Budget Years 2015-2016 & 2016-2017

City & County of San Francisco

Mayor's Office Instructions & Controller's Technical Instructions

December 15, 2014

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Budget Schedule

Date	2 Year Rolling Budget	2 Year Fixed Budget
Friday, January 16, 2015	• Technology Project Proposals, Form 5 D&E, due to COIT for all IT projects greater than $100,000 • Capital Budget requests due to the Capital Planning Committee	
Monday, February 23, 2015	• All Department Budget Submissions, including all forms, due to Controller's Office • All capital projects funded with non-General Fund money loaded by departments into budget system	• All departments with fixed two-year budgets submit form 2B, 2C & 2D to the Controller's office • Departments submit all changes in the system (must stay under 5% threshold or will require reopening of the budget) • Departments that must reopen their budgets submit budget in system and all forms to the Controller's office
Wednesday, April 1, 2015		• Departments with fixed two-year budgets submit all budget related legislation to the Mayor's Office
Friday, May 1, 2015	• Capital Budget submitted by City Administrator's Office to Capital Planning Committee for final review and adoption • Rolling two-year budget Departments submit all budget related legislation to Mayor's Office	• Mayor's Office introduces any required adjustments to fixed two-year department budgets to the Board of Supervisors • MTA budget increase supplemental ordinance due to the Board of Supervisors
Monday, June 1, 2015	• Mayor's Proposed Citywide Budget due to the Board of Supervisors	• Mayor's Proposed Citywide Budget due to the Board of Supervisors
Friday, July 31, 2015	• Last day for Board of Supervisors to adopt final BY and BY+1 Appropriation Ordinance	• Last day for Board of Supervisors to adopt final BY and BY+1 Appropriation Ordinance
Friday, August 28, 2015	• Department Budget Certification Letter Due (or 30 days after enactment of budget)	• Department Budget Certification Letter Due (or 30 days after enactment of budget)

Introduction – User Guide

This document contains the Mayor's Office policy instructions and the Controller's technical instructions for preparation of the Fiscal Year 2015-16 (BY) and Fiscal Year 2016-17 (BY+1) budgets.

The document is divided into five major parts:

Section I – New Instructions: Outlines key changes to look for in this year's instructions, including specific instructions for the departments required to submit fixed two-year budget requests.

Section II - Mayor's Office Policy Instructions: Outlines the Mayor's Office policy instructions for the development of the budget.

Section III - Controller's Technical Instructions: Outlines the organization of the budget process and highlights changes from last year's budget instructions.

Section IV - Budget Submission Forms and Instructions: Provides the required budget forms.

Section V - Appendices: Provides additional information on policies, processes, and forms to help departments complete budget instructions. **Appendix A** is the Controller's Guidelines, which contains detailed information and guidelines for using the City's Budget System.

The following documents may be useful to you as you prepare your budget submission:

- Chart of Accounts
  - http://sfcontroller.org/Modules/ShowDocument.aspx?documentid=2116
  - Controller's Office, City Hall, Room 316

- Electronic Version of Instructions and Budget Forms
  - http://www.sfcontroller.org/index.aspx?page=102
  - Controller's Budget Office, City Hall, Room 312

- Budget System and helpful links
  - http://budget.sfgov.org/

For questions concerning the Mayor's Office Policy Instructions, contact the Mayor's Budget Office. For questions concerning the Controller's Technical Instructions or the budget system, contact the Controller's Budget Office. Your department's designated analyst in the Mayor's Budget Office and Controller's Budget Office is listed in Appendix E.

Section

I

New Instructions

Changes to Instructions:

Performance Measures: While the Mayor's Office and the Controller's Office expect departments to comply with Performance Measure instruction and deadlines as established by the City Service Auditor, this document does not contain Performance Measure information. If you have questions on Performance Measurement, please contact Matt Podolin at 554-5311 or Julia Salinas at 554-7540 or email performance.CON@sfgov.org.

Departments with Fixed Two-Year Budgets: The Departments of the Airport, Child Support Services, Municipal Transportation Agency, Port, Public Library, Public Utilities Commission, and Retirement System completed fixed two-year budgets last year and will be between budget development years this budget season. These departments have unique instructions, provided at the end of this section.

Budget Year (BY) and Budget Year Plus 1 (BY+1): Included in the Budget Instructions is reference to Fiscal Year 2015-16 and Fiscal Year 2016-17 as BY and BY+1 respectively.

Prior Year (PY) and Current Year (CY): Included in the Budget Instructions is reference to Fiscal Year 2013-14 and Fiscal Year 2014-15 as PY and CY respectively.

Subobject 01901 Fringe Adjustments-Budget: This subobject should not be used by Departments. The Controller's Office may move budget entries in subobject 01901 to other subobjects and/or remove balancing entries in this subobject. During the department phase please remove all 01901 entries.

Job Class 9995M_Z: This job class should not be used, please replace this job class with actual job classes in the Department budget submission.

Work Orders not to adjust: Please see page 8-9 of this report, which details new instructions related to work orders.

IPIC Projects – Capital Load: Please load Interagency Plan Implementation Committee (IPIC) capital projects in department phase, (both expenditures and revenues). In the past these have been part of the citywide General Fund capital load – but moving forward they should to be loaded in department phase.

Grant End Dates: Departments should confirm that grants are not expired. Expired grants will not interface into FAMIS. If a grant end date should be extended, please work with your Controller's Office Fund Accountant to extend the date in FAMIS, or replace the grant with new grant codes as needed.

Budget Submission: Please only submit an electronic copy of your budget submission to the Mayor's Budget Office; a hard copy is no longer needed. However, you do need to submit both an electronic and one hard copy to the Controller's Office.

Changes to Forms:

1C – General Fund-Related Enhancement Requests: Added a new form for departments to detail general fund related enhancement requests.

2A –Revenue Report: Added two columns to include base budget amount and change from base budget amount in BY.

3B and 3C – Children's Services and PEEF Support forms have been deleted

4A & 4B – Equipment: Drop down menus have been added to specific columns to assist departments in filling out the form.

5D & 5E – Technology Project Proposals: All departments that have previously submitted IT project requests in FY 15-16 and/or FY 16-17 must fill out the 2 sections of Form 5 – (Form D) "Project Justification" and (Form E) "IT Project Financial Worksheets" for each project. These detailed IT project proposals will supplement the project requests that were provided by each department's IT Plan submission in October 2014 (Forms A, B, and C). The forms are no longer online – please use the Excel sheets. Appendix E (the former Technology Plan) has been removed.

Form 6 – Capital and IPIC: Departments with IPIC funded capital projects should load the IPIC projects and expenditures in their budget submission.

Prop J – Contracting Out: If your department received Prop J approval for FY 2015-16 during the prior year's budget cycle and none of the FY 2015-16 assumptions or costs have changed, it is not necessary to request approval again during the current budget process. In this event, it is only necessary to submit FY 2016-17 Prop J documents. **However, please note that any new Prop J activities should be submitted for both FY 2015-16 and FY 2016-17.**

Two-Year Budget Cycle Implementation

On November 3, 2009, voters passed Proposition A, which allows the City to implement a rolling two-year budget cycle.

Last year, all City departments budgeted for two fiscal years. The first year of this upcoming two-year budget will be the final adopted FY 2015-16 budget, which may be changed as a department sees fit. The second year of the budget (FY 2016-17) will be similar to the FY 2015-16 budget, aside from changes mentioned below. Departments should be as accurate as possible in projecting BY+1 budgets, because the adopted BY+1 of a department's budget will serve as the base budget the following year. The following are assumptions used in the second year of two-year budgeting.

BY+1 Assumptions
Known cost changes as well as changes to policies, service levels, and number of employees should be reflected in BY+1.

- **Salaries**: For closed contracts, the budget system includes all known wage increases and decreases.
- **Fringe Benefit Rates**: The budget system automatically calculates fringe benefits based on the job class, dollar amounts and the number of FTEs in salary objects. The Controller's Budget Office will update the rates in the budget system when the projections are finalized.
- **Other planned or scheduled costs**: Departments should reflect any known or projected debt service costs, costs related to a capital plan or other planned or scheduled costs in BY+1.
- **Work Orders**: Departments should include any known cost changes for work orders with other departments. BY and BY+1 work orders should balance in both the requesting and performing departments budgets.
- **Other costs**: Departments should choose how to reflect all other costs for BY+1 based on projected available resources and program or service needs. Other items that may be reflected in a department's budget submission include changes to policies, service levels, and number of employees.
- **Revenues**: Departments should reflect projected revenues based on the same reasonable assumptions as used for BY.

- One-time items will not be reflected in BY+1. These items include amounts in fund balance (character 999), capital and equipment costs (character 060), reserves (character 096-099), and items labeled "One-Time" in the budget system.
- Partial year positions will be annualized in BY+1. For example, if a full-time position is added in BY in pay period 7, this position will be budgeted as 0.77 FTE in BY. This position is annualized and budgeted as 1.00 FTE in BY+1.

  Wage rates and fringe benefit rates may change in the second budget year compared to the first budget year. These rates will be reflected in the budget system and thus would calculate a different salary and fringe benefit amount from one year to the next.

Additionally, budget change entries that carry forward from BY to BY+1 are reflected in the same budget phase as the entry was originally made. For example, a BY Department Changes Phase entry of $10,000 will be reflected in the BY+1 Department Changes Phase.

Changes to Work Order Balancing and Entries

This year, the Controller's Office and the Mayor's Office want to emphasize that departments should make every effort possible to balance all work orders and be in agreement on work orders prior to their budget submissions on February 23.

Service Work Orders: Departments shall contact and reach agreement with all departments with whom the department has a workorder relationship. Departments will ensure that budget submissions for sending, receiving and expenditure authority are agreed to and balanced across both departments. Departments that fail to do so will be contacted and asked to balance their work orders right away, in order to avoid last-minute balancing by either the Controller's Office or Mayor's Office.

Centrally Loaded Citywide Work Orders: Departments should not adjust citywide work orders that are loaded centrally by the Mayor's Office in Mayor phase. The following list of work order subobjects and other citywide budget entries shall not be updated by departments in the Budget System. The Mayor's Budget Office will review the budget values in the Base Budget and update if needed during the Mayor's Budget Phase. Departments will be held harmless for the changes in these work orders as they relate to employee wage and benefit cost increases at the performing departments.

One exception to this rule - If departments have service level changes (i.e., a department wants an increase in the amount of service provided through one of the citywide work orders below), adjustments must be discussed with the performing department well before budget submission at the end of February. The requesting department must be able to afford this increase within their base budget without increasing their general fund support, and even then the department should not load this change, but rather discuss it with the performing department and ensure the performing department informs the Mayor's Budget Office of this change when they provide a loadsheet for their citywide work orders.

If any questions remain on these work order changes, please contact your Mayor's Budget Office analyst.

Centrally Loaded Work Orders

Fleet

- 081PF IS-PURCH-CENTRAL SHOPS-FUEL STOCK
- 081PA IS-PURCH-CENTRAL SHOPS-AUTO MAINT
- 081PE IS-PURCH-VEHICLE LEASING (AAO)

Real Estate

- 081RR GF-RENT PAID TO REAL ESTATE
- 081W6 ADM-REAL ESTATE SPECIAL SERVICES
- 081RE GF-REAL ESTATE SERVICE
- 081FM GF-GSA-FACILITIES MANAGEMENT SERVICES

Contract Monitoring

- 081H9 GF-HUMAN RIGHTS COMMISSION

Risk Management

- 081CB GF-RISK MANAGEMENT SERVICES (AAO)
- 081SB GF-HRC SURETY BOND

Reprographics

- 081PR IS-PURCH-REPRODUCTION
- 081PM GF-PURCH-MAIL SERVICES

Department of Technology

- 081CI IS-TIS-ISD SERVICES-INFRASTRUCTURE COST
- 081C5 IS-TIS-ISD SERVICES
- 081CW TIS-SFGTV SERVICES (AAO)
- 081ET GF-TIS-TELEPHONE(AAO)

Worker's Compensation

- 081H3 GF-HR-WORKERS' COMP CLAIMS

Project EMERGE

- 081HZ GF-HR MGMT/BENEFITS ADMIN SYSTEM

CSA

- 081C4 GF-CON-INTERNAL AUDITS

Public Utilities Commission Rates

- 081UL GF-PUC-LIGHT HEAT & POWER
- 081W1 PUC SEWER SERVICE CHARGES
- 081W2 EF-PUC-WATER CHARGES

Other Citywide Budget Entries: departments also should not load debt service on General Fund Certificates of Participation; equipment lease finance program costs; General Fund capital; or General Fund equipment expenses; COIT General Fund projects; or COWCAP expenses – all of these things are loaded centrally by the Mayor's Office in Mayor phase. Non-general Fund capital, debt and equipment should be loaded in Department phase.

Debt

- Character 070 DEBT SERVICE

Capital

- Character 060 CAPITAL OUTLAY (INCLUDES EQUIPMENT)
- Character 069 PROJECT CARRYFORWARD BUDGET ONLY
- Character 06F FACILITIES MAINTENANCE
- Character 06P PROGRAMMATIC PROJECTS

COIT

- Please refer to Form 5 instructions

COWCAP

- 02001 INDIRECT COST REIMBURSEMENT

Departments Submitting Fixed Two-Year Budgets

The departments listed below completed fixed two-year budgets during the FY 2014-15 and FY 2015-16 budget process and therefore have fixed budgets for BY, FY 2015-16.

- Airport
- Child Support Services
- Municipal Transportation Agency
- Port
- Public Library
- Public Utilities Commission
- Retirement System

These departments' budgets were approved for both fiscal years. The second year, FY 2015-16, has now become the first year in the budget system, "BY." For all of these departments with the exception of the Municipal Transportation Agency (MTA), if the departments' budgets are projected to have significant increases or decreases in revenues or expenditures, defined as more than 5%, then the budget will be reopened and follow the usual budget process. If this threshold is not met, these departments may use the budget system to address base budget changes through surplus transfers and position substitutions, and will submit supplemental ordinances to the Board of Supervisors to reflect policy changes that exceed surplus transfer and position substitution guidelines, and/or the total level of appropriations increases at all from the approved FY 2015-16 budget. Additionally, any budget items that were reduced by either the Mayor or the Board of Supervisors during the prior year's budget process must come to the board in a supplemental ordinance, and must be approved by a 2/3 approval vote by the Board of Supervisors in order to be implemented in the budget. The Controller's Office will review all proposed changes to the budget to verify that proposed budget adjustments are within the applicable guidelines.

Although the departments with fixed budgets through FY 2015-16 are not submitting budgets for FY 2016-17, in order to balance with the remainder of the city, these departments will have "shadow budgets" in the AAO. While the fixed budget departments are asked to assist in the balancing of these budgets, they may be changed entirely during next year's new two-year budget cycle, however they will serve as the base budgets for these departments.

Departments with fixed two year budgets that have proposed supplemental ordinances must submit these to the Board of Supervisors with the Mayor's proposed budget on June 1st. Please contact the Mayor's Budget Office regarding internal deadlines for which these submissions are due, in order to meet the June 1st date.

The table below highlights key elements for departments' budgeting in the second year of the two year fixed budget:

Item	Description	Action
Total budget increase	Increases the expenditure authority, with balancing revenue sources, in BY (FY 15-16).	BY (FY 15-16, the second year in the two-year fixed budget cycle) budget increases can be done via the budget process and will require the submission of a supplemental appropriation to the Board of Supervisors.
Re-open second year of fixed 2-yr budget (FY 2015-16)	Budget changes in revenue or expenditures > 5% of total budget require full Mayor and Board of Supervisors review.	Changes made via the budget system and process.
10% Surplus Transfer	(1) Move <10% into a budgeted line item from another character or project, depending on how it was initially appropriated. The 10% limit applies to the line *to which funds are moved* . (2) Position substitutions may be made by following substitution guidelines allowable during the fiscal year. (3) Changes may be due to administrative changes made in the base budget by the Controllers Office, such as for fringe benefit adjustments, revenue updates, etc.	Complete Surplus Transfer in FAMIS in BY (FY 2015-16) *or* via the budget system, as desired by the dept. The only caveat is that the department's budget must be balanced, so some changes would need be done in the budget system in order to address administrative change made by the Controller's Office.
Projected Revenues > Adopted Budget in BY (FY 15-16) but no request to increase expenditure authority	Balances revenue & reserve entries for BY+1. (Reserve is budgeted in sub object 098G, reserve expenditure sub object.)	(1) <5% is a Controller's Administrative Change & does not need BOS approval as a "Policy item" as long as the bottom line total budget does not change. The Board of Supervisors approves all changes in the budget each year (2) >10% changes within appropriations are policy changes that should be submitted to the Board of Supervisors in a supplemental appropriation.
Capital Budget Changes	(1) Existing capital projects can only change within surplus transfer guidelines of 10% (2) All new capital projects require new authority and because this is a 100% increase from the approved budget, would need to be submitted to the Board of Supervisors in a policy supplemental ordinance.	Work with Capital Planning Committee & Staff on required entries for BY (FY 2015-16).
Restoring a cut in an adopted budget	Any time that a department wishes to restore funding in an adopted budget that was cut by the Mayor or Board of Supervisors, this must be submitted as part of a supplemental appropriation and must be approved by a 2/3 vote, per the Admin. Code 3.18. This is required for cuts made at the level of appropriation; i.e. if a cut was made at the sub fund/character level, then all restorations to that sub fund/character require a 2/3 BOS vote. This is required regardless of whether the entire budget is expected to change by less than 5%.	Controller's Office will confirm whether any proposed items were previously reduced by the Board of Supervisors.
Supplemental Appropriation	Required for any changes that exceed surplus transfer guidelines or position substitution guidelines.	Submitted by June 1st, 2015, to the Board of Supervisors. Departments must coordinate with the Mayor's Office regarding internal submission deadlines prior to this date.
Annual Salary Ordinance Amendment	Position substitutions that exceed the position substitution guidelines.	Supplemental Annual Salary Ordinance (ASO Amendment) to be submitted by June 1st.
Equipment Changes	If the department wishes to change equipment appropriations based on changing needs.	Provide the Mayor's Office and Controller's Office with proposed changes and the reasons thereof, enter into the budget. This can also be done separately from the budget process if desired during FY 2015-16.
BY+1 -- Shadow Budget	FY 16-17 is included in the AAO as a "shadow" budget that is only for citywide balancing purposes and is not a proposed budget for Mayoral or Board of Supervisors' review.	Department will assist with balancing this budget.

Per Charter section 8A.106.(d), the MTA is required to submit a supplemental ordinance budget amendment to the Board of Supervisors no later than May 1st for any increase to the budget, for only those amounts that exceed the budget that was adopted for FY 2015-16 in the prior year.

Please contact and consult with your department's Mayor's Budget Office and/or Controller's Budget Office analyst with any questions.

