



Budget Monitoring Process Manual

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Prepared by the City Budget Office

FY 2018-19

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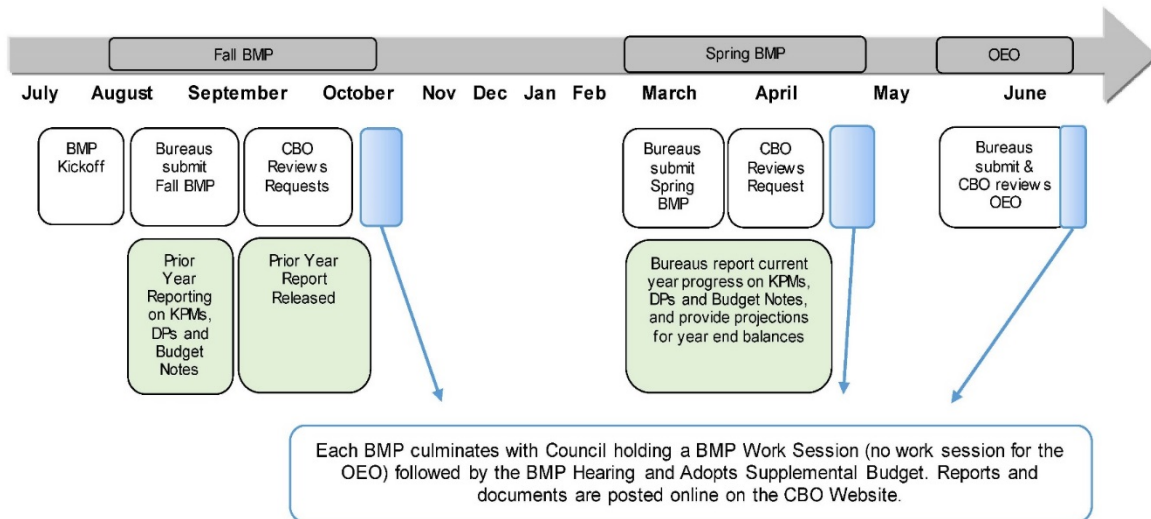
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Budget Monitoring Process Overview



The Budget Monitoring Process (BMP) takes place three times during the fiscal year.

The Fall BMP includes two major purposes: to give City Council and the public a summary of prior year activity (*budget monitoring*) and to adjust the current fiscal year budget (*supplemental budgeting*).

The Spring BMP focuses on projecting spending for the remainder of the fiscal year (*budget monitoring*) and to make necessary adjustments to bureau budgets (*supplemental budgeting*). At this point in the fiscal year, bureaus and CBO should be able to project spending and revenues with a reasonable degree of accuracy.

The Over-Expenditure Ordinance is narrowly focused on addressing fund-, bureau- and major object-level over-expenditures and interfund loans to ensure that funds do not end the fiscal year with negative cash or fund balances. No other budget adjustments should be requested.

At this time, there are no key changes to the BMP this year. This manual focuses on BMP submittal requirements and instructions; additional information is available on the [“BMP Resources”](#) page of the CBO website. Please don’t hesitate to contact [Jane Marie Ford](#), BMP Process Coordinator, with any questions or suggestions for improvement.



The City is in the process of transitioning to a new budget software. CBO will update this manual prior to the Spring BMP with instructions for entering data in the new system.

Tentative Schedule

Any changes will be shared in the CBO Weekly Communication.

Milestone	Fall BMP	Spring BMP	OEO
BMP Manual Update Available	8/17/2018	TBD	N/A
BMP Kickoff Meeting	8/17/2018	N/A	N/A
BRASS Opens to Bureaus	8/22/2018	3/13/2019	5/27/2019
IA Changes Communicated to Service Providers	9/4/2018	3/19/2019	5/24/2019
Capital Project Scoring Forms due to CBO	9/4/2018	N/A	n/a
Submittal Due to CBO	9/12/2018	3/29/2019	6/3/2019
CBO Technical Checks Complete	9/14/2018	4/3/2019	6/5/2019
CBO Draft Supplemental Budget Analyses to Bureaus	10/10/2018	4/12/2019	n/a
Final CBO Analysis to Council	10/16/2018	4/16/2019	n/a
Ordinance Filed	10/29/2018	4/29/2019	6/10/2019
Council Work Session & Budget Retreat	10/30/2018	4/30/2019	n/a
Public Notice Filed	10/31/2018	5/1/2019	6/12/2019
Council Hearing (<i>tentative</i>)	11/7/2018	5/8/2019	6/19/2019
Changes Posted to SAP (excluding Grants)	11/9/2018	5/10/2019	6/21/2019
Grants Changes Posted to SAP	11/12/2018	5/13/2019	6/25/2018

* Note that IA changes for the OEO must be communicated to providers prior to the opening of BRASS

Fall Budget Monitoring

Budget monitoring in the fall focuses on Prior Year reporting, including:

- Updates on budget notes and decision packages;
- A reconciliation of actual versus revised budget expenditures and revenues for funds and capital projects; and
- Data and narrative updates on bureau performance measures.

Reporting on Decision Packages and Budget Notes

During the Fall BMP, bureaus must provide an update for all budget notes and decision packages that were included in the **prior year** adopted budget, and those from the **prior year** supplemental budget processes that are flagged for update by CBO. Bureaus submit completed updates in excel format for decision packages and word format for budget notes.

Decision Packages

CBO will provide each bureau with a comprehensive list of decision packages that require updates in an excel document, which will also be available on the [CBO website](#). This document will include historical information as well, as this is intended to be a living document to help promote long-term transparency and accountability of funding results. **Please update any decision packages that are highlighted in green, and please do not delete anything that has been previously updated.**

The list will include the decision package title, description, amount funded, and any authorized positions. Bureaus must populate two columns in the spreadsheet with information:

Select the package “status” using the drop-down menu provided in the spreadsheet column (options are ‘Completed’ ‘In progress’, ‘Not started’ or ‘N/A). Bureaus may be asked to provide an update on packages that have already been reported on if the status of the package has changed.

In the “update” column, please provide a concise (1-2 paragraph) narrative on the decision package, including the following:

- Have new positions been hired?
- Are there any contracts associated with this decision package? What is the status of those contracts?
- What are the current or expected outcomes of this decision package or request? (Is there any impact on bureau Key Performance Measures?)
- Are there any delays, changes in scope, or other relevant details?
- Is this decision package complete? If so, please indicate this by writing “Complete.” as the first sentence of the narrative.



- Please do not use “see above” for any package updates.
- Include hyperlinks to relevant webpages where appropriate or useful to the public.
- Use clear, concise, and accessible language.

Budget Notes

For budget notes, please follow the word document template available on the [CBO website](#).

- If the budget note is not yet complete, please provide an estimated date of completion.
- If the budget note requires a report or other deliverable, please include a link to that document.
- Please include any other relevant hyperlinks that would be useful to decision-makers and the public.

Reporting on Fund and Capital Project Actual Spending

Bureaus submit a reconciliation of prior year revised budget to actual spending for each bureau fund and capital projects.

