Department Operating Budgets - Working Sessions

April 2, 2015
Agenda

1. Introductions & Overview of Meeting Objectives
2. Background & Scope
3. Hyperion Solution
4. Questions
INTRODUCTIONS & OBJECTIVES
Introductions
Questions

- We will have four survey questions asked throughout this presentation.

- Use your laptops or phones to answer these questions by accessing the following link or texting the following information.
  - **Laptop:** Access the PollEv.com/fiscal
  - **Phone:** Text FISCAL to 22333 once to join, then Text A, B, C, D, etc. to select your answer.

- Each question will be represented on a slide and the information above will be repeated.
Question #1

- Please use your phones or laptops to respond.
  - **Laptop**: Access the PollEv.com/fiscal
  - **Phone**: Text FISCAL to 22333 once to join, then Text A, B, C, D or E to select your answer listed below

- **Question**: What wave are you?
  - A. Wave 1
  - B. Wave 2
  - C. Wave 4
  - D. Deferred/Exempt
Meeting Objectives

The objectives of this meeting are to accomplish the following:

- Provide a brief overview of Operating Budgets functionality
- Data movement / validation
- What is Needed
- Actuals to Budgets
- Timing and Frequency of Data
- Reporting
- Security in Hyperion
- Decision Packages
- Questions
Question #2

- Please use your phones or laptops to respond.
  - Laptop: Access the PollEv.com/fiscal
  - Phone: Text FISCAL to 22333 once to join, then Text A, B, C, or D to select your answer listed below

- Question: What office do you work in?
  - A. Accounting
  - B. Budgeting
  - C. Administration (Generally)
  - D. Other
Background & Scope

- The Department Operating Budgets function in Hyperion is designed to meet the users’ requirements to analyze, forecast, change and manage the budget.

Activities:
- Allocating allotments to department organizational units
- Developing monthly budget plans or spending plans to guide spending over the course of the fiscal year
- Managing the department’s budget on an ongoing basis
- Requesting adjustments to appropriations
- Providing reporting and analytical tools to users

- Provides users the ability to maintain their budget in one central location, Hyperion.
Question #3

- Please use your phones or laptops to respond.
  - **Laptop**: Access the PollEv.com/fiscal
  - **Phone**: Text FISCAL to 22333 once to join, then Text A, B, C, or D to select your answer listed below

- **Question**: How complex is your operating budget in comparison to your appropriation/program-level budget?
  - A. About the same
  - B. Moderately more complex
  - C. Extremely more complex
  - D. We do not use a separate operating budget
HYPERION SOLUTION
Hyperion Overview

- Departments have varying business processes
- Hyperion provides a set of tools that Departments can use to support their business processes
  - Develop Spending plan during Governor’s Budget
  - Develop Spending plan after enactment
- Tools provided:
  - Data entry forms
  - Allotments
  - Work Flow
  - Decision Packages
  - Versions (Working, Final, Monthly, What If)
- Level of detail – budgeting by Item
Proposed changes for the Operating Budget

<table>
<thead>
<tr>
<th>Entity</th>
<th>Reference</th>
<th>Fund</th>
<th>ENY</th>
</tr>
</thead>
<tbody>
<tr>
<td>BU2240</td>
<td>RF602</td>
<td>FD0530</td>
<td>ENY_2015</td>
</tr>
</tbody>
</table>

Item (in Entity):

BU2240_RF602_FD0530_ENY_2015
Data Movement / Validation

- Load Operating Budget with data
- Develop Operating Budget before or after the budget is enacted
  - Detailed operating budget can be input to Governor’s Budget
  - Detailed operating budget can be developed starting with the enacted budget
- Spending Plan can be developed centrally or submitted
- Budget development may involve multiple versions
- Budget development may involve different level of details (by Reporting Structure or Service Location)

- Feedback, what would you do?
What is needed

- Budgeting will be by Program.
- Budgeting will be by Item. Dimensions are all loaded from PeopleSoft. Placeholders Items can be added for new Proposals.
- Do you budget by character, e.g. state ops, local assistance, etc.?
- Are all Categories needed for Operating Budgets?
  - What category level do you want to enter budget data at?
  - What category level do you need to report at?
- What versions do we need (Operating Budget, What If, …) ?
- Budgeting will be by Project?
- Budgeting will be by Reporting Structure?
- Budgeting will be by Service Location?
- Is ENY (Enactment Year) needed for Operating Budgets?
Actuals to Budgets

- Managing spending to the enacted budget requires actuals to budget analysis.

  - What level should the actuals be at?
    - Detail or summary (by sub-Program, by Project, by Category)
    - Monthly actuals, YTD, or both

- Actuals to Authorized
Timing and Frequency of Data

- Do Departments start working on Operating Budget detail at different times in the year?
- When do we first load budget data into the system?
  - Authorized
  - Actuals
- When should we refresh budget data in the system?
  - Authorized
  - Actuals
- Should we refresh budget data or add another version?
Reporting

- We have not developed any operating budget reports to be used on a standard statewide basis.
  - Are there operating budget reports that have common characteristics across different departments (e.g., DF 300, CalSTARS B06, etc.)?
  - Do we need to report by Reporting Structure (division, branch, bureau, office, etc.) as well as summarized for the entire BU (Department)?
- How frequently does data need to be refreshed for reports?
  - Performance implications should be considered depending on frequency of refreshes (every 2 hours, nightly, etc.)
- How many people are running reports?
- Are budget reports published outside of the agency regularly?
Security in Hyperion

- What access needed for Departments?
- Is access by Item sufficient? Program? Reporting Structure?
- Is access limited by time?
Decision Packages

- What are Decision Packages?
- How do they work in the Operating Budget?

