



SABR Coordinator's Meeting

2017-2019 Budget Process Presentation
April 28, 2016

Veterans' Building Auditorium
8:30am - 11:00am

Agenda



Welcome & Introductions

- Sandy Ridderbusch

PICS Start-up / Current Service Level (CSL)

- Patrick Sevigny

ORBITS Essential Pkgs, CSL, Revenue Forecasts

- Michele Nichols

PICS & ORBITS Agency Request Budget (ARB)

- April Carpenter

Helpful Hints & Other Useful Information

- Michele Nichols

~~Intermittent coordinator questions for the Budget Guru – Brian DeForest~~

Position Information Control System (PICS)



<u>ORBITS Acct #</u>	<u>OPE Factor</u>	<u>2015-17 @ LAB</u>	<u>2017-19 @ FRZ</u>
3210	ERB	\$1.92 / per month	\$2.45 / per month
3220	PERS: Judges	22.05%	25.56%
3220	PERS*: agencies w/o significant Police & Fire : SEIU repr w/o significant agency P&F	15.79%	19.62% 13.62%
3220	PERS*: agencies with significant Police & Fire		
	- Corrections	19.53%	24.52%
	- DPSST	18.72%	23.84%
	- Forestry	18.11%	22.35%
	- Forestry / SEIU		16.35%
	- OLCC	17.00%	21.30%
	- OSP	18.67%	23.45%
	- OYA	19.23%	24.11%
	- OYA / SEIU		18.11%
3221	PENSION BOND CONTRIBUTION **	Provided by CFO	Provided by CFO
3230	SOCIAL SECURITY (FICA)	7.65%	7.65%
3250	WORKERS' COMP ASSESSMENTS (WBF)	\$2.86 / per month	\$2.86 / per month
3260	MASS TRANSIT TAX (MT)**	.006 = .6%	.006 = .6%
3270	FLEX BENEFITS (PEBB Core)	\$1,272 / per month	\$1,389 / per month

*Rates blended for budget purposes only. Agencies pay actual rates based on individual employee status.

** Manually calculated for agency budget purposes. Agencies pay actual based on wages paid.

PICS Presentation Topics:

➤ 2017-19 Freeze

- Process & File Creation
- Budget & Position Factors
- Inclusions / Exclusions

➤ PICS Start-Up

- Timeframe
- Allowable Changes

PICS File Overview

PICS contains two database files: LA & BP

- ❖ The Legislatively Approved (LA) file contains data pertaining to the current biennium
- ❖ The Budget Prep (BP) file contains data pertaining to the next budget preparation cycle (future biennium)
 - After the legislative process in odd numbered years is completed the BP file will roll to the current LA file (as part of the PICS Roll process)
 - In April of even numbered years, the LA file is copied over to the BP file as part of the freeze process

The “PICS Freeze”

One of the first steps in preparing the new biennium’s Budget Prep file begins with a new Budget Compensation Plan.

- Each biennium the DAS Chief Human Resource Office (CHRO) creates a new Compensation Plan in the PPDB (HR) system to reflect collective bargaining and other policy changes related to salaries.
- SABRS uses that comp plan to update the PICS budget comp plan tables that we use during the Freeze process.
- ❖ Note: Before any changes are made to the Budget Comp Plan, they must have legislative approval either from regular session, the February session or a special session.

“Freeze” Compensation Elements

General Budget Prep compensation package elements used for 2017-19 PICS Freeze include:

- Vacant positions frozen at Step 2 of BP Comp Plan
- SEIU-represented 6.95% salary increase effective November 1, 2016
- 2.75% COLA effective December 1, 2016 for most bargaining units and unrepresented (including management service pending TOMP determination)
- Merit (Step) increase projections through 2015-17 into FY18
- Other selective salary changes due to bargaining or non-Executive Branch agency changes (e.g. OSP Sergeants, Judicial Branch, etc.)