Fund Reconciliation

These instructions are for bureau-specific funds. For multi-bureau funds (such as 100 or 217), please follow the Business Area Reconciliation instructions below.

1. Select from the BMP database menu: BRASS>Reports
2. Choose A1 – Fund Reconciliation Report. Click Okay.
3. Select the desired three-digit fund from the Fund drop-down menu.
4. Click okay. The report will populate with data from BRASS. Use the data in the report to craft the reconciliation narrative to be entered in step 8 below.
5. Select from the BMP database menu: BRASS>Info Edit>Fund.
6. Select the desired three-digit fund from the drop-down menu. Click Okay.
7. Click on the Text tab.
8. Enter reconciliation narrative in the Text 2 field. Click Save when complete. Narratives should explain any over-expenditure or under-collection of revenue greater than 10% by line item (as rolled up in the A1 report) and any net over-expenditure or under-collection for the entire fund. In addition, narratives should include explanations of any other noteworthy variances, regardless of relative size.
9. Repeat steps 1-4 to generate submittal output.
10. Select from the BMP database menu: File>Print.
11. Click Okay. This output is your BMP submittal. (Note: For PDF output for electronic submission, press the Printer button and select Adobe PDF prior to clicking Okay.)

Business Area Reconciliation

These instructions are to reconcile funds that are utilized by multiple bureaus. These instructions should be used for Fund 100 and 217.

1. Select from the BMP database menu: BRASS>Reports
2. Choose A1a – BA Reconciliation Report. Click Okay.
3. Select the desired two-character business area from the Funds Ctr drop-down menu.
4. Select the desired three-digit fund (either 100 or 217) from the Fund drop-down menu. Click Okay.
5. If resources were budgeted in both the General Fund and the Grants Fund, perform steps 1-4 for each fund.
6. This report will populate automatically with data from BRASS. Use the data in the report to craft the reconciliation narrative to be entered in step 10 below.
7. Select from the BMP database menu: BRASS>Info Edit>Funds Ctr.
8. Select the desired two-character business area from the drop-down menu.
9. Click on the Text tab.
10. Enter reconciliation narrative in the Text 2 field. Click Save when complete. Narratives should explain any over-expenditure or under-collection of revenue greater than 10% by line item (as rolled up in the A1a report) and any net over-expenditure or under-collection for the entire fund. In addition, narratives should include explanations of any other noteworthy variances, regardless of relative size. Because there is only one field for each business area, if bureaus have budgeted resources in both the General Fund and the Grants Fund, the narrative should separately address the two funds.
11. Repeat steps 1-4 to generate submittal output for each fund managed.
12. Select from the BMP database menu: File>Print.
13. Click Okay. This output is your BMP submittal. (Note: For PDF output for electronic submission, press the Printer button and select Adobe PDF prior to clicking Okay.)

Note: General Fund discretionary and overhead accounts do not show actuals. These resources are the last resources applied – first overhead, then discretionary - to balance to actual expenditures. While BRASS does not reflect this until the CAFR is finalized, CBO reviews will reflect the allocation of General Fund resources.

Special Instructions for OMF Bureaus

Because of the text field limitations, General Fund bureaus within OMF should follow the steps for Business Area Reconciliation above, but with the following changes:

1. In step 3, select the desired four-character business area from the Funds Ctr drop-down menu.
2. Skip steps 7-11. Instead, OMF budget staff should provide a separate document (Microsoft Word, PDF, etc.) that contains a reconciliation narrative for each SAP division (i.e. four-character business area) for both General Fund and Grants Fund. Narratives should include the same information as in step 10 above.

Capital Project Updates

In order to provide Council and the public with a greater understanding of capital project work (including the lifecycle, status, and type of work accomplished) infrastructure bureaus are required to provide program-level capital updates during the Fall and Spring BMPs. In the Fall BMP, both prior year and current year variance reporting is required; during the Spring BMP, only current year variance explanations are needed. Following are instructions for updating the C2 capital reports. For the Fall BMP, the C2 report will automatically populate the following information:

- Prior Year Adopted Budget
- Prior Year Revised Budget
- Prior Year End Actuals
- Variance in dollars (Year-end actual – Revised Budget)
- Variance in percent (dollar variance / Revised Budget)

In BRASS>Info Edit> Funded Program, bureaus should select the appropriate two-character bureau code and enter explanations for program variances greater than 10% between the prior year Revised Budget and prior year actuals into the Text 1 field. This should include a list of the major projects contributing to the program variance, a status update of the project or group of projects and the amount of the project variance and any other contextual information that may be helpful to explain the variance. Responses may be in bullet form and are intended to be high-level. CBO may ask follow-up questions during the review process.

In both the Fall and the Spring BMP, the C2 report will automatically populate the following information:

- Current Year Adopted Budget
- Current Year Revised Budget (assumes updates as per the BMP submission)
- Current Year Year-to-date Actuals
- Variance in dollars (Adopted Budget – Revised Budget)
- Variance in percent (dollar variance / Revised Budget)

In BRASS>Info Edit> Funded Program, bureaus should select the appropriate two-character bureau code and enter explanations for program variances greater than 10% between the current year

Adopted Budget and anticipated Revised Budget (assumed all BMP submissions are approved) into the Text 2 field.

This should include:

- a) a list of the major projects contributing to the program variance,
- b) a status update of the project or group of projects and the amount of the project variance, and
- c) any other contextual information which may be helpful to explain the variance.

Responses may be in bullet form and are intended to be high-level. Follow-up questions may be asked during the review process.

All fund and capital project reconciliation reports should be submitted in pdf form with the rest of your Fall BMP submission.

Reporting on Performance Measures

Bureau performance reporting provides City Council with useful context to guide budget decisions. To assess performance of programs and services in the prior year, bureaus are expected to do the following:

- a. Report accurate and complete prior year actuals data on bureau performance measures;
- b. Provide narrative analysis of how prior year performance measure actuals are tracking to performance measure annual and strategic targets for bureau key performance measures;
- c. Describe the bureau’s plan to capitalize on strong prior-year performance, or address adverse results, as applicable.
- d. Additionally, in the FY 2018-19 Fall Supplemental, bureaus will be asked to provide a “Graph Description” for each performance measure that do not currently have one.

This information is included in the Performance Measures BRASS report (PM 1 and 2), which is a part of each bureau’s Fall BMP submittal. When drafting the narrative, bureaus should address the following questions, and may wish to place emphasis on the bureau’s key performance measures:

Comparison to targets and historical trends	For key performance measures, how did prior-year actuals compare to strategic performance targets? Is the bureau on track to achieve its level of service goals in the established time frame? For other performance measures, how do actuals compare to year-end targets? How does performance on the measure trend to past years?
External & Internal Factors	Are there changes to bureau internal processes or relevant policies that led to improved performance in bureau programs and services? Did any process or policy changes have adverse results? Or – are there external factors impacting bureau results?

