Budget Preparation Manual – Budget Adjustment Appendix

FY 2016

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Multnomah County
Budget Office

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Budget Adjustments Appendix

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Introduction

Department Submitted budgets are in, and now we begin working on the Chair's Proposed budget. In this phase of the budget we will be using budget adjustment documents in TeamBudget to update, add, or remove expenditures, revenues, and position allocations.

Changes implemented through budget adjustments are typically limited to Chair decisions or technical issues identified by the Budget Office. All budget adjustments need to be approved by the Budget Office and the Chair's Office. This is <u>not</u> an opportunity to redo program offers; this is a chance to implement changes that are necessary to balance the Chair's Proposed budget.

If you are not sure about whether or not to include something, please call your budget analyst. Remember, all budget adjustments have to be explained to the Chair's Office.

Budget Adjustment Documents Overview

In TeamBudget, budget adjustment documents are very similar to program offer documents in their structure and how you enter budget information. Budget adjustment documents follow a similar workflow as program offers, and departments have two stages to promote and demote between to help manage internal workflow. Once the budget adjustment is finalized, the department's Business Manager will send the document to the Budget Office by promoting it to the Budget Office Review stage. Unlike program offer documents, budget adjustment documents can be demoted back to departments by the Budget Office prior to the finalizing of the Chair's Proposed budget if additional updates are necessary.

Budget adjustment document workflow:
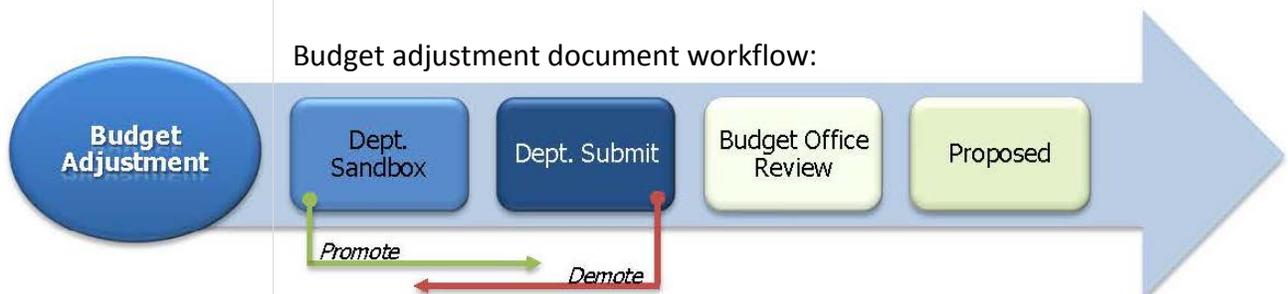
Budget adjustments are incremental increases, decreases, or technical changes impacting policy from the Department Submitted Budget. In general, budget adjustment documents should be balanced at the fund level and should include balanced changes to indirect and internal services (see cheat sheet on pg 8). Please consult with your Budget Office analyst if there is a need to leave the document unbalanced.

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Where is My Budget Adjustment?
Budget adjustment documents are created by the Budget Office, contact you Budget Office analyst if you need more than initially provided. To help you identify your budget adjustments they have the following naming convention: BudAdj-Department Abbreviation-Series Number-Fiscal Year, e.g. BudAdj-NOND-01-16.

All documents, including budget adjustments, can be found in the documents grid. You can create an advanced search using the budget year and document type to most efficiently find your budget adjustments, or perform a key term search such as "budadj".

How should Changes be Grouped in Budget Adjustments?
You are not limited to only updating one program offer per budget adjustment document, or even one department's program offers, but changes should be grouped in a logical way.   If you are addressing a policy issue, you should not group with unrelated changes. If you have a technical change that affects multiple offers, you may want to include them in one document.

Using a Budget Adjustment Document-

The following walks you through how to execute budget changes in a budget adjustment document. Working from the top to bottom of the left hand toolbar...

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Budget Adjustment Name and Number

General Section: Change the budget adjustment name:

Hint: Don't forget to verify the Document Type.

Documents and Notes Sections: Can be used at the department's discretion for attaching relevant documents or recording notes. Remember, any information provided in these fields is for internal use only and will not be published with your program offer.

Adjustment Description Section: This section is required and should provide the Chair's Office with enough information to completely understand the changes that will be made if the budget adjustment is accepted.

Budget Adjustment Description

Expenditures and Revenues

Operating Changes Section: All expenditures and revenues are entered in the Operating Changes grid. In general the process is the same as with program offers, though with budget adjustments you must assign the expenditure or revenue row to a program offer using the dropdown in the program offer column on the grid. This dropdown field contains the program offers for all budget years, make sure you are selecting the number with the correct fiscal year suffix, e.g. for FY 2016 select the program offer ending in -16.

