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FY2023 NEW / CHANGES

- Pension Civilian 501070 rate: 8.44%
- Pension Legacy Civilian 501075 rate: 20.71%

BUDGET POLICY

- *BudPrep* contains the current Health Benefits rates for Health Care, Worker’s Compensation, and Long-Term Disability. The FY2023 rates will be loaded into *BudPrep* when they become available. Departments will be notified of the updates through the Budget Bulletins in *BudPrep*.

- Budget submissions must include hard copy printouts of the Department Description and Mission with Long and Short-Term Goals along with the Department Organization chart. In addition, Business Area Summary, Division Mission and Performance Measures, Division Summary, Business Area Roster Summary, Revenue and Expenditure Commitment Line Item Summary. Further detail is provided in the 1.0 General Budget Information.

BUDPREP INTRODUCTION

- *BudPrep* will be installed from an installer on the network. Website installation package is also available for departments who do not have access to install server on the network.

- *BudPrep* application lets user perform “Calc and Post” for all the forms at the time to print Business Area Submission Package.

- *BudPrep* allows the user to move between funds without exiting and restarting the application.

- An asterisk in the report sub-menu marks reports included in the final budget document.
• The Master Calc Post option under Utilities Menu on main screen will Post and Calc all forms anytime.

• After the budget has been submitted, departments will have read only access.

• To avoid the ‘out of balance due to rounding’ problem, BudPrep requires users to enter whole numbers for revenue and expenditure items. Decimals and cents are not allowed.

• All anticipated merit increases, promotions, etc. are to be accounted for in the Compensation Contingency Line Item #504020, which is a part of Personnel Services.

• Submission Package Print feature is available in BudPrep under “Report” on the main screen, which will generate the Business Area Summary, Cost Center Summary/Group Summary, Performance Measures, FTE Report, Revenue and Expenditure Commitment Item Summary.
• **Read the Budget Preparation Manual!!**
  This manual is a necessary tool and will provide answers to majority of the questions asked by department personnel.

• **Read the Budget Bulletins!!**
  These bulletins provide periodic clarification as well as updates related to the budget process located on the Budget main menu page.

• All reorganization requests must have prior written approval from the Director of Finance. Departments may be required to restate FY2021 Actual, FY2022 Current Budget and Estimate amounts to correspond to the FY2023 cost centers.

• Submissions should be delivered to your assigned analyst in the Financial Planning & Analysis Division of the Finance Department, 611 Walker, 11th Floor by the deadline. Partial submissions will be returned to departments. **The Budget timeline schedule will be distributed under separate communication.**

• Refer to the matrix below to determine supplies and equipment categories:

### FY2023 EQUIPMENT SUMMARY

<table>
<thead>
<tr>
<th>TYPE</th>
<th>EXPECTANCY LIFE</th>
<th>UNIT COST</th>
<th>CAPITALIZED FIXED ASSET</th>
<th>EQUIP. ACQ. ELIGIBLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplies</td>
<td>Less than 1 year</td>
<td>Less than $1,000</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Non-Capital Equipment</td>
<td>Greater than 1 year</td>
<td>$1,000 - $5,000</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Capital Equipment</td>
<td>Greater than 1 year</td>
<td>More than $5,000</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
FREQUENTLY ASKED QUESTIONS

Q. Why do I get an “ERROR I/O 301” message when starting BudPrep?
A. Some of the files in the C:\bprep directory is read-only and BudPrep cannot update them properly. Also make sure only one BudPrep or suds process is running.

Q. Why does my Division Summary report totals not equal my Expenditure totals?
A. Check to see whether cost centers are assigned to the division in “Division Summary” screen. Make sure the cost center rollup is correct, then do Master Calc and Post from main screen->Utility->Master Calc & Post.

Q. How do I change the new budget FTEs on the COST CENTER FTE screen?
A. The new fiscal year FTEs cannot be changed on the Cost Center FTE screen. This can be done in Personnel Detail screen by changing pay period. The system calculates FTEs based on the number of periods. 26.1 periods are counted as 1 FTE.

Q. Why doesn’t the Expenditure Request Detail show all my commitment items?
A. The Expenditure Request Detail is to be used to explain only those objects where the FY2023 Budget amount differs from the FY2022 Estimate amount by 10% or more.

Q. Why doesn’t the Expenditure Request Detail go away when I leave?
A. You are entering too much information into the field. The size of the text box is set to accommodate the total amount of allowed space. If your text begins to scroll, it will not be posted to the database and it will be eliminated when you leave the form. Please pay attention to any notes concerning limits of characters. Different sections may have restrictions.

