Budget Preparation Manual – Budget Amendment Appendix

FY 2016

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Multnomah County
Budget Office

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Budget Amendments Appendix

Introduction

The Chair's budget has been proposed and the Approved budget has been voted on by the Board, now we begin working on the Adopted budget. In this phase of the budget we will be using budget amendment documents in TeamBudget to update, add, or remove expenditures, revenues, and position allocations. Amendments are designed to allow the Board to make changes to the Approved budget.

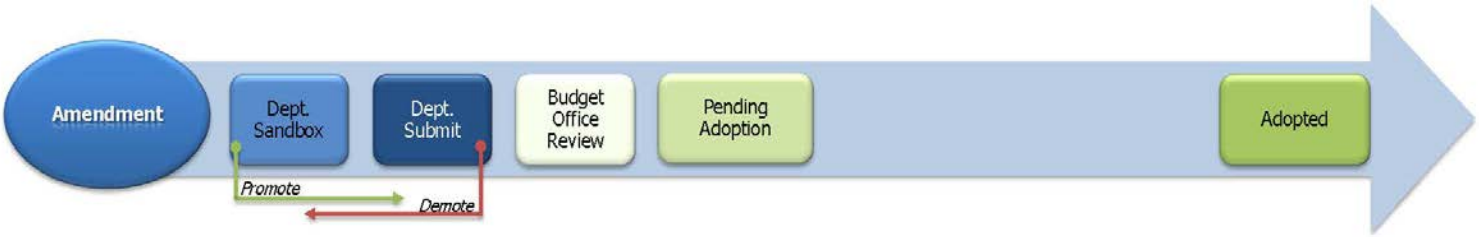
Changes implemented through budget amendments are less restricted than with budget adjustment documents but are also not for technical "clean-up" of the budget. All budget amendments will be reviewed by the Budget Office prior to review by the Board. Please be mindful that the Board has a limited amount of time to review amendments and we want to be conscientious of this restriction.

If you are not sure about whether or not to include something, please call your budget analyst. Remember, all budget amendments have to be explained to the Board.

Budget Amendment Documents Overview

In TeamBudget, budget amendment documents are very similar to budget adjustment documents in their structure and how you enter budget information. Budget adjustments, budget amendments, and later budget modifications are often referred to as related documents. They are related to and update the department requested program offers. Budget amendment documents follow a similar workflow as program offers and budget adjustments. Departments have two stages to promote and demote between to build their amendments and help manage internal workflow. Once the budget amendment is completed by the department the department's designated submitter, typically the Business Manager, will send the document to the Budget Office by promoting it to the Budget Office Review stage. Unlike program offer documents, budget amendment documents can be demoted back to departments by the Budget Office prior to finalizing of the Adopted budget if additional updates are necessary.

Budget amendment document workflow:



In general, budget amendment documents should be balanced at the fund level and should include balanced changes to indirect and internal services

(see cheat sheet on pg 11). Please consult with your Budget Office analyst if there is a need to leave the document unbalanced.

10% Rule

The sum of all departments' amendments approved by the board cannot change a fund by more than 10% from the Approved budget. Any changes that update a fund by more than 10% will need to be implemented via a supplemental budget after the Board adopts the budget.

Timelines

May 11th	TeamBudget Open for Amendments
May 29th	Amendments Finalized by Departments
June 5th	Budget Office Finalizes Amendment Report for BCC
June 9th	BCC Worksession: Department Amendments
June 16th	BCC Worksession: Board/Department Amendments

Where is My Budget Amendment?

Budget amendment documents are created in TeamBudget by the Budget Office, contact your Budget Office analyst if you need more than initially provided. To help you identify your budget amendments they have the following naming convention: Amend-Department Abbreviation-Series Number-Fiscal Year, e.g. Amend-NOND-01-16.
All documents, including budget amendments, 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 amendments, or perform a key term search such as "amend-".

How should Changes be Grouped in Budget Amendments?