The PICS Freeze Process

PICS Freeze for 2017-19 ran on April 18, 2016

- ❖ *The Freeze process takes PICS position records in the current (2015-17) PICS Budget Execution file and copies them into the 2017-19 PICS Budget Preparation (BP) file.*
 - Permanent, full-time, phased-in positions were increased to 24 months
 - Vacant positions are assigned a salary rate equal to the second step
 - Limited duration and permanent positions that are to be “phased-out” in the current biennium are dropped and not carried forward to 2017-19
 - Part-time and seasonal positions carry forward the same number of months as they have in the current biennium

The PICS Freeze Process continues...

- On double-filled positions, the highest paid employee salary rate on that position number is used
- Unfunded positions remain unfunded, i.e. the budgeted rate is zero
- ❖ *Incumbent's rate not within the position classification range??*
 - If incumbent's rate is lower (underfill) the lowest salary rate of the classification is used (Step 1)
 - If incumbent's rate is higher (overfill / red-circled) the maximum rate of the classification is used
 - If incumbent's rate is between two rates (off-step) the next lower classification rate is used (between Step 7 & 8 = Step 7 rate used)

The PICS Freeze - Reports

Freeze data reports for review and Start-Up actions documentation:

SABR Web Services

[ORBITS Login page](#) [PICS Web Reports](#) [Quarterly Web Report](#)

<https://columbia.das.state.or.us:3045/cics/pw55/ppdpw055>

PPDB PROD AGENCY E-REPORTS MAIN MENU

Please select the agency and report you wish to view and click on the 'submit button'

Agency: ▼

- PPDB Employee Reports
- PPDB PA Generated Turnaround
- PPDB Position Change (PC'S)
- PPDB Position Reports
- PPDB Vacancy Reports
- PICS BSD Reports
- PICS Budget Exec Reports
- PICS Budget Prep Reports
- PICS Security Reports
- PICS Freeze Reports

- PICS Budget Prep Reports
 - [10700 BUDGET PREP: BASE-PKG FISCAL IMPACT REPORT - OPE](#)
 - [10700 BUDGET PREP: PICSOPE-02- SUM BY DCR & PKG POS NO](#)
 - [10700 BUDGET PREP: PPDBORBDDET - DETAIL LIST BY POSITION](#)
 - [10700 BUDGET PREP: PPDBSUMXRF - DETAIL LIST BY SCR](#)
 - [10700 BUDGET PREP: PPDPEDEXRF - DETAIL LIST BY DCR](#)
 - [10700 BUDGET PREP: TEXT-PPDBORBDDET DETAIL BY POSITION](#)

- PICS Freeze Reports
 - [10700 FREEZE AGENCY - BY AGENCY AND FILE TYPE](#)
 - [10700 FREEZE AGENCY - DROPPED BY AGENCY AND FILE TYPE](#)

PICS 2017-19 Start-Up

- PICS two-week Start-Up opened April 22nd for agencies.
- Start-Up transmittals must be received prior to close of business May 9th.
- PICS changes are made on the "BP" file using the "PBPB" entry screen.
- Changes made during Start-Up update the PICS Base Personal Services values in the ARB base column on ORBITS at the DCR level (A01 version).
- Data loaded to ORBITS include salaries/wages, PICS-generated OPE, and position/FTE counts. Non-PICS personal services items are not included.
- ❖ ***Agencies need to submit a Start-Up Audit transmittal regardless of whether or not any changes are performed on PICS during Start-Up.***

2017-19 PICS Start-Up continued...

Allowable Changes During Start-Up:

- DCR changes that are within the same SCR
- DCR changes that cross SCRs must have prior CFO Analyst approval
- Adjustments to seasonal position budget rates
- Changes to permanent part-time phased-in positions

PICS screens will be locked down by close of business May 9, 2016

- ❖ SABRS staff will audit all changes and obtain CFO analyst review and approval before data is loaded to ORBITS.
- ❖ Once all Start-Up audits are completed PICS will be unlocked.

2017-19 PICS CSL Process

After the PICS Start-Up Audit transmittals has been received and validated by SABRS agencies can begin the 2017-2019 Current Service Level (CSL) budget build process.