Q. Why don’t the insurance amounts on the Personnel form post to Expenditures?
A. Nothing on the personnel form will post to expenditures if the employee type field is left blank. Additionally, the insurance amounts will not post if the Pay Period is 0. Make sure all those fields are properly completed.
1.0 GENERAL BUDGET INFORMATION

There will be a change to the presentation of the Departmental Mission, Goals, and Performance Measures in the FY2023 Operating Budget. The purpose of this process is to establish citywide administrative goals and strategies that will internally link to departmental missions and goals that provide measurable service deliverables and divisional objectives. Careful consideration must be given to quantifiable performance measures and the impact of dollar requests on these measures. Performance measures must follow the Mayor’s Priorities. The Finance Department will carefully review the relationship between budget proposals and divisional delivery objectives.

Mayor's Priorities:

- Complete Communities
- Public Safety
- Services and Infrastructure
- Sound Financial Management

Departments should allocate FY2023 budget resources to maintain current service levels. Business Areas may target non-essential cost centers for expenditure reductions or elimination. Any reductions must be thoroughly documented.

Any reductions to basic and critical services that you wish to make must be requested using a form Finance will provide at the time you receive your target letter. Also, all vacancy factors must be reasonable and based on actual past historical trends.

The Finance Department will review in detail each budget submission. As needed, meetings will be held with directors to clarify points regarding funding levels, service delivery, budget guidelines, etc. The Mayor will present the FY2023 Proposed Budget to City Council, after which Council will hold budget workshops. Workshops provide Council Members an opportunity to discuss budgets with department directors and other representatives.

1.1 Guidelines for Defining Cost Centers

Although cost centers may change from one fiscal year to the next, it is important for cost center descriptions and definitions to remain as consistent as
possible from year to year. A cost center is defined as a discrete service or group of related services provided by an organizational unit designed to achieve the organization's goals and objectives.

The following factors need to be considered in defining a cost center:

- The end beneficiary of the cost center, such as:
  - the public at large
  - specific segments of the public, and/or
  - other City departments
- A geographical area or facility
- Type of service provided
- Policy directives or legal mandates requiring a service or function

If possible, cost centers should be stand-alone activities. Any proposed changes in cost center definitions will be reviewed by a Finance budget analyst.

**NOTE:** Although budget information is summarized for presentation purposes, departments must be prepared to provide budget and performance measure information at the lowest cost center levels.

### 1.2 Allocating Funding to Cost Centers

It may be necessary for a department to allocate available funding among various cost centers. Use the following guidelines to allocate funding levels to cost centers for Annual and Monthly Allotments:

- **Direct Allocation** – Direct allocation identifies given items that can be identified as being used exclusively in a specific cost center. This provides the most desirable basis for allocation.
- **Personnel-Related Costs** – Personnel related costs have a direct relationship to the number of personnel involved in a given activity. These costs are allocated to a cost center based upon staffing or personnel service expenditures. Examples are items such as office supplies, operating supplies, overtime, small tools, and telephone costs.
- **Space-Related Costs** – Depending on the character of a given cost center, the amount of space used in an activity can provide a logical basis for the allocation of certain costs. Space rentals, utilities, facilities maintenance, and janitorial services normally fall into this category.
• **Equipment-Related Costs** – In many cost centers, particularly those that are equipment-intensive, a significant portion of costs may be allocated to the units and types of equipment utilized. Fuel, vehicle maintenance, equipment maintenance, equipment rental, and computer supplies are examples of these types of costs.

1.3 **Business Area Reorganization**

Reorganizations are sometimes requested to update the current structure of a department. A written request detailing the necessity and outlining the proposed changes in the current financial and personnel structure should be submitted to Finance Department for approval.

1.4 **Submission Schedule**

The submission schedule will be provided under separate communication.

1.5 **Submission Requirements**

The following requirements apply to all departments:

1. All budget requests must be complete before submitting to the Finance Department. **Incomplete submissions will be returned.**

2. All submissions must include a summary highlighting the department’s budget. The synopsis should be in the form of a memo from the department director to the Finance Director. The narrative should address the following areas:
   - An overview of the cost centers and operations proposed for FY2023.
   - The impact of the proposed budget on cost centers and service levels.
   - Key objectives and priorities for the fiscal year.
   - Significant changes from FY2022 operations and cost centers (note increases or decreases in cost center service levels).
   - Significant changes from FY2022 revenues (include all funds).
   - Any budget issues not addressed in the submission that impact FY2023.

3. All forms in the budget submission should be typed or machine-printed.
4. Submit **three (3)** complete copies of the proposed budget; **two bound** and **one unbound**.

5. The proposed budget should be organized by fund number and cost center number, where applicable, for all operating funds, in the following sequence:
   
   a) Business Area/Fund Mission, Long-Term and Short-Term Goals
   b) Business Area Summary: Business Area Summary and Performance Measures
   c) Division Summary
   d) Business Area Roster Summary
   e) Business Area Revenue Summary
   f) Expenditures Commitment Item Summary
   g) Submissions should be delivered to your assigned Finance budget analyst by the close of business on their due dates.

