To: College and Divisional Business Officers

From: Colleen Auburger  
Executive Director, Financial Operations

Date: February 28, 2018

Re: FY2019 BPM Working Budget Phase I release

I am very pleased to announce the Phase I opening of BPM for the FY2019 Working Budget for all users with appropriate security access. Please find attached the working budget instructions, schedule as well as a one page reference document highlighting the BPM enhancements.

Special thanks to the Systems Development team, the Financial Operations team, and Dylan Baker, Dan Ramia and Jessica Vernon for their extensive efforts to provide this enhanced version of BPM.
FY2019 Working Budget Instructions

To facilitate additional time for campus users to develop FY2019 working budgets, the Budget Preparation and Maintenance System Working Budget (BPM WB) is available beginning today. The system will be open for budgeting of revenue and operating expenses only and should not include salary setting. In Phase II, scheduled to open on April 19th, BPM WB will be expanded to include salary setting and fringe benefit budgets; tracking sheets will be distributed during Phase II. Account creates for ledgers 1 and 2 after February 22, 2018 will be pulled in for Phase II. Units may begin budgeting all accounts in phase I and complete them in phase II. Account balancing, checklists and tracking sheets are required in phase II only.

The FY2019 state budget has a provision for a mid-year 2% cost of living adjustment (COLA) to be effective January 1, 2019. As in previous years with mid-year salary increments, this COLA should not be budgeted in state supported accounts, and will be added via budget amendment later in FY2019.

Enhancements to BPM System

There are several enhancements in the FY2019 BPM working budget. These are provided to give users additional data input options as well as features to better identify transactions.

Three new key features in FY19 BPM:

Ability to upload a spreadsheet into BPM - A spreadsheet template is available by selecting the download template button. Users have the ability to upload the spreadsheet into BPM. It is recommended to use this method if you are inputting more than 5 lines of data, and is limited to 150 line maximum. The file name is limited to 30 characters for upload. Template upload cannot be used to create or move positions - use existing functionality to reallocate the position in BPM.

New direct entry input screen with spreadsheet template layout - This is a new data entry screen with the same data input fields as the spreadsheet template. It is recommended to use this method if you are inputting 5 lines of data or less.

New transfer object code direct entry input screen displaying both sides of the transaction and allow description to be entered - This feature allows users to input transfers using object codes 9XXX for both sides of the transaction (the funder and the recipient), and allows for a description field to enter identifying information about the transaction. The upload feature is limited by the user’s security access; transactions may be entered with both account numbers but may need division level access to upload and process.
These new features in BPM can be used with one sided or two sided transactions. Note that the “From” and “To” logic on two sided entries follows the logic in KFS, and the dollar amount field should not be entered as a negative number (ie. using a minus sign). A description field has been added to all new data entry methods. The BPM audit trail has been expanded to include the new data fields as well.

For transactions including revenue (0XXX object codes), please work with your CBO to ensure the transaction will be recorded properly in BPM.

A one page document highlighting the FY2019 BPM enhancements is available for users quick reference. Working Budget FY2019 Highlights

All “old methods” for entering into BPM still exist; the new functionality is optional and intended to assist users in entering data into the system.

Working Budget Schedule

Attached for your reference is the FY2019 working budget schedule. FY2019 Working Budget Schedule

Important Dates:

Thursday, March 15 - BPM users with delayed access to Phase I will be able to update budgets.

Friday, April 13 - Phase I closes: Last day for approved updates to PHR prior to freeze of data for Phase II - BPM WB Full Version. Appointments that expire on or before 6/30/18 will not be included in the Phase II – BPM WB Full Version. Future-dated appointment changes--effective on or before June 30 for 12-month employees, and effective on or before Pay Period 04 (beginning August 5) for academic year faculty--will be included in Phase II –BPM WB Full Version.

Thursday, April 19 - Final FY2019 working budget instructions and allocations distributed to colleges/divisions. BPM phase II open for colleges and divisions.

Wednesday, May 16 - BPM closes for colleges and divisions; tracking sheets due to BFA.
Initial FY2019 budget load to BPM - State Supported Accounts

In BPM WB, there are three budget columns—original budget (equal to FY2018 July 1 budget); revised budget (equal to ‘future year’ budget in BPM Live, and the starting point for BPM working budget); and proposed budget (equal to FY2019 July 1st budget).