Bureau Actions	What actions might the bureau take to address adverse trends in performance? To capitalize on strong results?
Changes to performance measures	Has the bureau made any changes to performance measures between the prior year and current year Adopted budget? If so, what were these changes and why?
Equity Impact	How/do these measures impact equity goals adopted in your bureau's Racial Equity Plan or other strategic plans? If disaggregated data is available, does it reveal any disparities in service access or outcomes?

The performance narrative and measure actuals submitted by bureaus will be used to document bureau performance in the [Prior-Year Performance Report \(PYPR\)](#). This report highlights the connection between bureau service delivery and budget expenditures, analyzing important trends and key issues that may inform upcoming budget decisions. The PYPR also provides a platform for Council, bureau leadership, and staff to learn across sectors, from other bureaus' recent successes and challenges.

In bureau reviews, CBO analysts will note any significant changes to bureau service delivery, program accomplishments, or bureau efforts to improve results. Reviews may include recommendations for new performance measures, or modifications to current measures. Please note, bureaus are responsible for the accuracy and completeness of all performance data entered into BRASS. Bureaus are encouraged to provide quantitative and qualitative performance data that includes the following.

- Analysis of Key Performance Measures that capture the outcomes of the bureau's core programs and services.
- Discussion of programmatic measures (workload, output, outcome, and efficiency measures) that capture significant bureau accomplishments, negative trends, or changes in program service delivery.
- Additional information supporting significant program achievements, changes, or challenges, including internally tracked measures or outputs.

To enter the prior year actuals data and narrative:

Prior year actuals entry:

1. Open BRASS **budget production** database (*not the BMP database*) for the next budget cycle
2. From the BRASS menu, Select Performance Measures>Values.
3. From the Controlling Org dropdown menu, select the appropriate business area and click Okay.
4. In the PY1 column, enter data for the prior year actuals. [Note: While entering '999999' generates an 'NA' in PatternStream for budget development, it generates a '0' in the BRASS reports. If a bureau is unable to provide data on a measure for the prior year, this should be explained in the narrative.]

Prior year performance narrative entry:

5. From the BRASS menu, select Info Edit>Funds Ctr.

6. From the Funds Ctr dropdown menu, select the appropriate two-character business area and click Okay.
7. Click on the Text tab.
8. In the Text 2 field, enter narrative describing how prior year measure actuals compare to measure strategic targets for **each** key performance measure. Bureaus may also describe measure trends for additional performance measures. For workload, efficiency, output, and outcome measures, results can be compared to either annual or strategic targets, or both.

Bureaus should use this section to highlight bureau achievements and/or corrective action the bureau will take to address adverse trends. Please describe any changes to measures from the prior year to the current year. Include information that will assist Council in understanding program results.
9. Click Save.

Report submission:

10. From the BRASS menu, select Reports.
11. Select the PM1 Performance Measures report. Click Okay.
12. From the Funds Ctr drop down menu, select the appropriate two-character business area. Click Okay.
13. From the File menu, select Print.
14. Click Okay. This output is your BMP submittal. (Note: For PDF output for electronic submission, press the Printer button and select Adobe PDF prior to clicking Okay.)

Metadata update:

15. From the BRASS menu, select InfoEdit > FuncArea
16. Enter performance measure ID
17. Navigate to the "Text" tab in form18. If Text2 field is blank, provide a brief explanation (1-3 sentences) of performance outcomes achieved in relation to fiscal year and strategic targets set by the bureau, or by the City. Provide reason for apparent trends. (This field is published on the [City Performance Dashboard](#) and in the printed budget documents.



To add, change, or archive a bureau performance measure, fill out the [performance measure change request form](#) and contact your CBO analyst. The [Performance Manual](#) offers additional guidance. Contact your CBO analyst or [Shannon Carney](#), CBO performance Management Analyst with questions about performance updates or narrative submission.

Fall Supplemental Budgeting

The Fall BMP is primarily meant to address technical adjustments related to encumbrance carryovers or other changes that result in no net impact to bureau appropriations. Below is specific guidance for the following:

- [Technical adjustments for all funds](#)
- [General Fund changes](#)
- [Grant Fund changes](#)
- [Other non-General Fund changes](#)
- [Capital set-aside](#)

Technical guidance for selecting the appropriate request type and resource in BRASS is available in [Appendix A](#).

Technical Adjustments (all funds)

Technical adjustments are changes that are:

- a) Related to technical budget or accounting requirements, and
- b) Do not increase the total appropriation of the business area (for General Fund bureaus) or fund (for non-General Fund bureaus).

Examples of technical adjustments include:

- Transfers between materials and services and capital outlay due to a change in the nature of capital equipment required
- Changes in procurement of an item from a City bureau (internal materials and services) to an outside vendor (external materials and services)
- Adjustments that break out existing budgets to a greater level of detail
- Transfers of General Fund between bureaus should also be considered a technical adjustment, provided that the net effect is zero

Technical adjustments do not include:

- Program expansions
- New positions
- Cost overruns
- Any action which would require a draw from contingency from any fund

For most technical adjustments, the resource should be Internal Transfer. For General Fund transfers between bureaus, the resource should be General Fund on both sides of the transaction.

General Fund Changes (Fund 100)

General Fund Ending Balance

The amount of one-time General Fund contingency available in the new fiscal year is calculated based on the amount of General Fund discretionary underspending in the prior year. This is determined by subtracting non-discretionary revenue and General Fund overhead from total expenses and comparing the result with the discretionary allocation.

If a bureau overspends its discretionary allocation in the prior year, an equivalent reduction should be made to the bureau's budget in the Fall BMP. Additionally, no encumbrance carryover shall be granted.

General Fund Carryover: Encumbrances, Advances, & Non-Discretionary Revenue

There are three types of General Fund carryover transactions in the Fall BMP:

1. Encumbrance carryover
2. Advance recovery
3. General Fund Non-Discretionary revenue carryover

Please note that there is no General Fund program carryover in the Fall BMP. All program carryover must be budgeted in the Approved Budget; otherwise, the request must be entered as a "New Request" in the Fall BMP. The only exception to this is program carryovers that have been removed from budgets in the Over-Expenditure Ordinance.

Encumbrance Carryover

Once the prior fiscal year is closed, bureaus can determine what encumbered budget was unspent. Bureaus may request to re-budget funding for those encumbrances in the Fall BMP, with exceptions.

CBO typically recommends General Fund encumbrance carryover requests based on the following:

1. How closely Citywide General Fund ending fund balance actuals matches the budget;
2. The bureau has sufficient General Fund discretionary underspending in the prior year; and
3. The encumbrances are one-time costs.
4. Occasionally, bureaus will request a service of another bureau through an interagency agreement that will result in a purchase order encumbrance that is carried over on the provider side. In these instances, General Fund bureaus may request encumbrance carryover for those costs even though the encumbrance does not appear to be in the General Fund.

CBO typically does not recommend encumbrance carryovers for the following:

- Annual materials and services allocations – particularly flexible professional services contracts – and other annual contracts funded in the current year
- Contracts that have expired with open purchase orders, or purchase orders that remain open but for which the bureau does not intend to have goods or services delivered



Encumbrances related to interagency or contract revenue that will be received in the current year should be coded as “New Revenue.”

