, the ENY should be 2014 only. BAAs (just like current Executive Orders and Budget Revisions) affect only the current fiscal year. The adjustment does not affect budget year or out years.

### III. Unique Naming Convention

The department is required to create a DP and one or more BRs for each BAA. A DP may contain one or more BRs. Each DP and BR must have a BU number (Business Unit/Organization Code), a unique sequencer (001 to 999), DP type (e.g., BAA), and fiscal year. The current year should be used for a BAA (e.g., "2014" for adjustments in fiscal year 2014-15). Unlike other FISCAL adjustments, BAAs do not need a Budget Cycle point in time identified in its DP and BR description.

#### Example of one DP to one BR during FY 2014-15

Decision Package	2222-001-BAA-DP-2014
Budget Request	2222-001-BAA-BR-2014

#### Example of one DP to multiple BRs during FY 2014-15

Decision Package	2222-001-BAA-DP-2014
Budget Request	2222-001-BAA-BR-2014
	2222-002-BAA-BR-2014
	2222-003-BAA-BR-2014

The template is designed to capture one DP with only one BR. Therefore, if a Department has a DP with more than one BR, a separate template must be used to provide the data for each BR. In addition, if a DP has multiple BRs, the next BAA DP will need to skip numbers. In the example above, the next DP would be assigned 004 in the sequencer.

**IV. Special Instructions Related to Reimbursements**

If the adjustment has multiple fund sources including reimbursements, the reimbursement portion must have its own BR and a separate template. Reimbursements and the associated expenditure in the program and category must be self-contained within the same BR without other components. This provides clear documentation as to the program/category spending to be funded with reimbursements. If the adjustment is entirely funded with reimbursements, only one BR is needed.

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

/s/ Veronica Chung-Ng

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