- ❖ *PICS Current Service Level adjusting entries are limited to the following packages:*
 - 021 – Phased in Programs / positions
 - 022 – Phased out Programs / positions
 - 040 – Mandated Caseloads / requires CFO Analyst approval
 - 050 – Fund Shifts
 - 060 – Technical Adjustments

2017-19 ORBITS CSL & Essential Packages



ORBITS Presentation Topics:

- ❖ Base Budget Column
 - ▶ What is it
 - ▶ What can I do
 - ▶ Re-Spin of Non-PICS accounts
- ❖ Essential Packages Column
 - ▶ What are they
 - ▶ How can I use them
- ❖ ORBITS Reports – Audit & Reconcile
- ❖ Revenue Projections

Base Budget Column

- ❖ Changes during PICS Start-Up will affect the Base budget column
- ❖ The 2017-19 Base Budget column (A01 version) was populated for the accounts below from the same account level data in the Bien 2017 M01 version, 2015-17 Leg Approved Budget (LAB):
 - ▶ Revenue accounts excluding beginning balances
 - ▶ Non-PICS expenditure accounts (excluding payroll-related accounts)
 - ▶ Services & Supplies
 - ▶ Capital Outlay
 - ▶ Special Payments
 - ▶ Debt Service
 - ▶ Capital Construction

Base Budget Column...

- ▶ It is the agency's discretion if they want to re-shuffle expenditure accounts. The changes can **not** cross budget categories, must net to zero overall, and excludes this list of accounts:



- ▶ PICS-driven accounts (salaries, PERS, etc.)
- ▶ Acct 3221 – Pension Bond Contribution
- ▶ Acct 3260 – Mass Transit Tax
- ▶ Acct 3455 – Vacancy Savings
- ▶ Acct 4225 – State Govt. Service Charges
- ▶ Acct 4300 – Professional Services
- ▶ Acct 4315 – IT Professional Services
- ▶ Acct 4325 – Attorney General
- ▶ Acct 4425 – Facilities Rental and Taxes

Base Budget Column...



❖ Re-spin of Non-PICS Accounts

- Allowable accounts
 - ▶ acct 3160 – Temps
 - ▶ acct 3170 – Overtime
 - ▶ accts 3180 & 3190 – Shift & Other Differentials
 - ▶ acct 3240 – Unemployment

❖ Audit requirement

- The re-spin calculations must include the appropriate 2017-19 OPE values on ORBITS and balance by SCR/appropriated fund types
 - ▶ *Please refer to the “example” on next page*

Base Budget Column...

2015 – 17 LAB vs. 2017-19 Base – Non-PICS Accounts Re-Spin

	"OUT-OF-BALANCE SCENARIO"			"IN-BALANCE SCENARIO"		
	Other Funds 2017-19			Other Funds 2017-19		
	2015-17 LAB	Base	Difference	2015-17 LAB	Base	Difference
Temps	50,150	48,100	(2,050)	50,150	47,692	(2,458)
OT	9,575	10,225	650	9,575	10,225	650
Shift Diff.	1,000	4,025	3,025	1,000	4,025	3,025
Other Diff.	2,030	900	(1,130)	2,030	900	(1,130)
S&W	62,755	63,250	495	62,755	62,842	87
PERS	1,990	2,393	403	1,990	2,392	402
FICA (SS & Medr)	4,801	4,839	38	4,801	4,807	6
OPE	6,791	7,232	441	6,791	7,199	408
Unemployment	15,250	14,755	(495)	15,250	14,755	(495)
Total	84,796	85,237	441	84,796	84,796	-

Notes: LAB = Legislatively Approved Budget.
Use the appropriate PERS rate for your agency.

Essential Packages

▶ Where to start...

❖ Versions

- ▶ A-01 Agency working (DCR level)
- ▶ S-01 Pre-audit (SCR level only)

❖ Screens

- ▶ Data entry window (base budget column)
- ▶ Package data entry window

Packages:

- ▶ 010 – Non-PICS Personal Services
- ▶ 021/022 – Phase-In / Phase-Out
- ▶ 031 – State Govt Service Charges / Standard Inflation
- ▶ 032 – Non-Standard Inflation (above standard)
- ▶ 033 – Exception Committee Approved (above Analyst)
- ▶ 040 – Mandated Caseloads
- ▶ 050 – Fund Shifts
- ▶ 060 – Technical Adjustments

Essential Packages...