New Codes Instructions (Subsetting)

The Budget System only includes coding that is in use or has been in recent budget use. There are many more codes in FAMIS than exist in the budget system. We employ an "add it when you need it" approach to making FAMIS codes accessible in the budget system. **The budget system does not automatically pick up codes that are added to FAMIS. The manual process of making a FAMIS code available in the budget system is called subsetting.**

We refer to the process of making codes available in the budget system as subsetting, because technically we are taking a *subset* of codes from FAMIS and making them available in the budget system. However, *Subsetting* is also often referred to as the process where a code may also be new to FAMIS, and then subsequently is then added into the budget system.

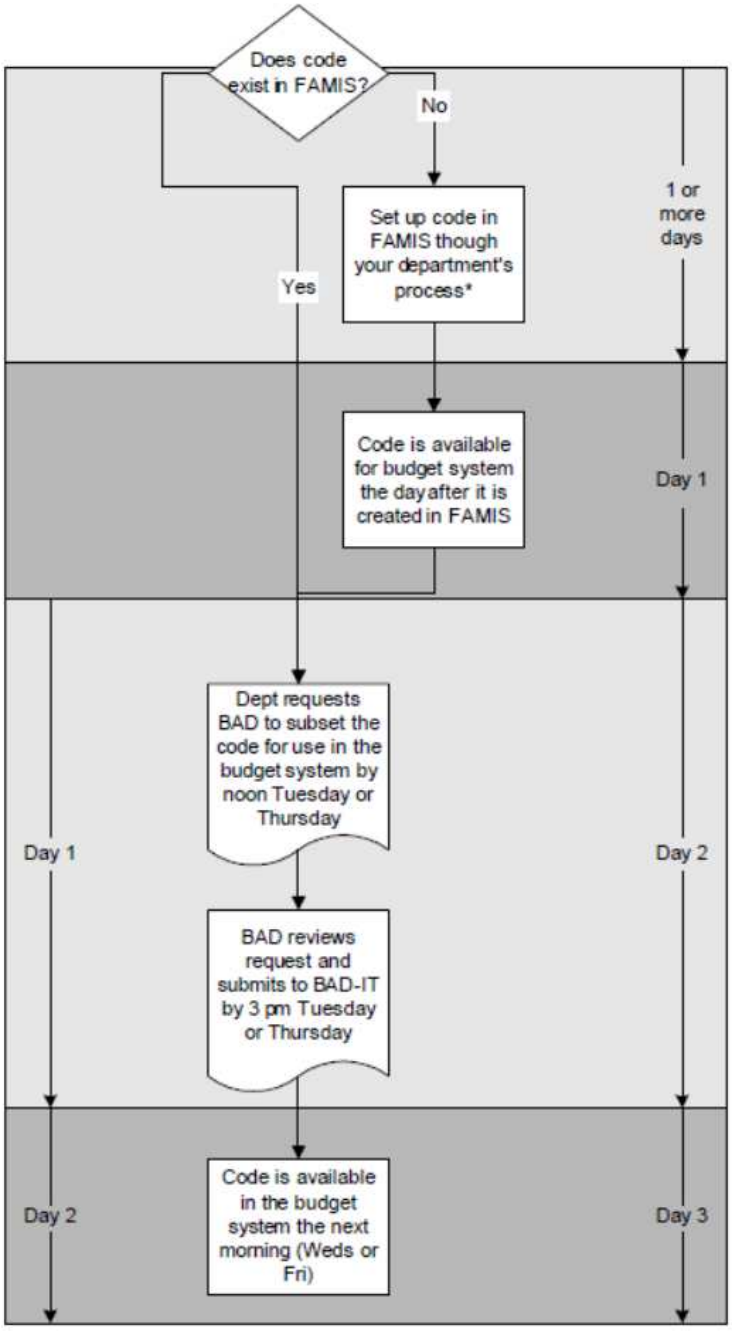
As departments build BY and BY+1 budget requests, new codes may be needed either in FAMIS and/or in the budget system. The Controller's Budget Office is the conduit for making codes available in the budget system. In order to include a code in the budget, it must first exist in FAMIS. Departments should confirm that a code exists in FAMIS before requesting that the Controller's Budget Office subset it. It may require 2-3 business days before the code is available, depending on whether the code exists in FAMIS. The diagram on the following page illustrates the process to make a new code available.

The following information is needed by the budget group, once a code has been created in FAMIS, before subsetting can happen:

- Department
- Code that will be added to the budget system (index code, grant code, project code)
- Section of the budget system for the new code (non-position, position, capital, revenue transfer)
- E-List where it will go – e.g. DSS-HS-CAL-2SHWFGNC (Organization-Program-Subfund)

The Controller's Budget Office subsets on Tuesdays and Thursdays, meaning that codes new to the budget system are available on Wednesdays and Fridays. When departments request codes to be subset in BPMS via email, please state "subsetting request" in the subject line of the email so the item is addressed as soon as possible.

Budget System Subsetting Process



**The following departments input their own codes into FAMIS: Airport, Controller, Public Health, Public Works, Human Services Agency, Municipal Transportation Authority, Port, Public Utilities Commission and Recreation and Parks. Other departments request codes through their Controller's Office Fund Accountant.*

Section

II

Mayor's Office Policy Instructions

Overview

The Mayor's Budget Office projects a $15.9 million General Fund shortfall for FY 2015-16 and a $88.3 million shortfall for FY 2016-17, based on current operations, staffing levels, and estimated revenues. The following table shows contributing factors to the shortfall, which is the result of strong year-over-year local tax revenue growth offset by the expiration of one-time solutions used to balance the FY 2014-15 budget. In addition, there are increased expenditures related to previously negotiated labor contracts, fiscal impacts of November 2014 ballot initiatives, and projected increases in citywide operating costs. For more information, please refer to the FY 2015-16 through FY 2019-20 Five Year Financial Plan.

MAJOR CHANGES TO SOURCES	FY15-16	FY16-17
General Fund Revenues	209.6	101.9
Change in Starting Fund Balance	(25.3)	-
Change in One Time Sources	(35.4)	6.9
Public Health Revenue Changes	5.7	6.6
All Other Revenue Changes	(14.6)	(2.5)
Total Changes to Sources	***139.9***	***112.9***

MAJOR CHANGES TO USES	FY15-16	FY16-17
Baselines and Reserves	(46.1)	(14.6)
Salaries and Fringe Benefits	(33.9)	(58.5)
Citywide Operating Costs	(35.4)	(108.2)
Departmental Uses	(40.5)	(3.9)
Total Changes to Uses	***(155.9)***	***(185.2)***

PROJECTED BUDGET SHORTFALL	FY15-16	FY16-17
Total Sources	139.9	112.9
Total Uses	(155.9)	(185.2)
Incremental Shortfall	***(15.9)***	***(72.3)***
Cumulative Shortfall	**(15.9)**	**(88.3)**

The stronger financial position of the General Fund presents an opportunity for the City to make targeted, one-time investments that preserve the long-term fiscal health of the City. To that end, for FY 2015-16, the Mayor's Office directs departments to submit General-Fund neutral proposals that keep the City safe, solvent, and successful. Any proposals that require General Fund support beyond the base budget will be prioritized based on the criteria below, (please use Budget Form 1C to submit these

requests). For FY 2016-17, the Mayor's Office directs departments to submit budgets that modestly reduce General Fund support by 1%. Enterprise departments must absorb all known cost increases.

Financial Targets and Policy Instructions

As in previous years, the Mayor's Office is requesting that departments complete a number of forms providing information about their proposed budgets. Each form in the following sections of this booklet is accompanied by detailed instructions for its completion. What follows are specific policy instructions to departments:

Instruction #1: Submit a budget within base General Fund Support for Fiscal Year 2015-16. There is no target reduction for FY 2015-16. Submit a budget including on-going savings equal to 1.0% of base General Fund support for FY 2016-17.

For FY 2015-16, departmental base budgets fund all known cost increases (labor costs, new funding requirements, and city-wide work orders, for example). For Fiscal Year 2016-17, departments are instructed to submit budget requests that reflect at least a 1.0% reduction in General Fund support. The entire 1.0% savings proposal should be ongoing.

Departments should absorb any known revenue losses. Non-General Fund departments are instructed to absorb all known costs increases within their proposed budget submissions by increasing revenues and/or reducing expenditures.

All departments are instructed to prioritize operating efficiencies.

Instruction #2: Proposals that require General Fund support beyond the base budget will prioritized based on key criteria below. Departments should submit enhancement requests by form rather than loading requests in the budget system.

Departments are instructed to submit enhancement requests through Form 1C "General Fund Related Enhancement Requests" **instead of** submitting requests through the budget system. An enhancement request is an increase in General Fund support to provide additional service, increase personnel or enrich programming beyond the base budget. One-time proposals will be prioritized above ongoing proposals.

Requests will be evaluated based on their alignment with the following goals:

- **Affordability, Equity, and Shared Prosperity**: Proposals for new or enhanced programs or services that enable all San Franciscans to prosper and thrive.

- **Fiscal Sustainability and Government Efficiency**: These proposals should support the efficient operations of government or promote the long-term fiscal health of the department and the City. They may include repurposing underutilized assets, reforming business processes, investing in workforce training and talent, addressing long-standing structural issues, adopting an innovative initiative, and other ideas that contribute to the fiscal stability and efficiency of city government.

- **Government Responsiveness:** Improving government responsiveness to the public and the customer service experience for residents, businesses, and other key clients.

- **Addressing Population Growth:** Making smart investments to plan for future population growth.

- **Cross-Departmental Collaboration:** Requests that achieve the above goals through multi-departmental alignment and collaboration will be given special consideration. Departments should work together to develop and provide complete and consistent information on the shared proposal in each department's budget submission.

Instruction #3: Departments are encouraged to apply to participate in the City's talent development programs including City Hall Fellows, the 1249 Personnel Analyst Training Program, and the Mayor's Senior Fellowship program.

City Hall Fellows – The City Hall Fellows (CHF) program engages recent college graduates to learn about and work in local government. Departments may propose sponsoring a fellow and should identify whether funding will come from existing resources in the base budget, or whether it is a proposed enhancement. There are currently 15 City Hall Fellows working in various City departments.

1249 Personnel Analyst Training Program - This program is designed to develop highly-skilled personnel analysts for city departments. These trainees rotate through DHR divisions, receive training, and then are placed at the sponsoring department. We anticipate this will be the major pipeline for personnel analysts in the City in the future. Currently there are 10 trainees in this DHR program, who will complete the program in July 2015.

Senior Fellows – As indicated above, departments are instructed to prioritize initiatives that address fiscal health and government efficiency; government responsiveness; affordability, equity, and shared prosperity; and population growth in the City's programs and services. To that end, departments are encouraged to propose projects eligible for the Mayor's Senior Fellowship program, which was first piloted in FY 2014-15 in partnership with Fuse Corps. The program brings mid-career professionals from private industry to the City to undertake a meaningful, one-year project. All departments are encouraged to compete. An application and instructions are located here http://bit.ly/MYRfellow.

For additional information about these programs, please contact Workforce Development Director, Donna Kotake at 557-4912 (donna.kotake@sfgov.org) or your Mayor's Budget Analyst. It is likely that interest in these programs will be greater than program capacity; as a result only selected departments will be able to participate.

Instruction #4: Use an analytical and evidence-based approach to support budget proposals

Proposals should demonstrate an analytical and evidence-based approach: explain the problem that is being "solved" using supporting information, literature and data; describe what potential solutions exist for solving the problem, including a survey of existing practices; summarize why the department selected the proposed solution, including evaluative criteria and a synthesis of the evidence that supports the solution; identify likely outcomes, including what we would expect if we do not make any changes; describe the performance measures the department will use; describe how department plans to benchmark and baseline performance measures and provide a summary of the evaluation plan; and provide an overview of the implementation strategy, including goals and timeframe, proposed resources, budget, and risks and mitigation strategies. Please be prepared to discuss and submit these items to your Mayor's Budget Office analyst.

Instruction #5: Foster community engagement in the budget development process

Departments are encouraged to foster community engagement in the budget development process. This includes clearly describing and publicizing (on departmental websites) each department's budget development and community engagement process. In addition, departments are instructed to engage community stakeholders and non-profit partners through commissions, advisory boards, and/or additional community meetings.

Instruction #6: Review current position classifications and recommend changes

As part of the budget planning process, all departments should review existing filled and vacant positions to determine whether each associated job classification is appropriate for the work being performed and for the department's operational needs. In general, the organizational hierarchy within a classification or promotional series should result in the largest population of employees at the journey level, with smaller numbers of employees in classifications at higher levels in the series. Therefore, departments should consider proposals consistent with an appropriate organizational hierarchy for the functions being performed. To the extent that some work may be reassigned to individuals in existing or new positions in other classifications, departments must ensure that this work is entirely consistent with the job duties of the classification to be used. For assistance in making these determinations, please contact the Department of Human Resources Classification and Compensation Unit.

If this review results in a proposal to eliminate positions, please use Form 7 to identify those position changes resulting in layoffs and those that do not. Departments **must** contact their analyst at the Mayor's Budget Office prior to deleting any filled positions in the budget system, and before issuing any layoff notices.

Instruction #7: Review all departmental fees to determine whether any fees may be reduced or eliminated

Departments are instructed to review all existing fees carefully to determine whether any existing fees may be reduced or eliminated. These proposals should be placed on Form 2D. To the degree that these changes require legislative action, the Mayor's Office will coordinate all legislation with the budget.

Instruction #8: Consider Independent Reviews and Audits in Developing Budget Submissions

Departments are to consider independent reviews and audits such as Civil Grand Jury reports, audits by the Controller's Office, and reports by the Budget Analyst's Office in developing their budget submissions.

Section

III

Controller's Technical Instructions

Required Departmental Submissions and Deadlines

Committee on Information & Communication Technology: January 16, 2015
Submit your department Technology Project Proposals (see budget Form 5D and 5E) for all IT projects exceeding $100,000, to the Committee on Information Technology (COIT). Complete Form 5D and 5E for each project.

Capital Budget Request: January 16, 2015
Submit Capital Budget Requests greater than $50,000 to the Capital Planning Committee using the Capital Planning & Reporting Database (see Budget Form 6). These requests also must be included in the Annual Departmental Budget Request to the Controller's Office on Friday, February 23, 2015.

Annual Departmental Budget Request: February 23, 2015
All departments must submit one hard copy and one electronic copy of their budget requests and supporting documents to the Controller's Budget Office. Please submit ONLY an electronic copy (via email) to the Mayor's Budget Office. Departments must have completed changes to the budget system at this time, as access to make entries in the budget system will end by the close of business on February 23rd. Documents required in the budget submission include:

- Form 1A - Summary of Major Changes Reflected in the Departments Proposed Budget
- Form 1B - Budget Book Graphs
- Form 1C General Fund Related Enhancement Requests
- Form 2A - Department Revenue Report
- Form 2B - Schedule of Licenses, Permits, Fines & Service Charges
- Form 2C - Fee Cost Recovery Form
- Form 2D - License, Permit, Fine, and Service Charge Elimination Proposals
- Form 3 - Program Expenditure Report
- Form 4A - Equipment Report and Request Form
- Form 4B - Equipment Funded in Operating Budget
- Form 4C - Equipment Approved During Last Year's Budget Process
- Form 5 - IT Requests
- Form 5D - COIT Project Justification
- Form 5E - COIT Financial Worksheet
- Form 6 - Capital Budget Request Form (submitted online)
- Form 7 - Position Changes
- Form 8 - Local Legislative Changes Assumed in Budget Submission
- Form 9A - Major Contract Changes (Non-ICT)
- Form 9B - Major Contract Changes – Enterprise IT and Telecom Contracts
- FMCS - Fleet Management Central Shops Form (Appendix B)
- Prop J - Contracting Out

You may download all templates and forms from the Controller's website located at http://www.sfcontroller.org/index.aspx?page=102, or you may request an electronic copy via email from the Controller's Budget Office.

Budget Certification Letter: San Francisco Charter Section 9.115 and San Francisco Administrative Code Section 3.14 require that all departments and agencies of the City and County be required to conduct their departmental operations with such moneys as are provided in the various departmental and agency budgets. In conformance with Charter Section 9.115, the head of each agency shall, within 30 days of the adoption of the annual budget by the Board of Supervisors, by letter addressed to the Mayor, Board of Supervisors and Controller, agree that the funding provided is adequate for his or her department, board, commission or agency unless otherwise specifically noted by the appointing officer and acknowledged in writing by the Board. Appendix C contains a template for the certification letter.

Key Reminders

Air Travel and Carbon Offset Program
Departments are required to budget air travel in subobject 02103 "Air Travel Employee"; separate from other employee travel. Non-air travel should be budgeted in subobject 02105 "Non Air Travel Employees". Pursuant to Executive Order 07-13, 13 percent of the City's air travel budget will be used to purchase carbon offsets through the Department of the Environment. The Mayor's Office and the Controller's Office will work with Departments to determine the best means for implementing this program.

Policy for Restoring Items Rejected by the Mayor or the Board of Supervisors
Pursuant to San Francisco Charter Code Section 9.113(c) and Administrative Code section 3.18, "in the event the Mayor or a member of the Board of Supervisors recommends a supplemental appropriation ordinance after the adoption of the budget for any fiscal year and prior to the close of the fiscal year containing any item which had been rejected by the Mayor in his/her review of departmental budget estimates for the fiscal year or which had been rejected by the Board of Supervisors in its consideration of the Mayor's proposed budget for the fiscal year, it shall require a vote of two-thirds of all members of the Board of Supervisors to approve such supplemental appropriation ordinance."

This provision applies when the Mayor or the Board of Supervisors reduces expenditures in department's budget after the department budget submission date. Reductions proposed by departments, by inclusion in the department budget submission, and accepted by the Mayor and Board of Supervisors, would **not** require a two-thirds vote if subject to a supplemental appropriation ordinance to restore that reduction.

Budget Submission Forms and Instructions

Section IV

Forms 1A, 1B, and 1C: High-level Summaries

Form 1A: Summary of Major Changes Reflected in the Department's Proposed Budget

To be Completed by: Departments without commissions; departments with commissions may submit a copy of their budget presentation to their commission in lieu of completing this form, if preferred.

Instructions: Using Budget Form 1A, departments should provide specific dollar and FTE amounts associated with major changes in operations in the proposed budget. Examples of these include: changes in staffing levels, movement of funds between index codes and program codes, items responsive to the Mayor's Office reduction targets, and any administrative changes. Where applicable, identify resulting service impact with specific estimates, if available, and fiscal impact of the major changes. **Changes that result in an increase in general fund support (enhancement requests) should not be loaded in the system.** They should, instead, be placed on Form 1C, for "General Fund related enhancement requests."

Form 1B: Budget Book Graphs

To be Completed by: All Departments.

Instructions: Using the provided template as a guide, departments are asked to submit at least **two** graphs for inclusion in the Mayor's Budget Book. These graphs should illustrate core department functions and/or provide meaningful service or performance-based information. Refer to those included in the previous budget submittal for examples. Departments are encouraged to consider highlighting performance data, efficiency measures, or other data that provide useful information about departmental operations, performance, or strategic issues. Please make sure the graphs include data from the most recent time period available including a projection if necessary.