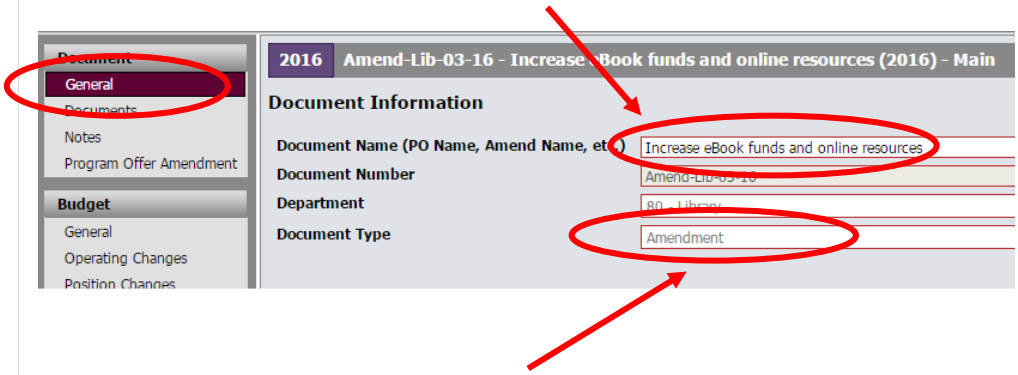
You are not limited to only updating one program offer per budget amendment document, or even one department's program offers, but changes should be grouped in a logical way. If you are addressing a policy issue, you should not group with unrelated changes. If you have a technical change that affects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

Using a Budget Amendment Document-

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

Budget Amendment Name and Number

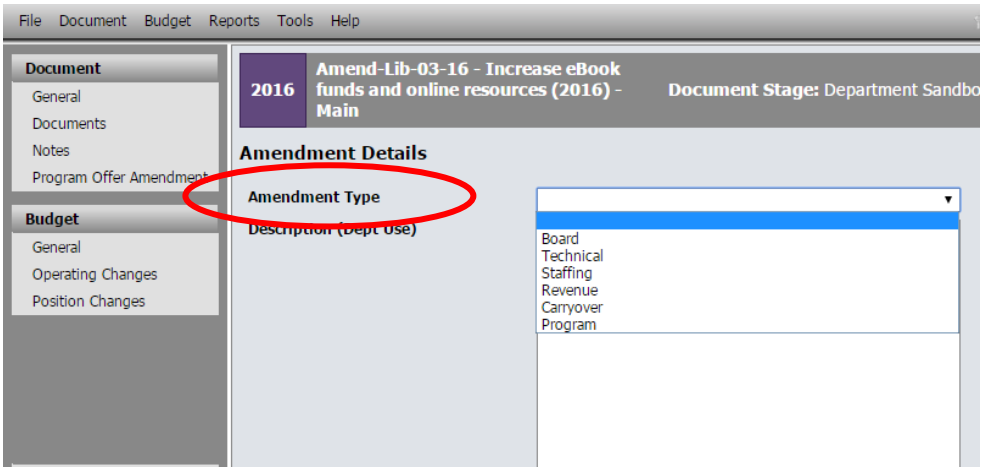
General Section: Change the budget amendment name:



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 for recording notes. Remember, any information provided in these fields is for internal use only and will not be published with your program offer or amendment.

Budget Amendment Types



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Types Overview

Amendments can be grouped into two categories: **board amendments** and **department amendments**.

- Board amendments must be sponsored by a commissioner and are put forward during budget worksessions.
- Department amendments include the following types: program, technical, staffing, revenue, and carryover.
- All amendments require a majority vote of the Board during the budget adoption.

Board Amendments

Members of the Board can sponsor an amendment to a department's budget up until the final vote to adopt the budget. In practice, Board members usually work with departments to propose changes and departments are generally responsible for creating the amendment documents in the system.

Program Amendments

Program amendments make a programmatic or policy-driven change in a department's budget. Examples of program amendments:

- An amendment that changes a service delivery model from in house to contracted services.
- An amendment to increase grant funding adding a new School Based Health Center

Program amendments also require a supplemental staff report supporting the requested change.

Technical Amendments

Technical amendments make adjustments between cost object codes that do not change the bottom line in a department, a fund, or in staffing levels. An example of a technical change would be adjusting materials and services between a department's divisions in the same fund.

<u>All</u> technical amendments have to be approved by the Budget Office. If you have an amendment that fits this description and a compelling reason that it should be included as an amendment, please contact your budget analyst. In general, most amendments that qualify as a technical amendment should wait and be implemented using an internal budget modification to be mindful of the Board's limited time to review amendments.

Staffing Amendments

Staffing amendments are technical amendments that only affect positions and reflect no bottom-line changes in a department's FTE count at the 4-digit fund level. In general there are two groups of staffing amendments; a single countywide staffing amendment implementing reclassifications already approved by the board and individual amendments detailing changes to positions not yet approved by the board.

In the amendment description please indicate the date your position change was approved by the Board so the Budget Office can determine if your amendment is part of the overall county staffing amendment or an individual staffing amendment.

The following is the criteria/timelines to evaluate staffing amendment requests:

February 14th –June 4th Board approvals can be included in the Overall Staffing Amendment.