❖ Package 010: Non-PICS Personal Services

➤ Calculated based on standard inflation of 3.7%

- Temporary wages (acct 3160)
- Overtime (acct 3170)
- Shift Differentials (acct 3180)
- Other Differentials (acct 3190)
- Unemployment (acct 3240)

➤ Calculated differences between the control value and base budget amount:

- Pension Bond Contribution aka POB (acct 3221) *calc example:*

Account	Appropriated Fund Type	2017-19 Base Budget	2017-19 POB	Package 010 Entry
Pension Obligation Bond	3100 - OF	\$10,150	\$11,500	\$1,350

- Vacancy Savings (acct 3455)
- Mass Transit Tax (acct 3260) *see calc next slide*

Mass Transit Tax Calculation

▶ Sample report from 2015-17 Biennium

- Once data is populated in package 010, use ANA104A – Mass Transit Audit Report to verify the budgeted amount for Mass Transit Tax
- If over, then adjust the amounts in package 010 accordingly

ANA104A - Mass Transit Audit Report					
2015-17 Biennium					A - 01 - Agency Working
10700 Administrative Svcs, Dept of					10700-000-00-00-00000
<i>Description</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Total Funds</i>
Class/Unclass Sal. and Per Diem - Base					
3110 Class/Unclass Sal. and Per Diem	159,344	-	102,447,744	-	102,607,088
3160 Temporary Appointments	-	-	791,850	-	791,850
3170 Overtime Payments	-	-	218,083	-	218,083
3180 Shift Differential	-	-	355,675	-	355,675
3190 All Other Differential	-	-	897,848	-	897,848
Class/Unclass Sal. and Per Diem - Base	\$159,344	-	\$104,711,200	-	\$104,870,544
Package 010					
3160 Temporary Appointments	-	-	23,758	-	23,758
3170 Overtime Payments	-	-	6,543	-	6,543
3180 Shift Differential	-	-	10,672	-	10,672
3190 All Other Differential	-	-	26,936	-	26,936
Package 010	-	-	\$67,909	-	\$67,909
Total Class/Unclass Sal. and Per Diem	\$159,344	-	\$104,779,109	-	\$104,938,453
Mass Transit Rate	0.006	0.006	0.006		
Maximum Mass Transit	\$956	-	\$628,672	-	\$629,628
3260 Mass Transit Tax	1,166	-	624,753	-	625,919
Maximum Package 010 Entry	(\$210)	-	\$3,919	-	\$3,709
3260 Mass Transit Tax - Package 010 & 022	(210)	-	3,919	-	3,709
Under/(Over)Maximum Value	-	-	-	-	-

Essential Packages...

- ❖ Package 021 / 022: Phase-In's, Phase-Out's
 - Used to add/remove funding, expenditure limitation and program costs that were approved as “one-time” or for only a portion of the biennium
 - *Audit Tip: Package 031- Before running inflation calcs, pkg 022 phase-out values must be subtracted from the Base Budget values.*

- ❖ Package 031: Standard Inflation
 - Most S&S, Capital Outlay and Special Payments accts inflated @ 3.7%
 - Professional Services (accts 4300 & 4315) inflated @ 4.1%
 - Attorney General (acct 4325) inflated up to 13.14%
 - Uniform Rent (DAS-owned) inflated at 6.9%
 - Non-uniform rent inflation rate determined through CFO Analyst based on agency documentation
 - State Govt Service Charges

Essential Packages – Inflation Calculation

- ❖ The inflation calculation is done on packages 010 & 031 for inclusion of standard inflation factors in addition to what was included on the Base Budget that was loaded from the PICS Freeze process
- ❖ Package 022 Phased-Out values must be subtracted prior to running the inflation calculation process
 - In 2014, SABRS piloted a process to “auto-calculate” and load the package 010 & 031 standard inflation factors. We are making this automated process available to all agencies this year.

When you are ready to process your inflation factors, send a request to Orbits.Help@Oregon.gov if you would like SABRS to auto-calc this for you.

Essential Packages...