To request encumbrance carryovers:

Encumbrance carryovers need to be viewed in concert with accruals. Bureaus provide Purchase Order accrual information to the OMF Accounting Division as part of prior year-end fiscal close ([see FY18 Outstanding PO Listing](#)). For open General Fund Purchase Orders, bureaus should add a column to the spreadsheet entitled “Fall BMP Encumbrance Carryover Request,” and indicate the amount of encumbrance carryover for each open purchase order (or leave the field blank if you do not intend to request carryover).

The sum of these encumbrance carryover requests plus advance recovery funding (discussed below) should be equal to the amount requested in BRASS. Bureau’s General Fund encumbrance carryover requests, including advance recovery funding, will be limited to General Fund underspending in the prior year. If the General Fund ends the prior fiscal year with a balance lower than what is necessary to balance the five-year forecast, carryover funding may not be available for all encumbrances.

Advance Recovery Funding

Bureaus with advances made in prior years, for which the service has not yet been received, must budget or otherwise plan for the “recovery” of those advances. The “recovery” occurs when the good or service is delivered, and the expense hits the general ledger.

Outstanding advances made in the General Fund should be requested by bureaus in the same way and with the same restrictions as encumbrance carryovers. That is, advance recovery funding plus other encumbrance carryover may not exceed the amount of discretionary underspending or non-personnel-related underspending, whichever is less.

To identify outstanding advances made by your bureau in FY 2017-18, please follow [these directions from the OMF Accounting Division](#).

General Fund Non-Discretionary Revenue Carryover

Some bureaus collect revenue in the General Fund, defined as licenses and permits, fines, fees, intergovernmental, and specific program revenues (miscellaneous sales). In the case that individual programs earn revenues greater than program expenses, bureaus can request carryover of the excess revenue. See [Comprehensive Financial Management Policy 2.06](#) for more details.

Any request for revenue carryover should include a reference to the level of the budget at which the analysis was done, the budget structures that were identified as having revenues greater than fully-

loaded expenses, and detailed form entry to allocate the carried over revenues to the same program. Any amount carried over as per this policy will reduce the amount of calculated discretionary underspending by the bureau. If the bureau has insufficient underspending at the Business Area level, revenue carryover will not be approved.

New General Fund Requests

There are no ongoing General Fund resources available during the fiscal year. Per City financial policy, General Fund contingency – a one-time resource – should only be used for the following:

- Five-year balancing
- Overhead model true-up costs
- Paying down existing debt
- Urgent or unforeseen expenses that cannot be absorbed through existing resources.

General Fund requests that do not meet these criteria are discouraged and are typically not recommended by CBO. If Council has directed allocation of contingency resources through an ordinance or resolution, please reference this information in your request.

Position Changes

Because ongoing General Fund resources are not available during the BMP, bureaus may only create new permanent positions by reallocating existing discretionary resources.

Limited term positions do not require Council approval and therefore can be approved outside of the BMP process. A BMP request should be made if bureaus need to either a) reallocate funding from another major object in order to create a limited term position or b) request General Fund contingency resources to create a limited term position.

Grant Fund Changes (Fund 217)

Grant Carryover

Unspent grant appropriations from the prior year that are expected to be spent in the current year are budgeted during the Fall BMP with approval from the Grants Office in OMF. This is entered in BRASS at the bureau level using the “carryover” request type.

Interfund Loan Repayment

According to local budget law, City funds may not end the fiscal year with a negative fund balance.

Because of the modified accrual basis of accounting, grant revenue is only booked when it is received, not when it is earned. Any revenue that is deferred to the next fiscal year generates a negative balance in the grants fund. To alleviate this, loans must be made from operating funds of the bureaus responsible for the deferred revenue.

Additionally, Generally Accepted Accounting Principles (GAAP) require that funds not end the year with a negative cash balance. Such a situation would also necessitate an interfund loan.

The loans necessary to address these issues are budgeted in the Over-Expenditure Ordinance, and, to the degree possible given the 10% limit on appropriation changes between the Approved and Adopted Budgets, the repayments are budgeted in the Adopted Budget. Once the final amounts of the loans have been determined as part of the year-end close process, affected bureaus that did not budget the repayment in the Adopted should budget repayment in the Fall BMP.

This issue only affects a few bureaus. Those bureaus will be contacted by the assigned CBO analyst to ensure the appropriate request is made.

Other Non-General Fund Changes

Beginning Fund Balance Adjustment

Non-General Fund bureaus may request increases to a fund's beginning balance when the additional balance is needed for planned expenditures, carryover or otherwise, or to increase contingency to reflect unplanned-for, additional balance.

Encumbrance Carryovers

For non-General Fund resources, encumbrance carryover is mostly at the discretion of the bureau based on ending and beginning fund balance, available grant allocations, etc. These requests should be entered in brass with the resource type "New Resources" or "Contingency."

Advance Recovery Funding

Bureaus with advances made in prior years, for which the service has not yet been received, must rebudget or otherwise plan for the "recovery" of those advances. The "recovery" occurs when the good or service is delivered, and the expense hits the general ledger.

Outstanding advances made in the other funds should be budgeted either in bureau expenses or in bureau contingency and funded out of additional beginning fund balance. To identify outstanding advances made by your bureau in FY 2017-18, please follow [these directions from the OMF Accounting Division](#).

New Requests

If, after the current year budget is adopted, bureaus become aware of additional resources in their funds, they may request additional appropriation during the Fall BMP. However, ongoing changes that have an impact to ratepayers should be requested as part of the annual budget process and approval of rate increases.

Adjustments to Contingency

Fin 2.04 requires that the City budget a contingency account for each operating fund adequate to address reasonable but unforeseen requirements within the fiscal year. Bureaus may request to use

non-General Fund contingency resources during the Fall BMP. However, bureaus are also expected to provide narrative in Text 2 discussing whether:

- a) There has been consideration to reprioritize within existing appropriations to preserve contingency for future use; and
- b) If the remaining contingency is sufficient to address future, unforeseen needs during the course of the fiscal year, as local budget law prohibits changes to unappropriated ending fund balance through the supplemental budget process *unless City Council declares that an emergency exists*.

Capital Set-Aside

Per City Financial Management Policy, 50% of the City's General Fund excess balance should be used for infrastructure maintenance (FIN 2.03). The remaining 50% of any excess balance is added to contingency (FIN 2.04). All City bureaus may request funding to support major maintenance and replacement projects in years where excess balance is available in the General Fund. CBO coordinates a working group consisting of bureau asset managers that has developed a prioritization mechanism to assist City Council in allocating this set-aside during the Fall BMP and Budget Development. This tool is used to score and rank projects based on the likelihood and consequence of asset failure.

For the FY 2018-19 Fall BMP, project ranking will begin with the existing ranked list created through the FY 2018-19 Budget Development process, then incorporate any new information from bureaus utilizing the project scoring tool. If a bureau would like to request one-time General Fund resources in the Fall BMP for a new project, or would like to revise a project currently on the ranked list, the bureau must use the [project scoring tool to evaluate](#) and score the desired major maintenance and asset replacement project.

