

**2009-11 LEGISLATIVE ADOPTED BUDGET
(LAB) PHASE AND THE POSITION
INFORMATION CONTROL SYSTEM (PICS)
AUDIT POINTS**

DAS Budget & Management
Statewide Audit and Budget Reporting Section (SABRS)
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"A billion here, a billion there—sooner or later it adds up to real money."— Senator Everett Dirksen



Purpose of Presentation

- Review status and next steps in the budget process for PICS actions
- Discuss PICS audit points, including reconciliation items and the worksheet

Review status and next steps in the budget process for PICS actions

- Agencies make necessary changes to the PICS Budget Preparation file for the LAB cycle
- GOAL: To update the PICS file from GRB control values with changes directed by the Legislature
- RESOURCES
 - Budget Report(s)
 - Narrative
 - Spreadsheet

Review status and next steps in the budget process for PICS actions (continued)

- End-of-session bills
- Internal documents used to generate values for BAM or LFO Analyst
- BAM Analyst is the “go to” person for questions
- This is not the time to “spiffy up” your PICS file
- Print end of June ‘**execution**’ reports from SABRS website: <https://columbia.das.state.or.us:3045/cics/pw55/ppdpw055>
(Example) 10700 BUDGET EXEC: PPDPLMEDET – DETAIL LIST BY POSITION

Next Steps

- ❑ The K01 version has now been loaded to ORBITS in preparation for LAB updates
- ❑ After PICS updates are complete, the agency must reconcile ORBITS to the Budget Reports:
 - ❑ Personal Services dollars and position and FTE counts in ORBITS may be slightly different than the Budget Reports
 - ❑ Minor adjustments in ORBITS may be necessary
 - ❑ Use Accounts **3465- Reconciliation Adjustment, 8180- Position Reconciliation and 8280- FTE Reconciliation** in order to balance ORBITS to the Budget Reports

Next Steps

- ❑ When LAB updates are complete, the agency submits a PICS Transmittal form to the SABR Section along with a Personal Services/ Position/ FTE Reconciliation Worksheet
- ❑ SABRS completes the PICS audit and obtains the BAM Analyst's approval
- ❑ SABRS mails a copy of the approved PICS Transmittal to the agency

Note: Both PICS and ORBITS audits must both be completed and approved before the PICS roll will take place

OPE Rate Comparison

ORBITS ACCOUNT NUMBER	OPE Factors	2009-2011 (ARB)	2009-2011 (GRB and LAB)
3210	ERB	\$1.75/ per month	\$1.75/ per month
3220	PERS	SEE BELOW*	SEE BELOW*
3230	SOCIAL SECURITY	7.65%	7.65%
3250	WORKERS' COMP ASSESSMENTS	\$2.60/ per month	\$2.60/ per month
3270	Flex Benefits (Default)	\$1,116/ per month	\$1,070/ per month

*PERS RATES

Rate for Agencies w/o Significant Police & Fire (Default Rate)	9.08%	8.22%
Rates for Agencies w/ Significant Police & Fire (blended for budget purposes only**):		
OLCC	10.87%	10.14%
FORESTRY	10.16%	9.36%
DPSST	12.97%	12.88%
OSP	13.40%	12.94%
OYA	13.92%	13.67%
CORRECTIONS	14.25%	14.15%
Judges	21.97%	21.95%
SSF	19.97%	20.08%
**Agencies will pay actual PERS rates during 2009-11 execution based on status		
Mass Transit .006 = .6%		
Pension Obligation Bond (POB) Call Linda Ames @ 503-378-4366		

PROCESS STEPS CHECKLIST

- ✓ Read Budget Report(s) and end-of-session bills to determine action
- ✓ Make position changes in PICS
- ✓ Review effect in ORBITS
- ✓ Ensure changes meet Legislative direction
- ✓ Record differences in Recon accounts and on Worksheet for submission with the final audit
- ✓ Call Bonnie Lanning to have pending 2007-09 BX actions keyed
- ✓ Record BX values in Recon accounts and on Worksheet
- ✓ Submit Audit Transmittals and Recon Worksheet

PICS Audit Points

- Carefully review the narrative and spreadsheet portions of the Budget Reports to identify required PICS changes. The agency's BAM Analyst is the best resource for questions, clarifications, or for additional detail on the Legislatively Adopted Budget and the intended changes from the Governor's Recommended Budget (GRB) levels. SABRS does not have any additional information beyond what is documented in the Budget Reports.
- Only update PICS for actions directed in the Budget Reports. It is not appropriate to "clean up" the PICS Budget Preparation (BP) file, correct errors, or incorporate additional changes identified since the completion of the GRB reconciliation process.