- ❖ Package 032: Above Standard Inflation with CFO Analyst Approval
 - Medical inflation – maximum inflation @ 4.1%
 - ▶ 0.4% calculated inflation is recorded in this package
 - ▶ *3.7% calculated inflation to be recorded in package 031*
 - Non-state employee personnel costs (contract providers) as applied to Special Payments maximum inflation @ 4.1%
 - ▶ 0.4% calculated inflation is recorded in this package
 - ▶ *3.7% calculated inflation to be recorded in package 031*
 - Usage-based costs such as motor pool & printing services
 - ▶ Marginal inflation above the 3.7% is recorded in this package
- ❖ Package 033: Above Standard Inflation with Exception Committee Approval
 - Amounts above Standard with documented exception request

Essential Packages...

- ❖ Package 040: Mandated Caseloads
 - Refer to the eligible agencies/programs listed on pages 30 and 31 of the 2017-19 Budget & Legislative Concepts instructions
 - Must request establishment of this package through your assigned CFO Analyst before it is available for use in ORBITS or PICS

- ❖ Package 050: Fund Shifts
 - Used to change fund type on expenditures and/or restore original funding source of a one-time change approved in the past
 - Change must be net-zero at the Total Funds level
 - Your CFO Analyst must be aware of and in agreement of your intended use of this package prior to submitting your audit transmittals to SABRS

Essential Packages...

❖ Package 060: Technical Adjustments

- Designed to:
 - Display issues that are not policy driven
 - Reflect expenditure category shifts that do not fit in essential packages 010 thru 050 and do not increase the budget

Examples of technical adjustments for package 060:

- ▶ *Moving programs or accounts from one SCR to another SCR*
 - ▶ *Re-aligning expenditures across budget categories or protected S&S accounts*
 - ▶ *Shifting a Special Payment expenditure to a revenue transfer*
- Discuss your intended use of this package with your assigned CFO Analyst prior to submitting audit transmittals for PICS or ORBITS to SABRS

ORBITS Reports

▶ Analysis & Comparison

- ▶ ANA100A – Version/Column Comparison Report
- ▶ ANA 102A – Inflation Forecast Report*
 - ▶ *Very useful report for determining the inflation amounts (must have data loaded in the Base Budget column and in essential package 022)
- ▶ ANA103A – Inflation Analysis Report
- ▶ ANA104A – Mass Transit Audit Report

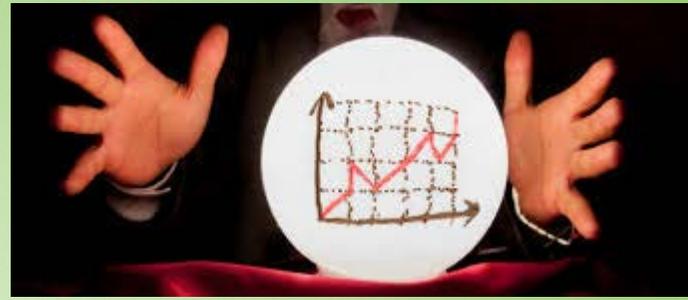
▶ Audit Reports:

- ▶ AUD 100 – Audit Error Report
- ▶ AUD004 – Transfers and Special Payments

▶ Budget Development:

- ▶ BDV001A - Agency Worksheets – Revenues & Expenditures
- ▶ BDV002A – Detail Revenues & Expenditures – Requested Budget
- ▶ BDV004B – Detail Revenues & Expenditures – Essential/Policy Packages
- ▶ BDV104 – Biennial Budget Summary (aka Summary of 2013-15 Budget)

Revenue Projections



- ❖ Revenue data in the 2017-19 Base Budget column is copied from the 2015-17 Legislatively Approved Budget column
 - Agencies should analyze, re-project and modify revenues as appropriate for their programs
 - Total revenues must cover requested expenditures
 - Revenues should be consistent with the May 2016 state revenue forecast for agencies that produce General Fund Revenues
 - Agencies are required to submit a balanced budget
- *SABRS will audit against the data provided by the Office of Economic Analysis*

Revenue Categories

❖ General Fund (GF)

- Total GF revenues (acct 0050) must equal total requested GF expenditures
- Acct 0050 entries must be in both the Base Budget column and in the Essential/Policy package(s)

❖ Other Funds (OF)

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



Revenue Categories...