Note: The following screenshots are from a development version and are meant to illustrate specific pieces of functionality. They represent a preliminary view of the application.
Decision Packages form

<table>
<thead>
<tr>
<th>Decision Package</th>
<th>Entity (BU)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Owner Entity</td>
</tr>
<tr>
<td>Scenario</td>
<td>Approved</td>
</tr>
<tr>
<td>Version</td>
<td>Budget Impact</td>
</tr>
<tr>
<td>Scenario</td>
<td>Rank</td>
</tr>
<tr>
<td>Budget Impact</td>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Budget Requests</th>
<th>Approval Status</th>
<th>Justification</th>
<th>Notes and Attachments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget Request</td>
<td>Description</td>
<td>Owner Entity</td>
<td>Budget Type</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Budget Impact</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rank</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Amount</td>
</tr>
</tbody>
</table>

**Total**: $0.00

**Budgets Team**

Decision Packages / Budget Requests form

Budget Plan Allotment Form within DP
Budget Plan Allotments Form

<table>
<thead>
<tr>
<th>Program</th>
<th>Item</th>
<th>Reporting Structure</th>
<th>Service Location</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year: 2014-15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7825-Reserve for Distribution of End</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BU2240_RFC02_FDO530_RD1983</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RS_1001020</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>5100000-Earnings - Permanent Civil Service Employees</td>
</tr>
<tr>
<td>5101000-Merit Salary Adjustments</td>
</tr>
<tr>
<td>5100150-Earnings - Temporary Civil Service Employees</td>
</tr>
<tr>
<td>5100-Civil Service Employees - Permanent</td>
</tr>
<tr>
<td>5105000-Earnings - Exempt Statutory Employees</td>
</tr>
<tr>
<td>5105100-Board Members</td>
</tr>
<tr>
<td>5105-Exempt and Statutory Employees</td>
</tr>
<tr>
<td>5108000-Overtime Earnings - Other than to Temporary Help</td>
</tr>
<tr>
<td>5108100-Holiday Earnings</td>
</tr>
<tr>
<td>5108150-401K Plan Contributions</td>
</tr>
<tr>
<td>5108200-Flex Elect Contributions</td>
</tr>
<tr>
<td>5108250-Employee Merit Award Program Contributions</td>
</tr>
<tr>
<td>5108900-Employee Payments - Other</td>
</tr>
<tr>
<td>5108-Overtime Holiday Other Earnings</td>
</tr>
<tr>
<td>5109000-Salaries and Wages Rate Recovery -Contract</td>
</tr>
<tr>
<td>5109900-Salaries and Wages - Other</td>
</tr>
<tr>
<td>511-Salaries and Wages</td>
</tr>
<tr>
<td>510050-Staff Benefits Rates Recovery -Contract</td>
</tr>
<tr>
<td>510100-Administration Fee - PT Seasonal and Temporary Employees - PST Retirement</td>
</tr>
<tr>
<td>510110-Administration Fee - Alternate Retirement Program -ARP</td>
</tr>
<tr>
<td>510120-Administration Fee - Health Benefits</td>
</tr>
<tr>
<td>510130-Dental Insurance</td>
</tr>
<tr>
<td>510200-Disability Leave - Industrial</td>
</tr>
<tr>
<td>510210-Disability Leave - Nonindustrial</td>
</tr>
<tr>
<td>510230-Employee Assistance Program Fee</td>
</tr>
<tr>
<td>510300-Employee Transit Subsidies</td>
</tr>
<tr>
<td>510350-Health and Welfare Insurance</td>
</tr>
<tr>
<td>510400-Life Insurance</td>
</tr>
</tbody>
</table>

Budget Plan Adjustments Form within DP
Budget Plan Adjustments Form

<table>
<thead>
<tr>
<th>Current Service Level</th>
<th>Total Request</th>
<th>Total Request</th>
<th>Total Request</th>
<th>Request</th>
<th>Total Request</th>
<th>Total Request</th>
<th>Total Request</th>
<th>Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Year 2014-15

Budget Plan Adjustments

Questions
Questions- Contact Info

- If you have additional questions, please reference today’s date and topic and send to the FI$Cal Change Management Office Inbox:

  fiscal.cmo@fiscal.ca.gov

- If you would like to provide us with samples of your operating budget reports, please provide to the email above with a subject line “Operating Budget report samples”.
Question #4

- Please use your phones or laptops to respond.
  - **Laptop**: Access the PollEv.com/fiscal
  - **Phone**: Text FISCAL to 22333 once to join, then Text A, B, or C to select your answer listed below

- **Question**: Did you find this working session helpful?
  - A. Yes
  - B. No
  - C. I have suggestions for improvement