1.6 Revision Requirements

**Minor Revisions**

Inform the Finance budget analyst assigned to your department of all minor revisions such as transposed numbers, minor math errors, and limited grammatical errors.

**Major Revisions**

Submit **three (3) copies** of all pages that include major budget revisions. **Date all revision pages.**

When revisions are necessary, submit **three (3) copies** of the revision to your Finance budget analyst with a cover memo briefly describing the reasons for the changes.

The flow of FY2023 budget information from data entry to final summarization is as follows:

1. FY2023 personnel costs are entered on the Personnel Detail form. These costs post by cost center to the expenditure form while the FTEs are computed and posted to the cost center level. Both will be shown on the Division Summary form at the division level.
2. Performance measures are entered in the Business Area Summary form and will appear on the Performance Measure report.

3. Total expenditures for a division are taken from the Expenditures form and appear on the printed Division Summary.

4. Revenues, by cost center within business area, are entered on the Revenue form.

5. Department budget highlights are entered on the Business Area Summary form. BudPrep summarizes FY2023 department expenditures automatically on the printed Business Area Summary report.

6. FY2023 Capital Outlay budget amounts are entered on the Expenditure Details form in “Capital Equipment” tab. The totals post to the appropriate budget organization expenditure item.

2.0 THE BUDPREP SOFTWARE PACKAGE

Finance Department will provide the FY2023 version of the budget preparation software package, BudPrep, to each department. The software package allows data entry for the following budget forms:

- Department Mission Statement; Business Area Mission Statement
- Departmental Summary: Business Area Summary
- Performance Measures
- Division Summary: Division Description and Summary
- Cost Center FTE: Cost Center FTEs Summary
- Revenue Detail: Revenue Detail by Cost Center
- Expenditure Detail: Expenditure Detail by Cost Center
- Personnel Detail: Proposed Staffing Level and Salary Calculation
- Fund Summary: Fund Center Summary
- Revenue Request Detail: Explanation of Revenue Detail
- Expenditure Request Detail: Explanation of Expenditure Detail
- Form 3: Revenue and Expenditure Explanation for accounts and difference
- Monthly Budget: Monthly Expenditure/Revenue budget

2.1 Installing BUDPREP

If your computer has BudPrep system from prior year, please ask your desktop support to install new version of Crystal Report Runtime and BudPRep
- Run P:\FIN\MFOR\Crystal_Report\CRRuntime_64bit_13_0_24.msi (or 32bit based on PC’s OS)
- Copy P:\FIN\MFOR\Crystal_Report\Budget.exe ➔ C:\bprep\suds

For those who don’t have BudPrep installed on computer, please perform following steps for the completed package installation. There are two types of packages: one is for PC with 32-bit operation system and the other is for 64. Please ask your IT team to assist if you have security issue during installation.

1. Find out Operating System type for the computer which will run BudPrep:
   1. Right click Computer->Properties
   2. Check the “System type:” in the middle of the properties screen

2. Copy install folder COH_BUDGET from P: (\TC02FSRV01\FIN) to local drive C:
3. Launch the install process based on PC OS type:
   - For 32-bit OS: \FIN\COH_BUDGET\32_bit_OS → C:
   - For 64-bit OS: \FIN\COH_BUDGET\64_bit_OS → C:

4. Press “Next” button in “Welcome to Bud Prep setup wizard” screen.

5. “Select installation Folder” screen, put “C:\” as Folder, then click “Next” button.

6. Click “Next” button in “Confirm Installation” screen. The process takes few minutes. Press “Close” button to close COH BUDGET installer.
7. Install Crystal Report runtime library by clicking the file in **Crystal Reports** folder:

- For 32-bit OS: CrystalReports\CRRuntime_32bit_13_0_24.msi
- For 64-bit OS: CrystalReports\CRRuntime_64bit_13_0_24.msi

8. Select **“Next”** to go License Agreement screen. On License Agreement screen, check **“I Agree”** and **“Next”**. Click **“Close”** button to complete the installation.

9. Create shortcut on desktop: Right click COH_BUDGET shortcut in install folder-> Send To->Desktop
Common Problem

BudPrep does not get updated
1. Check to ensure that SUDS is installed under the C:\bprep\suds directory.

2. Check that all sub directories and files under C:\bprep do not have a read only property.

3. Contact your Finance budget analyst if you have any problems or concerns.

2.2 Starting BUDPREP

Start BudPrep by clicking on the FY2023 Budget icon on your desktop. If you select to run C:\bprep\suds\Budget.exe directly, BudPrep will run but you will not get the benefit of the automatic update, which may result in errors in calculations, and the use of improper forms.

When the login screen appears, enter your department number and password then click on OK or press Enter. Use the same password you used last year. If you would like to change your password, contact Julia Zhou via email.
The Main Menu will appear and you are ready to begin entering data.

There are 5 sub menus in Main Menu screen: Budget; Outcome Base Budget, Report, Utility and Exit.