Detailed instructions and examples are available in the [Capital Set Aside Project Self-Scoring & Evaluation Tool manual](#). To be included for funding consideration in the fall BMP, new or revised project forms must be sent to Ryan Kinsella (Ryan.Kinsella@portlandoregon.gov) **by September 4th, 2018**. **Bureaus must also include a decision package request for the project in their BMP submittals to CBO on September 12th.**



Please note: the existing list already includes a large number of high-ranking projects. In the FY 2018-19 budget process, there were \$75.6 million in capital project funds requested from the capital set-side pool, with only \$12.3 million in resources available.

Supplemental Budgeting – BRASS Entry

Budget adjustments are requested in BRASS by

- Using **Info Edit** to create requests and attach narrative and other information to these requests,
- Using request **forms** to enter the budget data
- Using **reports** to summarize submittal. [Here are the full submission instructions](#). CBO has also created screencast trainings [available online](#) to demonstrate these instructions.

Info Edit

This is the first step to create a request of any type. Use the following guidelines for creating request numbers:

- Each request number has only one Type and only one Resource associated with it.
- If necessary, a request should be broken up into several request numbers in order to properly code the Type and Resource.
- Additionally, a separate request number should be used for each distinct, unrelated item.

The screenshot shows the 'Info Edit' form in the BRASS system. At the top, there are 'Save' and 'Cancel' buttons. Below them are tabs for 'Info' and 'Text'. The form contains the following fields:

- Request #: BO_007
- Type: Non-consc
- Name: Request Title
- Comments: [Text Area]
- Desc1-8: [Text Fields]
- Type: [Dropdown]
- Resource: [Dropdown]
- Show in Report?: Y
- Priority: [Dropdown]
- DP Update?: N
- Table9-16: [Text Fields]
- Value1-15: [Text Fields]

- The above bullet notwithstanding, all technical adjustments with the same resource coding should be grouped with a single request number. The narrative should discuss all adjustments briefly.

Creating Info Edit for a Request Number

1. Select from the BMP database menu: BRASS>Info Edit>Request #.
2. From the drop-down menu, select the next available request number for your bureau by typing the appropriate two-digit Business Area (e.g. “BO” for CBO). The next available request number should be titled “Request Title”. Note that request numbers are sequential through the entire fiscal year for all BMPs. Request numbers and titles from prior BMPs will be visible in the drop-down menu. **Do not reuse existing request numbers.** If there are no available request numbers, contact your CBO analyst to direct the BRASS Administrator to create new numbers.
3. Click Okay.
4. In the Name field, enter the request title to appear in the submittal to City Council. This title should concisely describe the request.
5. In the Type and Resource fields, make the appropriate selections from the drop-down menus. See below for guidelines on Type and Resource selections.
6. The default selection for the Report field includes the request in all reports. Bureaus should not change this setting without consulting their CBO analyst. Excluded requests will not show up in reports but will show up in spreadsheet views and in budget adjustments.
7. Click on the Text tab.
8. In the Text 1 field, enter a detailed description of the request. For technical adjustments, this includes a clear discussion of all material changes.
9. Click Save.

Form Entry

The BRASS BMP forms 1-4 are used to enter adjustment data once request numbers have been created and Info Edit entry is complete.

Each bureau should use one form for each BMP. All request data can – and, in most cases, should - be entered in a single form. Occasionally, bureaus might want to create multiple forms in order to allow multiple users to enter data simultaneously. Bureaus should *not* use a separate form for each fund or for each request.

Below is a step by step guide to entering data into BMP forms:

1. Select from the BMP database menu: BRASS>Budget Forms.
2. Click on the form that corresponds to the current BMP (Fall, Spring, or OEO). Click Okay.

3. Select the desired two-character business area from the Funds Ctr drop-down menu.
4. If returning to an existing form, select that form from the Serial Number drop-down menu, click Okay, then skip to step 8. If this is the first time entering data for the current BMP, select (New) from the Serial Number drop-down menu.
5. Enter a form title in the Description field. This title should begin with the bureau name or acronym and the cycle. If bureaus use multiple forms for multiple users, the name of the user should be on the form name. E.g. "PHB Fall BMP John Doe".
6. Select 'A' from the Stage drop-down menu.
7. Click Okay.
8. Click Insert to insert lines. Lines are inserted below the currently selected line.
9. For each line, select the desired request number from the Request # drop-down menu and enter all budget adjustment information. Multiple request numbers can and should be used in a single form.
10. For all lines that affect grants funds (217, 218, 219), enter the sponsored program in the Justify column before any other text. Please review the current sponsored program(s), and budget only to fund centers, functional areas, and funded programs associated with existing sponsored programs. Please discuss any grants changes with your Grants analyst prior to submission.
11. In addition to sponsored program information, enter any other information in the Justify column that will assist in understanding the context of the line. Information might include what program the adjustment affects, where any expense or revenue changes are offset, and who directed the change and when.
12. When form is complete and balanced, click Save.

Tip: Packages that only move revenue will not show in the A9 BMP Request report. In order to get these to show, enter two lines of expense data that net to '0'.

Form Entry – Position Changes

Please use the Position tab to make any adjustments to positions. Information added and saved in this tab will populate the General tab of the form with appropriate default position costs, depending on the class, step, category, etc.

1. Open the form as per steps 1-7 above.
2. Click on the Position tab.
3. Click Insert to insert as many lines as needed. Lines are inserted below the currently selected line.
4. For each line, select the desired request number from the Request # drop-down menu and enter all budget adjustment information. Multiple request numbers can, and should, be used in a single form.
5. In addition to the standard budget information, enter the desired Class and Category. These fields must be filled in. Note that the Category field indicates not only the bargaining unit, but

also whether the position is Full Time, Part Time, or Limited Term. For example, there are three selections for DCTU – DT, DTPT, and DTLT. Please make sure to select the correct one. *(No permanent positions may be requested with General Fund in the BMP, as there are only one-time resources available.)*

6. The Step field may be left blank.
7. The Start and End fields require a two- digit month and a four-digit year, separated by a slash. The End field may be left blank if the position is Full Time or Part Time.
8. The FTE field is a percentage number, so one full-time position would be 100. A half time part time position would be 50.
9. The Count field should identify the number of positions affected by the change.
10. Leave the Salary field blank.
11. Click the Calc button to calculate the annual cost.

Spring Budget Monitoring



The City is in the process of implementing a new budget software. This section of the manual will be updated with technical directions for reporting and budget entries prior to the Spring BMP.

Reporting on Budget Notes and Decision Packages

During the Spring BMP, bureaus must provide an update for all budget notes and decision packages that were included in the current year adopted budget, and those from the current year supplemental budget processes that are flagged for update by CBO. [Please see above for instructions on decision package and budget note updates.](#)

Reporting on Performance Measures

During the Spring BMP, bureaus are required to submit updates to their current year estimates to their performance measures. This additional CY estimate, beyond the Requested budget submission entry, provides more timely information on measures available on a sub-annual basis.

