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# SABR Coordinator Meeting 2011-13 Agency Request Budget

Spring 2010 Update

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April 6, 2010

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# Agenda

- Introductions & Kudos
- Permanent Finance Plans
- PICS
- ORBITS
- Tips & Tricks
- Status Report on Budget Prep
  - Training dates
  - CSL Report
  - Base & ESS Package Target Dates

# SABR Contact List

- **Brian DeForest, Mgr**
  - [brian.e.deforest@das.state.or.us](mailto:brian.e.deforest@das.state.or.us)

**503-378-5442**  
7:00 am – 4:00 pm
- **Vacant, ORBITS Auditor**

**503-373-7607**
- **Bonnie Lanning, PICS Auditor**
  - [bonnie.l.lanning@das.state.or.us](mailto:bonnie.l.lanning@das.state.or.us)

**503-378-8203**  
8:00 am – 5:00 pm
- **Denver Peterson, Systems Analyst**
  - [denver.peterson@das.state.or.us](mailto:denver.peterson@das.state.or.us)

**503-378-2227**  
8:00 am – 5:00 pm
- **Stan Jessup, Budget Execution Analyst**
  - [stan.m.jessup@das.state.or.us](mailto:stan.m.jessup@das.state.or.us)

**503-373-7301**  
8:00 am – 5:00 pm
- **Deanne Wachtler, SABR Auditor**
  - [deanne.m.wachtler@das.state.or.us](mailto:deanne.m.wachtler@das.state.or.us)

**503-378-8202**  
8:00 am – 5:00 pm
- **Michele Nichols, ORBITS Analyst**
  - [michele.nichols@das.state.or.us](mailto:michele.nichols@das.state.or.us)

**503-373-1863**  
7:00 am – 4:00 pm
- **John Poitras, ORBITS Programmer**
- **[Orbits.help@state.or.us](mailto:Orbits.help@state.or.us)**

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# E-Board & Estimates Strategy

- **Goal – Meet Deadlines**
  - Reduce agency input into columns
  - Eliminate audit steps
- **E-Boards & Supplemental Session**
  - SABRS entered data into execution versions
  - Copies data into prep versions
- **Estimates**
  - More complicated strategy due to ORBITS functionality – Beg/End Balance calculations
  - Renamed Estimates Column to Leg. Approved Column
  - Continues use of Beginning/Ending Balance calculations

**"Old" Budget Prep Display**

	2007-09 Actuals	2009-11 Leg. Adopted	2009-11 E-Boards	2009-11 Leg. Approved	2009-11 Estimates	2011-13 Base Budget
(column number)	(3)	(6)	(9)	(12)	(15)	(19)
<b>Beg. Balance</b>						
<b>+ Revenues</b>						
<b>- Expenditures</b>						
<b>- Reversions</b>						
<b>Ending Balance</b>						

**Current Budget Prep Display**

	2007-09 Actuals	2009-11 Leg. Adopted	2009-11 E-Boards	(hidden)	2009-11 Leg. Approved	2011-13 Base Budget
(column number)	(3)	(6)	(9)	(12)	(15)	(19)
<b>Beg. Balance</b>						
<b>+ Revenues</b>						
<b>- Expenditures</b>						
<b>- Reversions</b>						
<b>Ending Balance</b>						

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# E-Board & Estimates Strategy

- Estimates is replaced with Leg. Approved Budget
  - Does not reflect admin savings or an agency's intent to under spend budget
  - Does not reflect un-scheduling
  - Displays legal expenditure authority as approved by Legislature – modified by Beg./End. Balance
- Required changing how existing columns are titled and used
- Required some report modifications
- SPL packages were input by SABRS along with ADM (non-limited adjustment) packages

# Agency Request Budget (ARB)

## ■ Building Blocks

Base Budget

+ Essential Packages (010 thru 060)

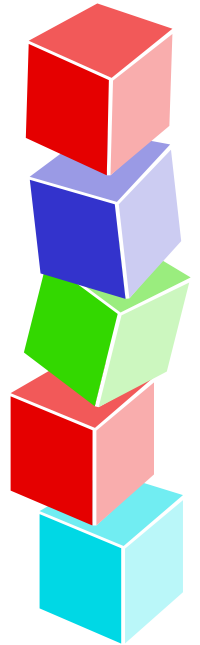
= Current Service Level (CSL)