- The Budget menu presents a list of all the forms you will use to complete your Budget Request.
- OBB: Outcome Based Budget (under construction) allows departments to edit and view services information.
- Report is the place to generate submission package
- The Utility menu includes the master calc/post procedure and the monthly budget function.
- The Exit menu ends the BudPrep session.

To begin preparing your budget request, click on the Fund Number you want to work on from the drop-down list of Fund available to you.

3.0 COMPLETING THE BUDGET FORMS

3.1 Business Area Summary

The Business Area Summary gives a brief overview of all revenue, expenditure, personnel and department budget highlights. This screen includes: Highlights, Performance Measure and Mission Statement.

- **Budget Highlights**: It is for the new budget and the overtime FTEs for the estimate and current year are the only information entered directly on to the Business Area Summary form. Budget highlights should reflect the operational goals that the budget request will accomplish.
Begin each new highlight line with a lower case “o” followed by a space. This text is limited to 1,000 characters.

Pressing the Update button on the screen will update the Overtime FTEs as reported on the personnel form.

Print the Business Area Summary by selecting Report from the menu. This action will automatically post all necessary screens prior to printing to ensure that current budget amounts are reported. The report will appear on screen for you to review. Press the printer icon to send the report to your printer.

- **Performance Measure:** The Mayor is placing renewed emphasis on performance management in the City and has created a quarterly performance report – “Performance Insight” to assist City leaders in better decision making, improve productivity throughout our processes and procedures and increase transparency into the City’s operations. Each month, departments track and submit the progress of budget performance measures to Finance, and the most critical performance indicators (as determined by the Mayor’s Office) are published in the quarterly Performance Insight.
Goal-Setting ("FY2023 Budget"): Performance measures are a way to justify the budget dollars being considered and establish the service-level expectations for the fiscal year. The goal is to report performance measures that relate directly to the Mayor's core objectives and the departments' mission. Goals should be aggressive and logical, taking into account factors such as expected population growth, program changes, human and financial resources, historical trends, etc.

BudPrep will be populated with the performance measures that you send to Finance on a monthly basis by department and by fund. Please consult with Jesse Bounds (832.393.9095) prior to making any changes to existing performance measures (those departments submit to Finance on a monthly basis). We encourage departments to add measures if the measure would help guide management decisions, gauge productivity and/or increase transparency. There are enough lines for 20 measures per fund and measure text boxes allow 100 characters each.

Narratives:
It's important to understand what is being measured to add context, increase transparency and explain nuances or exceptions. We have already described the City's core ("Priority 1") performance indicators for the published Performance Insight report, and we will begin hosting the non-core or operational-level performance measures online in the FY2023. Please update your performance measures with a brief but thorough description of what is being measured in the following syntax:

Measures the (average/rate of/number of) what, where, when, how. Goal: (Increase/Decrease/Maintain) Why.

Example:
311 Average Speed of Answer
Measures the average wait time (in seconds) for a caller to reach a 311-service representative from the time the caller is initially placed in queue. **Goal: Reduce caller wait time.**

Narratives will be available for the public to view online so please edit and be as specific as possible.

- Mission statement and its short and long-term goals should be entered on the Business Area Mission Statement screen.

The text in each section is limited to 1,250 characters. To avoid losing your work, edit the data so it fits into the allocated spaces.

The completed form can be printed by selecting “Reports” from the Menu Bar. The report will be presented on screen. Click the printer icon to send it to your printer.

**NOTE:** Whenever you select the report option on a form that will appear in the final budget book, a pop-up will appear asking for the section and page number. This information is optional. If you do complete the page number, the printed form(s) will start with that number. If you do not enter a page number the report will start with page “0”. This pop-up does NOT appear when printing forms that will not be included in the budget book.

### 3.2 Division Summary

The Division Summary screen is used to combine cost centers with similar objectives into divisions for reporting purposes only. These divisions do not
actually exist in any of the City’s financial systems. Their only function is to present consolidated, more meaningful information in the budget document.

Select **Division Summary** from the Budget submenu.

![Division Summary screenshot](image)

Pick a division from division drop down box Enter Description for the division. The Description text box allows 400 characters. Budgeted FTE and expenditure data is automatically added to the form from the cost centers and expenditure lines and cannot be entered on to the Division Summary.

Departments can change the cost center rollup by clicking the division cell in “Rollup Cost Centers” box. When the division list popup, a new division can be selected to assign to the cost center.

### 3.3 Cost Center FTEs

The Cost Center FTEs reflects the staff activities of a business area by cost center. In this screen, the department will enter the Current and Estimate FTEs in this area.

To access the Cost Center FTEs form, select Budget from the Main Menu, then select Cost Center FTEs from the Budget sub menu.