Projecting Current Year Fund Spending

In the Spring BMP, bureaus are required to submit current year projections of a) all funds managed by the bureau and b) the General Fund (100) and the Grants Fund (217) for their bureau business area.

After submittal of the BMP, CBO will review bureau projections and attempt to resolve any discrepancies between bureau and CBO projections. Methodologies and assumptions can vary considerably between projections, occasionally making consensus difficult. Should consensus not be possible, CBO analyses will include CBO projections, and identify and explain the discrepancies in the review narrative.

Spring Supplemental Budgeting

General Fund Compensation Set-Aside Requests

When developing bureau budgets, CBO does not project cost of living adjustments (COLA) or health benefits increases in budgeted salaries and benefits, with the exception of Council Offices. Non-General Fund bureaus and bureaus with a significant non-discretionary General Fund budget are expected to set aside appropriate amounts in their own budgets.

For COLA and health increases associated with staff supported by discretionary General Fund, CBO sets aside an amount in the General Fund referred to as the Compensation Set-Aside. Barring unforeseen fiscal issues, this amount is available to General Fund bureaus during the Spring BMP in the event that it is needed in order to avoid over-expenditure. However, bureaus are generally not fully staffed throughout the fiscal year, and it is expected that COLA and increased health costs for General Fund bureaus can generally be funded with salary savings.

Please note that CBO will consider bureau's cumulative budget adjustments throughout the fiscal year in recommending Compensation Set-Aside, which may be reduced by the amount of budget transfers out of Personnel Services.

General Fund Program Carryover

General Fund discretionary resources that are not spent in a given fiscal year become part of contingency resources in the next year. Per City financial policy, 50% of these resources go to capital set-aside, and the remaining resources are reserved for Council to allocate for urgent and unforeseen needs. During the Spring BMP, General Fund bureaus may request that current year appropriation for one-time projects be carried over into the next fiscal year.

Generally, program carryover should be for:

- One-time projects funded in the current fiscal year, when the bureau does not expect to complete the project or encumber funds before June 30th; or
- Allocating one-time underspending for major maintenance projects, system development, equipment upgrade, or another regularly anticipated but unfunded need

CBO does not typically recommend program carryover for:

- Projects where it is unclear how the program carryover relates to the original purpose, ties to current Council priorities, or specifically addresses the bureaus long term financial plan; or
- Resources that have been carried over for several years without a clear plan to complete the project or expend resources

Approved requests will be removed from the bureau's current year budget and added to the bureau's budget in the next fiscal year during the Approved Budget phase.

Other Program Carryover

Non-General Fund bureaus may request that current year appropriation be reduced in order to make the appropriation available to budget in the new fiscal year as part of the budget process.

Debt Service Adjustments

During the Spring BMP, bureaus must make adjustments to true up cash transfers to debt service funds from operating funds to reflect any changes or modifications to their debt service requirements that occurred, or are expected to occur, during the fiscal year.

Major Object Adjustments

With reasonably accurate estimates of year-end spending, bureaus should request budget adjustments to avoid over-expenditure by major object categories.

Other Adjustments

As in the Fall BMP, budget requests can be made to reflect contingency funding approved by Council, additional contingency requests, or other budget changes.

Position Changes

Position changes are allowed during the Spring BMP. Any changes to bureau staffing should be incorporated into development of the budget for the next fiscal year. It is critical that bureaus submit all necessary paperwork immediately after the supplemental budget is passed so that any new positions or other changes can be implemented in the Approved Budget for the following year.

Over-Expenditure Ordinance

The Over-Expenditure Ordinance occurs during the month of June and is narrowly focused on addressing fund-, bureau- and major object-level over-expenditures and interfund loans to ensure that funds do not end the fiscal year with negative cash or fund balances. No other budget adjustments should be requested.

“Over-expenditure” is defined legally as spending in excess of amounts that are legally appropriated. The City appropriates at the fund, bureau, and “appropriation category.” Appropriation categories are bureau program expenses (personnel services, external materials and services, internal materials and services, and capital), debt service, interfund cash transfers, and contingency. In addition to this legal definition, CBO monitors budgets at the major object level, noting and reporting where discrepancies between budget and actual spending and receipt of revenues occur. This is a high-level roll-up that is established in the SAP and BRASS hierarchies.

Formal submission of budget monitoring reports is not necessary during the OEO process. However, bureaus may be asked to share projections for the final month of the year to compare with CBO projections. These projections should be based on AP 11 actuals and be quite precise predictors of how bureaus will finish the fiscal year.

Interfund Loans

Interfund loans are occasionally necessary to ensure that funds do not end the year with a negative cash or fund balance. During the OEO, CBO budget analysts work with technical accounting, the OMF Grants Unit, and bureau staff to determine if loans are necessary. These loans will be budgeted in the OEO and authorized through a separate, companion resolution.

Typically, the amounts budgeted will be conservative and encompass the largest anticipated loan required. When the year closes and the final amount is determined, the loan is made and posted on June 30 of the prior year; the repayment is ideally posted on July 1 of the following year, requiring the Fall BMP adjustment noted above.

Budgeting

In early June, the Grants Office runs a cash report for accounting periods 1-11 by fund and business area using tcode FAGLL03, account 100000, funds 217000-217015, 218000-218002 and 219000-219001. After the cash report is complete, expense projections for June are calculated and incorporated into the cash report. The projections are based on average monthly expense incurred by each grant in AP 1-11. Each grant is attributable to a specific bureau. The cash report is submitted to CBO and Technical Accounting prior to the BRASS deadline for the Over Expenditure Ordinance (OEO).

CBO works with the bureau budget analyst to complete the BRASS load for the year-end loans. CBO and the bureau budget analysts will communicate the Grants Fund loan information to bureau accounting staff.

Loans will be budgeted in the OEO and, simultaneously, the repayments will be budgeted in the Adopted Budget for the next fiscal year (to the degree that the appropriation doesn't increase the Approved Budget appropriation for the fund by more than 10%). This ensures that authority exists both to make the loan on June 30th, and to repay it the next day, July 1. CBO will work with bureau budget analysts to make sure that the loans are correctly budgeted.

The loans must be authorized in a separate resolution by Council. The resolution must contain the purpose, amount, and terms of the loan. Language in the resolution standardly specifies that the loans will not accrue interest. (Because of the negative cash generated by the bureau, the City pooled cash overall receives less interest. It would be inappropriate to pay bureaus interest on amounts due to the Grants Fund due to a negative cash balance.) CBO will prepare the Grants Fund loan resolution to address these criteria.

Accounting: Year-End Grants Fund Loan Journal Entry

In October, the Grants Office and Technical Accounting will prepare the final cash and fund balance reports based on actual results of the full fiscal year. The cash and fund balance report will be provided to CBO. CBO will work with Bureau Budget Analyst and Accounting Staff to determine the bureau's funding source for their portion of the loans to the Grants Fund. CBO will notify the Grants Office and Technical Accounting of the loan funding source determination.