+ Package 070 Revenue Reduction

= Modified CSL

+ Policy Packages

= Agency Request Budget



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# Agency Request Budget (ARB)

## ■ How Each Building Block Fits Into ORBITS

### □ Base Budget Column

- Approved column data is copied into the 2011-13 Base Budget column and manually modified by each agency
- Screen used is the “Data Entry” window

### □ Essential Packages Column

- These packages are used for recording expenditures/revenue necessary to maintain programs at the Current Service Level (CSL)
- Screen used is the “Package Data Entry” window

### □ Policy Packages Column

- Policy packages are used to request budget authority beyond the CSL
- Screen used is the “Package Data Entry” window

# Agency Request Budget (ARB)

## ■ ORBITS System

### □ Versions

- A-01 Agency Working (DCR level)
- S-01 Pre-audit (SCR level)

### □ Screens

- Data Entry window
- Package Data Entry window

- ***Note: All entries are manually keyed into ORBITS by appropriated fund types and by DCRs***





# Agency Request Budget (ARB)

## ■ ORBITS System Cont'd

### □ Reports

#### ■ Budget Development

- BDV001A – Agency Worksheets – Revenues & Expenditures
- BDV002A – Detail Revenues & Expenditures – Requested Budget
- BDV004B – Detail Revenues & Expenditures – Essential/Policy Packages

#### ■ Analysis & Comparison

- ANA100A – Version/Column Comparison Report – Detail
- ANA102A – Inflation Forecast Report\*
- ANA103A – Inflation Analysis Report

\* Very useful report for determining the inflation amounts

#### ■ Audit Reports

- AUD100 – Audit Error Report
- AUD004 – Transfers and Specials Payments

# Agency Request Budget (ARB)



## ■ Revenue Projections

- Analyze, re-project and modify base revenues rather than simply using data from the 2009-11 Legislatively Approved Budget column
- Agency must submit a balanced budget
- Total revenues must cover requested expenditures
- Revenues should be consistent with the June state revenue forecast for agencies that produce General Fund Revenues – SABR will audit against data provided by the Office of Economic Analysis

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# Agency Request Budget (ARB)

## ■ Revenue Categories

### □ General Fund (GF)

- Total GF revenues (account #0050) must equal total requested GF expenditures
- Usage of account 0050 must be entered in the Base Budget column and in all Essential (ESS) and Policy (POL) packages

### □ Other Funds (OF)

- Generally, fully projected and budgeted in the Base Budget column since the revenues are not expenditure driven
- For audit purposes, Essential and Policy packages are allowed to carry negative OF ending balance as long as total revenues are sufficient to cover the total ARB OF expenditures

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# Agency Request Budget (ARB)

## ■ Revenue Categories Cont'd

### □ Federal Funds (FF)

- Most agencies receive FF revenues on a reimbursement basis
- Total FF revenues generally equal total requested FF expenditures
- FF revenues normally entered in the Base Budget column and in all Essential (ESS) and Policy (POL) packages

### □ Lottery Funds (LF)

- Recipient agencies will be provided specific LF revenue values by DAS and/or OWEB so posting of these revenues should be entered in the Base Budget column and in ESS packages
- Agencies requesting additional LF revenues in POL packages are directed to use the generic Transfer In Lottery Proceeds (account 1040)

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# 2009-11 Base Budget Column

## ■ Personal Services Budget Category

- Majority of the Personal Services costs are driven from the PICS freeze and start-up changes and are automatically populated into ORBITS *except for non-PICS accounts*
  
- Non-PICS accounts are manually entered into ORBITS and must match the same values from the 2009-11 Leg Approved Budget Column
  - Pension Bond Contribution (account 3221)
  - Vacancy Savings (account 3455)
  - Mass Transit Tax (account 3260)

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# 2009-11 Base Budget Column