Choose the cost center you wish to work on from the drop-down box.
Functions:

**Calc Post**: Calculates new budgeted FTEs from personnel details.

**Export**: This button will export FTE data into an Excel file.

**CC Form**: Link to SAP portal for “Cost Fund Center Maintenance Request Form” downloading in “Finance Forms” drop down list:


For any cost center/group name change or setup, please fill up above form and send to Finance Director’s Office for approval.

The data with grey background can’t be edited. FY2023 FTEs are calculated based on personnel detail information. FY2021 Actual FTEs are loaded from SAP YTD FTEs data.

### 3.4 Revenue Items

The Revenue Detail screen contains business area revenue detail by commitment item for each cost center. Only the non-grayed out column can be changed by department:
- FY2021 Actual: SAP FY2021 period 12 data (CAFR). Only can be edited by Finance department.
- FY2022 Adopted: FY2022 adopted budget which is read only.
- FY2022 Current: Current FY2022 budget which is loaded with its adopted budget. This will be refreshed with SAP period10 data to agree with April MFOR when it is available.
- FY2022 Estimate: Current year estimate budget from department. Finance department will adjust the amount to match April MFOR when it is available.
- FY2023 New: New budget request from department.

Totals for the currently viewed cost center and the business area are shown at the bottom of the page. Select the cost center from the drop-down button.

Functions:

- Add Record: Click “Add” button to add a new revenue record to the current Cost Center
  a) Select the commitment item you want to add from the available items in the drop down.
b) Press the “OK” button to add the record. It will be added in proper numerical order.

NOTE: If the item you want to add is not in the drop down, contact Julia Zhou at 832-393-9065.

- Delete a record: Double click the row header of the record. The record will be removed only if all the columns have zero amounts.

- Export: Extract data into an Excel worksheet on your hard drive.

- Data Transfer: Download/Upload Estimate or New Budget data to/from an Excel file.

- Report: Displays revenue details for the department.

NOTE: When entering revenue or expenditure data into BudPrep, be sure to enter the amount as an integer. If you attempt to enter a decimal (.) and cents, BudPrep will display an error message and block the edit.
3.5 Expenditure Items

The Expenditure Item form contains business area expenditure details by commitment item for each cost center. Select the cost center you want to work on from the drop-down. There are 4 tabs in the screen:

1. “Exp Summary”:
   Only Estimate Budget can be entered on this screen. New fiscal year budget come from other three tabs.
   - FY2021 Actual: SAP FY2021 period 12 data (CAFR). Only can be edited by Finance department.
   - FY2022 Current: Current FY2022 budget which is loaded with its adopted budget. This will be refreshed by SAP period10 data to agree with April MFOR when it is available.
   - FY2022 Estimate: Current year estimate budget from department. Finance department will adjust the amount to match April MFOR when it is available.
   - FY2023 New: New budget request from department.

Functions:

- Add Record: Click “Add” button to add a new line item to the current cost center
- Delete a record: Double click the row header of the record. The record will be removed only if all the columns have zero amounts.

- Export: Extract data into an Excel worksheet on your hard drive.

- Data Transfer: Download/Upload Estimate, or OA data to/from an Excel file.

- Report: Display cost center details, capital equipment list and business area/division expenditure summary.

- Calc. Post: Calculate salaries, overtime and fringe benefit amount from Personnel form.

Since some accounts are calc items, such as base Salary Base Pay, FICA, etc., BudPrep will run calc and post procedure after the data is imported from Excel to ensure the data correction.

2. “Personnel Service”: All personnel related budget will be captured on this screen. The system auto calculation accounts are grayed out.

3. Exp / OA”, Outline Agreement tab is the place for department to fill up contract information which includes following data.

- **Account:** GL number which is not personnel service or capital equipment
- **OA#:** Outline Agreement No. with expiry date later than: 07/01/2016.
- **Type:** Goods(G) or Services(S)
- **QTY:** quantity of the goods or times of the services
- **Unit Price:** price for each unit or service
- **Notes:** Additional information needs to be added
Functions:

**Init OA:** Populate OA for each line item for all cost centers. If answer “Yes”, system will overwrite all current OA data. Please be careful when using this feature. Better use it at the beginning of budget process.

**Search OA:** If only know part of the contract name, use this feature to bring all OAs information for the search result:
Add button: insert a new line in the form with default value:

OA#: 4600000398
Type: G (Goods)
QTY: 1
Unit Price: 0

Delete Record: Double click the row header to remove unwanted item

Edit:

Account: Click the cell, a dropdown list will pop up for available accounts
QA#: A drop-down list which contains all eligible contracts
Type: Only G (Goods) or S (services) will be accepted, otherwise “G” will be placed and a message will be displayed
QTY: Number of the Goods or the times of the services
Unit Price: Cost for each goods or services
Notes: Additional notes if have any
4. “Capital Equipment” Contain cost details for capital equipment account: The Capital Equipment Form used to budget all proposed qualifying capital equipment purchases out of the Operating Fund. The following definitions apply to all fund centers:

**Definitions:**

**EQUIPMENT** - A tangible item with an expected useful life of more than one year and having a unit cost equal to or greater than $1,000. Equipment can be either Capital or Non-Capital but cannot be a repair part.

