UNIVERSITY OF CALIFORNIA

UCOP FY23-24 Budget Development Checklist
Use this checklist to develop your FY23-24 Budget by **February 16, 2023**.

KEY DATES AND DEADLINES

- ☐ **January 13, 2023 –** Q2 Forecast entered and final in PBS with Department/Division Leaders' review
- ☐ **January 30, 2023 –** PBS opens for budget input
- ☐ **February 16, 2023 –** PBS closes for budget input
- ☐ **February 24, 2023 –** Budget Narrative due

12/19/22   1/13/23: DEVELOP ACCURATE FY22 23 Q2 FORECAST IN PBS

- ☐ **PBS system training and office hours** for forecasts and budgets. Training classes and office hours for Budget Liaisons will be scheduled through 1/11/23 for forecast support.
- ☐ **Review FY22-23 year-to-date expenses and remaining budget in PBS**. Year-to-date actuals should be analyzed, and variances must be assessed for timing or full year impacts. Identify any areas where projected expenses may exceed the budget or where the full budgeted amount may not be spent.
- ☐ Complete **accurate projections for the remainder of FY22-23**. This forecast will be reviewed by UC leadership and is published in a March Regents item and provides data for the pre-population of the initial FY23-24 Budget.
- ☐ **Review your Q2 Forecast with department/division leadership** and ensure accuracy of FY22-23 projections. It is critical that leadership is aware of projected overspending or deficits to advise on corrective actions. **Complete entry in PBS by <u>1/13/23</u>** with final 6+6 forecast.

1/30/23   2/16/23: DEVELOP FY23 24 BUDGET IN PBS

- ☐ **Review the initial FY23-24 Budget data pre-populated in PBS**. This data was generated from your FY22-23 Q2 Forecast, and includes items updated centrally by the Budget and Finance Department.
- ☐ **Enter detailed FY23-24 expense budgets by month** in PBS by **February 16, 2023:**
    1. **Review pre-populated data by month and adjust to align for FY23-24 considerations,** such as funding that is beginning, ending, or changing.
    2. **Accurate monthly budgets** should reflect the actual timing of expenses by month throughout the year and assists in improved budget-to-actuals variance reporting during the fiscal year.
- ☐ **Ensure proper revenue budgeting.** PBS enables revenue budgeting for Designated and Restricted funds, where applicable. If your department has these fund sources, ensure they are entered monthly in the system.
- ☐ **Ensure proper expense budgeting** in the correct category and expense account. If actual expenses are *not* currently recorded in the correct expense categories and accounts, please contact your budget coordinator who can work with the Business Resource Center (BRC) to ensure accuracy.
- ☐ **Enter requests for additional or one-time funding** with justification in PBS using the system's *Decision Package* feature, including:

1. **Unavoidable cost increases** - Only critical and/or unavoidable cost increases will be considered.

2. **Expected cost reductions** – Costs that are no longer moving forward in FY23-24 and result in savings should be detailed to highlight where increases may be offset.

3. Requests for **Strategic Priority Funding (SPF)** – SPF (one-time) funding requests should be captured and submitted through PBS Decision Packages. FY23-24 required funding from previously approved Decision Memos and MPI requests must be included as well as new incremental requests. SPF requests are considered approved only upon final Regent's approval of the budget. SPF requests supported by Designated or Restricted funds must denote this funding source.

4. Requests for any new **headcount** increases must be submitted through Decision Packages. Consult your Budget Coordinator with any questions or needs for clarification.

5. Increases related to **additional fund sources** (e.g., special state appropriations) must also be entered in a Decision Package.

6. Decision Package requests should only be included in this system module and are not to be included in the base budget submission. On approval, approved Decision Packages will be consolidated into the budget.

☐ **Budget all salary and headcount**, including part-time appointments such as interns, students, rehired retirees, etc. in PBS:

1. **Align with Workforce Plans** – Divisions and departments should consider Workforce Plans and any new or redeployed FTEs should be consistent with priorities identified in Workforce plans. FTE will be closely monitored and reviewed, as overall FTE are expected to be flat.

2. **Enter planned vacancies by month** to improve headcount and vacancy plans.

3. **Headcount is expected to remain flat** to current budget. New position requests, if any, should be first funded from existing, re-allocated headcount and budget (not new FTEs).

4. **Submit a Decision Package in PBS** with any new key activities that cannot be offset by current FTEs and require an incremental FTE (e.g., new grant funding received that requires staffing). *Note: These Decision Package requests will undergo rigorous review and there is a high likelihood the division or department will be asked to absorb the additional headcount.*

☐ **Review your proposed FY23-24 Budget with your department and/or Division Leaders.** The FY23-24 Budget should be a true reflection of anticipated costs for the upcoming fiscal year. Department/Division Leaders should ensure that priorities, trade-offs, and goals are reflected in the budget submission in PBS.

2/24/23: CHIEFS OF STAFF SUBMIT THE FY23 24 BUDGET NARRATIVE

☐ **CHIEFS OF STAFF complete the FY23-24 Budget Narrative and** submit to the Budget and Finance Department at obud-opbudget-sa@ucop.edu by EOD on February 24, 2023.

1. Budget Narrative should highlight your division's FY23-24 priorities, trade-offs, and value proposition.

2. Narratives will be reviewed with each Division Leader as part of the budget review process.

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GETTING HELP WITH YOUR FY23-24 BUDGET

- ☐ **Budget kick-off** will be discussed with Division Leaders and Chiefs of Staff in January.

- ☐ **Budget and Finance Community of Practice** meetings will be held regularly throughout the budget process to continue learnings and training.

- ☐ **Training and office hours** are available throughout the budget process for in-person learning and assistance.

- ☐ **Contact your Budget Coordinator** in the Budget and Finance Department for additional assistance with your department/division budget.