- **Personal Services Budget Category (cont'd)**
  - The non-PICS accounts noted below may be realigned based on projected expenditure patterns (see attached example)
    - Temps (account 3160)
    - Overtime (account 3170)
    - Differentials (accounts 3180 & 3190)
    - Unemployment (account 3240)
  - **CAUTION:** The sum of these accounts including appropriate OPE values must match the sum of the values (including OPE) from the 2009-11 Leg Approved Budget column by appropriated fund types and by SCR

# Base Non-PICS Account Re-spin

"OUT-OF-BALANCE SCENARIO"

	Other Funds		
	2009-11 LAB <sup>a/</sup>	2011-13 Base	Difference
Temps	50,150	48,100	(2,050)
OT	9,575	10,225	650
Shift Diff.	1,000	4,025	3,025
Differential	2,030	900	(1,130)
<b>Total Salaries &amp; Wages</b>	<b>62,755</b>	<b>63,250</b>	<b>495</b>
<b>PERS @ 9.08% <sup>b/</sup></b>	1,145	1,376	231
<b>SST @ 7.65%</b>	4,801	4,839	38
<b>OPE</b>	<b>5,946</b>	<b>6,215</b>	<b>269</b>
Unemployment	15,250	14,755	(495)
<b>Total</b>	<b>83,951</b>	<b>84,220</b>	<b>269</b>

"IN-BALANCE SCENARIO"

	Other Funds		
	2009-11 LAB <sup>a/</sup>	2011-13 Base	Difference
Temps	50,150	47,850	(2,300)
OT	9,575	10,225	650
Shift Diff.	1,000	4,025	3,025
Differential	2,030	900	(1,130)
<b>Total Salaries &amp; Wages</b>	<b>62,755</b>	<b>63,000</b>	<b>245</b>
<b>PERS @ 9.08% <sup>b/</sup></b>	1,145	1,376	231
<b>SST @ 7.65%</b>	4,801	4,820	19
<b>OPE</b>	<b>5,946</b>	<b>6,196</b>	<b>250</b>
Unemployment	15,250	14,755	(495)
<b>Total</b>	<b>83,951</b>	<b>83,951</b>	<b>-</b>

<sup>a/</sup> 2009-11 LAB = Legislatively Approved Budget as of April 2010

<sup>b/</sup> Actual PERS rates vary. Agencies must change the PERS rate to match their specific rate

# 2009-11 Essential Packages Column

- **Pkg 010 – Vacancy Savings & Non-PICS Personal Services**
  - Most non-PICS generated accounts (Temps, OT, Differentials, Unemployment, etc.) are calculated with the 2.40% standard inflation rate
  - The inflationary values are entered in this package rather than Essential Package 031
  - **Before running inflation calculations,** costs phased-out in Essential Package 022 must be subtracted from the Base Budget values
  - Cost increases above standard inflation must be requested in a policy package except for agencies that have both mandated caseloads and 24/7 facilities

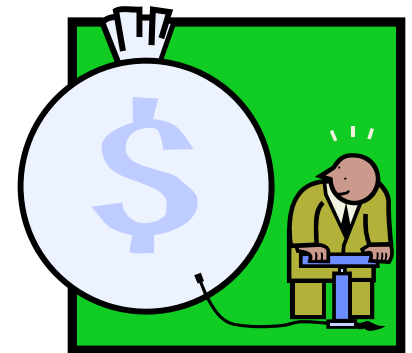
# 2009-11 Essential Packages Column

- **Pkg 010 – Vacancy Savings & Non-PICS Personal Services Cont'd**
  - The two non-PICS accounts noted below are keyed into this package as increase or decrease values rather than applying the inflationary rate
    - Pension Bond Contribution (account 3221)
    - Vacancy Savings (account 3455)
  - These entry values are determined by the following calculation:
    - 2011-13 control value minus the Base Budget column value = Pkg 010 entry value

# 2009-11 Essential Packages Column

## ■ Pkg 031 – Standard Inflation & State Government Service Charge

- Includes standard inflation of 2.40% on most S&S, Capital Outlay and Special Payments accounts
- Professional services accounts (4300 & 4315) inflate at 3.10%
- Attorney General (account 4325) – inflation amount is 11% of the Base Budget amount
- All Rent (uniform and non-uniform)
  - Uniform = 2.17% of the Base Budget amount
  - Non-uniform = 4.40% of the Base Budget amount