**CAPITAL EQUIPMENT** - A tangible item with an expected useful life greater than one year and a unit cost greater than $5,000. Items meeting this definition **must** be budgeted and purchased from the 560 appropriations.

**NON-CAPITAL EQUIPMENT** - A tangible item with an expected useful life greater than one year and a unit cost of $5,000 or less, but equal to or greater than $1,000. Items meeting this definition **must** be budgeted and purchased from the 550 appropriations.

**EXCEPTION TO MINIMUM COST** - All computers and related peripherals are considered non-capital equipment and must be purchased from the 550 appropriation, if they have a useful life greater than one year and cost $5,000 or less.

**SUPPLY ITEM** - A tangible item with an expected useful life of less than one year with a unit cost less than $1,000; or a repair part of any value. Items meeting this definition **must** be purchased from the 510 appropriations.

**REPAIR PART** - A tangible item installed in another tangible item to restore operating capacity. A repair part does not increase the life expectancy of equipment or improve its capacity. A repair part regardless of cost is classified as a supply item. Items meeting this definition **must** be purchased from the 510 appropriations.
BETTERMENT - A tangible item used to increase the performance and add to the life expectancy of another tangible item. Betterment may be classified as either equipment or supply, depending on the original item and the betterment together, meeting the life expectancy and unit cost tests.

ASSET SYSTEM - Multiple property sub-units, which function together as a single unit. An asset system may be classified as either equipment or supply, depending on the entire asset system unit meeting the life expectancy and unit cost tests.

GROUP ASSET - Multiple property sub-units of like items such as stacking chairs. A group asset may be classified as either equipment or supply, depending on the entire group asset meeting the life expectancy and unit cost tests.

COMPONENT ASSET - Individual fixed assets, which can function independently, but are related to/associated with a larger property unit for management or control purposes. A component asset may be classified as either equipment or supply, depending on the individual components meeting the life expectancy and unit cost tests.

Refer to the FY2023 Equipment Summary Matrix on page iv for additional guidance.

Capital Equipment screen is the place to enter the details for the request.

Functions:

- Add Record: Click “Add” button to add record with following default value in the screen:
  - Acct: 551010
To change those default settings, just point to the record and edit the value. For account change, click the account cell and select desired account from drop down list.

Likewise, the form requires you to enter a rating in the "Priority" field. This should represent the Priority at the Department level, NOT the individual cost center level.

Each equipment item requested on the Capital Equipment form must include information identifying it as a new added (A) item or a replacement(R) item. Replacement items must include the Fixed Asset Identification Number (City of Houston Asset Tag Number) of the asset to be replaced.

Select the appropriate commitment item from the drop-down list of available items. You cannot type the number in. If the item you want to use is a valid number and not in the list, contact Julia Zhou for assistance. BudPrep will supply the commitment item name for you.

If the item is rolling stock (Account: 560220), a drop-down list of descriptions will appear while clicking the “Rolling Stock” cell, Select the appropriate description for the item for additional info. You may change the quantity and system will re-compute the “Total Cost”, which is the amount that will be transferred to the expenditure form.
• Delete Record: Double click the row header of the record, and press “Yes” to confirm.
• Export Cap. Equip: Export capital equipment detail to Excel file.

NOTE: Equipment items that are proposed to be purchased through the Equipment Acquisition Program for General Fund departments will not be included as part of the department's FY2023 operating budget and do not post to any budget forms. However, they MUST be entered on the Capital Equipment screen.

3.6 Personnel

The Personnel Form contains a record for every active employee in the payroll system at the time BudPrep is distributed to the departments.

To protect the personnel data sensitivity, Personnel Details screen is password protected. Each department needs to send an authorized users list to the Finance Department for password assignment.

The Fringe Benefits box at the button of the screen list the information which is calculated by system and is not editable.
Functions:

- **Edit the employee's info:** Fund, Cost Center
  
  - **Fund:** Budget fund number
  - **Cost Center:** Budget cost center
  - **Emp Name:** Employee Name
  - **Emp Type:** Employee Type
  - **Job Code:** Employee Job Class and Description
  - **Ins Code:** Insurance coverage
  - **Pay Period:** Number of pay periods the employee is budgeted for
  - **Base Pay:** Employee’s base salary for each pay period
  - **Longevity:** Longevity pay for each pay period
  - **Position:** Position number. For new added employee, BudPrep uses Emp ID as its temporary Position Number
  - **Description:** Position description

- **Delete a record by double click the record header**

- **Search the person in department by EMP ID or Name.** When you only enter the first part of the employee’s name or Emp ID, the system will bring back a list of records which matches search criteria. You can jump the personnel details screen for the employee by clicking one of the result records. If clicked record has a different fund number with the one you are currently working on, please go back to the main screen to change the fund number first.

