

Personnel Budgeting in BFM

This is a living document and will be updated as needed by CBO

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Introduction

BFM, the City's budget management application, contains a forecasting tool called Personnel Cost Forecasting (PCF).

$$\text{Total Personnel Budget} = \text{PCF Projected Costs} + \text{Manually Entered Costs}$$

PCF uses data from the City's enterprise resource planning system, SAP, as the source for the projections. Prior to budget development, bureaus should confirm that the data in the SAP Human Capital Management (HCM) module is correct.

Users can also enter personnel expenses manually in budget forms that will increase personnel costs but will not be tied to specific positions or employees.

Data from SAP to BFM

Who:

The BFM administrator uploads personnel data from SAP to BFM

When

Personnel data is loaded in early Fall so bureaus have an estimated starting place for developing budgets, but personnel data is also uploaded from SAP to BFM the first week of January and this data is what serves as the

- current year actuals- there is no opportunity for bureaus to adjust current year actuals. It is paramount that SAP data accurately represents the bureaus personnel. As such, meeting the deadlines set by HR is very important.
- SAP data + allocation changes made between Fall and the January load= Base Starting point (V51)

What

There are 5 different files of data that are used as sources of information in BFM

How

The BFM administrator runs a transaction (not edited by CBO) in SAP the Friday after paychecks are issued that generates the following files:

SBFS1: Position File

No casual or double fill positions are sent from SAP to BFM. There is a 1:1 relationship in the data between position and employee. That means that every position is associated with an existing employee or is vacant. Vacant positions have a position code but no distinct employee code. The position file is the primary source data that populates what is seen in employee maintenance.

SBFS2&2a: Benefits File(s)

These files contain data on employees and benefit elections.

SBFS4: Job File

This file provides data on each job classification, the short description, bargaining unit, and potential steps.

SBFS5: Compensation Structure

This file provides data on each grade and step and the associated salary.

SBFS6: Allocations

This file provides data on how positions are allocated in SAP.

Data from BFM to SAP

Who:

The BFM administrator provides files from BFM to accounting who uploads data to SAP

What:

There are two files produced: budget file and a grant file. The budget file contains all of the budget data that does not pertain to grants; whereas the grant file contains all of the budget data that does pertain to grants. Every row of data passed from BFM to SAP must have a: Fund Center (10 character level), Functional Area (16 character level- this is done on the back end, bureaus only budget at the 10), Grant, Funded Program, and Commitment Item.

No position data is ever sent from BFM to SAP- only the budget data that has been projected as a result of the changes to positions in BFM is sent to SAP. For this reason, it is required that bureaus follow the necessary steps to complete the P4 process for any new positions or reclassifications for the position data to change in SAP.

When

Data is uploaded from BFM to SAP after the budget is adopted and the ordinance has been certified by the council clerk.

How:

Accounting uploads the budget data into a test environment in SAP. Both accounting and CBO review the data to make sure that it matches the exhibits in the certified ordinance. After both organizations have confirmed the data matches, accounting requests access to the budget override table to be given (by EBS) to accounting so they can upload the budget to the real SAP environment. The budget director (or acting budget director) and city controller (or acting controller) can approve access to the budget override table. Once granted access, accounting uploads the budget data to production, accounting and CBO both check the data, and finally bureaus are notified.

At no point in time does the budget office send any position data from the budget system to SAP.

PCF Projections

What is PCF Projecting?

PCF is projecting salary, and benefits. PCF does not include any costs for COLA for any employees. PCF does not include merit for non-represented employees.

To see details of the costs projected for an employee, go to the employee maintenance screen, navigate to the projection tab. Select the projection results. In this screen you will see everything that is being projected and thus included in the costs. Please note that the projection results have two years of data. The left hand column has the fiscal year that indicates which year the costs are projected for.

What do the different Projection IDs mean?

0-Current

This projection displays costs for where we are currently at in the budget process. This projection is updated automatically every 15 minutes and should reflect changes made in PCF or decision packages.

As the City moves from the requested phase to CBO recommended, to Mayor's Proposed, etc. the BFM admin runs a full projection of personnel data and saves this as a "snapshot". This captures the data as a point in time and is saved as the Total PCF for that phase. After the "snapshot" has been saved, the system is staged forward to the next phase (i.e from Requested to Proposed).

All personnel costs generated by PCF projected as part of 0-Current are the costs that get included in the budget. Note that this *does not* include any COLA or Merit increases (for non-represented employees).