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# 2009-11 Essential Packages Column

- **Pkg 031 – Standard Inflation & State Government Service Charge (cont'd)**
  - State Government Service Charges (account 4225) – includes assessments and charges reported in the “2011-13 Price List of Goods and Services” plus Treasury Charges
    - Entry values for this account are calculated as:
      - Grand total of all 2011-13 Price List Items minus 2011-13 Base Budget column value = Pkg 031 entry values
    - On-line Price list can be found at the following link:
      - <http://dasapp.oregon.gov/pricelist/index.asp>

# 2009-11 Essential Packages Column

- **Pkg 032 – Above Standard Inflation with BAM Analyst Approval**
  - Medical Inflation –
    - Marginal 1.50% is reported in this package
    - 2.40% already recorded in Essential Package 031
    - Aggregates to total 3.90% inflation that applies to medical costs
  - Non-state employee personnel costs (contract providers) as applied to Special Payments up to total 3.1%
    - 0.70% marginal increase over standard inflation
    - 2.40% standard inflation already recorded in 031
  - Usage-based charges from price list that are above standard inflation (motor pool, printing services, etc.) – applies to marginal increase for same usage levels, not an increase in volume

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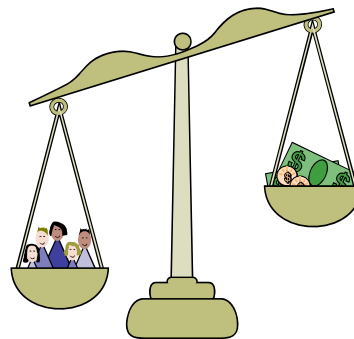
# 2009-11 Essential Packages Column

- **Pkg 033 – Exception Committee Decisions Above Analyst Approval**
  - Includes amounts above the allowable inflation amounts in Essential Packages 031 and 032
  - Requires a documented exception request and must be approved by the Exception Committee
  - Refer to chart on page 26 of the 2011-13 Budget & Legislative Concepts Instructions for more information

# 2009-11 Essential Packages Column

## ■ Pkg 040 – Mandated Caseload

- Refer to the eligible agencies/programs listed on pages 28 & 29 of the 2011-13 Budget & Legislative Concepts Instructions
- Must request establishment of this package through your assigned BAM Analyst *before it is available for use in ORBITS or PICS*



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# 2009-11 Essential Packages Column

## ■ Pkg 050 – Fund Shifts

- Designed to display agencies' request to change fund type on expenditures and/or to restore original funding source when a one-time change was approved in the past
- The package total should be net zero at the All (Total) Funds level
- Discuss your intended use of this package your assigned BAM Analyst ***prior to submitting audit transmittals for PICS or ORBITS***

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# 2009-11 Essential Packages Column

- **Pkg 060 Technical Adjustments**
  - Designed to display
    - Issues that are not policy driven
    - Does not increase the budget
    - Items that do not belong in Essential Packages 010 thru 050
  
  - Some examples:
    - Moving programs or accounts from one SCR to another SCR
    - Re-aligning expenditures across budget categories or across protected S&S accounts
  
  - Discuss your intended use of this package your assigned BAM Analyst ***prior to submitting audit transmittals for PICS or ORBITS***

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# Base & ESS Package Locking

- Goal: Develop solid, CSL numbers by the end of June, audits complete in July
- ORBITS functionality allows columns to be locked individually

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# Base & ESS Package Locking

## ■ Target Deadlines

### □ Early Submittal Agencies

- 5/31/10 – Lock ORBITS Base & ESS
- 6/30/10 – Lock PICS; ORBITS POL (std. deadlines)

### □ Late Submittal Agencies

- 5/31/10 – Complete PICS CSL entries
- 6/30/08 – Lock PICS (std.); ORBITS Base & ESS
- 7/31/08 – Lock ORBITS POL (std. deadline)