June 5th – June 30th Board approvals will be included as a staffing amendment but as a separate department action item.

Reclassifications with no scheduled Board approval for this fiscal year (post June 30th) will need to be done as part of the regular budget modification process and approved by the Board.

Revenue Amendments

Revenue amendments are a means of recognizing revenues that were not included in the Approved budget. Examples of revenue amendments:

- A grant awarded to a department in April, after the department's program offers have been submitted, that does not equate to a programmatic change or increase an overall county fund by more than 10%.
- Beginning working capital in excess of the amount in the department's submitted budget; again that does not equate to a programmatic change or increase an overall county fund by more than 10%.

Carryover Amendments

Carryover is a **one-time-only** *re-appropriation in the new year* of an expenditure *authorized in the prior year*. Carryover amendments are limited to the General Fund. Your budget's ending balance, or unspent appropriation, must cover the purchase in the new year.

We will accept carryover amendments ONLY for those items that have been purchased but not received by June 30, 2015. Please provide your budget analyst with the applicable SAP Purchase Order (PO) number.

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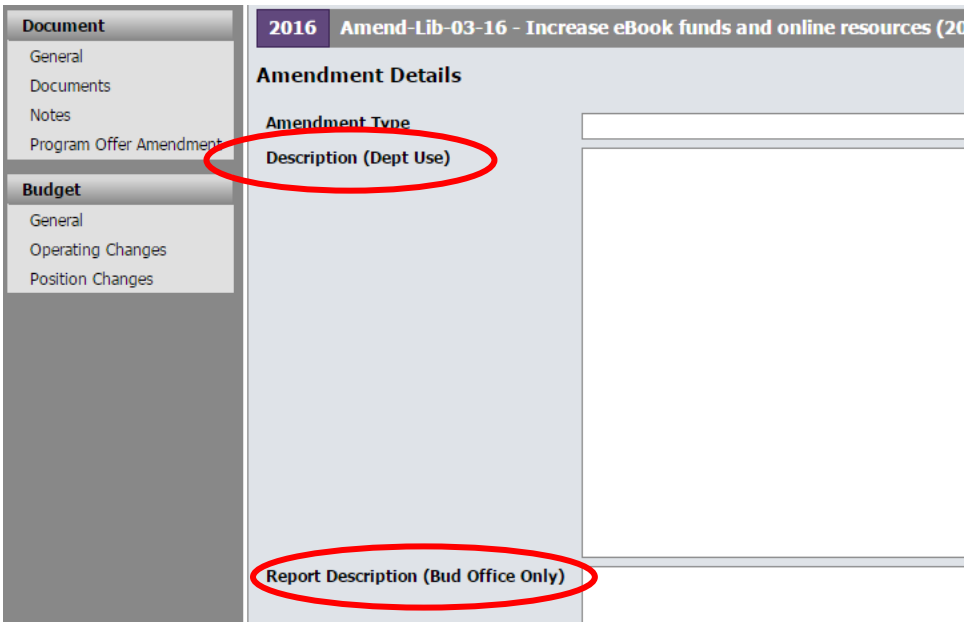
Budget Amendment Details



Description (Dept Use)

This field is completed by departments and should provide the Board with enough information to completely understand the changes that will be made if the amendment is adopted. The description should begin with two or three executive summary style sentences (who, what, why, and how) that can be used as the basis for the Report Description (Bud Office Only).

Report Description (Budget Office Only)

This field is completed by the Budget Office and will be used in the amendment report presented to the Board for review.

Expenditures and Revenues

Operating Changes Section: All expenditures and revenues are entered in the Operating Changes grid. The process is identical to 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.

