Agenda

- FI$Cal Project Overview
- Business Process Workshop Objectives and Approach
- FI$Cal Solution Overview
- Budgeting—what is included, not included, in future waves
- Initiate Budget Development Process
  - Business Process Overview, Key Terms
  - Process Flows, Screenshots
  - End-User Roles
- Prepare Departmental Budget Submission Process
- Develop Governor’s Budget Process
- Manage Budget Legislation Process
- Administer the Budget Process
- Commitment Control (Budget Journals/Operating Budgets) Process
Agenda

- Technology Considerations Process
- Next Steps
- Change Impact Activity
The Financial Information System for California (FI$Cal) is a business transformation project for the State in the areas of budgeting, accounting, procurement, and cash management. The Project prepares the State to work in an integrated financial management system.

California’s Partner Agencies are working together to form the partnership to support FI$Cal at the highest level:
- Department of Finance (DOF)
- Department of General Services (DGS)
- State Controller’s Office (SCO)
- State Treasurer’s Office (STO)
### FI$Cal Wave Timeline

<table>
<thead>
<tr>
<th>Calendar Years</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
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<tr>
<td></td>
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<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
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<tr>
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<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
</tr>
</tbody>
</table>

- **Pre-Wave** (~12 Months)
- **Wave 1** (20 Months)
- **Wave 2** (15 Months)
- **Wave 3** (24 Months)
- **Wave 4** (24 Months)

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**September 25, 2014**

*FI$Cal: Transparency. Accuracy. Integrity.*
BPW Objectives

- The Business Process Workshops will provide:
  - An overview of the business process, including key terms and functionality being implemented
  - A list of changes with the “To-Be” business process
  - An opportunity to discuss and begin identifying department-specific changes and impacts
  - An explanation of Wave 2 end-user roles
  - A template to capture department-specific changes and impacts
  - An opportunity to begin thinking about updates to internal department processes
FI$Cal Design Approach

**Objective**
- Define and validate DRAFT processes to best meet the State’s needs independent of the software details
- Clarify requirements

**Audience**
- Department of General Services (DGS)

**Key Outputs**
- Revised DRAFT To-Be Processes with department input

**Tools / Methods**
- Interactive Working Sessions with department SMEs
- Gather additional input on:
  - As-Is Process
  - Statutes, Reg, Policy
  - To-Be Process, Benefits, Challenges

---

**Objective**
- Provide departments with an understanding of Wave 1 FI$Cal business processes
- Demonstration of Wave 1 FI$Cal solution
- Identify where Wave 1 solution may not meet the needs of new departments

**Audience**
- Wave 2 Departments absent in Wave 1

**Key Outputs**
- New departments prepared for CRP sessions
- Key Considerations
- Action Items and concerns from departments

**Tools / Methods**
- Solution Walkthroughs
- Wave 1 FI$Cal Solution

---

**Objective**
- Conduct a systematic review of how FI$Cal requirements and DRAFT To-Be Processes are enabled by the FI$Cal software solution

**Audience**
- Wave 1 and Wave 2 departments

**Key Outputs**
- Revised DRAFT To-Be Processes with department input
- Basis for System Configurations and Functional Designs

**Tools / Methods**
- Interactive CRP Sessions with Department SMEs
- CRP Sandbox

---

**Objective**
- Validate and document final business process designs
- Confirm how requirements are met

**Audience**
- Project team with department input

**Key Outputs**
- Final Business Process Designs
- Update Requirements Traceability Matrix
- RICEF Inventory

**Tools / Methods**
- Conduct follow-up meetings / validation sessions as necessary
- Resolve open issues / outstanding decisions

---

**Department Participation and Input**

September 25, 2014

What Comes Next?

- **Role Mapping Working Session** – Working session to review the FI$Cal Role Mapping Template, answer any questions about the roles presented in BPWs, and begin assigning end-user roles for Wave 2.

- **Change Workshop** – Workshop to help prepare managers and supervisors for conversations with department end users on the new FI$Cal business processes and their FI$Cal end-user roles.

- **End-User Training** – Training for department end users that will need to use the System in their assigned FI$Cal end-user roles.
Ground Rules & Guiding Principles

- **Challenge** how the State does things today
- **Perspective** – Adopt a “Statewide” perspective
- **Silence is Consent** – Speak and share your thoughts
- **There are no Bad Questions** – Better to question, then assume
- **Consider Best Practices** and business process changes
- **Think of the data** and information you require
What You Should Take Away

- Process overview level understanding of the Wave 2 FI$Cal business processes. For this session, the business processes are:
  - Initiate Budget Development Process
  - Prepare Departmental Budget Submission Process
  - Develop Governor’s Budget Process
  - Manage Budget Legislation Process
  - Administer the Budget Process
  - Commitment Control (Budget Journals/Operating Budgets) Process

- BPW Change Impact Tool for your department used to identify and manage department-specific impacts

- Understanding of the FI$Cal end-user roles for participation in the Wave 2 Role Mapping Working Session
FI$Cal Solution Overview

Governance Risk & Compliance
- Access Control
- Transaction Monitoring

Technology
- Application Security
  - Budgeting
  - Finance & Purchasing
  - Business Intelligence

GRC Infrastructure
- HP Servers, HP SAN, CISCO LAN, Genesys ACD

Oracle Enabling Technology
- Database, Data Integrator, Business Process Modeling, Service Oriented Architecture, Enterprise Manager

Infrastructure
- ERP Modules
- External Interfaces
- Output Files
- Spreadsheets
- Reports, PDFs