Form 1C: General Fund Related Enhancement Requests

To be Completed by: General Fund departments that wish to request enhancements over and above their base general fund support.

Instructions: Departments shall use budget form 1C to describe general fund related enhancement increases over and above the department's base budget. An enhancement is generally defined as an increase in general fund support to a department for an increase in service, increase in personnel or increase in programming over and above what has previously been included in a department's base budget or agreed to with the Mayor's Budget Office.

Departments may submit additional information with budget forms in Excel, PDF, Word or Powerpoint formats to further explain and justify any general fund related enhancement.

Please be sure to fill out the "Departmental Priority" column and do not repeat numbers, (i.e., please do not list all enhancement requests as a number 1 priority). Also, ensure that you state how the enhancement request is responsive to the Mayor's Policy Instructions.

Forms 2A, 2B, and 2C: Sources

Additional information on budgeting for sources, including City policies and definitions, are located in the Controller's Guidelines in Appendix A.

Form 2A: Department Revenue Report

To Be Completed By: All Departments, (including departments with a fixed two year budget).

Overview: Form 2A should reflect all revenues including state and federal revenues and grants (Characters 300, 350, 400, 450, and 490), but **exclude** revenue from licenses, permits, fines and service charges (Characters 200, 250, 600, and 750) as these will be listed separately on Form 2B. For multi-year grants, budget only the FY 2014-15 and FY 2015-16 portions of the grant award.

Instructions: This Form should be submitted using data from the 15.40.007 report from the budget system. Please run this report and use the data to fill in the following columns:

- **CY Projected**
- **BY Base Budget**
- **BY Department Proposed**
- **Change from Base budget**
- **BY+1 Department Proposed**
- **Revenue Description and Explanation of Change**

If there are changes in the amount of projected revenues, departments should explain historical trends or events causing the change. The explanations of existing revenue should be complete to allow for revenue assumption confirmation.

If you need assistance running the 15.40.007 report, please contact your Mayor's Budget Office or Controller's Budget Office analyst. The Form 2A submission must be formatted appropriately so that printed copies are easily readable by the public.

Please Note: All proposed revenue changes are subject to Mayor's Budget Office approval. Departments should discuss proposed revenue changes with their analysts in the Mayor's Budget Office and the Controller's Budget Office prior to loading into the budget system. The Controller's Budget Office will review departmental revenue estimates and their reasonableness and submit an opinion regarding the accuracy of the economic assumptions included in the Mayor's Proposed Budget to the Board of Supervisors. In addition, a copy of the related proposed ordinances should be forwarded to the Controller's Budget Office.

Form 2B: Schedule of Licenses, Permits, Fines, and Service Charges

To Be Completed By: All Departments, (including departments with a fixed two year budget).

Overview: San Francisco Administrative Code Section 3.7 requires departments to submit a comprehensive schedule of license and permit fees, fines, and service charges and associated revenue (except charges regulated by State or Federal law) with each year's budget submission.

Instructions: List each of the Department's license, permit, fine, and service charge items in Form 2B with the details below. Please be sure to include all license and permit fees in Characters 200 and 750, fines in Character 250, and charges for service in Character 600.

- Status
  - C - for continuing fees without changes for CY (except for automatic CPI adjustment, if legislatively allowed);
  - M - for modified fees (increase or decrease); and
  - N - for new fees
- Brief description of the license/permit fee, fine, or service charge
- Authorizing Code citation;
- Whether the authorizing code provides for an automatic CPI adjustment (Yes/No);
- Subobject and Index Code;
- Unit Basis (e.g., per year, per application, per inspection, per event, per appeal);
- Charge (per unit) in CY;
- Estimated quantity (in units) for CY;
- Budgeted Revenue for CY;
- Estimated percentage of the overall cost of the service in CY that will be covered by the current charge;
- Proposed BY and BY+1 charge (per unit);
- Estimated quantity (in units) for BY and BY+1;
- Proposed Revenue for BY and BY+1;
- Estimated percentage of the projected cost of a unit of service in BY and BY+1 that will be covered by the proposed fee (revenue may not exceed the cost of providing service);
- Date of the last increase in the fee; and
- Fee prior to last increase.

Please note that the Controller's Office will provide the CPI values for BY and BY+1 based on information published by the Department of Labor in January. Contact the Controller's Budget Office for the CPI values before submitting Form 2B.

Please ensure that new and modified fees are included on Table 1, form 2B, while continuing fees are included on Table 2, form 2B. Drop down menus have been included for your use.

Please Note: Each year, the Controller's Budget Office relies on submitted information to compile a Master Fee Schedule for City policymakers and other interested stakeholders. Therefore, departments must complete Form 2B in full detail. Please pay special attention to the list of fees to ensure that each fee listed is actually being collected, and that all fees being collected by the department are listed. Also, please note that the Department must certify that the proposed fee levels do not generate revenue in excess of the cost of providing the service.

Some departments have particularly complex fee schedules, making it difficult to summarize data into Budget Form 2B. In these cases, departments may submit documentation with similar fee information in lieu of Budget Form 2B.

Proposition 26 - Supermajority Vote to Pass New Taxes and Fees Act
Any departments proposing to increase fees or create new fees should contact their Deputy City Attorney and Controller's Budget Office and Mayor's Budget Office analysts to ensure any proposals comply with the terms of State Proposition 26, passed on November 3, 2010, which changes the definition of a tax and imposes increased approval requirements for some rate increases.

Form 2C: Fee Cost Recovery Form

To Be Completed By: Departments submitting new and/or modified fees, fines, or service charges, in BY or BY+1, (including departments with a fixed two year budget).

Instructions: Follow the fee change example provided in the sample form. The Mayor's Budget Office will coordinate the legislative process for all changes in fees, fines, and charges for service.

Any departments proposing to increase fees or create new fees should contact their Deputy City Attorney and Controller's Budget Office and Mayor's Budget Office analyst to ensure any proposals comply with the terms of State Proposition 26, passed on November 3, 2010, which changes the definition of a tax and imposes increased approval requirements for some rate increases.

Please Note: All budget-related legislation, including legislation to enable new fees or increases to current fees, should be submitted by departments to the Mayor's Budget Office by April 1 (for fixed two-year budget departments) or May 1 (for rolling two-year budget departments).

With prior approval from their Mayor's Budget Office analysts, departments may use proposed and projected increases in revenues from fees and fines to meet their BY and BY+1 General Fund targets. The Controller's Budget Office will provide the CPI values for BY and BY+1 based on information published by the Department of Labor in January. Departments are encouraged to begin discussions with their Mayor's Budget Office analysts well in advance of the Department Budget Request submission deadline, to facilitate implementation of their proposed new fee or fee modification. Departments should be prepared to discuss the structure of all new fees, as well as plans for their implementation.

Form 2D: License, Permit, Fine, and Service Charge Elimination Proposals

To Be Completed By: Departments proposing elimination of licenses, permits, fees, fines, or service charges, in BY or BY+1.

Instructions: Complete sample form providing projected CY revenue in addition to explanation and justification for proposed elimination. Any department proposing an elimination of fees should contact their Controller's Budget Office and Mayor's Budget Office analyst. The Mayor's Budget Office will coordinate the legislative process for all changes in fees, fines, and charges for service.

Please Note: All budget-related legislation should be submitted by departments to the Mayor's Budget Office by April 1 (for fixed two-year budget departments) or May 1 (for rolling two-year budget departments).

The Controller's Budget Office will provide the CPI values for BY and BY+1 based on information published by the Department of Labor in January. Departments are encouraged to begin discussions

with their Mayor's Budget Office analysts well in advance of the Department Budget Request submission deadline, to facilitate review and analysis of any proposed elimination. Departments should be prepared to discuss prior year realized revenues as well as BY and BY+1 projected revenues from the licenses, permits, fees, fines, or service charges which is proposed for elimination. Additional explanation of the impact the proposed elimination would have on the department and any additional General Fund need as a result of the elimination may be required.

Form 3: Program Expenditures

Form 3: Program Expenditure Report

To Be Completed By: All Departments.

Instructions: This Form should be submitted using the 15.40.005 and 15.40.006 reports from the budget system. Please run these reports, export them to Excel, manually paste the data into Form 3, and fill in the column labeled "Explanation of Change." Explanations for changes in expenditures require the same information required for changes in revenues. Departments should be as precise as possible, and show all calculations used in estimating increases or decreases. If necessary, departments may increase program expenditure budgets by increasing departmental revenues or by rearranging expenditures from one program to another. Increases based upon new revenue require prior authorization from your Mayor's Budget Office analyst before loading into the budget system.

All work order recoveries and expenditures should be detailed at the subobject detail level, i.e., 081xx, 087xx or 086xx. Do not use 08199, 08799 or 08699. Replace existing 08199, 08799 and 08699 subobjects with the actual work order subobject that references a specific department. Use the Chart of Accounts coding that specifies the requesting or performing department by a two letter department code. As in CY, the requesting departments drive spending authority for work order departments. **Performing departments should confirm that their budgeted work order amounts accurately reflect the work order submissions of requesting departments, via the budget system.**

Please Note: If disagreements arise on work order amounts, the Controller's Budget Office, in consultation with the Mayor's Budget Office, will balance work order funds to the best of our ability. However, we would much prefer departments come to agreement and balance on their own prior to their budget submission. Performing departments can obtain summary statements of work order requests from the new budget system. For instructions on running reports in the new system, see the system user guide.

Form 4: Equipment

Before making a request for new equipment, departments should visit the Virtual Warehouse managed by the Department of the Environment. The Virtual Warehouse is an exchange system for surplus items – office furniture, computers, equipment, and supplies – among City departments. All items in the Virtual Warehouse are free to City departments. By using these items rather than making new purchases, the City can save money and reduce its environmental impact by limiting waste. Visit the warehouse at: http://www.sfgov.org/surplusdisposal.

Definition of Equipment:

- Items with a unit cost of $5,000 or more; and
- Having a useful life of three years or more.

Items not meeting these criteria must be budgeted in materials and supplies and should not be included on this form.

Equipment requests that are part of a Technology Project Proposal should be included on Form 5 only.

- Please do not list the same equipment requests on Forms 4 and 5.

Instructions: Requests should be placed on the appropriate table and include the following information:

- Fiscal year
- Priority (if Table 4A)
- Equipment Number (if Table 4B)
- Index code
- Item description
- New/Replace
- Type of equipment (e.g. IT, Vehicle, Other)
- If the request is for a replacement vehicle fill out the following columns (Leave these columns blank if the row is not for a replacement vehicle request). All replaced vehicles need to be tied to a vehicle currently assigned to the Department. Departments should only list one vehicle per spreadsheet row.
    - VIN
    - Make and Model
    - In-service date
    - Total mileage
- Number of units
- Cost per unit
- Total cost
- Total cost with sales tax
- Justification of need (if Table 4A)

Note: Departments are encouraged to work with Fleet Management prior to submitting your vehicle requests. Please review Appendix B for further information.

Form 4A: Equipment Request Form

To Be Completed By: Departments with any General Fund equipment request that cannot be purchased within the department's proposed budget submission. **Equipment proposed in Form 4A should not be entered in the budget system during department phase.**

This form will be used by the Mayor's Budget Office to prioritize and allocate equipment needs citywide. Include installation costs, where applicable, in the total amount requested.

Please Note: Before completing the Request Form, departments should:

- Contact their Purchasing Representative to obtain recent and accurate estimates of equipment purchase costs; and
- Contact their Mayor's Budget Analyst for their maximum allowed equipment request.

The Mayor's Budget Office will work with the Controller to assign equipment numbers to all approved items on Form 4A after departmental equipment allocations are finalized.

Vehicles: Basic costs and clean air vehicle requirements per the Healthy Air and Clean Transportation Ordinance are included in *Appendix B*. If a program requires a specialized vehicle, the equipment item description should detail the need for additional outfitting and the according cost. Pursuant to the amendment of Administrative Code Section 4.10-1, all new vehicle purchases, rentals or leases must be approved by the City Administrator.

Form 4B: Equipment Funded in Operating Budget

To Be Completed By: Departments with equipment that is funded within the department's proposed budget submission. **General Fund departments may only use this form if they meet their reduction targets.**

Departments should submit equipment numbers based on the following logic: The first two characters are the two-letter code for the department (for example, "AD" for Administrative Services), the next two characters indicate the SECOND half of the fiscal year (i.e., "14" for FY 2013-14), and the last two positions are sequencing numbers. A separate field indicates whether the item is new "N" or replacement "R" equipment.

Departments should not budget in objects 063 and 064

- Object 063 is for proposed lease revenue program purchases. Proposed purchases should be listed in Form 4A and not entered in the budget system. If the Mayor's Office proposes to issue lease revenue bonds in the Budget Year, the Mayor's Office will enter equipment numbers into this subobject.
- Object 064 is for the repayment of existing lease purchase debt. The payments will be entered into the budget system by the Controller's Office.

Please see the equipment section in Appendix A for further information concerning equipment purchases.

Form 4C: Equipment Approved During Last Year's Budget Process

To Be Completed By: Departments with any equipment already reviewed and approved by the Mayor's Budget Office, the Budget and Legislative Analyst, and the Board of Supervisors during last year's budget process.

Instructions: Use sample form and list all BY equipment previously approved. Please be sure to indicate the approved equipment number on each line item. The fund, index code, equipment number, title, base units, and base amount can be copied from an equipment report. Fill out the vehicle information section for all vehicles that will be replaced. Please contact your Mayor's Budget Office analyst if you have any questions.

Form 5: Technology Project Proposals

To be Completed by: All departments with technology project requests (both GF and NGFS) in BY and BY+1.

Deadline: All documents are to be submitted to Lily Liang at lily.liang@sfgov.org by **January 16, 2015**.

Overview: All departments that have previously submitted IT project requests in FY 15-16 and/or FY 16-17 must fill out Form 5D "Project Justification" and Form 5E "IT Project Financial Worksheets" to the Committee on Information Technology (COIT). These detailed IT project proposals will supplement the project requests that were provided by each department's IT Plan submission.

New General Fund supported projects should not be loaded in the Budget System by Departments; project details and unique COIT project identifiers in FAMIS will be loaded centrally upon final approval by COIT.

Instructions: Complete Form 5D and Form 5E for each project. Please complete yellow-shaded areas. Do not delete or add rows or columns. Do not move, or cut and paste cells.

When filling out the document, be sure to:

1. Use layman's terms wherever possible. Avoid technical terms, and define any specialized terms (for example, technology acronyms) in a glossary at the end of the document.
2. Be as concise as possible, referring to detailed documents such as technology budget, technology organization chart, technology architecture, etc., as attached appendices.
3. Avoid generic statements such as 'technology is a critical input to the department' and instead focus on specific issues related to the entire department.
4. Complete all fields.

Additionally, required as part of your project request is a high-level schedules for each IT project. These schedules should be attached with your department submission.

If you have any questions, please contact COIT staff.

Contact Information

Chanda Ikeda, Director	Matthias Jaime, Analyst	Lily Liang, Admin Support
Chanda.Ikeda@sfgov.org	Matthias.Jaime@sfgov.org	Lily.Liang@sfgov.org
(415) 554-4587	(415) 554-4568	(415) 554-4577

Definitions

- **Technology Project:**
  - A new ICT initiative that would increase the one-time or annual ongoing personnel (or contractual staff) costs to the city by more than $100,000; or
  - A project with a total project cost (personnel and non-personnel) of more than $100,000.

- **Technology Equipment**: Expenditures related to basic maintenance of ICT systems or replacement of existing ICT equipment. Unless these expenditures are included as part of a larger ICT project, they should be requested on Form 4A of the Budget Instructions.

- **Technology Materials & Supplies:** Expenses related to routine maintenance and materials and supplies of existing ICT systems. Unless these expenditures are included as part of a larger ICT project, they should be requested as part of a Department's operating budget and outlined on Form 3.

- **Information Technology (IT) Budgeting**
  IT projects should be budgeted using the following IT subobjects:

  02761 Systems Consulting Services
  02911 DP/WP (Data Processing/Word Processing) Equipment Maintenance
  03111 Data Processing Equipment Rental
  03596 Software Licensing Fees
  04921 Data Processing Supplies
  04973 Periodicals – Library Only
  06061 Data Processing Equipment
  06161 Data Processing Equipment – Lease/Purchase-Initial
  06261 Data Processing Equipment – Lease/Purchase-Renewal
  06361 Data Processing Equipment – Lease/Purchase-Finance Agency-Initial
  06461 Data Processing Equipment – Lease/Purchase-Finance Agency-Renewal

Note that departments should use subobject 04921 for all data processing supplies worth less than $5,000 per unit, and should no longer use subobject 04925 "Minor Data Processing Equipment."

Form 6: Capital Budget Request Form

To be Completed by: All departments with capital requests.

Instructions: Submit FY 2015-16 and FY 2016-17 Capital Budget requests for greater than $100,000 to the Capital Planning Program (CPP) via the Capital Planning & Reporting database (CPRd) by **January 16th, 2015.**

Inclusion in the Capital Plan does not guarantee funding for a project; therefore, be sure to submit a formal budget request for each project. The Capital Planning Committee (CPC) will review CPP staff recommendations from February to March 2015.

The Capital Budget includes three types of capital projects: renewals/replacements, enhancements, and maintenance.