By default, the operating changes grid should show the program offer column; however, if it is not displayed, right click on the column headers,

select columns, and click Program Offer Number, then click apply changes.
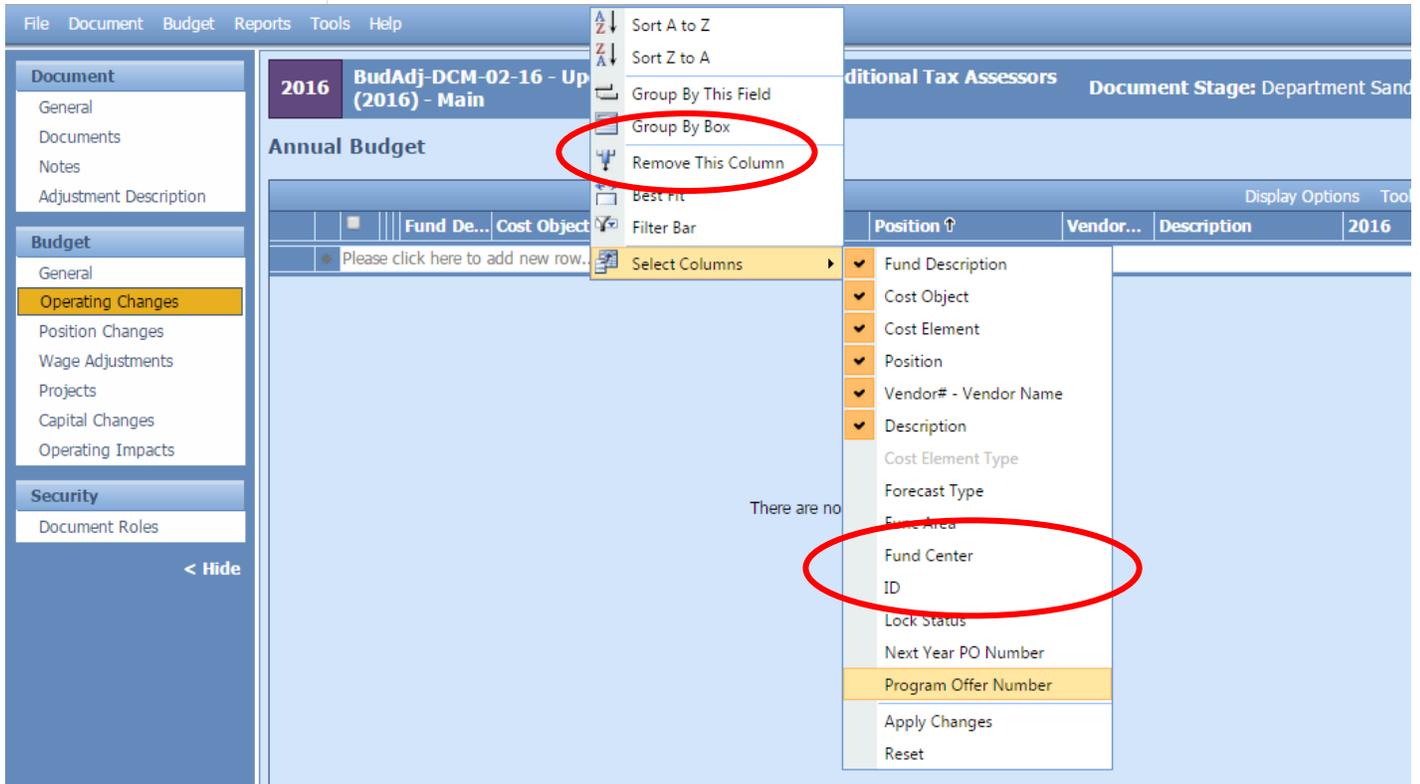
- Change A Cost Object Or Cost Element – move budgets from one cost object or cost element to another. This is generally done if there are policy impacts, not as a means to fix technical errors. Technical errors will need to be fixed using an internal budget modification after adoption.

Example:

Cost Object	Cost Element	Program Offer #	2015
190001	60180	10500-15	500
P.O. as Requested ↑		Budget Adjustment Changes ↓	
190001 (old)	60180	10500-15	-500
190004 (new)	60180	10500-15	500

- Add Or Decrease Revenues And Expenditures In Other Funds – increase or decrease your revenues and corresponding expenditures in a balanced transaction.

Example:

Cost Object	Cost Element	Program Offer #	2015
Budget Adjustment Changes ↓			
190001	50190	10500-15	100,000

190001	60160	10500-15	100,000

- Add Or Decrease General Fund Expenditures – increase or decrease expenditures in the General Fund. This should be a balanced transaction. Note: the General Fund Contingency needs to be adjusted to create a balanced transaction.