Operations & Maintenance

Authentication
- Access Control

Identity & Access Management
- Portal (Single Sign-on)
- Department Users
- Vendor Users
- Deferred Exempt Departments
- Audit Users
- Department Users
- Vendor Users
- Deferred Exempt Departments

Audit Users
- Department Users
- Vendor Users
- Deferred Exempt Departments

Department Users
- Vendor Users
- Deferred Exempt Departments

Vendor Users
- Deferred Exempt Departments

Deferred Exempt Departments

September 25, 2014

FI$Cal Budgeting Solution

Legend
- Pre-Wave
- Wave 1
- Wave 3

Other Sources
(Spreadsheet Templates)

Statistical Data

SCO Payroll

HR Data

General Ledger / Commitment Control

Smart View for Office

View/ Update Data

Hyperion Public Sector Planning & Budgeting

Actuals and Budget Data

Final Budget Data

Budget Books

PDF

HTML
# Budget Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hyperion</td>
<td>The budget and planning system within the FI$Cal solution which the Department of Finance and departments will use to create budget requests</td>
</tr>
<tr>
<td>PeopleSoft</td>
<td>The system within the FI$Cal Wave 1 solution that contains all modules except Appropriation Level Budgeting</td>
</tr>
<tr>
<td>Chart of Accounts (COA)</td>
<td>A collection of one or more types of codes used to classify financial and budgetary transactions</td>
</tr>
<tr>
<td>Dimension</td>
<td>A hierarchical representation of business descriptors. A few examples include Entity, Category, Fund, Reference, Year, Scenario, and Version.</td>
</tr>
</tbody>
</table>
Budget To-Be Process Context Diagram (Page 1)

Budget Development

1. Initiate Budget Development Process (DOF)
   - A
2. Provide Policy and Informational Guidance
   - B
3. Conduct Budget Drills
   - C
4. Initiate Budget Development Process (Department)
   - D
5. Prepare Workload Budget
   - E
6. Analyze and Adjust Workload Budget
   - F
7. Prepare Policy Changes
   - G
8. Analyze and Adjust Policy Changes
   - H
9. Prepare Capital Outlay Budget Changes
   - I
10. Analyze and Adjust Capital Outlay Budget Changes
    - J
11. Prepare Revenue Estimates
    - K
12. Analyze Revenue Estimates
    - L
13. Prepare Trailer Bills (DOF)
    - M
14. Prepare Cash Flow Projection
    - N

Notes:
- All Budget Development processes are iterative at any point leading to enactment of the Budget Act.
- For the purpose of clarity, this context diagram summarizes complex activities into single processes performed by the “process owner.” Detailed interactions among roles are described in lower-level diagrams.
**Budget To-Be Process Context Diagram (Page 2)**

**Budget Development**

- **15** Brief Administration and Incorporate Decisions
- **16** Publish Budget (Governor’s Budget, May Revision)
- **17** Record Legislative Actions
- **18** Support Reconciliation
- **19** Support Governor’s Veto Process
- **20** Transfer Budget to Accounting System

**Budget Administration**

- **21** Adjust Appropriations
- **22** Manage Positions
- **23** Develop and Apply Budget Allotments
- **24** Review and Adjust Budget Allotments
- **21** Adjust Appropriations
- **22** Manage Positions

**Notes:**
- All Budget Development processes are iterative at any point leading to enactment of the Budget Act.
- All Budget Administration processes are iterative at any point after enactment of the Budget Act.
- For the purpose of clarity, this context diagram summarizes complex activities into single processes performed by the “process owner.” Detailed interactions among roles are described in lower-level diagrams.
# Department Budget System Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dept. Budget Processor</td>
<td>• Enter/Delete Budget Plan Data&lt;br&gt;• Update/Manage Budget Plan Data&lt;br&gt;• Submit Budget Plan Data to Dept. Budget Approver&lt;br&gt;• View Reports and Documents&lt;br&gt;• View and Use Task List&lt;br&gt;• View Department Budgeting Content</td>
</tr>
<tr>
<td>Dept. Budget Approver</td>
<td>• Edit Budget Plan Data&lt;br&gt;• Approve Budget Plan Data&lt;br&gt;• View Reports and Documents&lt;br&gt;• Submit Budget Plan Data to DOF (pending user functionality)</td>
</tr>
</tbody>
</table>
## Department Budget System Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget Viewer</td>
<td>• View Budget Requests</td>
</tr>
<tr>
<td></td>
<td>• View Reports and Documents</td>
</tr>
<tr>
<td></td>
<td>• View Task List</td>
</tr>
<tr>
<td></td>
<td>• Run Reports</td>
</tr>
<tr>
<td>Dept. Budget System Maintainer</td>
<td>• Manage Department Workflow</td>
</tr>
<tr>
<td></td>
<td>• Edit Assigned Approvers</td>
</tr>
</tbody>
</table>
Initiate Budget Development
Process Overview

- The **Business Process** covers all activities related to preparing the budget system for the upcoming budget cycle.
- This includes the following sub-processes:
  - Maintaining cost drivers (DOF) (Future Wave)
  - Pre-populating the budget system (DOF)
  - Preparing budget instructions (DOF)
  - Reconciling authorized positions
- At the conclusion of this process, the budget system contains the base dollars and positions for Past Year, Current Year, and Budget Year.
What is included in Wave 1