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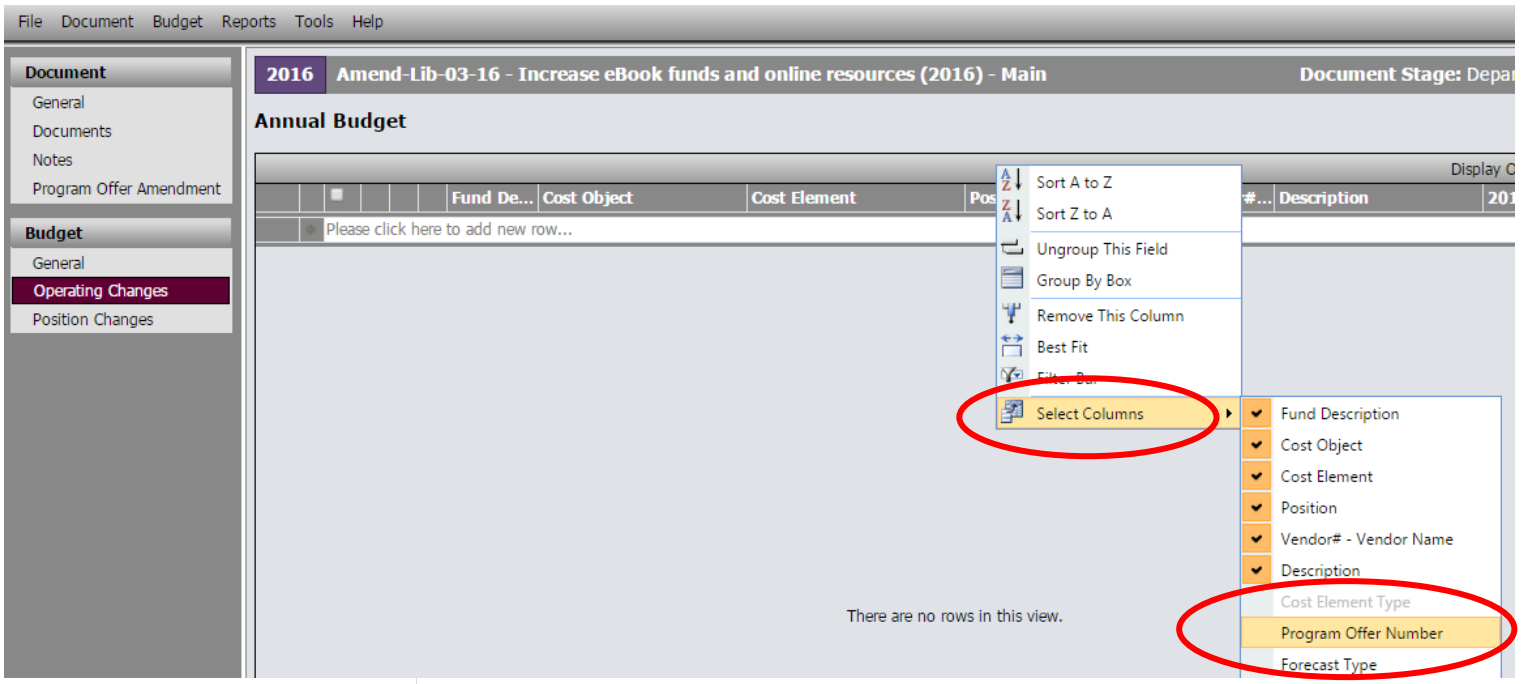

Examples of common changes executed through budget amendments:

- 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 Amendment 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 Amendment 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.

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Example:

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

Adding Indirect, Risk Fund, and Internal Services

If your budget amendment affects Indirect, the Risk Fund, or Internal Services you need to include those lines. Additional information can be found at Adopted Budget Training Handout. 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	95001-16	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

Contracted Services

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

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).

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.

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Positions

Position Changes Section: Positions are allocated to program offers in the Position Changes grid. Using budget amendment 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 amendment 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 amendments.

Examples of common position changes executed through budget amendments:

- 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 amendment. Or request a new position record. To allocate.

Example:

Cost Object	Position	Program Offer #	Allocation
Budget Amendment 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 Amendment 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 amendment. 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 amendment, unallocate the retired position record and allocate the new position record.

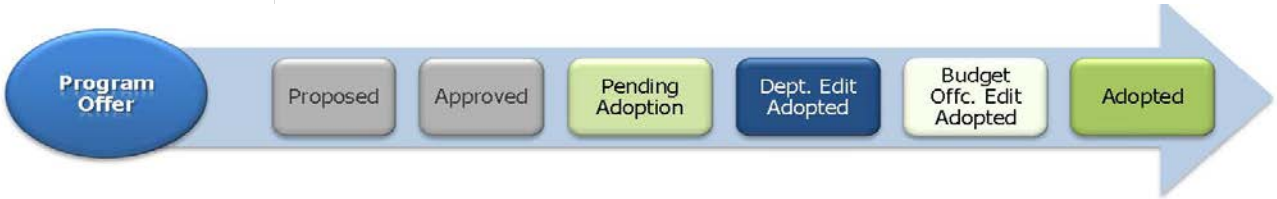
Example:

Cost Object	Position	Program Offer #	Allocation
Budget Amendment 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 Adopted stage.



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

The Department Edit Adopted 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 amendment 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.