- **Calc & Post:** Kick out Master Calc & Post for the department

- **Move records inside department:** By changing fund and/or cost center, the record can be moved from fund/cost center to another fund/cost center inside the department.
Add Record: “Add” button will let user to add records based on the type of select. If a New position, Seasonal position or Cadet is selected, only one record will be added in the current cost center. Otherwise the selected non-personnel record will be added to each cost center, such as Overtime, Vacancy Factor, Bilingual Pay, etc. Those records will be assigned default value:

- Insurance: NA
- Pay Period: 1

Under Utility menu, following functions are available:

- Add multiple positions to the current cost center:

User can add multiple New, Seasonal and Cadet Positions. This option will prompt user for:
  - **Number of Position(s):** the total number of records will be added
  - **Emp ID to be Modeled After:** this employee’s basic information will be used to populate for new records, such as fund, cost center, base pay,
job code, number of pay periods and insurance. If system can't find the employee ID for the model, default value will be used:

- **Fund**: current fund number
- **Cost Center**: current cost center
- **Type**: CI - Civilian
- **Job Code**: 0000 – Temp Job Code
- **Base Pay**: 0
- **Insurance**: NA
- **Pay Period**: 26.1

Export the personnel detail or roster information to an Excel file on your local drive or network.

Use the Reports menu to print information for:

- **Personnel Detail**: list personnel information for all business areas, Current division or current cost center.
- **Roster**: report the Business Area roster data for each Cost Center or Division.
- **New Position/Seasonal Position**: detail budgeted data for business area.

### 3.7 Fund Center Summary
The Fund Center Summary Form is used by Non-General Fund business area only.

Different funds may have different way to categorize their revenues and expenditures. Most of those categories are updated automatically by totaling the expenditures entered on the revenue and expenditure screen. Only few of them and following items need be input from screen:

- Restricted Beginning Fund Balance
- Beginning Fund Balance

The ending fund balance is calculated and carried forward to the beginning fund balance of next year.

Functions:

- Calculate: Refresh the number from the expenditure and revenue side and re-calc the total on the
- Narrative: Bring the narrative screen up for reviewing or editing.
3.8 Revenue Request Detail

The Revenue Request Detail form presents all revenue items in the department by commitment item and by Cost Center that have a new budget amount more than $5,000 (default). To change the default setting, Filter-> Enter the variance between the new budget and the current year estimate.

Pick a cost center from the drop-down button, and then make a selection from the commitment item drop down box. Update the information regarding the estimated units of service and revenue generated per unit of service for each commitment item. Also, explain the assumptions concerning changes in units of service, rate per unit and other fluctuations in revenue generation. Finally, answer “Y” or “N” as to whether costs pertaining to this item is fully recovered by the fees.

Functions:

- **Filter**: Reset the filter based on department need (Submission package’s filter is $5,000).

- **Report**: Display all revenues request detail for business area.
3.9 Expenditure Request Detail

The Expenditure Request Detail form presents all expenditure items at:

- **Cost Center Level**: When the variance for budget vs estimate is over 5,000 and 10%

- **Business Area**: When the variance between budget and the estimate is over $10,000 and 3%.

The variance filter can be changed at cost center level only: Filter->Enter the amount and rate.

Report menu will let user print request for business area or for each cost center.
3.10 Form3

Forms are the place to hold supplementary information about accounts and explanation for budget vs. estimates variance. Those notes can also be imported and exported from/to Excel files. By clicking the tab on the screen, user can switch between revenue and expenditure.

4.0 UTILITY

Utility menu item on BudPrep main screen have following functions:

- Master Calc & Post
- Submission Package Preview
- Fringe Benefits Rate
- Monthly Budget
- Prior Year Adopted Position

4.1 Master Calc & Post
These tools will calculate FTEs and personnel cost and rollup the data to high organization level: cost center, division, fund center and department.

4.2 Monthly Budget

FY2023 adopted budget will be loaded into SAP in monthly budget format. BudPrep provides a template for annual budget split:

BudPrep initializes the monthly budget in the following way:

0 ==> Period1, Period2 ... Period11
FY2023 New Budget ==> Period 12.

In the template, users can only change Period 1 thru Period 11 data. Period 12 data is calculated by BudPrep formula:

FY2023 Budget - sum of Periods 1...Period 11.

The 12th period budget will be automatically adjusted to balance Periods 1...Period 11. If there are changes made for FY2023 Budget in the budget preparation procedure, the Period 12 data will also get recalculated.
Functions are available on Monthly Budget screen:

1. Click the tab to switch work between expenditure and revenue monthly budget.

2. Budget Split: User can split the annual budget either for current cost center or for whole department. The system allocate the budget in the following ways:
   - Expenditure: Based on number of the day in each period
   - Revenue: Evenly distribute budget into 12 periods. Any remainder will be added to last period number.