20239- Preliminary COLA

Every year in the Fall, the City Economist publishes a preliminary estimate for the Cost of Living Adjustments for the next fiscal year. This projection will reflect the preliminary estimate each year.

BFM does not include COLA as part of the costs that are included in the budget. Instead, the resources that would cover these costs Citywide are retained in a policy set aside account in the General Fund and can be requested in the Spring BMP as compensation set aside if the bureau has been fully staffed all year and needs to access those resources to cover personnel costs tied to cost of living expenses.

While BFM does not automatically include these costs in the budget, the projection provides an estimate of what the total bureau costs would be should the bureau be fully staffed and receive COLA. Because COLA increases salary, any benefits associated with salary (such as retirement, etc.,) will also be affected. Other benefits (health) stay the same regardless of salary. The difference between the fully loaded cost with and without COLA will not be exactly the published rate- bureaus should expect to see variances.

20241- NR Merit

Represented classes **do** include merit increases in the 0-Current projection that are based on steps, anniversary dates, and the compensation structure for the bargaining unit.

Non-represented classes **do not** have a merit increase included in the 0-Current projection. Similar to COLA, merit increases affect salary and thus also affect any benefits that are impacted by salary. CBO provides a projection for what the fully loaded cost of positions would be if the non-represented classes received a merit increase on their anniversary dates.

This projection is provided so bureaus can allocate resources during budget development to cover costs associated with no-represented merit increases.

20242- Final COLA

Every year, the City Economist publishes a final estimate for the Cost of Living Adjustments for the next fiscal year. This projection will reflect the final estimate each year.

How does PCF handle Step Increases?

PCF uses job class, grade, step, and anniversary date.

Example: the following information comes directly from SAP

Employee: Grover
 Bargaining Unit: CP
 Grade: SCL0101090
 Step: Y2
 Anniversary Date: 12/16

Since we get the data on each grade/step combination and associated salary, PCF uses that data to produce the projection.

			Number of Months in Each Step (based on Anniversary)			
Grade	Step	Salary	July-Mid Dec	Mid Dec-June	Multiply time by Salary	Divide by 12
SCL0101090	Y2	65291.2	5.5		\$ 359,101.60	
SCL0101090	Y3	68494.4		6.5	\$ 445,213.60	
Total Salary					\$ 804,315.20	\$ 67,026.27

Screenshot from BFM Projected Employee Results~ note the Salary is exactly the same as what is depicted in the table above.

Projected Employee Results

Record Actions: Close Export

Fiscal Year	Benefit Code	Benefit Name	Amount
2020	435_	InMet Tax	\$515.51
2020	6A00B	Admin Fee	\$508.00
2020	6A02B	CityCORE 2-PARTY	\$14,441.00
2020	6A11B	KPNW Dental 2-PARTY	\$1,635.00
2020	6A15B	VSP 2-PARTY	\$78.00
2020	6B08	Basic Life 1x Salary	\$780.00
2020	6L02	LTD Non Rep	\$134.05
2020	6S02	PERS Pension -Tier I General	\$14,651.94
2020	6S05	PERS Pickup 6% Tier I General	\$4,021.58
2020	MI	Medicare	\$971.88
2020	OASDI	Social Security	\$4,155.63
2020	Total Benefits		\$41,892.59
2020	Total Salary		\$67,026.27
2020	Total		\$108,918.85

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Note that for the example above, the employee’s anniversary step date is in mid December. That means that the employee had already achieved their step increase for the current year when CBO uploaded final SAP data in early January

If the employee's anniversary step date is *after* the final upload in early January, BFM will take into consideration the step increase in the current year as well as the step increase for the next fiscal year.

Example:

Employee: Prarie Dawn
 Bargaining Unit: CP
 Grade: SCL0101090
 Step: Y2
 Anniversary Date: 03/26

This employee's anniversary date is in late March. Therefore, BFM will take into consideration the move from Y2 to Y3 in the current year and then from Y3 to Y4 in the following year.