- Initiating the budget development process includes the activities necessary to prepare FI$Cal for the new budget development cycle
- Initializing departmental baseline budgets
- Starting base budget year (BY) budget amounts will not solely be the enacted current year (CY) amount (i.e., limited term amounts will only be reflected in affected years BY1 -- BY4)
- For Wave 1 only, new starting figures will reflect the enacted budget, and need to be adjusted by approved one-time/limited-term costs and full-year annualization.
What is included in Wave 1

- Bottom line FTE’s of your Schedule 7A will be entered into Hyperion
- Past year actual expenditures and revenues are collected for reporting and analysis
- Schedule 10 past-year data may be loaded from FI$Cal accounting records (via interface) after conversion or uploaded from templates
What is not included in Wave 1

- FI$Cal will not receive or send position data (Schedule 8) from/to the SCO’s legacy payroll systems
- Detailed Salaries and Wages Publication (Schedule 7A) will not be published from FI$Cal
- Automated 607 process is not included in Wave 1; Departments will continue to submit position changes using the existing STD 607 form
- FI$Cal and SCO are considering integration between the two systems in future waves in order to implement position control
- Department Operating Budgets integrated with Appropriation Level Budget
What is included in Wave 2

- No significant additional budgeting functionality will be implemented in Wave 2
## Initiate Budget Development

### Process Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Budget</td>
<td>A department’s starting point for developing its budget. For Current Year, it is the enacted budget. For Budget Year through Budget Year +4, it is the ending point of the prior budget cycle for that year. A department’s base budget consists of one or more items of appropriation.</td>
</tr>
</tbody>
</table>
| Item of Appropriation         | A department’s authorized level of expenditure from a specific fund for a specific program. An item of appropriation is expressed as a combination of the following:  
   - Business Unit/Entity  
   - Reference  
   - Fund  
   - Program  
   - ENY |
## Initiate Budget Development

### Process Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Position</td>
<td>A position that has been authorized in the Budget Act or other authorizing document. The authorizing document states that the department may have a position with a specified job classification.</td>
</tr>
<tr>
<td>Established Position</td>
<td>An authorized position that has been input into the SCO payroll systems. The established position may or may not be associated with an employee (i.e., it may be vacant). Authorized positions and established positions are different due to the manual process required to record positions in the payroll systems.</td>
</tr>
</tbody>
</table>
Summary Flow

Central FDM/ERPi Admin

- Pre-populate budget system
  - Admin will load data from templates

Dept. Budget Processor; Dept. Budget Approver

- Reconcile authorized positions
  - Departments will reconcile authorized positions, similar to current process
  - DOF reviews and approves

DOF Budget Processor; DOF Budget Approver

- Enter FTE’s into budget system by program
  - Department enters total FTE’s

Key Impacts

- Schedule 10 past-year data may be loaded from FI$Cal accounting records (via interface) or uploaded from templates
- Total FTE’s of your Schedule 7A will be entered into Hyperion
Prepare Departmental Budget Submission

Process Overview

- The **Business Process** covers all activities related to preparing departments’ incremental budget changes.
- Departments complete budgeting activities in Hyperion:
  - Review baseline budgets
  - Enter baseline adjustments,
  - Enter adjustments to revenues, transfers, and loans
  - Enter current year adjustments (e.g. Section 28.00) , if approved
  - Enter budget change proposals (BCPs)
  - Submit enrollment/caseload/population (ECP) budget changes
  - Create capital outlay budget change proposals (COBCPs)
What is included in Wave 1

- Departments prepare their incremental budget changes using decision packages
- Budget changes are reviewed and approved within the department and agency before being submitted to DOF
- Budget is prepared in whole dollars
- All items of appropriation must have a Program
- Reimbursements must be scheduled to a Program
- All items of appropriation will be Scheduled (elimination of Payables)
- Budget changes move through a departmental approval workflow
What is included in Wave 1

- New proposed workload adjustments will be input through decision packages for FI$Cal departments.
- All adjustments (planning estimate details) will be entered into FI$Cal within one or more budget requests in a decision package.
- All base and policy adjustments must be scheduled individually by program and fund, rather than allocated at a summary level.
- Base and policy adjustments will be populated through BY+4.
- Trailer bill Language can be attached to a decision package.
What is not included in Wave 1

- Electronic workflow to Agency Secretaries will not be available until Wave 4
- Departments will print and circulate decision package documentation for Agency Secretary review and signature prior to electronic submission to DOF
What is included in Wave 2

- Departments will enter capital projects by phase directly into FI$Cal.
- New capital outlay templates will be provided with Budget Letter instructions.
Prepare Departmental Budget Submission
Process Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decision Package</td>
<td>Represents proposals for existing, new, or changes to services, programs, or business objectives. Decision packages contain budget requests that identify and justify the costs involved in implementing the decision package. A decision package will typically have one budget request, unless approved by DOF to have multiple.</td>
</tr>
<tr>
<td>Budget Request</td>
<td>Individual line item or budget, requesting a change in funding or positions, in a Decision Package.</td>
</tr>
</tbody>
</table>

**Decision Package Types**
- Baseline Budget Adjustment
- Baseline Revenue, Transfer, & Loan
- Budget Change Proposal
- Enrollment, Caseload, Population
- Capital Outlay Budget Change Proposal
- Baseline Administration Adjustment (to submit approved changes to SCO)
Policy Decision Package Example:

a. Description: Extend statewide emergency response system (ERS)
b. $3,000,000

- Justification
- Personnel resources
- Materials and other cost implications

<table>
<thead>
<tr>
<th>Extend ERS</th>
<th>Justification narrative</th>
<th>2014</th>
<th>Items of appropriation</th>
<th>$3,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