PICS Audit Points

- Common position-related changes to agency budgets during the LAB phase include:
 - Addition of new position(s)
 - Elimination (denial) of position(s)
 - Decrease or increase in months (FTE) on positions
 - Change in position type, such as from permanent to limited duration
 - Change in position classification
 - Change in the fund splits on positions
 - Reclassifications approved without any additional funding

PICS Audit Points

- Listed below are some things to keep in mind when determining the correct data elements:

- Adding new positions
 - Add new positions at step 2, unless specifically directed otherwise
 - Verify the position type for a new position
 - Properly distinguish between phased-in/phased-out and part-time positions

PICS Audit Points

- Eliminating positions
 - Verify that both the position and FTE counts are removed when eliminating a position
 - Ensure the correct position is being eliminated when deleting only a portion of the positions in a Package. Match the dollars, Position and FTE counts specified in the Budget Report(s) if the position number is not identified.

PICS Audit Points

- Changing existing positions
 - Some required changes, such as modifying a position from permanent to limited-duration, may not affect dollars, position count, or FTE
 - Make note if a position is affected by multiple packages (also called “package-on-package”). *Please consult with the PICS Auditor prior to taking action in PICS in this situation.*
 - E-mail Bonnie.L.Lanning@state.or.us

PICS Audit Points

- Please pay close attention to the magnitude of your recon dollar values



PICS Audit Points- *Package on Package Situation*

- What is a package on package?
 - When two (or more) packages are applied to one position each requesting a special action, e.g., a re-class action in one package and a fund shift action in another package, PICS will not support both.
 - To accommodate these two actions in PICS, one of the actions in a package has to be moved to the other package. The two packages have to be combined into one package. This will cause an offsetting reconciling item.
 - If this situation occurs, please contact the PICS auditor by e-mail before taking any action. Our objective is to ensure all package on package situations are dealt with consistency.

PICS Audit Points

- ❑ All PICS LAB changes require a package, and should not be made in the Base record.
- ❑ The chart below lists the PICS special function/action codes and the associated fields that are open for data entry.
- ❑ Please see Page 32 in the *2009-11 PICS User's Manual* for available PICS special action/function codes and their effect in ORBITS.
- ❑ Reference the *2009-11 PICS User's Manual* for more detailed PICS data entry instructions. Use ORBITS as a tool to determine if the PICS action taken produced the intended result by running ORBITS BDV004A report.

SPECIAL ACTIONS/FUNCTION CODES

Action/ Function	Segments Generated		Fields Available								
	Negative	Positive	Detail Cross Ref#	Pkg	Months	Class Comp	Rate	Pos Type	Funding	Phase -In/ Phase -Out	Seasonal Months
DSC	X			X							
FND	X	X	X	X	X		X	X	X	X	X
RAL	X	X	X	X	X		X	X		X	X
RCL	X	X	X	X	X	X	X	X	X	X	X
KEY: DSC = Discontinue FND = Fund Shift RAL = Reallocate RCL = Reclass											

PICS Audit Points

SPECIAL ACTION/FUNCTION CODES: OVERVIEW

<i>Code</i>	<i>Action or Function</i>	<i>Description</i>
DSC Discontinue	Either action or function	No new segments may be added to the position. Used when the request is to discontinue a segment(s) or entire position in an essential or policy package. When used as a FUNC, only the specific segment is affected. When used as an ACTION all segments are affected.
FND Fundshift	Either action or function	New segments may be added to the position. Used when the request is to shift funding and/or change months. When used as a FUNC, only the specific segment is affected. When used as an ACTION all segments are affected.
RAL Reallocate	Either action or function	New segments may be added to the position. Used when the request is to move a position from one Detail Cross Reference to another and, if desired, change months or phase out the position in an essential or policy package. When used as a FUNC, only the specific segment is affected. When used as an ACTION all segments are affected.
RCL Reclassification	Action only	New segments may be added to the position. Used when the request is to reclassify a position and, if desired, change Detail Cross Reference, months, rate, position type and/or funding.