❖ Federal Funds (FF)

- Most FF revenues are received on a reimbursement basis
- Total FF revenues generally equal total requested FF expenditures
- FF revenues are normally entered in the Base Budget column and in the Essential/Policy package(s)

❖ Lottery Funds (LF)

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

PICS & ORBITS



Agency

Requested

Budget



2017-19 PICS Agency Request Budget

- ❖ The PICS 2017-19 Agency Request Budget consists of PICS Base Budget, Essential Packages and Policy Packages
- ❖ Position changes in PICS will update the Personal Services accounts in the ORBITS A01 Version
 - ▶ This includes Salaries & Wages, PICS-driven OPE, and position & FTE counts
- ❖ Policy Packages can be used to request new positions or make changes to existing positions
 - ▶ All new positions must be added to PICS at the second step of the classification's salary rate, or -
 - ▶ New positions added to PICS at a step higher than step 2 must have written approval from your CFO Analyst

2017-19 ORBITS Agency Request Budget

❖ Building the ARB in ORBITS:

▶ Base Budget Column

- 2017-19 Base Budget is copied from the 2015-17 Legislatively Approved Budget column
- Position changes during PICS Start-up effect the Base column

▶ Essential Packages Column

- Packages 010 - 060 contain the building blocks necessary to maintain programs at the Current Service Level (CSL)

▶ Policy Packages Column

- Policy Packages are used to request budget authority beyond the CSL
- Calculations for package 070 (revenue reduction) is also in this column

ORBITS Policy Packages

❖ Establishing Policy Packages

- ▶ Agencies need to provide the following data for Policy Package establishment in ORBITS
 - Package number - determined by the agency. Numbers 100 through 499 are reserved for agency policy package use
 - Package title (45 characters maximum including spaces) - determined by the agency
 - SCR(s) assigned to the package
- ▶ All policy packages must be requested through and approved by your CFO Analyst



Helpful Hints & Other Useful Information

2017-19 Budget Schedule

- ▶ 03/18 – Feb Session Actions
 - ▶ 03/25 – PICS Permanent Finance Plans
 - ▶ 03/31 – SCR / DCR Changes
 - Revenue Estimates
 - CSL Exception Requests
 - ▶ 04/18 – PICS Freeze
 - ▶ 04/25-05/09 – 2-Week Start-Up Period
 - ▶ 05/31 – PICS CSL Due / All Agys
 - ORBITS CSL Due / Early Agys
 - ▶ 06/30 – PICS ARB Due / All Agys
 - ORBITS CSL Due / All Other Agys
 - ORBITS ARB Due / Early Agys
 - ▶ 07/29 – ORBITS ARB Due / All Other Agys
- TBD - GRB Audit Requests Due**
TBD - LAB Audit Requests Due

Early Submittal Agencies

Accountancy (120)	Employment (471)	Nursing (851)
Advocacy (131)	Employment Relations (115)	Parole/Post Prison Supervision (255)
Agriculture (603)	Energy (330)	Pharmacy (855)
Aviation (109)	Geology & Mineral (632)	Psych Sec Review (399)
Commission for the Blind (585)	Govt. Ethics (199)	Psych Exam (122)
Chiropractic Exam (811)	Health Related Licensing (833)	Public Employee Retirement (459)
Licensed Clinical Soc. Workers (124)	Housing/Comm. Svc (914)	Public Safety Standards/Trng (259)
Columbia River Gorge (350)	Labor & Industries (839)	Public Utility (860)
Construction Contractors (915)	Land Conservation & Dev (660)	Racing Commission (862)
Consumer & Bus Svcs. (440)	Land Use (662)	Real Estate (919)
Lic. Prof. Counselors/Therapists (108)	Library (543)	State Lands (141)
Criminal Justice (213)	Liquor Control (845)	Tax Practitioners Board (119)
Dentistry (834)	Marine Board (250)	Teacher Standards/Pract (584)
District Attorneys (196)	Medical Board (847)	Veteran's (274)
	Military (248)	Water Resources (690)

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Email: Orbits.Help@Oregon.gov

Website: <http://www.oregon.gov/das/Financial/pages/SABRS.aspx>