Example:

Cost Object	Cost Element	Program Offer #	2015
Budget Adjustment Changes ↓			
950001000	60470	95000-15	-100,000
190002	60160	10500-15	100,000

Adding Indirect, Risk Fund, and Internal Services

If your budget adjustment affects Indirect, the Risk Fund, or Internal Services you need to include those lines. Additional information can be found at Consolidated Chair's Proposed Training. Below is a list of the service area, program offer number, and cost center. You can find the entire list, including the necessary cost elements, at multco.us/budget/training-materials, scroll to the Chair's Proposed Phase, and select Related Documents Cheat Sheet.

Area	FY 2016 Prog. Offer	Cost Center
General Fund Contingency	95000-16	9500001000
Central Indirect	95000-16	9500001000
Mobile Communications Mgmt.	78024-16	709105
Telecommunications	78023-16	709525
Data Processing	78035-16	709599
Electronic Service Reimbursement	78004-16	902211
Motor Pool	78041-16	904150
Fleet	78039-16	904100
Building Management/Facilities	78009-16	902575
Insurance Service Reimbursement/Risk Fund	72020-16	705210
Mail and Distribution	78042-16	904400
Records	78043-16	904500

If your budget adjustment includes cost elements 60150, 60155, 60160 and 60170, you are still **required** to enter information in columns titled Vendor#–Vendor Name and Description.

Contracted Services

Vendor#-Vendor Name – should be entered in the same format as the title of the column including the "–." If you do not have a vendor identified, enter "TBD" (to be determined).

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Description – should contain a meaningful description of the service being provided (i.e. 100 A&D residential treatment beds). It should not include the information from the vendor column.

Positions

Position Changes Section: Positions are allocated to program offers in the Position Changes grid. Using budget adjustment documents, positions can be removed, added, or updated from the Department Submitted budget. To request a change to a position record or a new position record in TeamBudget you use the same forms as during the Department Submitted phase of the budget found on the Budget Office website here: https://multco.us/budget/teambudget

REMEMBER: all positions included in program offer and budget adjustment documents must be allocated at 100% or 0% total. Using the Position Under/Over report and the 'Include Department Submit' parameter, departments can validate all positions are correctly allocated prior to submitting their budget adjustments.

Examples of common position changes executed through budget adjustments:

- Add Or Allocate A Position – If the position exists in TeamBudget but was not allocated in the Submitted Budget, allocate the position in your budget adjustment. Or request a new position record. To allocate.

Example:

Cost Object	Position	Program Offer #	Allocation
Budget Adjustment Changes ↓			
190002	790022	10500-15	100%

- Remove Or Unallocate A Position – To remove a position that exists in TeamBudget, you duplicate the allocation/s used in the Submitted program offer/s, but use negative allocation amounts.

Example:

Cost Object	Position	Program Offer #	2015
190001	790022	10500-15	100%
P.O. as Requested ↑		Budget Adjustment Changes ↓	
190001	790022	10500-15	-100%

If the position is split across multiple cost objects or program offers you can enter multiple lines in the budget adjustment. HINT: look at the

original allocation of a position in the Position Allocation for Excel report to ensure you are allocating or unallocating the position from the correct cost objects.

- Reclassify A Position Or Change An FTE – Request a reclassification using the online forms. Once the Budget Office creates the reclassed position records, the original position will now have an R#-XXXXX indicating that the position is retired. There will also be a new record for the position that has the updated JCN or FTE. In the budget adjustment, unallocate the retired position record and allocate the new position record.

Example:

Cost Object	Position	Program Offer #	Allocation
Budget Adjustment Changes ↓			
190002	R1-790018	10500-15	-100%
190002	790018	10500-15	100%

REMEMBER: If you change a position that also had manual adjustments tied to it, you may need to make appropriate changes to the manual adjustments in the Operating Changes grid.

DON'T FORGET! Enter the Risk Fund Reimbursement lines to the Operating Changes grid that corresponds to any position changes.

Editing Narrative and Performance Measures

All narrative changes will be done directly in program offers and should be done either in coordination with a change in expenditures, revenues, and positions or to clarify or edit text. In order to edit narrative and performance measures the Program Offer must be in the Dept. Edit Proposed stage.

Program Offer → Dept. Sandbox → Dept. Requested → Budget Office Review → Dept. Edit Proposed → Budget Off. Edit Proposed → Proposed

Departments need to request for a program offer to be moved into the Dept. Edit stage through their Budget Office analyst.

The Department Edit Proposed stage ONLY allows a user to make edits to narrative and performance measures. Changes to expenditures,

revenues, or positions will be done in a budget adjustment document.

When all the changes are finalized, departments will promote the program offer to the Budget Office Edit Proposed stage for review by the Budget Office.

NOTE: Users who had narrative editing rights during the Department Submit phase will continue to have editing rights on program offers while they are in the Department Edit Proposed stage, unless otherwise indicated by the department's Business Manager.