DECISION PACKAGE

Attach Supporting Documentation
Detailed Notes

FI$Cal Decision Package Approval

Concept

<table>
<thead>
<tr>
<th>Extend ERS</th>
<th>Justification narrative</th>
<th>2014</th>
<th>Items of appropriation</th>
<th>$3,000,000</th>
</tr>
</thead>
</table>

Route for Approvals

- Approved
- Denied (Confidential)

Proposed Budget

September 25, 2014

FI$Cal Budget Preparation Concept

- Base Budget
- Baseline Budget Adjustments
- Capital Outlay
- Budget Change Proposals
- Revenues, Transfers, and Loans

$ Dollars

Many Decision Packages

Extend ERS Justification narrative 2014 COA $3,000,000

One of many decision packages

Many Decision Packages

Ongoing Iterations

Start Gov Budget

September 25, 2014

FI$Cal Budget Enactment Cycle

![Diagram showing the budget enactment cycle with stages: Start (Gov Budget), Legislative Actions (Revenues, Transfers, and Loans), Base Budget, Adjustments, Budget Change Proposals, Capital Outlay, Revenues, Transfers, and Loans, Base Budget, Adjustments, Budget Change Proposals, Capital Outlay, Revenues, Transfers, and Loans, Base Budget, Adjustments, Budget Change Proposals, Capital Outlay, Revenues, Transfers, and Loans, Base Budget, Adjustments, Budget Change Proposals, Capital Outlay, Revenues, Transfers, and Loans, Base Budget, Adjustments, Budget Change Proposals, Capital Outlay, Revenues, Transfers, and Loans, Base Budget.

Legislative Actions:
- Revenues, Transfers, and Loans
- Capital Outlay
- Budget Change Proposals
- Baseline Budget Adjustments
- Base Budget

$ Dollars

September 25, 2014
### Prepare Departmental Budget Submission

#### Process Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Baseline Budget Adjustment</strong></td>
<td>Budget changes that are in line with current policy. These may be technical adjustments to a budget or adjustments required by current law (e.g., ProRata, SWCAP).</td>
</tr>
<tr>
<td><strong>Budget Change Proposal (BCP)</strong></td>
<td>Requests for changes and the funds necessary to implement those changes. These are requests to change existing law, such as creating a new program, a change in an existing program, or funding a new activity such as an information technology project.</td>
</tr>
<tr>
<td><strong>Enrollment Caseload Population (ECP)</strong></td>
<td>Adjustments that occur due to increases/decreases in enrollment for the educational segments, caseload adjustments for programs such as Medi-Cal and welfare programs, and population adjustments for state hospitals and youth and correctional facilities.</td>
</tr>
</tbody>
</table>
## Prepare Departmental Budget Submission

### Process Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline Revenue, Transfer, &amp; Loan</td>
<td>Changes to revenue estimates, transfers, and loans that have been authorized in prior years. Requests for new revenues, transfers, and loans are requested in the BCP decision package.</td>
</tr>
<tr>
<td>Capital Outlay Budget Change Proposal (COBCP)</td>
<td>Requests for authority and funding for new or continuing capital outlay project work. Capital outlay projects span several years and are usually budgeted in multiple, iterative phases corresponding to the design-bid-build process methodology.</td>
</tr>
<tr>
<td>Budget Administration Adjustment</td>
<td>Requests to change a department’s existing appropriations, such as budget revisions and executive orders.</td>
</tr>
</tbody>
</table>
### Prepare Departmental Budget Submission

#### Process Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario</td>
<td>An instance of data. It describes the type of data we are working with such as Governor's Budget, April Revision, May Revision, Enactment, Budget Administration.</td>
</tr>
<tr>
<td>Version</td>
<td>A subset of a Scenario to allow snapshots of multiple iterations of a budget cycle and provide modeling or what-if analysis. As such, the version dimension describes the possible stages or outcomes within the context of a Scenario. Examples include Department Working, Department What-If, Department Submitted. DOF has its separate versions for its use, as does the SCO.</td>
</tr>
</tbody>
</table>
**Summary Flow**

**Department Budget Processor**
- Prepare decision package
  - Prepares decision packages in compliance with DOF Budget Letters
  - Promotes to Approver for review and approval

**Department Budget Approver**
- Review, edit, and approve decision package
  - Reviews decision packages
  - May make edits
  - May send back to Processor or forward to others for review
  - Submits to DOF

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**Key Impacts**
- Budget changes are reviewed and approved via workflow within the department before being submitted to DOF
- All base and policy adjustments must be scheduled individually by program and fund, rather than allocated at a summary level
Prepare and Submit Incremental Budget Changes

1. **Department of Finance**
   - Initiate Budget Development Process

2. **Department Budget Approver**
   - Review for compliance with state and departmental guidance

3. **Department Budget Processor**
   - Enter decision package and budget request(s)

4. **Yes**
   - Route for approvals (iterative)

5. **Compliant with guidance?**
   - Yes
     - Submit to DOF for analysis and adjustment
   - No
     - No