PICS Audit Points- *Reconciling Items*

- It is possible that changes made in PICS will not produce amounts that exactly match the Personal Services, Position and FTE adjustments documented in the LAB Budget Report(s).
- The values used for PICS-driven changes may have been based on estimates that may not equal the precise position-specific amounts calculated by PICS. Budget execution actions keyed to the PICS Budget Preparation file may also contribute to a mismatch between PICS calculations and final LAB changed values.
- After verifying that all PICS entries are accurate, differences between changed values in Budget Reports and actual PICS-generated changed amounts should be recorded in Personal Services, Position, and FTE reconciliation accounts (3465, 8180 and 8280).

PICS Audit Points

- ❑ ORBITS LAB reconciliation account entries must be identified at the SCR and package level by fund type, amount, and specific reason on the Personal Services/Position/FTE Reconciliation Account worksheet.
- ❑ Do not eliminate existing GRB reconciliation entries on the worksheet; update the worksheet by adding new entries for LAB reconciliations.
- ❑ Be as specific as possible when recording reasons for use of the reconciliation accounts to save time during the audit process. Generic comments may be questioned by the PICS and/or ORBITS Auditor(s).
- ❑ Examples of anticipated reasons for this budget cycle include “2007-09 Budget Execution (BX) Actions,” or “LAB Technical Adjustment (TA)- corrected GRB error.” For LAB Technical Adjustments that correct GRB errors, please retain the worksheet entry from GRB and add another entry for the LAB correction.

PICS Audit Points

- ❑ Please do not try to avoid the use of reconciliation accounts by adjusting a position's step or using Non-PICS Personal Services accounts in ORBITS
- ❑ Reconciliation account entries are fully expected and appropriate; they just need to be properly documented

PICS Audit Points- *BX Actions*

- After completing all PICS actions for the LAB and identifying/recording any PICS reconciliation account values, please:
 - Call Deanne Wachtler at 503-378-8202 and request that SABRS key all pending budget execution actions (finance plans, administrative changes, etc.) to the PICS Budget Preparation file. (See *Attachment C* for a list of agencies with known pending actions.)
 - Do not key any changes to PICS while SABRS is updating the file. It will be difficult to identify reconciliation amounts related to budget execution actions if other changes are keyed during this timeframe.
 - Print from website a new PICS report, if needed, after SABRS has updated PICS with outstanding budget execution actions.
 - Review the impact of changes in PICS and ORBITS and update the Personal Services/Position/FTE Reconciliation Account worksheet and ORBITS reconciliation accounts, if necessary.

PICS Audit Points

- After PICS entries and reconciliations are final, confirm that the amounts (dollars, position counts, FTE) balance to LAB control totals. Send the following items to SABRS:
 - PICS Audit Request Transmittal noting all Bill numbers/Budget Reports used to balance PICS
 - Personal Services/Position/FTE Reconciliation Account Worksheet. This form must be turned in with both the PICS and ORBITS transmittals. If you do not have any entries in ORBITS reconciliation accounts, please note that on the top of each transmittal.

Permanent Finance Plans and Limited Duration Requests

- Standardizing Permanent Finance Plans

- Obtain Standard Forms from BAM's Website
 - <http://www.oregon.gov/DAS/BAM/forms.shtml>

Conclusion

- ❑ For system-related problems, call Denver Peterson at 503-378-2227 or e-mail at Denver.R.Peterson@state.or.us
- ❑ For PICS related questions, call Bonnie Lanning at 503-378-8203 or e-mail at Bonnie.L.Lanning@state.or.us
- ❑ For PFP or LD plans related questions, call Deanne Wachtler at 503-378-8202 or e-mail at Deanne.M.Wachtler@state.or.us