Capital Budget Request Types

1. Renewals & Replacements (subobject 06R00)	Repairing or replacing facility components and infrastructure to maintain an asset's current use or value and/or preserve its useful life. For example, repaving a street and replacing a building's roof or HVAC equipment are renewals/replacements. **Requests for renewals/replacements at City facilities should align with data in the City's** Facilities Renewal Resource Model (FRRM)**.**
2. Enhancements (subobject 06700)	New construction, renovations or other improvements that increase an asset's value or useful life and/or change its use. Requests for planning and design funding are considered enhancements. For example, removing barriers to the path of travel to comply with ADA requirements, building a new data center, and seismically bracing or retrofitting an existing facility are all enhancement projects. **Requests for enhancements should be projects or programs approved in the Capital Plan.**
3. Maintenance (subobject 06F00)	These projects are for the day-to-day maintenance of existing buildings and infrastructure, including labor costs. Some examples of maintenance projects include replacing filters, filling potholes, replacing light bulbs, exterior and interior painting. The amount allocated is based on the previous year's appropriation. **Maintenance allocations for eligible departments are handled by CPP staff. Departments should budget additional funds to meet maintenance needs if applicable.**

Please note:

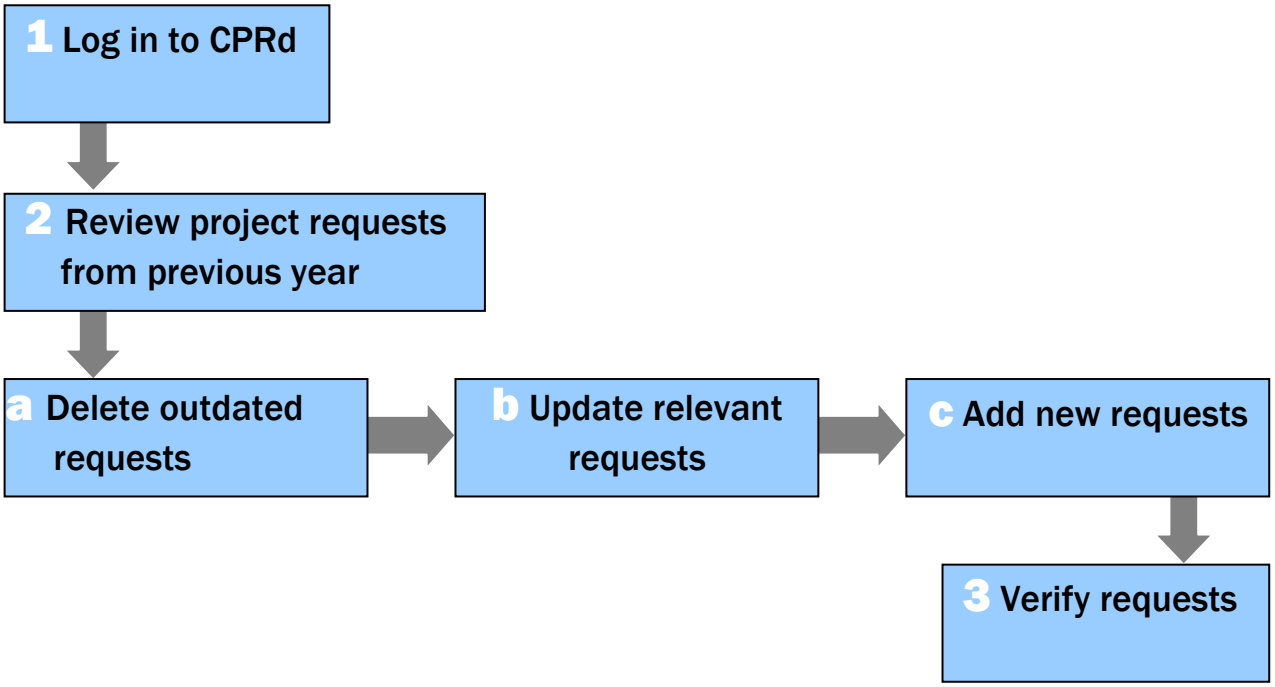
(1) Requests for IT software, IT Capital Investment, and related equipment should be submitted to the Committee on Information Technology using form 5.

(2) Requests for ADA-related projects should be coordinated through the Mayor's Office on Disability. Contact Carla Johnson (Carla.Johnson@sfgov.org) or John-Paul Scott (JohnPaul.Scott@sfgov.org).

(3) Interagency Plan Implementation Committee (IPIC) funded projects shall be loaded by performing departments as part of their budget submission both expenditures and revenues.

How to update CPRd for the Capital Budget

OVERVIEW



INSTRUCTIONS

1 Log in to CPRd

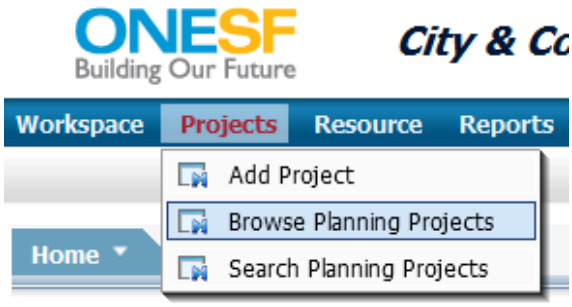
1. Go to **onesanfrancisco.org/requests**
2. Click on the link to the **Capital Planning and Reporting Database (CPRd)**
3. Log in

Notes

- *Use Internet Explorer.*
- *Disable pop-up blockers for the site. If you have difficulties, please ask your IT staff to review your browser security settings.*
- *The system is only accessible from City facilities or VPN, and your session may time out after 20 minutes of inactivity.*

2 Review project requests from previous year

1. Once you log in, navigate to the "Projects" menu and click on "Browse Planning Projects" to review project requests from the previous year.



   - These project requests from the previous year have been rolled forward to assist with making project requests for the upcoming year.
     - If the project is no longer relevant, it should be **DELETED**
     - If the project is still relevant, it should be **UPDATED**
     - Additional projects may be **ADDED**

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a Delete outdated requests

1. Review the project list on the "Browse Planning Projects" screen, and delete requests that are not applicable to the upcoming fiscal year.
   - For example, projects that were previously funded and do not require further funding should be deleted
2. To delete a project, click the icon.

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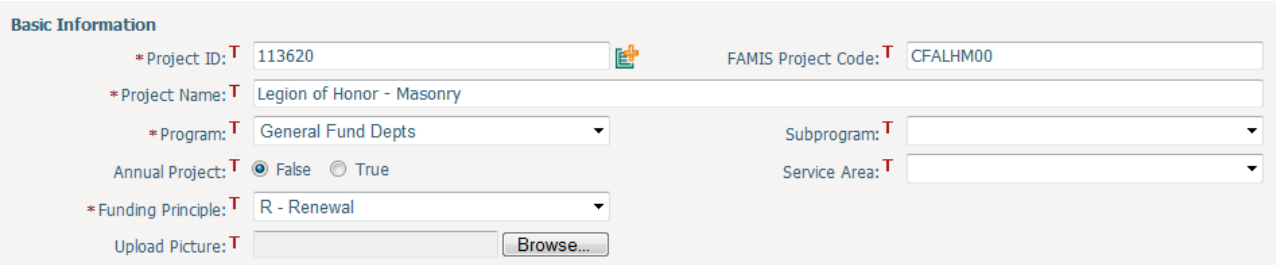
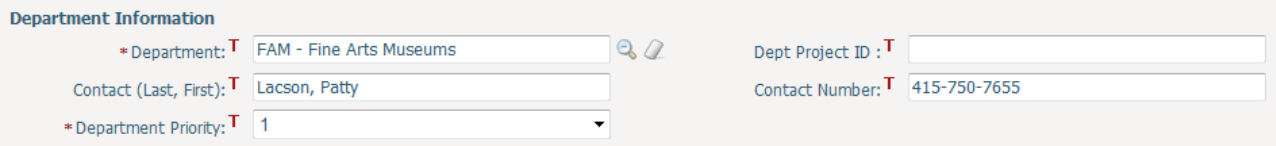
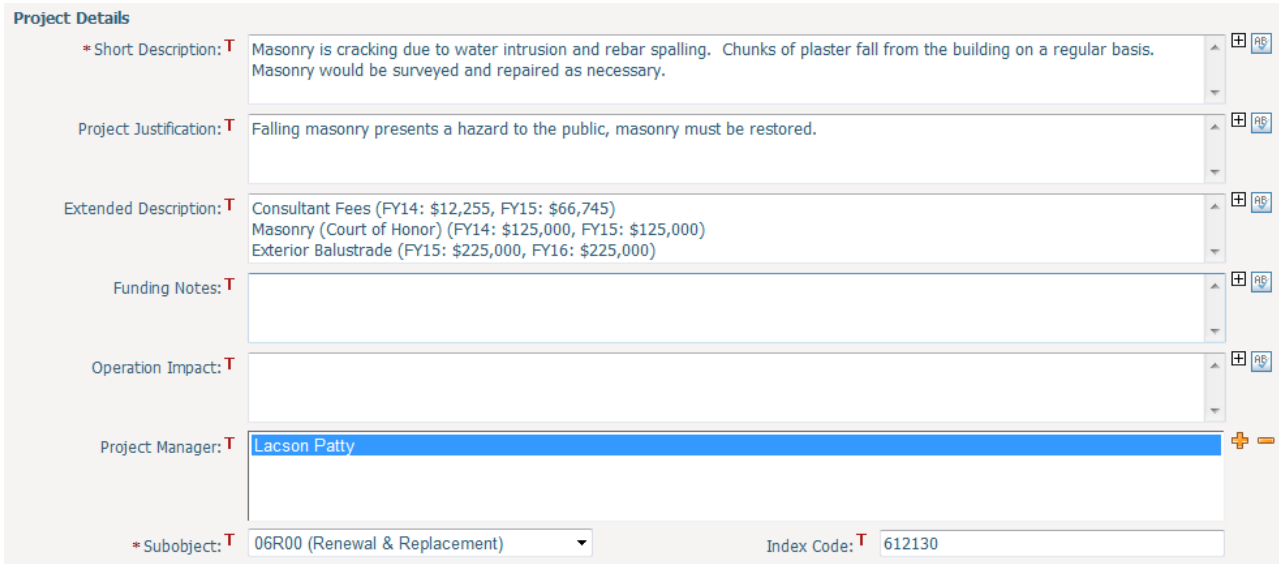
a Update relevant requests

1. On the "Browse Planning Projects" screen, click on the project request to be updated for the upcoming fiscal year.
   - Both the **General** and **Scoping** tabs need to be updated.

2. **General Tab Update**
   - Review the **General** tab and update the necessary fields following the instructions below.
   - Fields for which instructions are not provided are optional

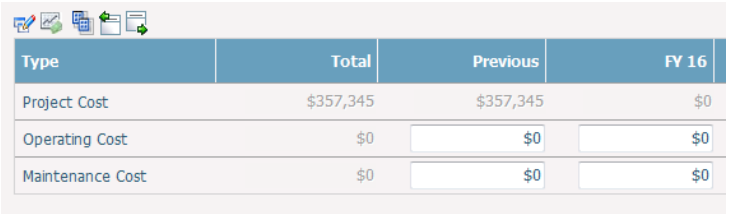
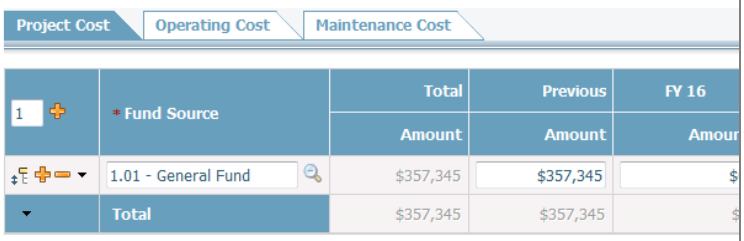
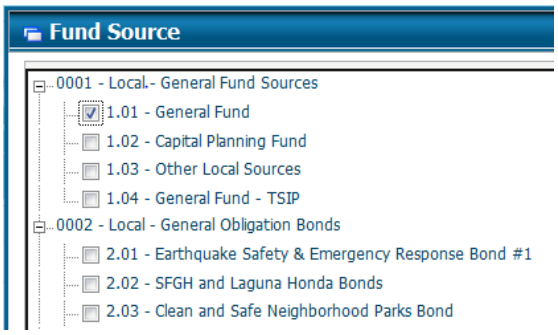
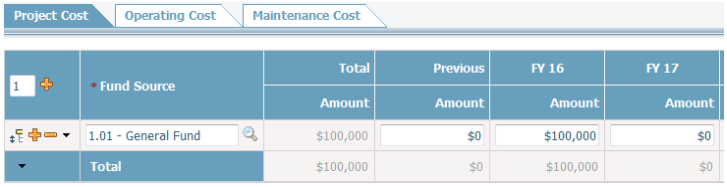
Field	Instructions
	
Project Name	Enter a descriptive name for the project (<60 characters)
FAMIS Project Code	In the case of an existing project code, update it if it has changed
Program	Select "General Fund Depts"
Funding Principle	Select the expenditure type from the following options: ▪ Enhancement – ADA Facilities ▪ Enhancement – ADA Streets and Right-of-Way ▪ Enhancement (Uncategorized) ▪ Maintenance ▪ Renewal
	
Department	Click the magnifying glass icon and select your department
Department Priority	We ask that you rank-order all project requests for your department in order of importance. Select the number corresponding to this rank.

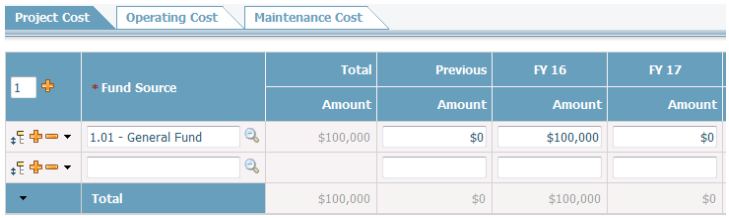


Short Description	Describe the project in brief, including high-level details such as location and purpose of the project (<250 characters)
Project Justification	Optional field, update as needed
Extended Description	Optional field, update as needed
Funding Notes	Optional field, update as needed
Operation Impact	Optional field, update as needed
Project Manager	Optional field, update as needed
Subobject	Select the subobject from the following options: ▪ 06700 (Enhancement) ▪ 06R00 (Renewal and Replacement) ▪ 06F00 (Maintenance)
Index Code	In the case of an existing index code, update it if it has changed

District	Indicate which district the project is located in, if it is a citywide project, or if the district is unknown. You may provide additional detail or clarification in the "Location Description" field.

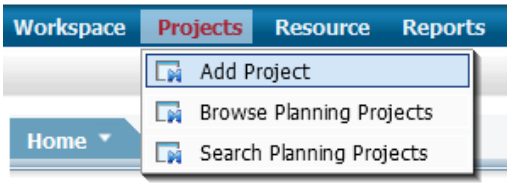
3. **Scoping Tab Update**
   - Click on the **Scoping** tab
   - Both the **Project Cost** and **Funding Sources** need to be updated following the instructions below

▪ Click on the "Scope Online" icon ▪ **Amounts in the "Previous" and "FY16" columns of the "Project Cost" row indicate amounts that were FUNDED in the previous Capital Budget**	
▪ Click the magnifying glass icon to bring up a list of Fund Sources	
▪ Select a Fund Source	
▪ As indicated above, **amounts in the "Previous" and "FY16" columns of the "Project Cost" row are amounts that were FUNDED in the previous Capital Budget** – If you are requesting additional funding, enter the requested amounts for both **FY16** and **FY17** ▪ Delete the amount under "Previous" ▪ Leave all other amount fields blank	

▪ Use the icon to add / remove rows for other funding sources (if needed)	
▪ Click "Save Project Cost" when you are finished, and "Return" to reach the Scoping screen.	
▪ You must click "Submit" on the Scoping Screen to finalize your request.	

C Add new requests

1. Navigate to the "Projects" menu and click on "Add Project"



2. Both the **General** and **Scoping** tabs need to be updated, following the steps outlined in the General Tab Update and Scoping Tab Update sections above. **Tip**: Once you have updated the **General** tab, the "Save and go to Project Management Page" button will take you directly to the **Scoping** tab.

3 Verify requests

1. Go to "Workspace > Dashboard" and click the "FY16-17 Capital Budget Request Summary (PDF)" link to review the requests you have submitted.
2. Make changes as needed, and log out of CPRd.

Form 7: Position Changes

To Be Completed By: All Departments.

Instructions: This Form should be submitted using budget system report "15.40.025 Form 7: Position Changes." Please run the report, export it to Excel, and fill in the columns labeled "does this change result in a layoff" and "Explanation."

Departments must indicate whether a proposed deletion or substitution of position will result in a layoff or whether the changes are being applied to vacant positions. **Departments must contact their Mayor's Budget Analyst prior to deleting any filled position in the budget system.**

Departments should be as precise as possible and explain all proposed position changes and the change in work or organization that is leading to the request. Requests are subject to future review by the Department of Human Resources for classification verification.

New positions should be entered to begin no earlier than Pay Period 7 and/ or no greater than 0.77 FTE. New positions should only be entered to begin in Pay Period 1 and /or 1.0 FTE if departments are requesting an interim exception from the Mayor's Budget Office. Please include all new positions and associated FTE's that will be entered into the budget system on Form 7.

Form 8: Local Legislative Changes Assumed in Budget Submission

To be Completed by: All departments assuming or proposing legislative changes in their budget proposal, including any fee changes requiring legislation.

Overview: To provide departments with increased flexibility with which to plan and budget resources in BY and BY+1, (FY 2015-16 and FY 2016-17), departments are allowed to submit a budget that assumes local legislative changes. Departments should propose changes that achieve cost recovery, facilitate efficient service delivery and maximize returns on investment of City resources. **Departments should consult with and obtain approval from their Mayor's Budget Analyst prior to assuming any legislative changes in their budget submission.**

Instructions: Examples of legislative changes include departmental and program reorganization, new proposals to contract for service delivery, **and increasing fees, fines, and charges for service**. Departments should provide a general discussion of the need for and value of such changes assumed in their budget submissions. **Please note that if a department is proposing a change in fees, fines or charges for service, the Fee Cost Recovery Form, Form 2C, is also required.**

Departments are responsible for drafting and submitting all budget-related legislation to their Mayor's Budget Analyst. The Mayor's Budget Office will coordinate the introduction of legislation to the Board of Supervisors for changes proposed in the budget. **Departments should not introduce authorizing legislation independently**. Please submit a signed original, plus three copies of the legislation, in addition to an electronic copy. For ordinances, please remember to include a legislative digest with your submission. If you do not plan on proposing any legislation with the budget, please check the box at the top of the form.

Departments must submit all budget related legislation to the Mayor's Budget Office by **Friday, May 1, 2015**.

Form 9: Contract Changes

The Mayor's Office and the Controller's Office are seeking information about all contracts, with additional emphasis on Information and Communication Technology (ICT) contracts. On Forms 9A and 9B, departments should provide summaries of the major contract changes assumed in the Proposed Budget under objects 027 (Professional and Specialized Services) and 036, 037 and 038 (City Grants Programs)

Instructions: In completing forms 9A and 9B, please include the following:

- Name the contract agency. **NOTE:** Individual contracts should be itemized; do not aggregate multiple contracts with a given contractor.
- Indicate whether the contract agency is a non-profit organization.
- Will the contract go through an RFP in the Fiscal Year?
- Provide a brief description of the services purchased through this contract. Please be specific but concise (e.g., "shelter beds for homeless families").
- Indicate the Fund, Program Code and Subobject in which the contract is budgeted.
- What type and number of Units are covered under the contract? (E.g. licenses, desktops)
- Contractor Budget/Hours. **NOTE:** Reported contract amounts should be annual, regardless of whether a multi-year contract agreement exists.
- Calculate the change in total contract amount and contractor hours between fiscal years.
- Provide a brief explanation for the change, if any. Explanations of change in proposed contract amounts should be precise and should indicate whether direct services are being expanded, enhanced, or cut.

Form 9A: Major Contract Changes (non-ICT)

To be Completed by: All departments with non-ICT contract changes.

Instructions: Provide a summary of the major non-Information and Communication Technology (non-ICT) contract changes assumed in the Proposed Budget under objects 027 (Professional and Specialized Services) and 038 (City Grants Programs).

Form 9B: Major ICT Contract Changes

To be Completed by: All departments with ICT contract changes.