Adding a New Program Offer

How to add a new program offer in the Chair's Proposed phase of the budget:

1. Departments request a new program offer through the Budget Office

2. Budget Office creates a program offer document (that will begin in the Dept Edit Proposed stage) and a budget adjustment document (that begins in Dept Sandbox).

3. Department adds *only* the narrative and performance measures to the program offer document.

4. Department adds expenditures, revenues, and positions in the budget adjustment document.

5. Department promotes both documents to Department Submit or Budget Office Review stage where TeamBudget combines the narrative and budget in the Program Offer Report.

Adding a Program Offer That Was Created but Never Submitted

How add a program offer that was drafted but not submitted during the Department Requested phase of the budget:

1. Department notifies the Budget Office that it will be adding the program offer to the Proposed Budget.

2. Budget Office creates a budget adjustment that corresponds to the program offer.

3. If present – Departments move expenditures, revenues, and positions from the original program offer document to the budget adjustment document.

4. Budget Office verifies there are no expenditures, revenues, or position allocations and promotes the program offer document to the Department Edit Proposed stage.

5. Departments make any necessary narrative changes in the

program offer document.

6. When finished, the department promotes the program offer document from Department Edit Proposed to Budget Office Edit Proposed and the budget adjustment to Budget Office Review.

Delete a Program Offer

If a program offer is not included in the Chair's Proposed Budget, the program will stay in the Budget Office Review stage

Reporting

Budget Adjustment Detail Report
The report generates three pages.
- Page 1 is a summary of the general information and description.
- Page 2 provides the expenditure/revenue changes.
- Page 3 is a list of the position changes.

To see the detail of your budget adjustment within the document, go to the top tool bar and select Reports -> Budget Adjustment Detail Report.
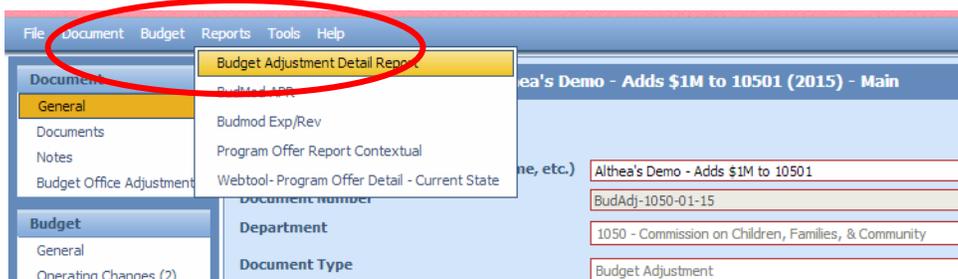
Program Offer Report –
When a budget adjustment document and a program offer document are in the same stages, the program offer **report** takes all the information in the program offer document, along with any changes in the budget adjustment document, and combines all the information together into the Program Offer Report.
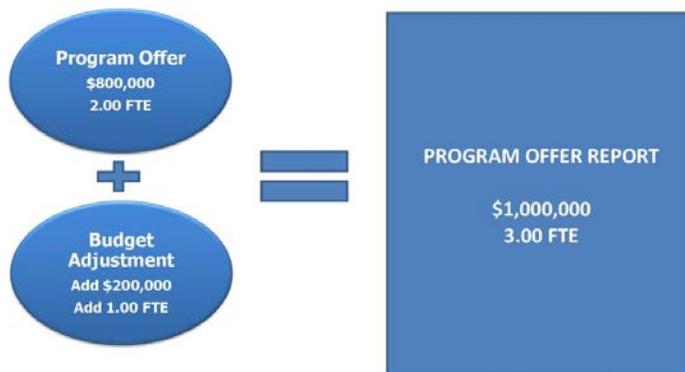
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In general, for the Chair's Proposed phase of the budget, only budget adjustments that are in the Proposed document stage will combine with program offer documents also in the Proposed document stage to form the Chair's Proposed program offers. Departments can override this logic by using the 'Include Department Submit' parameter that is found on many reports. This parameter pulls in any related documents, such as budget adjustments, which are in the department submit stage when the parameter is set to True.

How to Use the 'Include Department Submit' parameter override:
1. Make sure your budget adjustment is in the Department Submit stage.
2. Go to the program offer. From the top menu select Reports -> Program Offer Report Contextual.
3. When asked whether to 'Include Department Submit' select True. This will combine the information from the budget adjustment document with the program offer document.

Budget Adjustment List Report
This report, found in the report center, provides a list and summary of all the department's budget adjustments regardless of which stage the budget adjustments are in.

Expenditure Revenue Detail for Excel- Current State and Position Allocations by Program Offer for Excel- Current State
Both of these reports contain the line item detail for all adjustment documents that correspond to the selected program offer stage. These reports allow you to see the detail of the Chair's Proposed budget once all documents are in the Proposed stage or later stages.