Technical Accounting will complete a JE recording the loans and a JE recording the loan repayment. The loan JE is always dated June 30 in accounting period 13, and the repayment JE is always dated July 1 of the subsequent fiscal year in accounting period one. These two entries will be entered in SAP at the same time to avoid any interest allocation issues and to avoid the possibility of failing to reverse the loan JE. Technical Accounting park the documents in SAP, and then notify the bureaus and the Grants Office of the document number requiring their review and a note of approval to be placed in the SAP document attachment After the Bureaus review and place an attachment stating approval of the entries, they will notify Technical Accounting that the entries are ready for completion/approval and posting.

Submittal

Each BMP has different submittal requirements:

Item	Fall BMP	Spring BMP	OEO
Letter from Director	x	x	
Budget Amendment Request Report (BRASS F4)	x	x	x
Prior Year Budget/Actuals Reconciliations (BRASS A1 and A1a)	x		
Prior Year Budget Note Update	x		
Prior Year Decision Package Update (including non-technical BMP requests)	x		
Prior Year Performance Measure Actuals & Narrative (BRASS PM 1 & PM 2)	x		
Current Year Performance Measure Estimates (BRASS PM 1 & PM 2)		x	
Prior Year Capital Reporting (BRASS C2)	x		
Current Year Projections (BRASS A2 and A3)		x	
Current Year Budget Note Update (in word format)		x	
Current Year Decision Package Update (including non-technical BMP requests)		x	
Current Year Capital Reporting (BRASS C2)	x	x	
Encumbrance Carryover Detail Spreadsheet (in excel format)	x		

Submission Instructions

Fall and Spring BMP submittals must include a cover letter from the bureau director to CBO that summarizes any requests for significant budget amendments or new budget allocations. All bureaus are responsible for briefing their Commissioner-in-Charge regarding their financial and program performance and budget amendment requests.

Please submit an electronic set of all required items to the CBO analyst assigned to the bureau on or before the due date. You do not need to provide hard copies or distribute copies to elected officials. CBO posts all submissions online and shares the link.

Technical Checks

Prior to submittal, bureaus should perform checks to ensure that submissions are technically sufficient. These technical checks are described in detail below.

Every adjustment has a request number.	
General Fund discretionary requests use the one-time (487120) account.	
No requests use the General Fund discretionary offset account (487100).	
No requests use the General Fund Overhead account (487210).	
No requests use the General Fund Overhead offset account (487200).	
Revenues and expenses balance by fund.	
No requests reduce ending fund balance accounts (500001-500002).	
All internal materials and services interagency revenue entries have the correct funded program.	
All fund transfer expense and revenue entries have the correct funded program.	
All entries with a bureau-to-bureau, internal service, or cash transfer funded program have an appropriate commitment item.	
No cash transfers from the General Fund.	
All interagencies and cash transfers balance at the funded program and account level.	
All grant entries have grant codes.	
No funds other than grants funds have entries with grant codes.	
All entries using the Grant Revenue account (441100) should have a grant code and grant fund associated with them.	
No entries use cents.	
All grant entries include the sponsored program as the first information in the Justify column.	
All grants balance revenues and expenses.	
All bureau allocation accounts net to zero.	
No fund-business area-commitment item structures are negative. (Some exceptions exist.)	

The following checks use the BMP Submittal spreadsheet views in BRASS:

- In the BMP database, select BRASS>Spreadsheet Views
- Check the Show Public box
- Select from the View Name drop-down menu the BMP Submittal view associated with the current BMP

- Select the desired two-character fund center from the Funds Ctr drop-down menu
 - Press the Fund radio button in the Sections section, select '3- Fund' from the Level drop-down menu, and click Okay.
 - For all these checks, lines with amounts of 0 are equivalent to there being 'no lines.'
1. **Every adjustment has a request number.** On the City tab, zoom into the expense of the total changes column. Sort by Request #. No lines should have a '0' in this column. Repeat for Revenue.
 2. **General Fund discretionary requests use the one-time (487120) account.** On the City tab, zoom into General Fund Discretionary in the total changes column, expanded by detailed objects. Sort by CommItem. There should be no instances of the ongoing account (487110) except in the case of internal shifts of ongoing resources that net to zero. New ongoing funds are not allocated outside of the annual budget development process.
 3. **No requests use the General Fund discretionary offset account (487100).** Use the same view as the previous check. This account is for CBO use only. It is an offset account used to translate other sources of revenue (property taxes, business license fees, etc.) into discretionary resources.
 4. **No requests use the General Fund Overhead account (487210).** On the City tab, zoom into General Fund Overhead total of total changes column, expanded by detailed objects. Sort by CommItem. Overhead requests are not allowed mid-year except to shift the resource internally through net zero changes.
 5. **No requests use the General Fund Overhead offset account (487200).** Use the same view as the previous check. Like the General Fund discretionary offset account, this account is for CBO use only. It is used to translate cash transfer revenues from overhead paying bureaus into overhead resources for General Fund bureaus.
 6. **Revenues and expenses balance by fund.** Click through all the fund tabs of the spreadsheet view to check that the total changes and the revised budget column are balanced for each fund.
 7. **No requests reduce ending fund balance accounts (500001-500002).** On the City tab, zoom into the Unappropriated Fund Balance in the total changes column, expanded by detailed objects. Sort by CommItem. There should be no instances of these accounts being reduced. Local budget law requires that City Council declare that an emergency exists in order to draw down ending fund balance.
 8. **All internal materials and services interagency revenue entries have the correct funded program.** On the City tab, zoom into each of these major objects in the total changes column, expanded by detailed objects. Sort by CommItem. All expense accounts beginning with 651XXX or revenue accounts beginning with 641XXX should have either a capital project funded program or a funded program beginning with '3'. All expense accounts beginning with 652XXX or revenue accounts beginning with 642XXX should have either a capital project funded program or a funded program beginning with '7'.

