



# Financial Management Policies and Procedures



Issued by  
Office of Planning and Budget and  
State Accounting Office

- DRAFT -

Policy Number	Section Name	Policy Name	Effective Date	Version
		Balancing BudgetNet and SAO PeopleSoft Financials		7.0 - Draft

## I. Purpose/Scope

The purpose of the policy is to insure budgets are properly reflected in SAO PeopleSoft Financials and BudgetNet. SAO PeopleSoft Financials which is the accounting system of record is used to process business transactions, to monitor budgetary compliance, and produce financial reports. BudgetNet is the system of record for the official approved agency budget and amendments thereto.

This policy applies to all state entities operating on SAO PeopleSoft Financials.

## II. Background

The Office of Planning and Budget (OPB) is charged with the responsibility to carry out financial plans and policies approved by the General Assembly as stated in the Appropriations Bill. OPB's web-based financial application, BudgetNet, is used for tracking and approving the Annual Operating Budget (AOB), amendments, and allotments. The AOB must first be submitted and approved by OPB prior to an agency requesting an allotment. Once an allotment is requested and the warrant approved by the Comptroller, an agency will have access to appropriated funds.

Because SAO PeopleSoft Financials is the accounting system of record, an interface between BudgetNet and SAO PeopleSoft Financials was created. This interface sends Program and Allotment information from BudgetNet into SAO PeopleSoft Financials. Once approved the AOB and amendment data is loaded into SAO PeopleSoft Financials to the Program Ledger at the Program and appropriated fund source level. Approved allotment data is loaded into the PeopleSoft Allotment Ledger at the Program and appropriated fund source level.

The level of spending control for agency budgets as identified in the appropriations act is the Program by fund source. SAO PeopleSoft Financials budget control processes are established to provide consistent method for budgetary management at the appropriation level of control. All entities on SAO PeopleSoft Financials are required to establish and maintain their Program budgets. The approved AOB must match the Appropriation Bill.

Approved AOB and amendments will be loaded into the Program Ledger in SAO PeopleSoft Financials.

In order to ensure that budget information approved in BudgetNet is accurately reflected in SAO PeopleSoft Financials, it is necessary to reconcile the agency's program structure as well the Program and Allotment ledgers in SAO PeopleSoft Financials to BudgetNet.

### **III. Policy**

State agencies operating on SAO PeopleSoft Financials must perform the following three point reconciliation to ensure that the Program Budgets and Allotments entered in BudgetNet balance to the data in SAO PeopleSoft Financials.

- BudgetNet to PeopleSoft Program Ledger
- BudgetNet to PeopleSoft Allotment Ledger
- SAO PeopleSoft Financials Program budget structure to the Program Ledger

These reconciliations should be performed after every event that occurs in BudgetNet to ensure data is properly transmitted and loaded into SAO PeopleSoft Financials.

### **IV. Procedure/Guidelines**

- In order to perform these procedures, access to Commitment Control processes within SAO PeopleSoft Financials is required.
- Access to BudgetNet is also necessary to perform the Program Ledger reconciliation and Allotment Ledger reconciliation. For further detailed guidelines, refer to the instructions on the BudgetNet homepage or contact your OPB Analyst.
- Agencies are recommended to perform the three point reconciliation at every budget event that occurs in BudgetNet. This is the best approach to ensuring the data between BudgetNet and PeopleSoft are in sync.

#### **BudgetNet AOB/Amendments to PeopleSoft Program Ledger Reconciliation:**

1. Run 0BD10 query in SAO PeopleSoft Financials using the PROGRAM\_BD Ledger
2. Access BudgetNet, and run the "Agency Summary – Amend Analysis" Report (329) and "AOB Amendment Fed and Other Funds" (316). These reports only include amendments approved by OPB.
3. Reconcile the 0BD10 query to the BudgetNet 329 and 316 Reports. Any differences should only consist of amendments that were approved in BudgetNet during the day that have not yet gone through the nightly interface process into PeopleSoft.
4. Contact the SAO help desk if they do not balance in one day.