Instructions: Provide a summary of the major contract changes assumed in the Proposed Budget under the appropriate IT subobjects (e.g. 02761 Systems Consulting Services). Contracts of particular interest include:

- ESRI, IBM, Adobe, Cisco, Microsoft, Motorola, AT&T, and Avaya

This information will help the Mayor's Office, in concert with the Department of Technology, determine what enterprise agreements to pursue in FY 2015-16 and FY 2016-17. Such agreements are consistent with the Mayor's Executive Directive to consolidate, standardize and optimize the technology operations, services, and applications of the City and County of San Francisco (City).

Prop J Contracting: Reporting Requirements

Under the provisions of the City Charter Section 10.104, employees of the City and County are appointed through competitive civil service selection with exceptions being listed in nineteen specific categories. Subsection 15 of this provision is known as "Prop J" contracting, authorizes outside contracting of existing services, when a service can be performed by private contract at a cost lower than the same service performed by civil servants. Requests must be submitted to the Controller's Office and approved by the Board of Supervisors.

In 2004, the Administrative Code (Section 2.17, added by Ordinance 105-04, File No. 040594, June 2004) was amended to require subject departments to submit contracting out information as part of their annual departmental budget submission. The Controller's determination would then be submitted to the Board of Supervisors no later than June 1 of each year and the Board of Supervisor review and approval will occur along with the adoption of the Annual Appropriation Ordinance.

Prop J. requests must be submitted to the Controller's Budget Office along with the Departments Budget Request submissions. If your department received FY 2015-16 Prop J approval from the Board of Supervisors during the prior year's budget process, it is not necessary to request approval for FY 2015-16 again if none of the assumptions or costs have changed. If this is the case, it is only necessary to submit FY 2016-17 Prop J documents. Any revisions to previously approved, or new Prop J activities should be submitted for both FY 2015-16 and FY 2016-17 as applicable.

The following FY 2015-16 approved contracts must be resubmitted if they have any changes. For any contract not currently approved for FY 2015-16 and/ or FY2016-17, please work with your departments' Controller's Budget Office analyst.

The Following Prop J Contracts Were Approved for FY 2015-16

Department	Contract
Airport	Information Booths
	Security
	Parking Operations
	Shuttle Bus
Municipal Transportation Agency	Citations Processing
	Towing
	Para-transit
	Parking Meter
	Security
	Transit Shelter
Port	Security
	Janitorial
Public Utilities Commission	Security
District Attorney	LGBT Anti-Violence Education & Outreach Program

Department	Contract
General Services Agency - City Administrator	Citywide Custodial Services (excluding City Hall)
	Citywide Security Services
	Central Shops Security
	Convention Facilities Management
	Security Services West South of Market
General Services Agency - Technology	Mainframe System Support
Human Services Agency	Security Services
Sheriff	Food Services for Jail Inmates
Elections	Assembly Vote-by-Mail Envelopes
General Services Agency - Public Works	Security Services - 1680 Mission Street
	Security Services - 30 Van Ness Avenue

Prop J Procedures:

Prop J requests require the submission of a Prop J Form, and documentation addressing the following subjects:

1. The department's basis for proposing the Prop J certification;

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor;

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract;

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract;

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance);

6. The department's plan for City employees displaced by the contract; and,

7. A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees. (Added by Ord. 105-04, File No. 040594, App. 6/10/2004)

Form Prop J: Contracting Out

Note: Please be sure to download and use this year's Prop J form as there are two additional tabs. Departments must provide supporting documentation for the Prop J form, include electronic versions of any spreadsheets used to calculate the city and/or contract cost. Submitting the form alone is not sufficient for obtaining certification from the Controller's Office. To obtain an Excel version of the final completed and approved Prop J form from the current year, please contact the Controller's Budget Office.

To be completed by departments:

Prop J – Main Template:

1. Top portion:
    a. Department name, Division
    b. Description of the services to be contracted out
2. Projected Personnel Costs:
    a. Job Class Title
    b. Class - Job Class
    c. Number of Full-Time Equivalent Positions
    d. Biweekly Wage Rate – enter rates for bottom and top step*
    e. Holiday Pay, Night/Shift Differential, Overtime Pay, and/or Other Pay (if applicable). Note: formulas assume that Holiday Pay and Night/Shift Differential are applicable to all job classes. If this is not the case, adjust the formula accordingly.
    f. Fringe Benefits**
3. Estimated Capital and Operating Costs- all non-personnel related costs that would be included in the contract
4. Comments/Assumptions- Any assumptions or comments necessary to understand the submission. Examples include how long the service has been contracted out, what year the contract is in, where the estimated contract cost came from, etc.

Contract Cost Detail Tab:

1. Estimated Contract Cost
2. Contract Monitoring Costs
3. Contract Cost Calculation***
4. Additional Contract Cost Detail
    a. List all assumptions made in calculating contract cost.
    b. What is the source of the data used to calculate the contract cost?
    c. What year is the data from?
    d. If contract cost is based on RFP, was the RFP for comparable services? Was RFP for San Francisco?

Summary Tab:

1. Departmental Contact Information
2. Contract Cost Contact Information, if different from Department contact

* Obtain biweekly wage rates from the Human Resources Classification and Compensation Database, available online at http://www.sfdhr.org/index.aspx?page=32.

** Obtain fringe benefits rates by contacting your analyst in the Controller's Budget Office or by using the fringe benefit costs in budget system report 15.15.002. Enter estimated fringe benefit costs. These costs will be recalculated once the Controller's Office inputs the fringe benefit rates.

*** Departments must provide detailed information about how the contract cost was calculated, including job classifications, number of positions in each classification, salaries or hourly wages, number of work hours for each position covered by the contract, etc. Non-personnel costs such as management fees, profit, operating costs, equipment, training, and other related costs should be broken-out separately.

Appendices

Section
V

Appendix A: Controller's Guidelines

1. Sources

a. Revenue Policy

General Statutory Authority:
Article IX, Sections 9.100, 9.101, 9.102 of the San Francisco Charter, supplemented by Chapter 3 of the San Francisco Administrative Code, establishes budget policies and procedures with respect to revenue estimates. Specifically, San Francisco Charter Section 9.101 states, in part:

The annual proposed budget shall include:

1. Estimated revenues and surpluses from whatever sources, to the extent feasible, for the forthcoming fiscal year and the allocation of such revenues and surpluses to various departments, functions and programs to support expenditures. Proposed expenditures may include such necessary and prudent reserves as recommended by the Controller; and

2. A summary of the annual proposed budget with a narrative description of priorities, services to be provided and economic assumptions used in preparing the revenue estimates.

San Francisco Charter Section 9.102 provides:

The Mayor shall submit to the Controller for review the estimated revenues contained in the annual proposed budget and any subsequent revisions. The Controller shall then provide the Board of Supervisors with an opinion regarding the accuracy of economic assumptions underlying the revenue estimates and the reasonableness of such estimates and revisions.

Chapter 3 of the San Francisco Administrative Code outlines general requirements relating to departmental budget submissions. Specifically, Section 3.7 of the San Francisco Administrative Code requires departments to "submit with their budget a schedule showing each fee charged by said department, the revenues received from each such fee, except fees regulated by State or Federal law, and the costs incurred in providing the services for which the fee is assessed."

Sources
Total sources are determined by adding together the following components.

1. General Fund Allocation
2. Revenues (Citywide and Departmental)
3. Transfers In
4. Bond Proceeds
5. Available Surplus (Fund Balances)

6. Work Order/Direct Charges (Recoveries)

Revenues Definition:
All City revenues fall into two basic revenue categories: (1) Citywide and (2) Departmental.

1. Citywide revenue is budgeted primarily in the General Fund Unallocated (UNA) and the General City Responsibility (GEN) sections of the budget. These revenues are generally not attributable to a specific department, commission, or agency. Citywide revenue estimates (e.g., Property Tax, Sales Tax, Hotel Room Tax for the General Fund) are projected and reviewed for accuracy by the Controller's Office and budgeted by the Mayor's Office. In preparing and reviewing these estimates, the Mayor's Office and the Controller's Office will use the CY budgeted revenue amounts as a starting point, incorporating year-to-date performance as well as current economic information pertinent to the various revenue sources.

2. Departmental revenue is generated by the services, programs, or activities of a particular City department, commission, or agency.

Revenue Forms
All revenue forms are due to the Controller's Budget Office by the Department Budget Request submission deadline

All Departments
Form 2A: Please refer to the Budget Submission Forms and Instructions for specific guidance.
Form 2B: Please refer to the Budget Submission Forms and Instructions for specific guidance.
Form 2C: Please refer to the Budget Submission Forms and Instructions for specific guidance.
Form 2D: Please refer to the Budget Submission Forms and Instructions for specific guidance.

Form instructions, templates, and examples are available in the Budget Submission Forms and Instructions section.

b. Reference Guide for Revenue Budgeting

1.	**Property Taxes**	**(Character 100, Objects 101-109)**
	Business Taxes	**(Character 110, Objects 111-119)**
	Other Local Taxes	**(Character 120, Objects 121-129)**
	Franchises	**(Character 200, Object 206**)

Property taxes, business taxes, other local taxes, and franchises are citywide revenue sources budgeted by the Mayor's Office. Departments, commissions or agencies that receive a direct allocation of any of these taxes (e.g., property tax or hotel tax) will be informed by the Mayor's Office of the amount budgeted for the department, commission, or agency in BY and BY+1.

2.	**Licenses and Permits**	**(Character 200, Object 201-205; 207-209)**
	Charges for Services	**(Character 600, Object 601-699)**

Licenses, permit fees, and charges for services are budgeted by the department issuing the licenses or permits or providing the services. In estimating revenue from these sources for BY and BY+1,

departments should review trends of the past two years, taking into account year-to-date receipts as well as current economic information. Departments must also keep in mind that the revenue from these sources may not exceed the cost of providing the service. If in doubt, departments are encouraged to complete Form 2C Fee Cost Recovery Form to determine how much of the cost for the service is being recovered by the fee or charge.

Note: New or modified licenses, permits, or service charges require the submission of Form 2B.

3. **Fines, Forfeitures and Penalties** **(Character 250, Object 251-259)**
   Rents and Concessions **(Character 350, Object 351-399)**

Revenues from fines, forfeitures, penalties, rents and concessions are budgeted by the department receiving the funds. In estimating revenue for BY and BY+1, departments should review trends of the past two years, taking into account year-to-date receipts as well as current economic information.

4. **Interest and Investment Income** **(Character 300, Object 301-304)**

Interest and investment income is based on projected cash balances and interest rates. General interest assumptions are available from the Controller's Office for departments with non-General Fund operations that budget interest and investment income. In estimating interest and investment income, departments should project CY year-end cash balances then take into account cash flow projections through BY. Based on projected BY cash flow projections, estimate year-end cash balances for BY+1 projected cash flow.

5. **Intergovernmental Revenues**
   Federal **(Character 400, Object 401-449)**
   State **(Character 450, Object 451-489)**
   Other **(Character 490, Object 491-499)**

Intergovernmental revenues (e.g. grants, realignment funds, subventions) from Federal, State or other governmental agencies are budgeted by the department receiving the funds. In estimating revenue, departments should review prior year trends, but place particular emphasis on current economic information affecting the agencies and/or programs providing the revenue.

Note: In estimating BY and BY+1 grant revenue, departments should refer to *Appendix A: Controller's Guidelines, Section 2.a.ii Grants.*

6. **Other Revenues** **(Character 750, Object 751-799)**

Departments, commissions, or agencies that budget other revenues should include them on Budget Form 2A to convey to the Mayor's Budget Office and Controller's Budget Office the basis of the BY and BY+1 revenue estimates.

7. **Other Financing Sources** **(Character 800, Object 801-849)**
   ISF Charges for Services **(Character 860, Object 860-890)**
   Transfers In **(Characters 910-950, All Objects)**
   Unappropriated Fund Balance **(Character 999, Object 999)**

These sources of funds are budgeted by the Mayor's Budget Office after review by the Controller's Budget Office and the department, commission or agency using these sources to fund its budget.

2. Uses

In developing the Department Budget Request submission, the department must analyze the total projected sources of funding and match its requested uses (i.e. expenditure appropriation). Total departmental sources are determined by adding together the revenue components described in the preceding section. Departmental expenditure requests are limited by the amount of revenue available to each department.

a. Reference Guide for Expenditure Budgeting

i. Program Structure

Departments are required to explain the budget requests using the program structure. It is important that departments confirm that the program coding accurately reflects the program structure as approved by the Mayor's Budget Office and notify the Controller's Budget Office as soon as possible of any required structural changes.

In general, departments should submit budget expenditure requests using budget-only subobjects that appear in the Chart of Accounts, found at http://sfcontroller.org/Modules/ShowDocument.aspx?documentid=2116 (Copies of the Chart of Accounts are also available from the Controller's Budget Office). Actual expenditures typically will be charged at a lower level of detail. When done correctly, budget versus actual data is readily available in the system and on reports.

In some cases, the programs associated with the index codes where actuals are recorded do not match the programs assigned to index codes with budget information. When this occurs, tracking budget versus actuals by program becomes difficult. Please confirm that all index codes have the correct programs.

Departments should also ensure that all revenues attributed to a specific program are budgeted within that program. Departments may also find it helpful to budget revenues in index codes where the program expenditures occur, as separate revenue and expenditure index codes are not required by FAMIS or the budget system.

Children and Youth Baseline
Children and Youth Spending

The San Francisco Charter requires that General Fund appropriations for Children's services (Program FAL) provided in the baseline FY 2000-01 budget year must be maintained (with adjustments for changes in aggregate discretionary revenues). Proposition C, passed in the November 4 2014 election, expands the baseline to include Disconnected Transitional Aged Youth (TAY) services (Program TBD) appropriated in the baseline FY 2013-14 budget year. All General Fund-supported Children and Youth Baseline expenditures must be budgeted in separate programs so that we can track compliance with the San Francisco Charter, any changes to index codes in Program FAL or the TBD TAY program must be reviewed and approved by the Controllers' Budget Office. Please note that no revenue should be budgeted in these programs, which are expenditure appropriations funded through the baseline.

All Other Spending on Youth Programs

Historically departments have coded (and will continue doing so) discretionary General Fund budgetary appropriation related to Children's Services using the "FAL - Children's Baseline" program code, and will soon do so as well for youth services in the TBD TAY program code, as required to meet the reporting requirements under San Francisco Charter Section 16.108. In addition to that FAL and TBD TAY program coding of discretionary appropriation authority, Charter Section 16.108 also requires that the City periodically make available the Community Needs Assessment and Children and Youth Services Allocation Plan.

Presently, most departments do not separately track non-Children and Youth Baseline spending by customer or user, so it will be necessary to approximate how much spending on youth occurs in your department. For example, the Health Department tracks budgetary spending by major program, so at General Hospital, a cost estimate for children and youth services would need to be made for acute care, ambulatory care, emergency care, etc. We understand that these will be general estimates, and thank you in advance for approximating as best as you can for your department.

General Administration

Programmatic budgeting of general departmental administration and centralized functions may be isolated into a specific program (i.e., Administration). The Controller's Office is then able to use the budgetary appropriation identified as Administration as the basis for calculating departmental overhead rates. The greater the proportion of the department's budget that is classified as Administration, the higher the departmental overhead rates will be. This can be important in determining administrative efficiencies, and in calculating departmental indirect costs that can be recovered through fees and charges. (Please note Budget Form 2C, the Fee Cost Recovery Form discussed previously.) Departments should use care in using Administration-like program descriptions to appropriately reflect only centralized departmental costs.

ii. Grants

In general, accepting and expending grants of certain dollar amounts and for certain purposes, requires approval by the Board of Supervisors. Ordinance 97-12, adopted in May 2012, revised the threshold for Accept and Expend grants. Now all grants that are for less than $100,000, or for less than a total of $100,000 per grant if subsequent increases raise the initial grant, do not require board approval, as long as there are no new positions created. Board approval can be obtained through: a) the budget process using the Annual Appropriation Ordinance, b) through an Accept and Expend Resolution for grants not creating new positions, or c) through an Accept and Expend Ordinance amending the Annual Salary Ordinance (ASO) if new positions are created. **For multi-year grants, budget the BY and BY+1 portions of the grant award respectively.** Each successive year's portion of the multi-year grant should be budgeted in future years' budgets using the last two digits of the new fiscal year.

A substantial number of the City's grants are recurring, that is, they are granted to the City each year, fund the same programs and related positions, and essentially provide a portion of the department's operating budget. Ongoing grants are included in the annual budget in order to more accurately display departmental resources and give a more complete picture of the City's overall operating budget. Grants that meet the following requirements should be included in departmental annual budget requests:

1. The grant is an operating grant, not a capital grant.

2. The new grant has been awarded and will begin on or after the beginning of the new fiscal year (July 1 of BY or BY+1)

3. The Department is confident that the grant will be awarded or renewed in the budget year, and can document the basis for the projected grant budget.

4. **The grant budget has not already been authorized through an Accept and Expend Resolution or an Ordinance amending the ASO, and consequently, already recorded in FAMIS.**

All new operating Federal, State and local grants in this budget cycle are placed in index codes within Special Revenue Funds (i.e. fund type 2S), with the subfund designation of "GNC" (Grant, Non-project, Continuing). Federal, State and local grants will still be distinguished by the grant type indicator used in the FAMIS grant set-up, and by the different revenue subobjects used.

Private grants including those from non-profit organizations, private corporations and individuals should be placed in 2S-GNC subfunds.

New grant index codes will require grant details, prohibit project details, and allow unused appropriations to be carried forward (continued) from one year to the next. The Controller's Budget Office will work with departments to establish new index codes for grants in the subfunds. In special cases, where Departments need to use project details together with grant details, please contact your analyst in the Controller's Budget Office.

For grants that may have expired or grants that are renewed each year, departments should request a new grant detail coding in FAMIS and the budget system to represent the new fiscal year. The coding should follow the convention of using the last two digits of the calendar year that represents the SECOND half of the fiscal year, (i.e., use detail "16" for FY 2015-16). If a department receives operating grant awards on a different cycle than the City's fiscal year, they may set up a new detail for each grant award. If spending during the City's fiscal year is likely to be divided between two different grant awards, the department should show this by dividing the budget between the two relevant grant details.

Note: For operating grants budgeted in the AAO, Ordinance 265-05 requires grants of $5,000,000 or more that anticipate the issuances of Requests for Proposals, to submit a resolution articulating the grant application to the Board of Supervisors for review and approval at least 60 days prior to the issuance of the RFPs. Admin Code Sec. 10.170(b).

Grants will continue to be balanced at the grant detail level. The Controller has been provided with the authority to approve minor adjustments, prepared by departments, to reflect actual awards made if granting agencies increase or decrease the grant award amounts estimated in budget submissions. Departments should also provide documentation to the Controller's Office showing the revised grant awards.

Note: Departments **must** zero out the old grant details for revenue and non-salary items and by creating position records which delete or reassign all budgeted positions to new grant details. Departments are expected to analyze each grant, determine if it is appropriate to budget it again in BY and BY+1, and then enter the appropriate amounts and position records in the relevant new grant detail. As noted

above, unspent amounts from prior years are continued, departments do **not** need to re-enter unspent amounts in the new grants.