9. **All fund transfer expense and revenue entries have the correct funded program.** On the City tab, zoom into each of these major objects in the total changes column, expanded by detailed objects. Sort by CommItem. All lines should have a funded program beginning with '1'. Capital funded programs are not allowed for cash transfers.
10. **All entries with a bureau-to-bureau, internal service, or cash transfer funded program have an appropriate commitment item.** On the City tab, zoom into the expense and revenue totals in the total changes column, expanded by detailed objects. Sort by Fnd Program. Every funded program beginning with '1' should have a 650020 or 640020 account. Every funded program beginning with '3' should have an account beginning with 651XXX or 641XXX. Every funded program beginning with '7' should have an account beginning with 652XXX or 642XXX. (Note: The fourth digit in the internal service provider accounts indicates the providing bureau. Make sure an appropriate account is used for the selected funded program, i. e. 6511XX for CityFleet, 6512XX for P&D, 6513XX for Facilities, 6514XX for EBS, 6515XX for Technology Services, and 6516XX for Risk Management.)
11. **No cash transfers from the General Fund.** Use the same view and sort as the check above for expense totals only. Sort by funded program. There should not be any funded programs that begin '1GENF2' in the General Fund. All transfers from the General Fund originate from an OMF fund center managed by CBO. If a bureau wishes to request a transfer from the General Fund (either from within their bureau or from another bureau) to a fund that it manage, then it should only show the receiving side of the transfer. A commensurate reduction in expenses funded by General Fund discretionary should be entered by the sending bureau. The CBO General Fund analyst will identify the imbalance in the cash transfer funded program and enter the sending side from the General Fund fund management cost center.
12. **All interagencies and cash transfers balance at the funded program and account level.** Select BRASS>Reports>IA1, click Okay, then click Okay again. Check all variances Citywide to see if there are any imbalances between your bureau and any other bureau, either on the sending or receiving side of a service. Repeat this process for the IA2 and IA3 reports. If bureau staff believes that the entry for their bureau's side of an IA or cash transfer is not correct, it is still that bureau's responsibility to work with the other party to correct the variance prior to submittal. If consensus is not possible prior to submittal, the variance must be noted in the memo from the bureau director to indicate that it requires a City Council decision. *Exception: Adjustments to cash transfers from the General Fund will almost always be unbalanced upon submittal as they require balancing by the CBO General Fund analyst.*
13. **All grant entries have grant codes.** On the 217 fund tab, zoom into the expense and revenue totals in the total changes column, expanded by detailed objects. Sort by Grant. There should be no lines with a '0' in the Grant column. The Portland Housing Bureau should repeat this check for funds 218 and 219.
14. **No funds other than grants funds have entries with grant codes.** On the City tab, zoom into the expense and revenue totals in the total changes column, expanded by detailed objects. Sort by Grant. The only entries with grant codes should be in 217, 218, and 219 funds.

15. **All entries using the Grant Revenue account (441100) should have a grant code and grant fund associated with them.** Use the same view as the check above. Sort by Commltem and scroll down to the 441100 item. All entries should a) have a grant code and b) be in fund 217, 218, or 219.

The following checks do not utilize the spreadsheet view described above. Please follow the instructions for each check.

1. **No entries use cents.** Open the bureau's budget form. Click on the top cell in the Adjustments column. Use the arrow down key to scroll through all the lines of the form. As each cell is highlighted, the inclusion of cents – if there are any – will become apparent. Cents cause rounding and balancing problems when the BMP is loaded to SAP. If more than one form is used, repeat for all forms used during this BMP.
2. **All grant entries include the sponsored program as the first information in the Justify column.** In the budget form, sort by Fund. Check the Justify column for each entry in the 217, 218, and 219 funds to ensure that they begin with sponsored program information.
3. **All grants balance revenues and expenses.** BRASS>Advanced Spreadsheet Views, check Show Public box, select Grants_Balancing from the View Name drop-down menu, and click Okay. Scroll through the output to check that the Difference column is zero for all grants with your bureau's prefix. Any non-zero number indicates that the grant is out of balance.
4. **All bureau allocation accounts net to zero.** BRASS>Advanced Spreadsheet Views, check the Show Public box, select Allocation_CI_Balancer from the View Name drop-down menu, and click Okay. Scroll through the output to check that the Revised Budget column is zero for all accounts in your bureau. Any non-zero number indicates that expenses are over- or under-allocated.
5. **No fund-business area-commitment item structures are negative.** BRASS>Advanced Spreadsheet Views, check the Show Public box, select Negative_Structures from the View Name drop-down menu, and click Okay. Scroll through the output to check that the Revised Budget column is not negative for all accounts in your bureau. There are some exceptions to this check. The most typical is 487120 which can be negative to reflect a one-time cut to an ongoing program. Other exceptions exist. Bureaus should discuss possible exceptions with their CBO analyst.

Upon submission, CBO will perform the checks noted above as well as several additional checks. The additional checks are primarily to ensure that the content of titles and narratives is complete and accurate.

Appendix A: Request Types and Guidelines

Request Type:	BMP Process:	Used To:	Resource Type (General Fund):	Resource Type (Non-General Fund):	Resource Type (Grant):
New Request	Fall or Spring	Increase the level of appropriation at the fund or business area level or shift funding to reflect a change in programmatic priorities.	General Fund Discretionary	New Revenues, Bureau Contingency (General Fund Discretionary for GF Fund Transfers)	Grants
Technical Adjustment	Fall, Spring, or OEO	Make changes that are 1) related to technical budgeting or accounting requirements and 2) do not change the total appropriation by fund or business area	Internal transfer (Exception: General Fund transfers between bureaus should use GFD as the resource for both sides of the transaction)	Internal transfer	Internal transfer
Mid-Year Reductions	Fall or Spring	Any reduction in appropriation	General Fund Discretionary	New Revenues	Grants
Program Carryover Request	Spring	Carry over resources into the next fiscal year by reducing appropriation in the current year	General Fund Discretionary	New Revenues, Bureau Contingency	Grants
Encumbrance carryover	Fall	Carry over an encumbrance or recover an advance from the prior year	General Fund Discretionary	New Revenues, Bureau Contingency	Grants
<i>New Discretionary Revenues – do not use</i>					
Compensation Set-Aside Request	Spring	Request compensation set-aside if vacancy savings are not projected to cover costs related to health benefits increase and COLA adjustments	General Fund Discretionary	Bureau Contingency	N/A

Capital Set-Aside Request	Fall	Request General Fund resources set-aside for major maintenance and infrastructure replacement projects	General Fund Discretionary	General Fund Discretionary	N/A
<i>Vacancy Savings and Exceptions – do not use</i>					
<i>GF Revenue Carryover – do not use</i>					

Appendix B: Narrative Guidelines

While Supplemental Budget changes are generally more focused on technical adjustments than during Budget Development, bureaus are still expected to provide robust narrative accompanying each request to ensure that Council has sufficient information to make decisions. Bureaus are encouraged to work with their CBO analysts in advance of submission.

For new requests of all funding types, the level of detail provided should be comparable to a decision package requested through the budget process. Please address the following as applicable to help explain how the request is:

Fully-Developed

- What are the expected results/outcomes of the request? Please refer to impact on performance measures and KPMs as appropriate, as well as identify equity implications: which populations will be impacted, in what ways, and how will you know?
- What are the assumptions and estimates used in describing the expected results/outcomes?
- Does the bureau have a system in place to track and report on the expected results?

Urgent

- What are the consequences if funding is not approved at this time?
- Is this effort/project mandated by any rules/regulations: local, state, federal?
- Can this project/program be postponed to next fiscal year?
- Can this project/program be done in phases?

Unforeseen

- Was this a known need during budget development?
- Was a request for funding made during budget development?

One-time

- Are there any ongoing costs, including FTE, associated with this request?
- Is there an impact to ratepayers?

Unable to be absorbed by existing resources

- What internal realignment options have been considered, and how has the bureau determined that this request is a lower priority than all other spending in the existing budget? (This includes use of non-General Fund contingency.)
- If this is a new project/program, has this been implemented by any local or regional agencies? If so, has it been a successful experience?