State Revenue - When BPM phase I opens, state revenue will be displayed by account for object codes 0221 (state appropriations); the proposed column will not include budgeted fund balance under 0966 growth or 0968 use. The initial load of state appropriations will represent your FY18 Original Budget (base budget) plus any future BAs and ties to your FY18 BPM Live data as of 2/23/18. Refer to the Working Budget FY19 Highlights document referenced above. This amount will be finalized when the state budget is approved by the legislature and allocated by USM in early April. Please note that object code 0221 may ONLY be recorded in ledger 1 state support accounts; division CBOs will provide additional guidance on units entering this information into BPM.

A key change to the methodology for FY2019 working budget is that state funds must balance to zero; budgets will not be balanced to base budget allocation, but will be balanced to the revenue in 0221.

Non-mandatory transfers - In BPM phase I, FY2018 non-mandatory transfer budgets from BPM Live will ONLY be loaded into the revised budget column. To assist users in recording 9XXX transfers for FY2019, FY2018 budgeted transfers will be removed from the FY2019 proposed budget column. If units have budgeted 9XXX object codes in FY2018, future year budget will NOT balance to zero when BPM opens. Users must re-enter all 9XXX transfers into the FY2019 working budget, where appropriate.

For Academic Affairs, the Provost’s Office has distributed the planned FY2019 commitments to the CBOs, and will load all authorized Provost commitments into BPM in object code 9920 by account. For units receiving funds, a corresponding expense budget should be loaded in BPM equal to the funding received from Academic Affairs as these transfers represent spending authority. If units need to move funds received from the Provost’s Office to other units, please use object code 9926 or 9931, as appropriate, and NOT object code. 9920.

Cost Share accounts cannot currently be budgeted in BPM, so no transfers planned to send funds to these accounts in object code 9937 should be included in the WB. This functionality will be added in FY2020.
For transfers within divisions, CBOs will advise units on entering all transfers within division to object code 9926. A new object code, **9931**, has been created for transfers within departments, and should be used in BPM to record these transfers. CBOs are asked to verify that object codes 9926 and 9931 balance to zero before BPM closes.

**Budget reconciliation** - State accounts must balance to zero (revenue must equal expense at the account level). If re-allocating budgets in state supported accounts, state funds (revenue) must be adjusted at the account level. Balanced budgets are not expected in phase I as state funds are subject to change pending final state budget allocation. Tracking sheets will be provided in phase II with final allocations. In phase II, departments must balance back to their BPM open state funds (or their CBO approved revised state funds) and divisions must balance back to their BPM open state funds (or Central University approved revised state funds).

**Tracking Sheets** - Tracking sheets will be set up similar to last year---show the first line as expenditures, transfers, revenues, and net state support matching the future column in BPM Live. The removal of FY2018 non-mandatory transfers will be recorded as a separate line with a note indicating need to rebuild the transfers from zero and balance back to their approved state funding.

**Training, Working Sessions and Demos**

Training for new and experienced users will be conducted during the week of April 9, 2018. For new BPM functionality, additional training will be provided during the week of March 5, 2018 to demonstrate BPM enhancements and answer questions from users.

Similar to last year, Dan Ramia and Dylan Baker will be hosting working sessions to demonstrate the new functionality and assist users with questions. The working sessions will be held:

Maryland Room in Marie Mount Hall  
When: Tuesday March 6, 2018 and Thursday March 8, 2018  
Time: 9:00 a.m. – 12 noon

The Open Sessions will be divided into two areas this year:
- One area will be setup to show BPM users the enhancements that have been added to BPM for WB FY19. This demonstration will be a time to see actual entries being made into a test environment so users will be able to use the new features when they return to their offices.
- A second area will be setup with several people to assist with questions you might have about preparing your budgets for FY19 around the budget model redesign business logic that has been put into place the last 3 fiscal years. We can address questions about ledger 2 budgeting, proper non-mandatory transfer use, how state accounts will need to be budgeted to zero based on general fund and other revenue postings, use of 0966
Growth of Fund Balance, 0968 Use of Fund Balance, and other questions you may have. If you have specific questions about an account or accounts in your unit, please bring your laptop or paper printouts of those budgets. Our goal is to make these open sessions as productive for you as the user community as they can be.

If you have specific questions about the enhancements functionality or general FY2019 budget questions, we ask that you bring your questions to one of these working sessions. The BPM support team has dedicated this time for campus users, and will have on screen displays onsite to better demonstrate in person.