All positions funded by grant revenue should be designated by the "G" status indicator. The “H” status indicator should be used to identify previously grant-funded positions that will no longer be funded from a grant.

Code a negative count/amount with status indicator “G” to remove the position in the grant; and code a positive count/amount with status indicator “H” to add the position in the new funding source. Link these two records using a reference number.

As an alternative to budgeting grants through the Annual Appropriations Ordinance (AAO), departments may still submit grant budgets for Board approval at any time during the year using an Accept and Expend Resolution or an Ordinance amending the ASO. Departments receiving grants before July 1 that wish to start spending the money in advance of the new fiscal year must use the Accept and Expend Resolution process. If the grant includes new positions, an Ordinance amending the ASO and approving the Accept and Expend shall be submitted.

Questions concerning grants should be directed to your fund accountant in the Controller’s Office.

iii. Information Technology Projects Including Equipment and Software

Please refer to Form 5 instructions and the “Information Technology (IT) Subobjects” section for guidance on Information Technology budget requests.

iv. Salary Items

General Information

Workdays:
BY has 262 workdays (26.2 pay periods) and BY+1 has 261 workdays (26.1 pay periods).

Level of Budget:
In the budget system, permanent salary position detail by classification is required. Temporary salaries, overtime, premium pay, and holiday pay are budgeted as lump sums by subobject and are not detailed at the position level. Temporary positions cannot exceed a six-month duration. The Controller’s Budget Office will not automatically reflect cost of living increases in lump sum budget subobjects such as temporary salaries, overtime, premium, and holiday pay; **departments are responsible for making these proposed changes manually in the budget system.**

Full- Time Equivalents (FTEs):
In the budget system, positions are budgeted by entering head count (i.e. number of employees), starting pay period, and hours per pay period. The system then calculates FTEs based on the values entered. One FTE is equal to one person working full time (80 hours per pay period) for a full year (starting in Pay Period 1).

New Positions:
New positions should be budgeted for the amount of time the employee is actually on payroll in the fiscal year. As the recruitment process takes approximately three months, new positions for each fiscal year should not be budgeted with a "Start Pay Period" earlier than Pay Period 7 in the budget system. The Mayor's Budget Office will review requested exceptions to this rule. New partial-year positions entered in BY will be annualized by the Controller's Budget Office in the BY+1 budget to reflect on-going salary costs for the full year.

Step Adjustments:
In the budget system, positions are budgeted at the top step of the normal range. The budget system includes step adjustment classes to allow departments to reflect positions where actual salaries are less than the top step. Review projected costs by cost center compared with the net budget amount and use the appropriate step adjustment class if there is a need to change the budget to reflect anticipated step adjustments. Departments must document and justify these changes in their budget explanations.

Departmental Attrition Savings:
Departmental attrition savings is the anticipated amount of salaries that will not be expended due to normal departmental attrition. The Controller's Budget Office and Human Resources will work with departments to retain flexibility in staffing, consistent with normal salary savings, so that "extra" positions do not need to be included in the budget to provide managerial flexibility. During the budget process, the Mayor's Budget Office will instruct departments on the desired level of attrition savings for departments.

When attrition savings appears in the budget (the 9993x job classification series), the budget system will compute a negative FTE count so that the total position count reflects the net funded positions. In the budget system, the negative count is computed using the average salary for positions in the base budget by node. Attrition Savings is not position specific and is a manual entry that departments input.

Adjustments Pursuant to Memoranda of Understanding and Labor Agreements:
The budget system has been updated for pay increases and/or wage concessions contained in labor agreements or memoranda of understanding (MOUs). Departments should not attempt to manually add cost of living adjustments to any salary and fringe benefit line items other than overtime and other premiums such as holiday pay.

Departments are reminded that they need to adjust the budgets for temporary positions, overtime, holiday pay, premiums and work order positions to include negotiated pay increases. **This step is not part of the automatic base budget rollover process and is up to each department to analyze each year to maximize staffing flexibility while minimizing total costs.**

Non-Operating Budget Positions:
To allow for processing of requisitions throughout the year, all City positions must be reflected in the Annual Salary Ordinance (ASO). The ASO is extracted from the budget system, therefore the budget system allows for listing all positions while at the same time not distorting the annual budget totals. Off-budget positions will be listed in the budget; however, the budget system will not calculate associated salaries and benefits, and FTEs associated with off-budget positions will be excluded from the grand recap position report and other position reports of the operating budget.

- Use position status indicator "O" to account for positions that are not funded from the annual budget (e.g. positions which are funded from multi-year capital projects or outside agencies).
- Departments must be able to provide supporting information showing justification and funding for non-operating budget positions.

Position Coding

To input position data into the budget system, enter:

- classification code (4 characters);
- retirement indicator (appended to the classification code);
- position status indicator; and
- position action indicator.

Classification Code:

The classification code is a four-character code, which uniquely defines a position title and salary range. Proposed new classification codes must be approved and have a rate of pay assigned (contact the Department of Human resources or the Civil Service Commission) before they will be accepted into the budget system. Temporary appointments to such positions will not be approved prior to formal classification action.

To show the position detail in the main on-line budget system, subobjects are used to identify all job classifications. These subobjects roll-up to the regular salary objects and characters and will be converted to the regular salary subobjects, which are used in FAMIS prior to the interface of the budget system to FAMIS.

For example, job class 1424 Clerk Typist appears as a subobject in the budget system rolling up to object and character 001, Permanent Salaries Miscellaneous. When the BY budget is interfaced into FAMIS, job class 1424 will automatically be converted to the salary subobject 00101, Permanent Salaries Miscellaneous.

Retirement Indicator:

A retirement indicator is an alphabetic character appended to the job classification code that allows the budget system to automatically calculate retirement and Social Security costs. Each position record must contain one of the following codes:

C - Regular City Retirement (Miscellaneous Employees)

E - Exempt from retirement. This indicator should be used for temporary, premium, holiday and overtime pay that are not retirement pay-eligible. Note: retirement membership is extended to non-permanent employees who have at least 1040 hours (6 months) of service.

F - City Retirement - Fire (Excludes FICA costs as classes do not participate in Social Security)

M - State Retirement (Miscellaneous)

P - City Retirement - Police (Excludes FICA costs as classes do not participate in Social Security)

S - State Retirement (PERS Safety/Excludes FICA costs as classes do not participate in Social Security)

X - Uniform Exempt from Social Security. The "X" retirement indicator was created in the budget system to distinguish uniform salary subobjects for premiums, overtime and holiday pay which are subject to Medicare tax but not Social Security (FICA).

Z - Retirement indicator Z is entered in the budget system to ensure that corresponding fringe benefit savings by subobject will be automatically computed for the salary savings classes (9993 series), MCCP Adjustment classes (9994M, 9994N, 9994P, and 9994U), and step adjustment classes (STEP series).

Position Status Indicator:

A Position Status Indicator identifies the type of position that is being entered. The following are valid Position Status Indicators:

A Regular Position: used for regular ongoing positions.

E Disability Transfer (existing): used for individuals who change classifications after a disabling injury; the rate of pay may not be higher than former position.

G Grant Funded: used for positions funded by grant revenues in the budget.

L Limited Duration: used for positions with a definite duration, e.g., bond funded projects (even if the duration is several years). Note: In the new budget system, Limited Duration positions can only be entered in the "Limited Entry" cube and will be defined as ending within three fiscal years.

O Non-Operating Budget: used to allow non-operating budget positions such as those funded from bond proceeds for capital projects to be included in the Annual Salary Ordinance. These positions will be excluded in position count reports for the City's operating budget.

W Off Budget with Benefits: only used for non-operating budget positions in the City Attorney's Office

Position Action Indicators:

A Position Action Indicator is required if a change is being made. It identifies the type of change being entered. The following are valid Position Action Indicators:

D Deleted - used when deleting a position where no substitution is made.

H Transition from Grant to Non-Grant Funding - used to identify a position that was grant funded last year but will be funded from non-grant funds in the new year. Reference numbers must be used to link the "GH" position (coded with a negative count/amount) to the "AH" position (coded with a positive count/amount).

N New - used to identify any newly requested full or part-time position that does not qualify as continuing, reassignment, reclassification or substitution.

Q New by Supplemental Appropriations and/or ASO Amendments - used to identify new positions approved through supplemental appropriations and or ASO Amendments in the current or prior fiscal year. Only the Controller's Budget Office will enter these positions; departments should not make entries into the budget system for this purpose.

R Reassignment - used to identify positions that are reassigned from one cost center (Index Code) to another. Additionally, reassignments are used to move an "on-budget" position to "off-budget" or vice versa. Reference numbers must be used to link positions with "R" indicators.

S Substitutions - used to request a trade of one position or more for another position or to reclassify a position. Substitutions may be upward (switching for another position where the rate of pay is higher than the prior position), or downward (switching for another position where the rate of pay is lower). **Use reference numbers** to link positions with "S" indicators. Proposed reclassifications should be identified with an "S" position indicator.

T Existing Reclassifications - used to identify reclassifications that occurred and/or were approved by Human Resources during the current fiscal year. Reference numbers must be used to link positions with "T" position indicators.

Special Position Classes:
Several special classification numbers have been created in the budget system to accommodate particular budgeting needs:

9993x	(Used to record normal Attrition savings)
9993M	Departmental Attrition Savings, Miscellaneous
9993N	Departmental Attrition Savings, Nurses
9993P	Departmental Attrition Savings, Platform
9993U	Departmental Attrition Savings, Uniform

9994x	(Used to budget for MEA Range B & C adjustments)
9994M	MEA Range B and C Adjustments, Miscellaneous
9994N	MEA Range B and C Adjustments, Nurses
9994P	MEA Range B and C Adjustments, Platform
9994U	MEA Range B and C Adjustments, Uniform

STEP x (Used to reflect step adjustment changes in a cost center)
STEP M Step Adjustment, Miscellaneous
STEP N Step Adjustment, Nurses
STEP P Step Adjustment, Platform
STEP U Step Adjustment, Uniform

For all of the classes listed above departments should always use the "Z" retirement indicator to ensure that corresponding fringe benefit savings by subobject will automatically be computed.

New Positions, Substitutions, Reassignments, & Temporary Exchanges

For proposed new positions, substitutions, and reclassifications, the following information must be included in the Program Expenditure Reports.

- A brief statement of duties and responsibilities of the position;
- Identification of the division and/or unit and name and classification of the supervisor for the position;
- Verification that the assignment is consistent with the approved use of the class in the department; and
- Any other information that would assist Human Resources staff in recommending classification of the position.

The information in the Program Expenditure Report will be used by Human Resources Department staff as a basis for recommending action on or classification of the position. Submit a copy of Program Expenditure Report containing position information to the Department of Human Resources by the Department Budget Request submission deadline. This will expedite Human Resources' and Board of Supervisor's review of the position and will substantially eliminate the amount of data normally required, such as organizational charts and Position Classification Questionnaires (PCQs). If the program expenditure explanation is not sufficient, Human Resources Department staff will request additional information to complete its review and recommendation.

Substitutions
Use substitutions to indicate proposed trades between position(s). To accomplish these trade-offs:

- Enter the new position in the budget and delete the old position, using the substitution position indicator "S",
- Use a reference number to link these entries. All substitutions must be linked with reference numbers (see below).
- If a reclassification has occurred since the budget was approved (approved by Human Resources during the current fiscal year), the "T" position indicator should be used.

Reassignments
Use reassignments to move positions from one index code to another or to move positions from one project or grant to another within the same index code. Additionally, reassignments should be used when moving positions from "on-budget" to "off-budget" or vice versa.

- Enter a negative head count for the position in its current index code, and enter it in the new index code with positive head count, using the reassignment position action indicator "R",
- Use a reference number to link these entries.

If the reassignment is disapproved, the Controller will restore the old assignment to the budget. Departments must check that the funding sources involved in reassignments are appropriate. For example, if a position is currently supported by grant or work order funds, in many cases moving it to a General Fund index code would not be appropriate. Departments should consult with the Controller's Budget Office if they have questions on this issue.

Note: Substitutions and Reassignments cannot be used to reduce FTE count or "cut" positions. Negative substituted or reassigned position records must have equal FTE counts with the offsetting positive substituted or reassigned position records.

Temporary Exchanges
All positions that were temporarily exchanged in CY should be substituted in the BY submission to reflect the classification of actual duties performed.

Reference Numbers
Departments must identify and link each position involved in a substitution or reassignment by entering a unique four-character reference number for both sides of each trade. The first two digits of the reference number should correspond to the two-character department designation and the second two characters are a combination of numbers or assigned by the department (1 through 9, A through Z). If a department is unsure how to use reference numbers, please contact the Controller's Budget Office.

Example: A department may have two 1424s in one index code, which are being reassigned to two different index codes. Enter these reassignments on separate lines in order to assign separate reference numbers to each reassignment.

Departments must enumerate each substitution and/or reassignment in the Program Expenditure Report (Budget Form 3), showing the positions involved in each position trade and explaining the reason for the trade. Failure to provide this explanation will result in the trade being denied.

Subobject Codes

00100-00400 Permanent Salaries
All existing positions in permanent salaries are budgeted at the full yearly rate. Any savings, which would accrue from a position being vacant for some portion of the fiscal year, should be netted in the amount requested for salary savings.

00500-00600 Temporary Salaries
Temporary salaries are displayed in the budget system in total amount without position detail. Include the appropriate amount of explanatory detail in the Program Expenditure Report. FTEs and applicable fringe benefits for temporary salary amounts are automatically computed by the budget system. Amounts budgeted for temporary salaries should include an estimate for the cost of wage increases contained in the Memorandums of Understanding (MOUs); the Controller's Office will not make automatic adjustments in these objects.

Temporary positions cannot exceed six months. Positions expected to last longer than six months must be budgeted as permanent salaries with a position indicator such as "G", "O" or "L". The Temporary Salary account is limited to hiring employees that are, in the opinion of the Human Resources, appropriate for the department and the temporary purpose of the request.

00902-00902 Premium Pay

Show all premium pay types, including standby pay and differential pay, in the Premium Pay objects. **The Controller's Office will not make automatic adjustments in premium pay objects.** For those Premium Pay types which are a percentage of base salary amounts, include the cost of anticipated wage increases in the amounts budgeted.

01101-01202 Overtime and Holiday Pay

00311-00313 Platform Only - Overtime and Holiday Pay

Overtime and Holiday Pay will be displayed in the budget system as a total amount in the respective object without position detail. There are separate subobjects for Miscellaneous Employees, Uniform Police and Fire, Muni Operators and Registered Nurses.

Amounts budgeted for overtime and holiday pay should include the cost of wage increases contained in MOUs. **The Controller's Budget Office will not make automatic adjustments in these objects.** Each department is responsible for making their own proposed adjustments.

01300-01999 Mandatory Fringe Benefits

The budget system automatically calculates fringe benefits based on position detail or amounts in salary objects (with the exception of the administrative and subsidy costs for health services). **Departments are therefore restricted from entering fringe benefit data for the following**:

- Retirement – City or PERS
- Retirement Pick-up
- Social Security
- Social Security – Medicare
- Health Service – City Match
- Flexible Benefits
- Health Service – Retiree Health Subsidy Cost
- Health Service – Administrative Cost
- Dependent Coverage
- Dental Benefits
- Unemployment Insurance

The method of calculation of each fringe benefit is described below.

01301-01309 City or PERS Retirement

These subobjects are computed based on the retirement indicator.

- SFERS - In November 2011, Proposition C adjusted the City retirement contribution, to reflect different City contributions based on wages. The budget system has grouped salaries into three levels, referred as tiers, based on increasing compensation, and applied retirement contributions based on these rates. The following table shows these rates:

	BY	BY+1
Miscellaneous Employees*:		
Less than $55,827 per year	21.89%	19.86%
Between $55,827 and $107,390 per year	18.51%	17.45%
Greater than $107,390 per year	18.03%	16.97%
Uniform Employees* (Police and Fire)		
Less than $55,827 per year	17.69%	16.62%
Between $55,827 and $107,390 per year	17.69%	16.62%
Greater than $107,390 per year	17.69%	16.62%
PERS Employees*		
Less than $55,827 per year	23.38%	26.35%
Between $55,827 and $107,390 per year	23.38%	26.35%
Greater than $107,390 per year	23.38%	26.35%

*the salary base that determines each threshold varies with CPI growth each year

As these rates are updated by the Retirement System, the Controller's Office will update these rates in the Budget System.

Departments must use the correct retirement indicator so the budget database will have the correct coding if these rates are adjusted. Please note that the November 8, 2011 voters approved Proposition C for pension reform has been reflected in the above projected rates.

01371 – 01373 Retirement Pick-up

The Controller's Budget Office adjusted retirement pick-up rates to reflect negotiated BY MOU agreements. The majority of bargaining units have closed contracts for BY+1, the Controller's Budget Office may need to make subsequent changes as agreements are reached.

Do not compute the amount required for retirement pick-up. The Controller's Budget Office will budget these amounts based on negotiated MOUs.

01401 Social Security Tax (FICA)
The Social Security tax rate remains the same at 6.20% for BY and BY+1 for both the employer and the employee. The calendar year 2015 and 2016 wage bases are capped at $118,500.

01402 Social Security - Medicare
Social Security-Medicare is computed at a rate of 1.45% of salaries or wages paid for each the employer and the employee. There is no wage base cap for Medicare.

01501 Health Service - City Match
The Health Services City Match rate of contribution varies per year for most employees. The amount entered for a job class is the weighted average contribution based on the number of employees in each bargaining unit enrolled in the various health plans offered by the City. An estimated medical inflation factor has been included in the baseline budget. These benefits will be updated by the Controller's Budget Office as actual data from the Health Service System is received (see also subobjects 01571 and 01601).

01551 Health Service - Administrative Cost
The Health Service System calculates this line item based on employee and retiree enrollment records. Costs are allocated to each department/fund based on the number of active members in the health system. The Controller's Budget Office will enter the applicable rate and amount adjustments into the budget system.

01561 Health Service – Retiree Health Subsidy Cost
This subobject captures the contribution that the General Fund supported and Enterprise departments make toward retiree health care. If the employee is vested for health service upon retirement, the department that the employee retires from will receive the budget and charges for that retiree's health service subsidy, regardless of the employee's employment history. The Controller's Budget Office will enter the amount into the budget system, based on information from the Health Service System.

01571– 01573 Dependent Coverage
The Controller's Office will budget these amounts based on MOUs and Health Service enrollment records. An estimated medical inflation factor has been included in the baseline budget. This benefit will be updated by the Controller's Budget Office as actual data is received.

01601 Dental Benefit
The BY and BY+1 average rates of contribution are updated in the budget system by the Controller's Budget Office and can be referenced by running Report 15.15.002. The amounts are computed in the budget system by multiplying the City contribution by the number of employees shown in the budget. An estimated medical inflation factor has been included in the baseline budget. This benefit is updated as actual data is received.

