BUDGET LETTER

NUMBER: 14-09	
SUBJECT: BUDGET REVISION INSTRUCTIONS FOR ALL MULTI-FUNDED DEPARTMENTS (BR-1 REQUIREMENTS)	**DATE ISSUED:** June 27, 2014
REFERENCES: SAM SECTION 6545	**SUPERSEDES:** BL 13-06

TO: Departmental Budget Officers
Departmental Accounting Officers
Department of Finance Budget and Accounting Staff

FROM: DEPARTMENT OF FINANCE

This Budget Letter is addressed to multi-funded departments to remove payables after budget enactment. All multi-funded departments, not just CALSTARS departments, are required to process this budget revision for 2014-15 (this is a change to past practice).

Currently, Budget Act categories or programs for multi-funded departments are generally scheduled in one main appropriation, with subsidiary appropriations shown as unscheduled and payable to the main appropriation. To facilitate direct expenditure charges to all appropriations and funds, departments are required to process a budget revision to remove the payables and schedule the subsidiary items.

Upon implementation of the Financial Information System for California (FI$CAL) which is subject to Steering Committee's approval, the use of main items vs. subsidiary items (payables) will be eliminated. As part of the conversion of 2014-15 information, all multi-funded departments **must** submit a BR-1. Beginning with 2015-16, the BR-1 adjustment will no longer be needed since all items of appropriation will be budgeted as independent items (not main and subsidiary items).

2014-15 fiscal year budget revisions to remove payables and schedule subsidiary items must be processed prior to any other budget adjustments. In addition, departments must identify these budget revisions as BR-1 for both the main and subsidiary items.

Please note: "BR-1" is reserved solely for removing payables and scheduling subsidiary items. Any department that does not need to remove payables and schedule the subsidiary items must designate its first budget adjustment as "BR-2" or to follow a new naming convention to be provided later. For 2014-15, all multi-funded departments will have a BR-1.

Additional technical information about the BR-1 process is available under Budget Revision (BR-1) in the Budget Analyst Guide (BAG) link: http://www.dof.ca.gov/fisa/bag/bagtoc.htm.

If you have any questions, contact your Department of Finance budget analyst or the CALSTARS hotline at (916) 327-0100.

/s/ Veronica Chung-Ng

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