4.3 Submission Package Print

This function provides a quick way to print all reports which are need for the department submission package:

- Business Area Mission Statement
- Business Area Summary
- Business Area Performance Measure
- Division Summary
- Expenditure Summary
- Fund Center Summary
- Revenue Detail
- Roster Report
- Revenue Request Detail
- Expenditure Request Detail
4.4 Fringe Benefits Rate

User can use this report to view current fringe benefits rate setup in BudPrep:

<table>
<thead>
<tr>
<th>Insurance Plan Code</th>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDC</td>
<td>CON.DRIVEN - Emp &amp; Child</td>
<td>498.69</td>
</tr>
<tr>
<td>CDSS</td>
<td>CON.DRIVEN - Emp (S) &amp; Child</td>
<td>396.19</td>
</tr>
<tr>
<td>CDE</td>
<td>CON.DRIVEN - Emp Only</td>
<td>229.83</td>
</tr>
<tr>
<td>CDSS</td>
<td>CON.DRIVEN - Emp (S)</td>
<td>218.13</td>
</tr>
<tr>
<td>CDF</td>
<td>CON.DRIVEN - Emp &amp; Family</td>
<td>737.35</td>
</tr>
<tr>
<td>CDFS</td>
<td>CON.DRIVEN - Emp (S) &amp; Family</td>
<td>724.96</td>
</tr>
<tr>
<td>CDSS</td>
<td>CON.DRIVEN - Emp (S) &amp; Spouse</td>
<td>677.97</td>
</tr>
<tr>
<td>CDSS</td>
<td>CON.DRIVEN - Emp (S) &amp; Spouse</td>
<td>474.57</td>
</tr>
<tr>
<td>KCC</td>
<td>KELSEY.CARE - Emp &amp; Child</td>
<td>496.04</td>
</tr>
<tr>
<td>KCCS</td>
<td>KELSEY.CARE - Emp (S) &amp; Child</td>
<td>292.54</td>
</tr>
<tr>
<td>KCE</td>
<td>KELSEY.CARE - Emp Only</td>
<td>233.94</td>
</tr>
<tr>
<td>KCES</td>
<td>KELSEY.CARE - Emp (S) Only</td>
<td>221.14</td>
</tr>
<tr>
<td>KCF</td>
<td>KELSEY.CARE - Emp &amp; Family</td>
<td>727.38</td>
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<tr>
<td>KCF8</td>
<td>KILLSBY.CARE - Emp (S) &amp; Family</td>
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<tr>
<td>KC8</td>
<td>KELSEY.CARE - Emp &amp; Spouse</td>
<td>479.73</td>
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<tr>
<td>KS</td>
<td>KELSEY.CARE - Emp (S) &amp; Spouse</td>
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</tr>
<tr>
<td>NA</td>
<td>No Insurance</td>
<td>0.00</td>
</tr>
</tbody>
</table>

4.5 Prior Year Adopted Position

Departments and analysts can use these tools to review and approve new positions for Position Budget Control workflow process. The information can be printed and exported if needed.

Notes: any update for the position
5.0 YEAR END CLOSING: Encumbrances and Accruals

For transactions to post smoothly in the new fiscal year, all necessary accruals and adjusting entries should be entered and processed prior to the Period 13 close. Departments must ensure that a cost center exists in FY2022 and will exist in FY2023 for all carry over items such as furniture, equipment and telephone costs.

There are two types of carry over transactions – encumbrances and accruals.

Encumbrances automatically carry over to the new fiscal year, unless the department specifically requests that they be cancelled as part of the Controller’s year-end closing procedures. The funds that these supplies and services were encumbered against in FY2022 do not automatically carry over to the new fiscal year. Therefore, in order to keep items from suspending and to allow vendors to be paid on time, all carry over transactions must be funded in the FY2023 Budget. This means that the cost centers must be present in the new fiscal year. All carry over items should be reflected in a corresponding decrease in the FY2022 expenditures estimate in the budget submission as well as in the monthly departmental projections.

Accruals will occur when supplies and services are received before the end of FY2022, but the invoice will not be received in time to make payment in FY2022. Accruals are expenditures in the year of receipt (FY2022) and are treated as credits to the new fiscal year budget (FY2023) until the invoice is paid. The net effect to the FY2023 Budget is zero.

NOTE: As in past years, encumbrances that remain open on June 30, 2021 will be carried over and re-encumbered against FY2023 appropriations. However, the FY2022 funds against which these items or services were encumbered will not carry over to FY2023 and must therefore be included in the FY2023 Budget.

Year-End specific details for Encumbrance and Year-End processing will be provided by the Controller’s Office with support from the ERP Team.
6.0 FORMS NOT INCLUDED IN BUDPREP

- Project and Budget Justification (PBJ) form was sent via email. Please contact Nikki' Clayton at 3-9113 for any PBJ related questions.