01701 Unemployment Insurance
The City reimburses the State for any unemployment benefits paid to former City employees. The current budgeted rate for BY and BY+1 can be referenced by running Report 15.15.002. The budgeted rate for unemployment insurance costs may change because of factors including required minimum benefit payments, the number of projected staff layoffs, and the number of previously laid-off staff still collecting benefits. The Controller's Budget Office updates this rate upon review of the balance in the unemployment insurance fund.

01911 Flexible Benefit Package
This subobject is used to record the cost of flexible benefit plans that are currently authorized for members of MEA and MAA. The amount will be computed in the budget system.

01901 Fringe Adjustments-Budget
This subobject is only used by the Controller's Budget Office during budget balancing.

v. Non-Salary Items

General Information

At a minimum, departments are required to use the subobjects listed below for budgeting non-salary requests. The required budget subobjects are also highlighted in the Chart of Accounts.

Subobject Codes

02019/02029 Department Overhead & Division Overhead
Use subobject 02019 for department level and subobject 02029 for division level administrative costs.

02001 City Overhead (COWCAP)
Section 10.199 of the San Francisco Administrative Code requires departments funded by Non-General Fund revenues to include an amount for City overhead in their budget requests. This amount will be transferred to the General Fund to support the estimated costs of services rendered and facilities provided by General Fund agencies. In FY 2009-10, the Controller's Office began direct charging COWCAP instead of billing departments monthly.

The Controller's Budget Office is calculating these amounts for BY based on the City's cost allocation plan. By February, the COWCAP amounts will be entered into the budget system, and the appropriate departments will be contacted regarding these budget amounts. Departments should not change the amounts entered by the Controller's Budget Office for City Overhead. For BY+1, the calculated amount for BY will be applied. If you have questions about the budgeted City Overhead (COWCAP) amount, please contact the Controller's Budget Office.

02103 Air Travel
02105 Non-Air Travel
Air travel and non-air travel should be budgeted separately in subobjects 02103 and 02105, respectively. Pursuant to Executive Order 07-13, for FY 2015-16 and FY 2016-17, 13% of the city's air travel budget will be used to purchase carbon offsets through the Department of the Environment. The Mayor's Office and the Controller's Office will work with Departments to determine the best means for implementing this program.

Use these subobjects for all types of travel, including travel to and from training or professional development activities. Note that Section A8.410 of the San Francisco Charter and Section 10.28-1 of the San Francisco Administrative Codes provide that attendance at meetings or other events shall only be allowed when funds have been specifically appropriated for the purpose. Examples of these meetings and events are out-of-town conferences, seminars, and symposiums held by local or national professional organizations for the purpose of interchanging ideas or knowledge, discussing matters of concern, and giving or collecting up-to-date information critical to the operation of city departments.

Departments must detail their travel expenditures in Form 3. Budget and detail all expected travel expenses including registration fees, costs for transportation, lodging and meals in the department's program description reports. Actual travel expenses may be disapproved if they are not included in the department's budget submission.

For each travel request, specify the following:

- Number of persons to attend;
- Purpose;
- Membership authorized by Ordinance No. _____ (when applicable);
- Date of meeting; and
- Place of meeting.

02200 Training

Staff development and training are those activities where City employees participate in specific course work involving structured training to acquire, enhance, or improve their work related knowledge and skills. Attendance may be held in or out of the City. Employees attending out of town training may incur travel-related expenses in addition to the registration/tuition fees. Budget funds for staff development or training expenses (other than Human Resources management training) under this subobject.

Budget amounts requested for travel to and from the training and accommodations while at the training under subobject code 02100 Travel and/or 02103 Air Travel.

02401 Membership Dues

Section 16.6 of the San Francisco Administrative Code lists allowable membership organizations for city departments. An explanation for the request is required.

02500 Entertainment and Promotion

Provide the purpose for proposed expenditures of this nature, the estimated number of proposed events, and the estimated attendance in the Program Expenditure Report (Form 3).

02600 Court Fees and Other Compensation

Use subobject 02600 only for fee-based costs (e.g. outside attorneys, arbitrators and expert witnesses). Salary-related costs for members of Boards and Commissions have been reallocated to subobject 00100, Permanent Salaries – Miscellaneous, using classifications specific to Commissioner positions. Contact the Controller's Budget Office if you have questions regarding Commissioner compensation.

02700 Professional and Specialized Services

Contracting Out (also known as Proposition J Certification)

Generally, services for the City and County of San Francisco are performed by positions filled through civil service examination. San Francisco Charter Section 10.104.15 provides for situations exempt from this requirement. Section 10.104.15, commonly referred to as the "Prop J" certification, whereby services may be accomplished by private contract if it is determined that "…the work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County…" This same section also prohibits the contracting of any work or services that the San Francisco Charter or other applicable law requires officers and employees of the City to perform.

If a department wants to contract out services under Section 10.104.15, it should consult with Human Resources Employee Relations Division regarding MOUs with the effected City classifications, with the Office of Contract Administration regarding the feasibility and estimated price levels to procure needed services, and the Controller's Budget Office to review the fiscal impact and requirements for securing the Controller's "Prop J" certification.
Departments must complete the required reporting materials for the Controller to review (see Contracting Out, "Prop. J" Required Reporting Materials).

Once the Controller has analyzed the submission materials and determined the contracting alternative is less costly, a formal certification letter is issued to the submitting department. Ultimately, the Office of Contract Administration awards the contract once all contracting requirements have been met and funds encumbered. If your department received Prop J approval from the Board of Supervisors for BY during the prior year's budget cycle and none of the assumptions have changed, it is not necessary to request approval again for BY during the current budget process. Under this condition, it is only necessary to submit BY+1 Prop J documents. **Please note, any new Prop J activities should be submitted for both BY and BY+1.**

Departments may contact the Controller's Budget Office analyst to help them navigate the "Prop J" process.

03000 Rents and Leases-Building and Structures
Departments with leased facilities or required to make lease payments, should budget in subobject 03000.

04000 Materials and Supplies
Budget equipment valued at $5,000 or less (unit cost) and with a useful life of less than three years as Materials and Supplies rather than Equipment. The individual components of this object are shown in the Chart of Accounts.

Departments may budget purchase of desktop computers and other computer equipment with a unit cost of less than $5,000 under Materials and Supplies. However, when a department is buying desktop computers as part of a larger purchase of an information services system that includes network equipment and other components, the total purchase including the related desktop computers should be requested under equipment.

04001 Materials & Supplies – One-Time Budget Items
Equipment purchased on a one-time basis, with a unit cost of $5,000 or less and a useful life of less than three years should be budgeted in 04001. Contact the Controller's Budget Office if there are questions on which subobject to use.

07000 Debt Service
Submit schedule showing the amount of interest and redemption for each issue of:

- General Obligation Bonds
- Revenue Bonds
- Bonds assumed from the State of California

Contact the Controller's Budget Office for the format to present this information.

vi. Equipment Purchase and Equipment Lease-Purchase

General Information

Equipment with a unit cost of $5,000 or more and a useful life of three years or more must be itemized in the budget. Budget all items with a unit cost of less than $5,000 in materials and supplies. See Instructions for Form 4 for specific information on how to request equipment**.**

Equipment amounts are treated as one-time, therefore will not be rolled over from the BY budget to the BY+1 base budget, (amounts adopted in the second year of the prior year's two year budget will remain, but they will not roll forward). Use the Equipment Request form (Form 4) to submit BY and BY+1 equipment requests. The Controller's Budget Office will continue to enter lease payment amounts for all ongoing obligations under the CCSF Finance Corporation.

Equipment Numbers
Each equipment item must be detailed as part of the budget request. In the budget system, a six-character equipment number is used to distinguish each equipment item. The first two characters are the two-letter code for the department. The next two characters indicate the SECOND half of the fiscal year (i.e., "16" for FY 2015-16), and the last two positions are sequencing numbers. A separate field indicates whether the item is new "N" or replacement "R" equipment.

In the budget system, the equipment numbers will roll-up to the regular equipment objects and characters and will be converted to the regular equipment subobjects, which are used in FAMIS prior to the interface of the budget system to FAMIS.

For example, equipment number AC1630N Portable Card Swiper appears as a subobject in the budget system rolling up to object and character 060, Capital Outlay, Equipment. When the BY budget is interfaced into FAMIS, subobject AC1630N will automatically be converted to the equipment subobject 06000, Equipment Purchase.

Equipment Installation
Show the estimated cost of equipment installation in the Program Expenditure Report and indicate whether the vendor, an outside contractor, or a city department will install it. Include this cost in the price of the equipment.

Subobject Codes

06000 Equipment Purchase
The City's accounting policy defines equipment as those items having a unit cost of over $5,000 and a useful life of three years or more. Equipment includes moveable personal property of a relatively permanent nature and of significant value such as furniture, machines, tools and vehicles.

06100 New Lease Purchases (Third Party and Vendor)
Budget new third party/vendor lease purchase requests in subobject 06100 and provide a request to the Mayor's Budget Office. Include a description and justification for the equipment, unit cost, count, total cost, length of time you would like to lease purchase the equipment (lease term), and an estimate of the annual lease payment. The lease term may not be more than the useful life of the equipment. The useful life is the manufacturer's estimate of the usefulness of the equipment before it becomes obsolete or not

cost-effective to service, not a department's assumption of useful life. Equipment with a total cost of less than $10,000 cannot be lease purchased without prior approval of the Purchaser. Equipment of this value would not be cost-effective to lease purchase.

06200 Existing Lease Purchases (Third Party and Vendor)
Include an amount for existing third party lease payments in objects 061 and 062. Provide justification for these budget amounts in the Program Expenditure Report (Form 3). Provide the amount of the budget year lease payment, the name of the lessor or financing organization, and the number of payments remaining (including the budget year payment) until the City owns the equipment. Failure to provide this information will result in the budget figure being zeroed out of the target budget.

06399 New Lease Purchases (CCSF Finance Corporation)
The CCSF Finance Corporation is the City's non-profit corporation set up to lease purchase equipment and is managed by the Controller's Office of Public Finance. Submit all requests for new lease finance purchases through the CCSF Finance Corporation to the Mayor's Budget Office using the Equipment Request Form.

06499 Existing Lease Purchases (CCSF Finance Corporation)
Amounts to be budgeted for existing lease-purchase obligations through the Finance Corporation will be entered into the budget system by the Controller's Budget Office.

vii. Capital Projects and Facilities Maintenance

Please refer to in the Capital Budget Request form instruction for more specific information.

viii. Work Orders

Instruction

Work Orders are used by a department to budget for the services of another department. A department may not apply work order funds to itself. Performing departments (departments that are doing the work) must be able to produce documentation upon request outlining the agreement with the requesting department (the department for whom the work is being done). Work Orders take two forms:

- Interdepartmental Work Order expenditures- Amounts to be spent, via work orders, on the services of other City departments.
- Direct Charge Expenditures - Amounts to be spent, via direct charge, on the services of other City departments.

Performing departments that establish work order budgets or direct charge budgets funded by the operating budget of another department must prepare a work order/direct charge budget request, which itemizes positions and other expenses. Initial budget estimates must be submitted and certified by the performing department to the requesting department before the Department Budget Request submission deadline with supporting documentation attached. (See attached Work Order Certification and Summary Forms in Appendix D.)
Departments required to complete, sign and submit the Work Order Certification form are listed in Appendix D.

Work order budget requests must be discussed and agreed to by both departments. Departments should retain documentation of work order agreements in the event issues arise during the budget process or the budget year. No additional positions or items of equipment can be purchased from work order funds unless specifically itemized in the budget.

All departments budgeting for work order services must consult with the performing department to ensure the costs of such services are estimated accurately. The Controller's Budget Office will adjust salaries for cost of living increases in work order funds. **Performing departments that anticipate an increase in the labor cost or other costs of services must include these anticipated cost increases in the Department Budget Request submission.**

Performing departments must submit a schedule of the funds expected from requesting departments and ensure that the work order costs are fully covered by such funds. The requesting departments drive the spending authority for work order departments. Performing departments must ensure that the total cost of services to be performed for other departments, including the negotiated MOU adjustments, is supported by budgeted requests. **It is critical that all work orders are balanced**, if submitted budgets do not include balanced work orders, the Controller's Budget Office will balance based on the requesting department's work orders.

To assist performing departments in balancing their expenditure budgets with supporting request levels, departments will be able to use the budget system to run reports showing work order requests coming from other departments. Performing departments should work with requesting departments to determine how the work order billing process will be handled. Contact the Controller's Budget Office with any questions about the work order balancing process. For instructions on running reports from the budget system, see the system user guide.

Subobject Codes

The following is a subset of Work Order subobject codes with general descriptions. Please refer to pages 8-10 of this report for specific instructions regarding citywide work orders and other citywide budget entry subobjects.

081xx Services of Other Departments

The requesting department budgets in a subobject code in the character associated with the performing department. See the Chart of Accounts for a complete list of subobject codes to use. The following outlines the use of the citywide subobject codes.

081CI Department of Technology Service Agreement Costs

081CI covers the IT enterprise services provided by Department of Technology (DT) such as E-mail, WAN, Web, Network Engineering, etc. DT will be working with departments, the Mayor's Budget Office and the Controller's Budget Office to determine the work order amounts required of each department to sustain basic levels of service. Additional projects will be budgeted and agreed upon separately. For any service related questions, contact Elaine Benvenuti at 581-3923 or via e-mail, Elaine.Benvenuti@sfgov.org.

081C4 GF-Controller Internal Audits

081C4 covers the services provided by the Controller's City Services Auditor Division (CSA). The City Charter, Appendix F, section F1.113 allocates 0.2% of the City's overall budget, appointed by fund and

excluding bond related debt, to CSA. Departments will be charged directly for CSA staff time, professional services, and associated project costs based on an hourly rate for CSA staff time and direct expenditures for all other costs. Department projects will be budgeted in each department's work order and billed on a quarterly basis.

081C5 Pass-through Charges

081C5 is primarily for any pass-through costs that DT incurs on behalf of a department. This would include, for example, equipment purchases, materials and supplies or payment of contractor services required for the completion of a project or service request. This sub-object would also contain any off-budget project requests. For any questions regarding pass-through items, contact Elaine Benvenuti at 581-3923 or via e-mail, Elaine.Benvenuti@sfgov.org.

081CW SFGTV Services

081CW covers costs for any of the services provided by SFGTV to client departments, which include primarily video production and meeting coverage services. If you have any questions about or interest in these services, contact Jack Chin at 554-4109 or via e-mail at Jack.Chin@sfgov.org.

081ET Phone company pass through (usage) costs

081ET includes telephone usage, cellular phone usage, voice mail monthly rental, data circuits, monthly pager costs, monthly equipment and maintenance costs and some administrative costs for bill processing. DT will provide each department a recommended amount based on a detailed analysis of activity over the last 15 months. For questions regarding pass-through billing expenditures, contact Elaine Benvenuti at 581-3923 or via e-mail, Elaine.Benvenuti@sfgov.org.

081H0 GF-HR-Equal Employment Opportunity

This subobject records the cost of the Citywide Equal Employment Opportunity program and is based on the number of employees in each fund.

081H1 GF-Recruitment and Assessment Work Order

Human Resources recovery for special exams and classification work is budgeted in 081H1.

081H2 HR Management Training

Use 081H2 to budget for training offered through the Department of Human Resources.

081H3 Workers' Compensation

Budget Worker's Compensation for departments in subobject 081H3. For the BY base budget, the Controller's Budget Office will roll over the adopted Board amount from the prior year's BY+1. For questions, please contact Benjamin Feng at 415-701-5833. This is a citywide work order and will be loaded in Mayor phase.

081H4 Client Services/Recruitment and Assessment Services

Subobject 081H4 accounts for the cost of DHR's Client Services (for those departments using this service), as well as the cost of ongoing Recruitment and Assessment Services work.

081H7 Employee Relations/Negotiations

Subobject 081H7 records the cost of Citywide employee relations and negotiations and is based on the number of employees in each fund.

081H8 Health and Safety-Federal Drug Testing

The federal government requires drug testing for employees in certain positions. Human Resources will determine the cost to each department by computing the total cost to administer the program divided by the total number of eligible positions in each department.

081HX HRD-HSS-Life Insurance

Charges for life insurance for Local 21 members (International Federation of Professional and Technical Engineers) are budgeted in 081HX. The budget is based on the cost of the insurance multiplied by the number of Local 21 members in each department. The Controller's Budget Office will enter the budget into the budget system.

081HZ Human Resources Management System

Costs of the PeopleSoft/Human Resources Management and Benefits Administration System (Project eMerge) are based on the number of active employees and budgeted in 081HZ. This is a citywide work order and will be loaded in Mayor phase.

081PR/081PM Reproduction and Mail Services

081PR and 081PM are for reproduction and mail services, respectively. DT will work with departments and the Mayor's Budget Office to determine the work order amounts for these services.

081W1 Sewer Service Charges

For BY, the Controller's Budget Office will roll over budget amounts for 081W1 from the adopted Board amounts from the prior year's BY+1 into the base. This is a citywide work order and will be loaded in Mayor phase.

086xx Recoveries

Performing Departments must budget the total expected recovery from all requesting departments in the appropriate 086xx subobject code. For example, use 086AC for recoveries from the Airport. Recoveries should offset the performing budget. Refer to the Chart of Accounts for a complete list of 086xx subobject codes. If you need new work order subobjects please contact your fund accountant in the Controller's Office to determine if a new work order is appropriate.

Subobjects 08699 and 08799 should not be used, except with very limited exceptions and approval from the Mayor's Budget Office and the Controller's Budget Office. If these are used, please discuss the exception with the Controller's Budget Office, and identify and explain these in the work order form, included in Appendix D. Additionally, departments that have "bundled" work orders are asked to "unbundle" and to reflect individual work orders with individual departments. Please contact your Controller's Budget Office analyst with any questions regarding work order unbundling.

Appendix B: Vehicle Leasing Program and Vehicle Purchases

The Fleet Management Department of the General Services Agency is authorized by the Mayor and the City's Administrative Code to conduct fleet management programs. The Director of Fleet Management has the primary responsibility to approve requests and purchases of both new and replacement vehicles. The Department also has administered a vehicle leasing program since FY 2003-04 for general purpose light duty vehicles.

Vehicle Leasing Program

Fleet Management administers an internal Vehicle Leasing Program for general-purpose sedans and light-duty pickup trucks/vans (up to 10,000 pounds gross vehicle weight rating). Enterprise departments whose light duty vehicles are not maintained by Central Shops are not covered by this program, nor are emergency response vehicles. Fleet Management acquires vehicles, and then charges departments annually for them on a pay-as-you-go basis. Lease rates cover maintenance and normal repair.

- **Lease rates:** BY lease rates have not yet been determined. Fleet Management will send out the lease rates and recommended amounts once the rates have been set.