6. **Analyze and Adjust Workload Budget Changes**
<table>
<thead>
<tr>
<th>Decision Package</th>
<th>Description</th>
<th>Owner Entity</th>
<th>Approved</th>
<th>Budget Impact</th>
<th>Rank</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>5225-001-BCPDP-2015-GB-KY</td>
<td>Testing new upload templates</td>
<td>BU_5225</td>
<td>No</td>
<td>Include</td>
<td>1</td>
<td>$4,996,922.00</td>
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<tr>
<td>2650-004-BCP DP-2015-GB</td>
<td>Money shift from Cap Outlay Support to Financial</td>
<td>BU_2650</td>
<td>No</td>
<td>Include</td>
<td>1</td>
<td>$1,200,000.00</td>
</tr>
<tr>
<td>0950-001 BCP DP-2015-GB</td>
<td>Workload BCP</td>
<td>BU_0950</td>
<td>No</td>
<td>Include</td>
<td>1</td>
<td>$1,056,000.00</td>
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<tr>
<td>0250-003-BCP DP-2015-GB</td>
<td>Temporary Space-Renovation of Willow Branch School</td>
<td>BU_0250</td>
<td>No</td>
<td>Include</td>
<td>1</td>
<td>$807,000.00</td>
</tr>
<tr>
<td>0250-004-BCP DP-2014-GB</td>
<td>Chaptered Legislation (Ch. 382, Statutes)</td>
<td>BU_0250</td>
<td>No</td>
<td>Include</td>
<td>1</td>
<td>$190,000.00</td>
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<tr>
<td>2650-001-BCP DP-2015-GB V testing</td>
<td>Testing BCP Upload Template by V</td>
<td>BU_2650</td>
<td>No</td>
<td>Include</td>
<td>1</td>
<td>$4,444.00</td>
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<tr>
<td>6610-001-BCP DP-2015-GB V testing</td>
<td>Testing BCP Upload Template by V</td>
<td>BU_6610</td>
<td>No</td>
<td>Include</td>
<td>1</td>
<td>$10,000.00</td>
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<tr>
<td>0250-080-BCP DP-2015-GB-DRS</td>
<td>Test to see if we can enter into 6610</td>
<td>BU_9210</td>
<td>No</td>
<td>Include</td>
<td>1</td>
<td>$0.00</td>
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<tr>
<td>0750-125-RCF-2015-01-GB-DNR</td>
<td>Training on entering BCP Decision P</td>
<td>BU_0250</td>
<td>No</td>
<td>Include</td>
<td>1</td>
<td>$0.00</td>
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<tr>
<td><strong>Total</strong></td>
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<td></td>
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<td></td>
<td><strong>$6,882,742,533.00</strong></td>
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</tbody>
</table>
### Budget Requests

<table>
<thead>
<tr>
<th>Budget Request</th>
<th>Description</th>
<th>Owner Entity</th>
<th>Budget Type</th>
<th>Budget Impact</th>
<th>Rank</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>0950-001: BCP BR-2015-GB</td>
<td>Debt Management</td>
<td>BU_0950</td>
<td>Recurring</td>
<td>Include</td>
<td>1</td>
<td>$1,056,000.00</td>
</tr>
</tbody>
</table>

**Total** $1,056,000.00

### Request by Category

#### 0950 - State Treasurer

<table>
<thead>
<tr>
<th>Category Code</th>
<th>Category Description</th>
<th>Request Amount PY</th>
<th>Request Amount CY</th>
<th>Request Amount BY</th>
<th>Limited Term Request BY</th>
<th>Ongoing Request BY</th>
<th>Request Amount BY</th>
</tr>
</thead>
<tbody>
<tr>
<td>5100</td>
<td>Civil Service Employees - Perm</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5105</td>
<td>Exempt Statutory Employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5108</td>
<td>OT Holiday Other Earnings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5109000</td>
<td>Salary Wage Rate Recov Contra</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5109900</td>
<td>Salaries and Wages - Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>510</td>
<td>Salaries and Wages</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>515</td>
<td>Staff Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>519</td>
<td>Personal Services - Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>51</td>
<td>Personal Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$11,631,000.00</td>
</tr>
</tbody>
</table>

Finance Working

#### Request by Category BY

- **Current Service Level**
- **0950-001: BCP BR-2015-GB**
- **Request Amount PY**: 9,000,000
- **Request Amount CY**: 0
- **Request Amount BY**: 9,000,000
- **Limited Term Request BY**: 0
- **Ongoing Request BY**: 0
- **Request Amount BY**: 9,000,000

Finance Working

#### Request by Category BY

- **Current Service Level**
- **0950-001: BCP BR-2015-GB**
- **Request Amount PY**: 0
- **Request Amount CY**: 300,000
- **Request Amount BY**: 300,000
- **Limited Term Request BY**: 300,000
- **Ongoing Request BY**: 0
- **Request Amount BY**: 300,000

Finance Working

#### Request by Category BY

- **Current Service Level**
- **0950-001: BCP BR-2015-GB**
- **Request Amount PY**: 0
- **Request Amount CY**: 0
- **Request Amount BY**: 92,000
- **Limited Term Request BY**: 92,000
- **Ongoing Request BY**: 0
- **Request Amount BY**: 92,000

Finance Working

#### Request by Category BY

- **Current Service Level**
- **0950-001: BCP BR-2015-GB**
- **Request Amount PY**: 0
- **Request Amount CY**: 392,000
- **Request Amount BY**: 392,000
- **Limited Term Request BY**: 392,000
- **Ongoing Request BY**: 0
- **Request Amount BY**: 392,000
Develop Governor’s Budget
Process Overview

- The **Business Process** covers all activities related to the Department of Finance’s review, approval, and publication of the Governor’s Budget

- This includes the following sub-processes:
  - Analysis and adjustment of decision packages
  - Conduct drills
  - Projecting cash flow
  - Preparing trailer bills
  - Briefing the Administration
  - Publishing the Governor’s Budget

- These processes are led by DOF and may utilize FI$Cal or use legacy processes

- Departments may be required to respond to requests for information from DOF
Manage Budget Legislation
Process Overview