Current FY					
Grade	Step	Salary	Months in each step	Multiply time by Salary	Divide by 12
SCL0101240	Y2	108,368.00	9.00	975,312.00	81,276.00
SCL0101240	Y3	113,755.20	3.00	341,265.60	28,438.80
	Total Salary Current Year			1,316,577.60	109,714.80
Next FY					
			Months in each step	Multiply time by Salary	
SCL0101240	Y3	113,755.20	9.00	1,023,796.80	85,316.40
SCL0101240	Y4	119,475.20	3.00	358,425.60	29,868.80
	Total Salary Next Year			1,382,222.40	115,185.20

Projected Employee Results

Record Actions:

Fiscal Year	Benefit Code	Benefit Name	Amount
2020	435_	TriMet Tax	\$844.00
2020	6A00C	Admin Fee	\$508.00
2020	6A11C	KPNW Dental FAMILY	\$2,452.00
2020	6A12C	KPNW Medical FAMILY	\$22,308.00
2020	6A13C	KPNW Vision FAMILY	\$168.00
2020	6B08	Basic Life 1x Salary	\$780.00
2020	6L02	LTD Non Rep	\$219.00
2020	6S08	OPSRP Pension-General Services	\$17,042.00
2020	6S10	OPSRP Pickup 6% General Servic	\$6,584.00
2020	MI	Medicare	\$1,591.00
2020	OASDI	Social Security	\$6,804.00
2020	Total Benefits		\$59,300.00
2020	Total Salary		\$109,735.00
2020	Total		\$169,035.00

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Projected Employee Results

Record Actions:

Fiscal Year	Benefit Code	Benefit Name	Amount
2021	435_	TriMet Tax	\$892.00
2021	6A00C	Admin Fee	\$508.00
2021	6A11C	KPNW Dental FAMILY	\$2,452.00
2021	6A12C	KPNW Medical FAMILY	\$22,308.00
2021	6A13C	KPNW Vision FAMILY	\$168.00
2021	6B08	Basic Life 1x Salary	\$780.00
2021	6L02	LTD Non Rep	\$230.00
2021	6S08	OPSRP Pension-General Services	\$17,892.00
2021	6S10	OPSRP Pickup 6% General Servic	\$6,912.00
2021	MI	Medicare	\$1,670.00
2021	OASDI	Social Security	\$7,143.00
2021	Total Benefits		\$60,955.00
2021	Total Salary		\$115,207.00
2021	Total		\$176,162.00

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How does PCF handle Top of Range?

BFM uses the compensation structure for represented employees to calculate salary.

BFM uses the value that comes from SAP as a starting point for non-represented salary with no assumed increase on anniversary dates for merit. Salary is capped at top of range for the classification. However, if a user manually enters a budget override value on the employee that exceeds top of range, PCF will use this value. PCF also produces projections for COLA and merit for non-represented employees- both of these projections may calculate a salary that exceeds top of range for non-represented employees.

How does PCF project Vacant Positions?

BFM assumes the lowest entry point for represented positions and assumed a “mid-level” for non-represented positions. As non-represented classifications have bands, mid-range is calculated by taking the average of the bottom and top of range.

What Does PCF Base mean?

PCF base is the projected costs and FTE that are based on data uploaded from SAP **without any changes to position authority**. We call out position authority here because bureaus may allocate employees across different parts of the budget from Fall to January. The allocation changes are then saved, and applied to the data that is uploaded in January. Allocation changes are allowable because they are budget neutral adjustments from an appropriation perspective but alter *where* personnel costs post within a bureau budget.

Current Year Actuals

Current Year Actuals is the projected costs and FTE that are based on data uploaded from SAP **without any changes**. When the budget system is rolled forward, Current Year Actuals becomes the prior year “actual” data. This not a perfect measure of actual FTE and is only representative of a point in time. This should be taken into consideration.

FTE

There are two flavors of FTE. Positions have FTE, and employees have FTE. BFM reflects the positional FTE or authorized FTE. This does not effect the cost projected by PCF.

For FY 22, we developed logic to load the employee FTE into the salary percent field in BFM, which provides (in some cases) a more accurate picture of the estimated cost of that employee during the budget year. In some cases this was helpful for bureaus with large numbers of employees working part time in full time authorized positions because they did not have to go into each employee record and reduce the salary percent for the budget to be representative of the estimated cost.

FTE reflects position FTE versus employee FTE as the official “FTE” because in cases where the employee FTE < position FTE, when bureaus increased the FTE to represent the expected FTE, this looked like a change in FTE when there really wasn’t one. There was only a change in whether or not the full position authority was being utilized.

What Kinds of Changes Can be Made in PCF to Alter Personnel?

All changes made in PCF for the budget development year *only* affect the budget development year, not the current year. Bureaus should not attempt to change current year classifications, positions, FTE, or anything else

within the PCF module. All current year changes to personnel that require budget action are taken in the supplemental budget processes. Please see the [BMP Manual](#) for more information.