#### **BudgetNet Allotments to PeopleSoft Allotment Ledger Reconciliation:**

1. Run the 0BD10 query in SAO PeopleSoft Financials using the ALLOT\_BD Ledger

2. Access the BudgetNet Allotment module and run the “Budget Allocation of Funds- Confirmation” Report (301) requesting the last allotment with the status of ‘Final’.
3. Reconcile the OBD10 query to BudgetNet Allotment report, “Budget Allocation of Funds – Confirmation” Report (301). Variances should only consist of allotments with warrants approved in BudgetNet during the day that have not yet gone through the nightly interface process into PeopleSoft.
4. Contact the SAO help desk if they do not reconcile in one day.

**SAO PeopleSoft Financials Revest Ledger (Program structured budgets) to Program Ledger Budgets Reconciliation:**

1. Run the Revest Ledger to Program Ledger Report (BDXXX0410, where XXX is the Business Unit) in SAO PeopleSoft Financials. This report will automatically summarize the Program structured budgets in SAO PeopleSoft Financials to the Program Budget in BudgetNet. (It will display Program and Funding Source summary)
2. Access previously run OBD10 query (PROGRAM\_BD Ledger) as needed.
3. The Revest Ledger to Program Ledger Balancing Report (BDXXX0410) will have a ‘Variance’ column indicating the various between your PROGRAM\_BD Ledger and your REVEST\_BD Ledger data, which is summarized to the same level as the Program Ledger. Any variances may require running detail reports in both BudgetNet and PeopleSoft to identify potential adjusting entries.
4. Contact the SAO help desk if they do not reconcile in three days.

## **V. Definitions**

Allotment – a process of authorizing the withdrawal of state funds from the treasury based on a determination that the budget allotment request is consistent with an approved work program. Before each fiscal year begins, agencies must file an annual operating budget plan based on an Appropriations Act. Allotments are requested according to a schedule established by the Office of Planning and Budget based on the plan. Once an allotment is approved, an agency can access funds as needed.

Amendments – Revisions to the Annual Operating Budget, which must be submitted to OPB for approval. Typically, these revisions are due to the receipt of funding that was not included during the appropriations process or transfer of funds from one Program to another.

Annual Operating Budget (AOB) – the operating budget for each budget unit which details the appropriations passed by the General Assembly for that budget unit.

Budget Comparison Report – This is a SAO PeopleSoft Financials custom report which details an agency’s budget to actual expenditures.

BudgetNet – The financial application developed and supported by OPB to track the AOB, amendments, and allotments for each agency by Program and funding source.

Office of Planning and Budget (OPB) – A part of the Office of the Governor with the responsibility of providing the Governor with assistance in the development and management of the state budget.

SAO PeopleSoft Financials – The financial or resource enterprise planning system that maintains ledger and sub-ledger data for the creation of agency and state-wide financial reports.

PeopleSoft Program Ledger – Ledger in the SAO PeopleSoft Financials that is used to manage Program budget and is updated from BudgetNet AOB/Amendment modules nightly as AOB/Amendments are approved.

PeopleSoft Allotment Ledger - Ledger in the SAO PeopleSoft Financials that is used to manage Allotment of funds and is updated from BudgetNet Allotment module nightly as Warrants are approved by the Comptroller’s Office.

Program –

- a discrete set of activities undertaken to carry out an agency’s core businesses as written in the Appropriation Bill.
- SAO PeopleSoft Financials contains a chartfield titled program for the purpose of tracking Program activity.

## **VI. Approval**

<b>Agency</b>	<b>Approval</b>	<b>Date</b>
Office of Planning & Budget		
State Accounting Office		

## **VII. Revision History**

<b>Version</b>	<b>Date</b>
1.0 - Draft	2/06/2007
7.0 – Draft	2/21/2007
7.1 – Draft	6/25/2012