- The **Business Process** covers all activities related to recording legislative actions taken on the Budget Bill.
- This includes the following sub-processes:
  - Recording legislative actions
  - Supporting the reconciliation of the two houses’ budget bills
  - Recording the Governor’s vetoes
  - Sending the enacted budget to FI$Cal Commitment Control
- These processes are led by DOF
What is included in Wave 1

- DOF will record legislative actions (dollars and positions) in FI$Cal
- DOF may delegate recording legislative actions to departments
- Enacted budgets for FI$Cal departments will be transmitted to FI$Cal Commitment Control
- Enacted budgets for all departments statewide will be transmitted to SCO’s legacy Fiscal System until Wave 3
What is not included in Wave 1

- FI$Cal is not integrated with the Legislative Counsel’s Bureau systems
- Therefore, the budget bill language sheets and trailer bill RN processes will not change
What is included in Wave 2

- No significant additional budgeting functionality for legislation management will be implemented in Wave 2
Administer the Budget Process Overview

- The **Business Process** covers all activities required to analyze, forecast, change, and manage the budget after it is enacted.
- This includes the following sub-processes:
  - Preparing and administering appropriation adjustments
  - Preparing and monitoring department operating budgets
What is included in Wave 1

- **Appropriation Level Adjustments**
  - Appropriation level budget changes are developed and approved in Hyperion
  - Appropriation level budgets will be posted to FI$Cal Commitment Control for controlling appropriations
  - Appropriation adjustments need DOF and SCO approval

- **Operating Budgets and Adjustments**
  - Operating level budgets (i.e., allotments or spending plans) are loaded into Commitment Control directly online or via spreadsheet
What is not included in Wave 1

- Departmental operating budgets will not be developed or administered in Hyperion for Wave 1 or 2
- Departments will load operating budgets directly into FI$Cal Commitment Control online or via spreadsheet
- FI$Cal is analyzing the use of Hyperion for the development and administration of operating budgets in a future wave
What is included in Wave 2

- No significant additional budgeting functionality will be implemented for budget administration in Wave 2
### Administer the Budget Process Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline Appropriation Adjustment</td>
<td>Requests to change a department’s existing appropriations, such as budget revisions and executive orders.</td>
</tr>
<tr>
<td>Budget Revision</td>
<td>Changes to a department’s spending authority. It is a single transaction and involves one department. Budget revisions are numbered per appropriation item.</td>
</tr>
<tr>
<td>Executive Order</td>
<td>Also changes a department’s spending authority, but the authority under which it is changed requires executive approval. May include multiple transactions and involve multiple departments. Executive orders are numbered consecutively by the Department of Finance (DOF).</td>
</tr>
</tbody>
</table>
Summary Flow

DOF reviews the request
DOF submits a letter of notification to Legislature, if necessary
DOF approves/denies request

Prepare Baseline Appropriation Adjustment
• Departments prepare a decision package to request an appropriation increase or decrease

Review Baseline Appropriation Adjustment
• DOF reviews the request
• DOF submits a letter of notification to Legislature, if necessary
• DOF approves/denies request

Post to FI$Cal Commitment Control
• Approved adjustments are posted to FI$Cal Commitment Control

Key Impacts
• Appropriation level budgets will be posted to FI$Cal Commitment Control for controlling appropriations
• Department level operational budgets may be posted to FI$Cal Commitment Control directly via spreadsheet
Prepare Appropriation Adjustments

1. Enter decision package and budget request(s)

2. Review for compliance with state and departmental guidance

3. Budget System

4. Route for approvals (iterative)

5. Submit to DOF for analysis and adjustment

Something has happened that requires a change in budget authority

Compliant with guidance?

Yes

B

No
Analyze and Adjust Appropriation Adjustments

1. Verify authority to adjust budget authority
2. Provide clarification and/or revised decision package
3. Analyze the rationale for the request
4. Reflect resolution in decision package, as necessary
5. Is legislative notification required?
6. Generate letter to Legislature
7. Wait 30 days; receive response/no response
8. Approved?
9. Transfer Budget to Accounting System
10. Reflect resolution in decision package, as necessary
11. End
## Department Budget System Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dept. Budget Processor</td>
<td>• Enter/Delete Budget Plan Data</td>
</tr>
<tr>
<td></td>
<td>• Update/Manage Budget Plan Data</td>
</tr>
<tr>
<td></td>
<td>• Submit Budget Plan Data to Department Approver</td>
</tr>
<tr>
<td></td>
<td>• View Reports and Documents</td>
</tr>
<tr>
<td></td>
<td>• View and Use Task List</td>
</tr>
<tr>
<td></td>
<td>• View Department Budgeting Content</td>
</tr>
<tr>
<td>Dept. Budget Approver</td>
<td>• Edit Budget Plan Data</td>
</tr>
<tr>
<td></td>
<td>• Approve Budget Plan Data</td>
</tr>
<tr>
<td></td>
<td>• View Reports and Documents</td>
</tr>
<tr>
<td></td>
<td>• Submit Budget Plan Data to DOF (pending user functionality)</td>
</tr>
</tbody>
</table>
## Department Budget System Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget Viewer</td>
<td>• View Budget Requests</td>
</tr>
<tr>
<td></td>
<td>• View Reports and Documents</td>
</tr>
<tr>
<td></td>
<td>• View Task List</td>
</tr>
<tr>
<td></td>
<td>• Run Reports</td>
</tr>
<tr>
<td>Dept. Budget System Maintainer</td>
<td>• Manage Department Workflow</td>
</tr>
<tr>
<td></td>
<td>• Edit Assigned Approvers</td>
</tr>
</tbody>
</table>
### Dept. Budget Workflow – Scenario 1