Activity	WHERE is this done?	WHAT report do I run to see the change?	WHEN can I do this and WHY?
Allocate employees to different pieces of master data	Employee maintenance allocation tab	Any of the 304 allocation reports	Any time after the Fall personnel load. Changes to allocations are saved and applied again after the final load in early January. The reason this is allowable, is because it does not alter position authority so Council action is not required.
Adding benefits for a new employee	If an employee started in December and has not been with the City a full month, their benefits may not cost correctly. If this is the case, benefits can be updated on the benefits tab. It is very important that if this action is done, the elections are correct	Either the 302 or 304 reports	Any time after the Fall personnel load. The reason this is allowable, is because it does not alter position authority so Council action is not required. Also, the position was already approved and the missing benefits are entirely due to a timing issue, not an authorization issue.
Update and individual employee salary %	Employee maintenance salary tab- For represented employees update Salary %. For non-represented employees only update the Salary Override amount.	Either the 302 or 304 reports	This alters position authority and requires Council action. Changes prior to final load cannot be isolated and therefore are not adequately transparent when adopting the budget.
Update the position FTE	Employee maintenance salary tab- Authorized FTE	Either the 302 or 304 reports, or in the published documents where current year actuals are compared to the budget development year	After the January load. Updating the FTE will update the FTE that appears in the published document. What this means is that if there is a difference from the FTE that was originally loaded, this will look like a change in FTE. Changing FTE DOES NOT alter costs associated with the position or employee.
Add New Positions	In Employee Maintenance or through a decision package	Either the 302 or 304 reports	After the January load. This alters position authority and requires Council action. Changes prior to final load cannot be isolated and

			therefore are not adequately transparent when adopting the budget.
Abolish Positions	In Employee Maintenance <i>or</i> through a decision package	Either the 302 or 304 reports	After the January load. This alters position authority and requires Council action. Changes prior to final load cannot be isolated and therefore are not adequately transparent when adopting the budget.
Update salary or benefit information that is incorrect	Sometimes, an employee starts <i>after</i> the final load done in January. In these cases, the vacant position can be updated with the new employee's specific information if the bureau has it	Either the 302 or 304 reports	After the January load. While this does not require Council authority, it does alter allocation of existing appropriation. Changes prior to final load cannot be isolated and therefore are not adequately transparent when adopting the budget.
Extend a Limited Term Position	On occasion, limited term positions that started in the current fiscal year will need to be extended to the next fiscal year. This can be done in Employee Maintenance on the allocation tab.	Either the 302 or 304 reports	After the January load. While this does not require Council authority, it does alter allocation of existing appropriation. Changes prior to final load cannot be isolated and therefore are not adequately transparent when adopting the budget.
Reclassify positions	Employee maintenance	Either the 302 or 304 reports	While this does not require Council authority, it does alter allocation of existing appropriation. Changes prior to final load cannot be isolated and therefore are not adequately transparent when adopting the budget.

HR Deadlines

Who sets the deadlines?

CBO works with BHR to determine the deadlines. Annually, CBO reaches out to BHR and asks them when they need various actions completed by bureaus for the changes to make in into SAP by the last upload that CBO will do to generate the PCF Base.

Why are the deadlines important?

If bureaus do not meet the HR deadlines, the data uploaded from SAP for the final upload won't accurately reflect the bureau's personnel data. This is especially critical for positions that were adopted for the current fiscal year or in the Fall BMP, and reclassifications that alter compensation.

My changes are not reflected in the Fall load-what do I do?

HR uses the time between the deadlines and the final load to process all the change requests. If you are not seeing a change to employees or positions that was submitted through the outlined process and met deadlines, that is likely because HR is still processing the request and it should be reflected in the January load.

My changes are not reflected in the Final load-what do I do?

After CBO loads personnel data for the final time, bureaus will have a full business day to check for any positions or reclassifications that did not make it into the final load. While a single day may not seem like much time, if all deadlines have been met, there should be few to no changes that were missed. If a change was indeed missed, bureaus must communicate to their CBO analyst and work with the analyst to make the necessary change(s) such that the PCF base column is accurate. After changes to the base column are made (by the CBO analyst), the data is frozen as a "snapshot" and used for the remainder of the budget development process as the starting point for bureaus to develop their budgets. It is in bureau best interest to check this data and complete the work with their CBO analyst quickly because the sooner the data is confirmed, the sooner CBO can stage the budget system forward so bureaus can begin the other personnel changes they have to do as well as enter decision packages.