- **Lease term:** The leasing term is generally one year. Departments interested in leasing vehicles for a shorter term should contact Fleet Management. We will accommodate shorter term leases if practical.

- **Fuel:** Lease rates do not include fuel. Departments must budget fuel separately.

- **Insurance:** As with most city owned vehicles, lease program vehicles are covered under the City's self-insurance program.

- **Accidents or neglect:** Lease rates cover maintenance and repairs, except for those related to accidents, vandalism and driver abuse or neglect, which will be charged to the department.

- **Fleet reduction:** Many departments have turned in vehicles since the inception of the vehicle leasing program. Fleet Management strongly encourages departments to continue to review their transportation needs to identify opportunities for reducing fleet size. If your department chooses to turn in any of the leased vehicles, then you will be able to reduce your vehicle leasing budget request accordingly.

Departments also may request to increase their leasing of vehicles. Such requests will be reviewed by Fleet Management and the Mayor's Budget Office. Departments should not submit budget requests for purchase of vehicles that would be available through the vehicle leasing program. Departments seeking to acquire such vehicles should contact Tom Fung, Fleet Management, at (415) 550-4600 for program information and budgeting considerations.

Budget Requests for Vehicles not Covered by Vehicle Leasing Program: For general purpose light duty vehicles not covered by the vehicle leasing program, and for all other classes of vehicles, budget instructions are as follows below. Please note: the **Mayor's budget office will not approve budget requests for vehicles without Fleet Management recommendation.**

Vehicle Purchasing Program

- **Vehicle Purchase – replacing an existing City vehicle**

    1. Complete Vehicle Acquisition Request Form (form number FMCS100, dated 10/2012).
    2. Prepare vehicle final specifications or preliminary specifications (a purchase request under a citywide term contract does not require final specifications).
    3. Submit completed FMCS100 and vehicle final specifications (or preliminary specification) by Department Budget Request submission deadline.
    4. Conditional Fleet Approval may be granted once preliminary specifications have been submitted.
    5. Final Fleet Approval cannot be granted until final specifications have been submitted.
    6. It is the responsibility of the requesting department, following Fleet Approval of a vehicle acquisition request, to ask Department of the Environment for any needed HACTO waiver.

- **Vehicle Purchase – adding a vehicle to the existing City fleet**

    1. Complete Vehicle Acquisition Request Form (form number FMCS100, dated 10/2012).
    2. Determine and justify the business needs to add a new vehicle to the fleet.
    3. Prepare vehicle final specifications or preliminary specifications (a purchase request under a citywide term contract does not require final specifications).
    4. Submit completed FMCS100 and vehicle final specifications (or preliminary specification) by Department Budget Request submission deadline.
    5. Conditional Fleet Approval may be granted once preliminary specifications have been submitted.
    6. Final Fleet Approval cannot be granted until final specifications have been submitted.
    7. It is the responsibility of the requesting department, following Fleet Approval of a vehicle acquisition request, to ask Department of the Environment for any needed HACTO waiver.

Fleet Standardization: It is in the best interest of the City to standardize its fleets, and citywide vehicle term contracts are available to accomplish this goal. Departments should refer to the term contracts when considering vehicle purchases to minimize processing time and costs and delivery time. Where operationally viable and economically feasible, departments should specify purchases of vehicles that are similarly equipped and refrain from non-value-added items.

Car Sharing Vehicles: The City has a car-sharing contract in place, allowing departments to approve employees to use a car-share vehicle. A department should examine this car-sharing option prior to budgeting for an additional or replacement city vehicle. Car-sharing could reduce your overall vehicle budget when properly managed. Departments interested in car-sharing should contact Fleet Management.

Used Vehicle Purchases: Fleet Management will grant the purchase of used vehicles meeting City standards when operationally and economically feasible. Departments interested in purchases of used vehicles should contact Fleet Management for further instructions.

Alternative Fuel Vehicles: Executive Directive 05-103, dated September 23, 2005, requires: 1) 75% of new non-emergency passenger automobiles to be alternative fuel vehicles; and, 2) 90% of new non-emergency passenger automobiles to be either alternative fuel vehicles or high efficiency vehicles. Departments should be familiar with ED05-103 and make purchase and budget plans accordingly.

Implementation of Healthy Air and Clean Transportation (HACTO) Ordinance: HACTO was amended by the Board of Supervisors on November 2, 2010. The ordinance applies to all Light-Duty Vehicles (LDV) with a gross Vehicle Weight (GVW) of 8,500 pounds or less only.

The amended ordinance requires subject departmental fleets to:

1. Beginning July 2011 and continuing thru each year through 2015 remove from service 5% of their total light duty fleet.
2. Beginning July 2015, remove from service all light duty vehicles that are 12 or more years old. NOTE: There is no guarantee vehicles that are 12 or more years old will be approved for replacement. Replacement of vehicles with high total mileage (100,000 miles or more) should be prioritized.
3. Using the HACTO Vehicle Selection Guide, Departments must purchase Alternative Fueled Vehicles (AFV) LDVs when the option exists for that LDV's classification.

Exemptions

1. Emergency LDVs are exempt from the ordinance.

Waivers

1. Waivers will be handled on a vehicle by vehicle basis.
2. Justification for waivers from the vehicle reduction portion of the HACTO will need to be submitted as part of the department's annual HACTO plan.
3. Justification for waivers from the AFV requirement will be submitted on the Equipment Acquisition Request Form. AFVs will be deemed to be interchangeable with Non-AFV options in the same vehicle class. It will be the requesting department's responsibility to provide sufficient justification to warrant a waiver approval.

If you have questions regarding the Healthy Air and Smog Prevention Ordinance or the clean air vehicle policy please contact Fleet Management.

Standard Vehicle Equipment Unit Costs & Purchasing: The Office of Contract Administration, Purchasing Division, has awarded two vehicle term contracts: Sedans, TC72304 and Trucks, Vans and SUVS, TC72502. Please visit http://admweb/AdminServices/fleetmgmt/Workshops.htm for "Guidelines for Vehicle Purchasing" and contact the City's Fleet Buyers for questions regarding estimated unit costs and vehicle purchases.

Requests for these vehicles and equipment must be submitted to the Mayor's Budget Office, with a copy to the Controller's Budget Office, using Budget Form 4 found in the Technical Instructions. The department should assign a unique equipment number to any proposed purchases for medium and heavy-duty vehicles and equipment. Refer to Section V (Equipment Purchase and Equipment Lease-Purchase) in the Budget Instructions for guidelines on assigning equipment numbers.

Form FMCS100: Vehicle Acquisition Request Form

VEHICLE / EQUIPMENT ACQUISITION REQUEST	Vehicle / Equipment # (to be assigned by Fleet Mgmt)
City and County of San Francisco	
GSA Fleet Management - Central Shops	Requisition # (if available by dept)
Form #: FMCS 100 (revised 10/2012)	

SECTION A - CONTACT INFO

DEPARTMENT	DIVISION / OFFICE	DEPT CODE
FLEET COORDINATOR	EMAIL ADDRESS	
OFFICE ADDRESS	CITY / ZIP	TELEPHONE

SECTION B - VEHICLE PURCHASE INFO

TYPE OF VEHICLE(S): YEAR, MAKE, MODEL, SPECIAL EQUIPMENT AND OTHER REQUIREMENTS.

First Choice _____

Second Choice

INFO ON ACQUISITION (CHECK BOXES AND FILL IN BLANKS AS REQUIRED)

1: TYPE OF PURCHASE ☐DEPT FUNDED ☐GSA-VEHICLE LEASING PROGRAM ☐OTHER _____

2: SOURCE OF FUNDS ☐G/F (GENERAL FUND) ☐NON-G/F ☐GRANTS ☐OTHER _____

3: BUDGET NUMBER _____ INDEX CODE (if applicable) _____

4: PURPOSE ☐REPLACE EXISTING INVENTORY ☐ADD TO EXISTING HOW MANY _____

5: FUEL TYPE ☐GASOLINE ☐DIESEL ☐CNG ☐HYBRID ☐PROPANE ☐ETHANOL ☐OTHER _____

6: VEHICLE SPECIFICATION ☐TERM CONTRACT ☐PRELIMINARY ATTACHED (or e-mail) ☐FINAL ATTACHED (or e-mail)

SECTION C - JUSTIFICATION

EXPLAIN WHY A REPLACEMENT AND/OR NEW VEHICLE IS NECESSARY.

EXPLAIN WHAT EFFORTS WERE TAKEN TO IDENTIFY ANOTHER UNDERUTILIZED VEHICLE.

EXPLAIN THE NEGATIVE IMPACT IF THIS PURCHASE REQUEST IS DENIED.

SECTION D - VEHICLE TO BE REPLACED (if applicable)

CITY VEHICLE ID NUMBER	LICENSE NUMBER	YEAR	MAKE	MODEL	MILES/HOURS

SECTION E - REQUESTING DEPARTMENTAL SIGNATURES

PREPARED BY		TELEPHONE	DATE
APPROVED BY	TITLE	SIGNATURE	DATE
APPROVED BY (dept 2nd level)	TITLE	SIGNATURE	DATE

SECTION F - DEPARTMENT OF THE ENVIRONMENT CLEAN AIR VEHICLE WAIVER (if applicable)

EXPLAIN WHY A CLEAN AIR WAIVER IS NECESSARY.

DEPARTMENT HEAD	SIGNATURE	DATE

SECTION G - FLEET MANAGEMENT DEPARTMENT USE ONLY

☐ DENIED	Needs Waiver Yes No NA	DATE
☐ CONDITIONAL APPROVAL (pending specs review)	BY	DATE
☐ FINAL APPROVAL	BY	DATE

SECTION H - DEPARTMENT OF THE ENVIRONMENT USE ONLY

☐ DENIED	REASON	DATE
☐ APPROVED	BY	DATE

Return completed form to Fleet Management - Central Shops

fleet.purchase@sfgov.org 1800 Jerrold Ave., San Francisco, CA 94124 (415) 550-4600

Appendix C: Sample Budget Certification Letter

{Date}

Honorable Mayor Lee
Mayor, City and County of San Francisco
City Hall, Room 200

Angela Calvillo, Clerk of the Board
Board of Supervisors
City Hall, Room 244

Ben Rosenfield, Controller
City Hall, Room 316

RE: Adopted Budget for FY 2015-16 & FY 2016-17

Ladies and Gentlemen:

I hereby certify, in conformance with San Francisco Charter Section 9.115 and San Francisco Administrative Code Section 3.14, that the funding provided in the budget for FY 2015-16 and FY 2016-17 as adopted by the Board of Supervisors is adequate for my department to meet service levels as proposed to the Board.

I anticipate that I shall make no requests for supplemental appropriations barring unforeseen circumstances.

Sincerely,

{Department Head}
{Title}

cc: Kate Howard, Mayor's Budget Director
cc: Michelle Allersma, Controller's Office Director Budget and Analysis Division

Appendix D: Work Order Certification and Summary Forms

Requesting departments drive spending authority for work order departments. Both requesting and performing departments must sign a Work Order Certification Form and complete the Work Order Summary Form before submitting the department's budget to the Controller's Budget Office.

To allow departments time to budget for work order changes within the Department Phase, performing departments must notify requesting departments of the work order requirements for BY before the Department Budget Request submission deadline.

All departments are encouraged to use the Work Order Certification Form to document all work order agreements between performing and requesting departments. Performing departments may run a work order report in the budget system to complete the Work Order Summary Form. For instructions on running budget system reports, see the system user guide.

The Departments listed below are required to complete, sign and submit the Work Order Certification form with the Department Budget Request submission:

City Administrator
City Attorney
Department of Technology
Environment
Human Rights Commission
Fire Department
Police Department
Treasurer Tax Collector

Work Order Certification Form

TO:

FROM:

DATE:

SUBJECT: FY 2015-16 Work Certification Form

The purpose of this document is to provide a written agreement between the requesting and performing departments for services to be provided through work orders. Performing departments must initiate this form and have it signed by requesting and performing department heads. Both departments should retain copies for audit purposes.

Work Order Amount: $

Requesting Department:

Program:_____

Department Index Code: _____ **Subobject**:081__
(To be completed by Requesting Dept)

Performing Department*: **Name and Address**

Description of Services:

Performing Department Index Code:_____ **Subobject**:086__
Project/Project Detail (if applicable): _____

Signatures:

_____ _____ Date:_____
Requesting Department Head Print Name and Title

_____ _____ Date:_____
Performing Department Head Print Name and Title

**Please return signed copy to Performing Department above.*

Work Order Summary Form

BY and BY+1

Performing Department: _____

Fund: _____

Note: if Recoveries are budgeted from unspecified departments or other sources through the use of subobjects 08699 (AAO) and 08799 (Non-AAO), please explain the expected sources and any other related information to support the budget in the form below.

Requesting Dept	PY Actuals Amount	CY Final Budget Amount	BY Proposed Budget Amount	BY+1 Proposed Budget Amount

Appendix E: Controller's Budget Office and Mayor's Budget Office Contacts

Dept. #	Code	Department Name	Controller's Office	Mayor's Office
62	AAM	Asian Art Museum	Alex Koskinen	Ted Conrad
70	ADM-ADM	General Services Agency - Administrative Svcs	Alex Koskinen	Jason Cunningham
72	ADM-AGW	Admin. Services - Consumer Assurance	Alex Koskinen	Jason Cunningham
76	ADM-ANC	Admin. Services - Animal Care & Control	Alex Koskinen	Jason Cunningham
93	ADM-CFM	Admin. Services - Convention Facilities	Alex Koskinen	Jason Cunningham
74	ADM-CME	Admin. Services - Medical Examiner	Alex Koskinen	Jason Cunningham
69	ADM-OCA	Admin. Services - Office of Contract Admin.	Alex Koskinen	Jason Cunningham
13	ADP	Adult Probation	Devin Macaulay	Ted Conrad
27	AIR	Airport	Devin Macaulay	Ted Conrad
28	ART	Arts Commission	Yuri Harden	Ted Conrad
2	ASR	Assessor/Recorder	Jay Liao	Marisa Pereira Tully
1	BOS	Board of Supervisors	Alex Koskinen	Melissa Whitehouse
3	CAT	City Attorney	Risa Sandler	Melissa Whitehouse
64	CFC	Children & Families Commission	Alex Koskinen	Kelly Kirkpatrick
23	CHF	Children, Youth & Their Families	Alex Koskinen	Kelly Kirkpatrick
9	CON	Controller	Alex Koskinen	Marisa Pereira Tully
29	CPC	City Planning	Nick Delgado	Chris Simi
10	CRT	Superior Court	Theresa Kao	Jason Cunningham
30	CSC	Civil Service Commission	Alex Koskinen	Carol Lu
17	CSS	Child Support Services	Theresa Kao	Kelly Kirkpatrick
4	DAT	District Attorney	Theresa Kao	Jason Cunningham
19	DBI	Department of Building Inspection	Nick Delgado	Chris Simi
81	DPH	Department of Public Health	Theresa Kao	Carol Lu
90	DPW	General Services Agency - Public Works	Alex Koskinen	Jason Cunningham
45	DSS-DSS	Human Services Agency	Alex Koskinen	Marisa Pereira Tully
26	DSS-AGE	Human Services - Aging and Adult Services	Alex Koskinen	Marisa Pereira Tully
77	ECD	Emergency Communications	Theresa Kao	Anthony Ababon
21	ECN	Economic & Workforce Development	Theresa Kao	Anthony Ababon
22	ENV	Environment	Alex Koskinen	Kelly Kirkpatrick
18	ETH	Ethics Commission	Alex Koskinen	Anthony Ababon
61	FAM	Fine Arts Museum	Yuri Harden	Ted Conrad
31	FIR	Fire Department	Devin Macaulay	Anthony Ababon
97	GEN	General City Responsibility	Risa Sandler	
4	HRC	Human Rights Commission	Alex Koskinen	Ted Conrad
33	HRD	Human Resources	Alex Koskinen	Carol Lu
55	HSS	Health Service System	Devin Macaulay	Carol Lu
12	JUV	Juvenile Probation	Devin Macaulay	Ted Conrad
41	LIB	Public Library	Alex Koskinen	Anthony Ababon
63	LLB	Law Library	Devin Macaulay	Anthony Ababon
35	MTA-DPT	Municipal Transportation Agency (MTA)	Devin Macaulay	Chris Simi
36	MTA-PTC	MTA - Parking and Traffic	Devin Macaulay	Chris Simi
25	MYR	Mayor	Theresa Kao	Kate Howard
37	PAB	Board of Appeals	Jay Liao	Chris Simi
5	PDR	Public Defender	Theresa Kao	Jason Cunningham

Dept. #	Code	Department Name	Controller's Office	Mayor's Office
38	POL	Police Department	Devin Macaulay	Ted Conrad
39	PRT	Port	Devin Macaulay	Anthony Ababon
40	PUC-PUC	Public Utilities Commission	Theresa Kao	Kelly Kirkpatrick
92	PUC-CWP	PUC - Clean Water	Theresa Kao	Kelly Kirkpatrick
32	PUC-HHP	PUC - Hetch Hetchy	Theresa Kao	Kelly Kirkpatrick
47	PUC-WTR	PUC - Water	Theresa Kao	Kelly Kirkpatrick
42	REC	Recreation & Park	Devin Macaulay	Kelly Kirkpatrick
80	REG	Elections	Devin Macaulay	Anthony Ababon
44	RET	Retirement System	Theresa Kao	Carol Lu
65	RNT	Rent Arbitration Board	Jay Liao	Chris Simi
60	SCI	Academy of Sciences	Devin Macaulay	Ted Conrad
6	SHF	Sheriff's Department	Devin Macaulay	Jason Cunningham
75	TIS	General Services Agency - Technology	Theresa Kao	Marisa Pereira Tully
8	TTX	Treasurer / Tax Collector	Nick Delgado	Marisa Pereira Tully
99	UNA	General Fund Unallocated	Risa Sandler	
7	USD	County Office of Education	Theresa Kao	
46	WAR	War Memorial	Yuri Harden	Jason Cunningham
48	WOM	Department on the Status of Women	Devin Macaulay	Kelly Kirkpatrick

Mayor's Budget Office	
Kate Howard	(415) 554-6515
Anthony Ababon	(415) 554-6617
Ted Conrad	(415) 554-6639
Jason Cunningham	(415) 554-6982
Kelly Kirkpatrick	(415) 554-6125
Carol Lu	(415) 554-6485
Marisa Pereira Tully	(415) 554-6216
Emily Seip	(415) 554-7631
Chris Simi	(415) 554-4861
Melissa Whitehouse	(415) 554-6253

Controller's Budget Office	
Michelle Allersma	(415) 554-4792
Nick Delgado	(415) 554-7575
Yuri Harden	(415) 554-7535
Theresa Kao	(415) 554-5253
Alex Koskinen	(415) 554-7663
Jay Liao	(415) 554-5159
Devin Macaulay	(415) 554-5247
Drew Murrell	(415) 554-7647
Risa Sandler	(415) 554-6626