<table>
<thead>
<tr>
<th></th>
<th>Department Budget Processor</th>
<th>Department Budget Approver 1</th>
<th>Department Budget Approver 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mary</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bob</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Jane</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
Dept. Budget Scenario 1 Description

1. Mary is a Department Budget Processor
   a. Mary enters and submits budget plan data
   b. Mary promotes the budget plan for approval
2. Bob is a Department Budget Approver 1
   a. Bob edits the budget plan submission
   b. Bob approves the budget plan
   c. The budget plan submission is promoted to the next approval level
3. Jane is a Department Budget Approver 2
   a. Jane signs-off on the budget plan submission
   b. The budget plan is complete
Dept. Budget Workflow – Scenario 2

<table>
<thead>
<tr>
<th></th>
<th>Department Budget Processor</th>
<th>Department Budget Approver 1</th>
<th>Department Budget Approver 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mary</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jane</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>John</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Sue</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Jason</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Sally</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

For each decision package, the Department Budget Processor and any Department Budget Approvers will be able to identify the Department Budget Approvers that need to review and approve the decision package.
Dept. Budget Scenario 2 Description

1. Mary is a Department Budget Processor.
   a. Mary enters budget plan data
   b. Mary promotes the budget plan for approval
2. Jane, John, and Sue are each a Department Budget Approver.
   a. Each approver may need to approve the budget plan submission
   b. Jane, the default approver for Mary, edits and either approves or promotes the budget plan submission
   c. If Mary or Jane adds her as an approver, Sue either approves or promotes the budget plan submission
   d. If Mary, Jane, or Sue adds him as an approver, John approves the budget plan submission to promote it to the next approval level
3. Jason and Sally are both a Department Budget Approver.
   a. Both approvers may need to approve the budget plan submission
   b. Jason, the default approver for Mary, edits and approves or signs off on the budget plan submission
   c. If Mary or Jason adds her as an approver, Sally signs off on the budget plan submission
Commitment Control Process Overview

- The **Business Process** provides for the recording of budgeted revenue and expenditure amounts. Transactions in all FI$Cal modules are validated against these budgets.
- Commitment Control allows for the establishment of spending authority at differing levels within state government.
- Appropriation and Life-To-Date (LTD) Project budget balances will be converted for the Wave 2 departments.
- Department of Finance will create and approve Appropriation Hyperion budget requests. These budget requests will be posted in Commitment Control to establish appropriation spending authority.
- Departments will document operating budget amounts utilizing the current business process. The amounts will be posted to commitment control in a budget journal.
What is included in Wave 1

- Appropriation and other central controlling budgets have been established. These budgets will be managed by SCO
- Wave 1 department specific Operating Budgets implemented
- Integration between Hyperion and Commitment Control allows for the sharing of financial information
- Budget Journals can be posted creating budgets for Appropriation and Operating Budgets
- Commitment Control budget, expenditures, encumbrances are available for reporting using the Budget Overview inquiry and Budget Status report
What is included in Wave 2

- Implement wave 2 department specific Operating Budgets
- Grant module budget functionality will allow the creation of project budget to control grant expenditure and encumbrances
- Department specific account translation available. Account trees built to department specifications allow differing treatment of expenditures or revenue amounts during budget check for department specific operating budgets.

September 25, 2014
## Budget Journals Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hyperion Planning and Budgeting</td>
<td>The budget and planning system within the FI$Cal solution which the Department of Finance and departments will use to create Appropriation budget requests.</td>
</tr>
<tr>
<td>Budget Journal</td>
<td>A journal containing one or more transactions of the same Budget Entry Type creating or modifying authorized budgeted amounts for a single Budget Definition. Departments will manage department level operating budgets with budget journals.</td>
</tr>
</tbody>
</table>
Commitment Control Ledgers

- Budgetary control is enforced on financial transactions through the use of commitment control ledgers and control options.

Distribution Lines from Transactions
- Journals – GL
- Requisitions – PO
- Purchase Orders – PO
- Vouchers – AP
- Bills – Billing
- Deposits – AR

Budget Checking Process
- Commitment Control Ledgers
- Journal Posting Process
- Modified Accrual Ledger

- Budgets
- Pre-Encumbrances
- Encumbrances
- Expenses
- Revenue Estimates
- Revenue
Process Appropriation

DOF/Department Budget Analyst
- Create and Load Budget Requests
  - Prepare original budget and adjustments

SCO/DOF/Dept. Budget Approver
- Review and Validate Budget Requests
  - Validate Budget requests and submit to Commitment Control (SCO only)

SCO Appropriation Approver
- Post Budget Transactions/Journals
  - Post Budget Transaction if interfaced from Hyperion
  - Post Budget Journal if request originates out of Hyperion

Key Impacts
- DOF and departments will initiate budget transactions in FI$Cal
- SCO will validate and approve amounts within Hyperion
- SCO can create and post budget journals in Commitment Control in the event of a no-budget situation or a statewide budget not utilizing Hyperion

September 25, 2014
Operating Budgets Solution

- Departments create operating budget using the same mechanism today (legacy budget creation).
- PeopleSoft Commitment Control module will have the appropriation budget from Hyperion; Departments record operating budgets into PeopleSoft online or upload via excel spreadsheet.
- Level of detail for Operating Budget is a department decision.
- Departments can select from multiple types of expenditure and revenue budgets.
- Departments can select differing control options on each budget structure (e.g. Control, Track with Budget, or Track w/o Budget).
- Departments can utilize the Grants budget solution to create and post grant/project specific budgets. More detail available during Grant BPW.
**Budget Header**