- BASE revenues continue to be updated until all columns are locked

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# 2009-11 Policy Packages Column

## ■ Establishing Policy Packages

- Numbers 100 through 499 are for agency use
- Numbering sequence is determined by the agency
- Must be requested and approved by your assigned BAM Analyst
  - The following data will be needed in order for set-up in ORBITS:
    - Package number(s)
    - Package title(s) – maximum 45 characters
    - Package assignment to identified SCRs (Summary Cross References)

# Helpful Points to Remember

## ■ A few helpful audit points

- ❑ Personal Services, Position and FTE reconciliation accounts (#'s 3465, 8180 and 8280) are not used during the Agency Request budget development cycle
- ❑ Negative expenditures are not allowed at either the agency wide or the SCR level with the exception of the account 3455 – Vacancy Savings
- ❑ Before running inflation calculations for inclusion in Essential Packages (ESS) 010 and 031 be sure to subtract the ESS 022 phased-out values from the Base Budget values.
- ❑ If you plan on using the ORBITS ANA102A report to calculate the inflation values, ESS 022 values must be keyed into ORBITS first before the running the report
- ❑ Usage of non-Personal Services accounts are not allowed in ESS 010 as well as Personal Services accounts are not allowed in ESS Packages 031-033
- ❑ No negative General, Lottery, Other or Federal Funds ending balances allowed in the Agency Request column

# Status Report

## ■ April

- SABR Training (Salem) – Agency Coordinators
  - Traditional budget startup training
  - Base, ESS & POL information
  - Distribute initial PICS reports - - - electronically
  - SABR presenters – mechanics of PICS & ORBITS
- PICS Freeze & Startup process (2 weeks) focused on base budget only: April 19 - 30
- Open Base & ESS columns after completed with Startup
- Agencies begin requesting POL packages
- PICS Training (Salem) – All
  - 20<sup>th</sup> – New users with focus on PICS Start up and packages
  - 21<sup>st</sup> – PICS Lab – Experienced users with help for startup and budget prep issues

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# Status Report

## ■ May

- PICS start-up audits completed
- Agency input Base & ESS package data
- Close ORBITS Base & ESS columns on **5/31** – Early Transmittal Agencies
- Early CSL audits due
- Training (Salem) – All
  - 4<sup>th</sup> or 11<sup>th</sup> – ORBITS – New users with focus on reporting and packages
  - 5<sup>th</sup> and 12<sup>th</sup> – PICS/ORBITS Lab – Experienced users with help for budget prep issues

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# Status Report

## ■ June

- ❑ Emergency Board
- ❑ Early pre-EBL audit activity
- ❑ Agency input POL package data
- ❑ All PICS audit transmittals due 6/30
- ❑ Early ORBITS ARB audit transmittals due 6/30
- ❑ Close ORBITS Base & ESS columns on 6/30 – All Agencies – Late CSL audit transmittals due
- ❑ Budget Execution entry

## ■ July

- ❑ PICS & ORBITS audits
- ❑ Late ORBITS ARB audit transmittals due 7/31
- ❑ Budget Execution entry

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# Status Report

## ■ August

- All systems and columns locked
- Complete PICS & ORBITS audits
- Early submittal budget binders due 8/2
- Early An Rec activity begins

## ■ September

- All agency budget binders due 9/1
- Late An Rec activity begins
- SABR Training (Salem) – Agency Coordinators
  - Follow up budget prep information
  - Lessons learned from prep cycle

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# What can I be doing now?

- Review PICS Start up material and submit Transmittal as soon as PICS opens
- Review BASE column data (SABRS is copying data in for you)
- Input 022 Phase-out data (if necessary)
- Calculate & Input 010 & 030 inflation data
- Input other ESS Packages as necessary
- Notify SABRS when Base & ESS input is complete
  - SABRS will lock columns to protect data
  - CSL audits completed early
  - Allows for early analysis
- Request POL packages to be established
- Input POL packages when available
- Submit PICS & ORBITS CSL & ARB Transmittals when ready
  - . . . even if you are early!
  - Notify SABRS if you are having a problem or running late!