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Adding a New Program Offer

How to add a new program offer in the Adopted 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 Adopted stage) and a budget amendment 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 amendment document.
5. Department promotes both documents to Budget Office Edit Adopted 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

To 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 Adopted Budget.
2. Budget Office creates a budget amendment that corresponds to the program offer.
3. If present – Departments move expenditures, revenues, and positions from the original program offer document to the budget amendment document.
4. Budget Office verifies there are no expenditures, revenues, or position allocations and promotes the program offer document to the Department Edit Adopted 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 Adopted to Budget Office Edit Adopted and the budget amendment to Budget Office Review.

Delete a Program Offer

If a program offer is not included in the Adopted Budget, the program will stay in the Approved stage

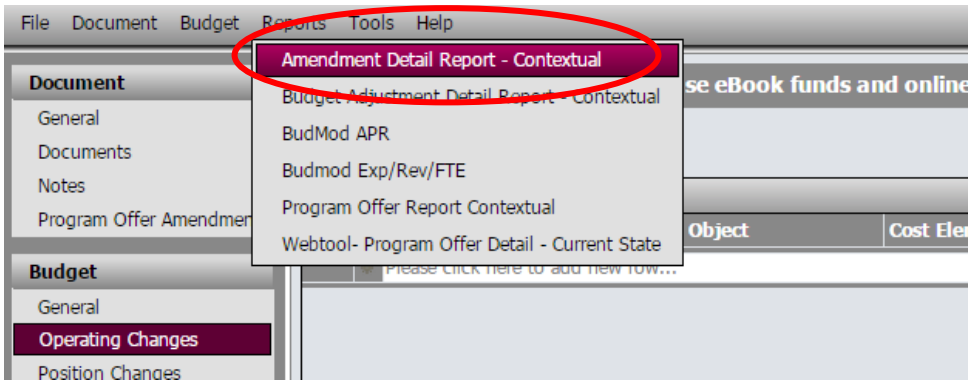
Reporting

Budget Amendment Detail Report

The report generates three pages.

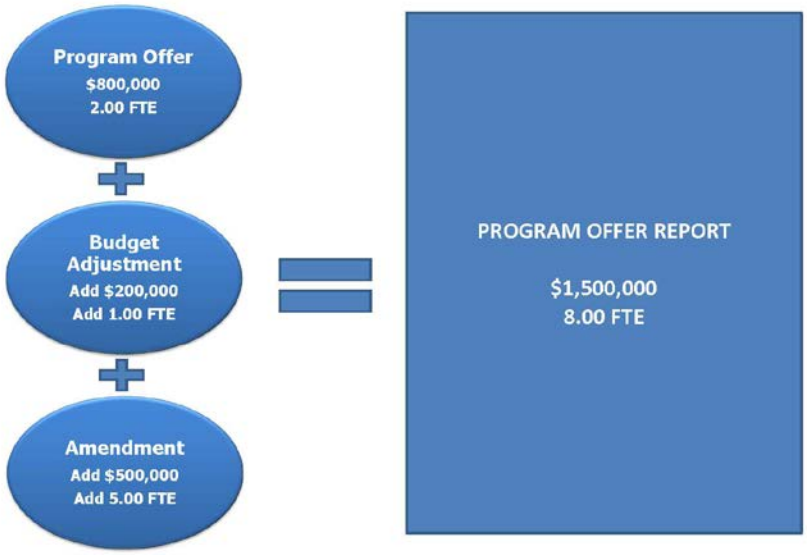
- Page 1 is a summary of the general information and description.
- Page 2 provides the expenditure/revenue changes.
- Page 3 is a list of the position changes.

To see the detail of your budget amendment within the document, go to the top tool bar and select Reports -> Budget Amendment Detail Report.



Program Offer Report –

When a budget amendment document and a program offer document are in the same stages, the program offer **report** takes all the information in the program offer document, any changes from a budget adjustment document, along with any changes in the budget amendment document, and combines all the information together into the Program Offer Report.



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In general, for the Adopted phase of the budget, only budget amendments that are in the Adopted document stage will combine with program offer documents also in the Adopted document stage to form the Adopted 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 that 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 amendment 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 amendment document with the program offer document.

Budget Amendment List Report

This report, found in the report center, provides a list and summary of all the department's budget amendments regardless of which stage the budget amendments are in. This report is the basis for the report presented to the Board during the adoption process.

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 amendment documents that correspond to the selected program offer stage. These reports allow you to see the detail of the Adopted budget once all documents are in the Adopted stage or later stages. Again, departments can use the 'Include Department' submit parameter to override the stage logic and include related documents in the Department Submit stage.