- **Unit**: 3980
- **Journal ID**: NEXT
- **Date**: 05/27/2014
- **Budget Header Status**: None
- **Process**: Post Journal

### Lines

<table>
<thead>
<tr>
<th>Chartfields and Amounts</th>
<th>Base Currency Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Delete</strong></td>
<td><strong>Line</strong></td>
</tr>
<tr>
<td>☑</td>
<td>1</td>
</tr>
</tbody>
</table>

**Lines to add:**
- 1

**Totals**
- **Total Lines**: 1
- **Total Debits**: 0.00
- **Total Credits**: 0.00

**Buttons**
- **Save**
- **Notify**
- **Refresh**
- **Generate Budget Period Lines**

**Budget Header | Budget Lines | Budget Errors**
# Commitment Control Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCO Appropriation Approver</td>
<td>The SCO user who will have access to create and post central controlling budget journals</td>
</tr>
<tr>
<td>SCO Appropriation Processor</td>
<td>The SCO user who will have access to create central controlling budget journals</td>
</tr>
<tr>
<td>Department Operating Budget Approver</td>
<td>The department user who will have access to create and post department operating budget journals</td>
</tr>
</tbody>
</table>
## Commitment Control Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Operating Budget Processor</td>
<td>The department user who will have access to create department operating budget journals</td>
</tr>
<tr>
<td>Appropriation Viewer</td>
<td>The central and department end user who will allow users access to view statewide controlling budget information</td>
</tr>
<tr>
<td>Operating Budget Viewer</td>
<td>The central and department end user who will have access to view department-level budgets using online inquiry screens</td>
</tr>
</tbody>
</table>
## Technology Considerations – Conversions

<table>
<thead>
<tr>
<th>Conversion</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCO Appropriation</td>
<td>Available control balances for active appropriations will be converted into FI$Cal for Wave 2 Departments from accounting records</td>
</tr>
<tr>
<td>Life-to-Date Department Project Budgets</td>
<td>Life-to-date project budgets can be converted from the department legacy system (optional)</td>
</tr>
<tr>
<td>Governor’s Budget</td>
<td>For preparation of the Governor’s Budget, statewide budget data for all departments will be updated in FI$Cal for Wave 2</td>
</tr>
</tbody>
</table>
## Technology Considerations – Interfaces

<table>
<thead>
<tr>
<th>Interface</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hyperion to Commitment Control Integration</td>
<td>Hyperion will send appropriation and appropriation adjustments to PeopleSoft as budget journals</td>
</tr>
<tr>
<td>Spreadsheet Budget Journal Upload</td>
<td>Spreadsheet Budget Journals will be utilized to create and import Operating Budget amounts.</td>
</tr>
<tr>
<td>Commitment Control to Hyperion Integration</td>
<td>Hyperion will import budget close entries (reversion and the rolling forward of budget to the next Budget Period or Funding Fiscal Year if required) from PeopleSoft</td>
</tr>
</tbody>
</table>
Next Steps

- Share BPW materials at your department
- Complete the BPW Change Impact Tool
- Review with your FI$Cal CMO Department Readiness Coordinator
- Identify and work on updating internal department policies, processes, and documentation
- Prepare for:
  - Role Mapping Working Session – November 2014
  - Change Workshop – February 2015
Role Mapping Working Session

- 2-hour facilitation session intended for Wave 1 and Wave 2 Department Implementation Team (DIT) members
- FI$Cal will provide DITs with detailed instructions on how to fill out the Role Mapping Tool for their department
  - “Do’s and Don’ts” of the Role Mapping Template
  - To take place at:
    - FI$Cal Project site
    - 2000 Evergreen Street
    - Jade Auditorium
    - Thursday, November 6, 2014
    - 9:00 a.m. – 11:00 a.m.

*Remote Dial-In will be available to those geographically dispersed
Budgeting Change Impact Activity

- **Description:**
  - FI$Cal walk through one example change impact
  - At your table, discuss how the FI$Cal business processes and related change impacts may affect your department
  - Document **three impacts** in your BPW Change Impact Tool

- **Roles:**
  - **Facilitator** – Helps lead the discussion with your department on the FI$Cal business processes and change impacts
  - **Recorder(s)** – Captures the department-specific impacts from the activity in your BPW Change Impact Tool

- **Time:**
  - You will have 30 minutes for this activity.
Question and Answer

FI$Cal Project Information:

http://www.fiscal.ca.gov/

or e-mail the FI$Cal Project Team at:

fiscal.cmo@fiscal.ca.gov
Appendix
Guide to Symbols in Flows

Start/End - Indicates point at which the process begins or ends. Does not represent any activity.

Decision - shows a decision point, such as yes/no. Each path emerging from the diamond is labeled with one of the possible answers.

System Task - Represents an individual step or activity in Fi$Cal.

Manual Task - Represents an individual step or activity in the process that is made out of Fi$Cal.

Connector - On/Off-Page Connector. Used to avoid complex overlapping connector lines or to continue a process on a subsequent page. Connectors are labeled with UPPER CASE letters.

Interface - Data conversion from one electronic system to another.

Batch Process - Represents a batch process within Fi$Cal.

Flow Arrow

Intra Integration Process - A input or Output to some other process within the same capability

Output Documents - An electronic document that is created by the process and can be printed (for example – any kind of report).