

Family Partnerships of Central Florida

Series:	Fiscal Management	COA: FIN 1, 2, 5 CFOP:
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Procedure Name:	Annual Budget Preparation
Procedure Number:	FM202
Reviewed Date:	2/22/13, 2/29/16, 3/29/2023, 04/16/24
Revision #/Date:	1/1/09, 08/11/2020, 3/29/2023
Effective Date:	4/11/06

Applicable to:	All Family Partnerships of Central Florida (FPoCF) Staff
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SUBJECT: Preparation of the Annual Operating Budget

PURPOSE: To establish a procedure to prepare and submit the fiscal year operating budget to the FPoCF Governance Board of Directors.

PROCEDURE:

References

Policies/Procedures: GOV-202, GOV-203, GOV-207, FM201
Approved Cost Allocation Plan
OMB Circular A-122
State of Florida, Department of Children & Families Expenditure Guidelines for Community Based Care Organizations

Definitions

Cost Allocation Plan: A cost allocation plan is a summary of the methods and procedures that an organization will use to allocate costs to various programs, grants, contracts and agreements in accordance with the requirements of OMB Circular A-122, "Cost Principles for Non-Profit Organizations" as well as expenditures guidelines mandated by the State of Florida.

Scope

Responsibility for the preparation of the fiscal year operating budget is delegated to various Supervisors, Managers, Directors, and Senior Directors, under the direction of the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer. Each responsible party will be tasked with completing their assigned budget and reporting the results as instructed by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer.

Annual Budget Format

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The Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer and Vice President and Chief Operations Officer will prepare budget templates designed to correspond to the approved Cost Allocation Plan as well as to maximize the detail of planned expenditures for the next fiscal year. The budget templates will be linked to form the consolidated budget for the fiscal year being planned.

Budget Template Instructions

- Entry can only be made in **Yellow** colored fields.
- The Budget Item column is to list the individual transaction or vendor.
- The Description column should be used to list pertinent information about the transaction/vendor, especially the payment methodology.
- The Monthly columns should contain the monthly payment for the identified transaction or service. A formula can be entered. Please put the payment in the month it will be “received and paid,” not when the service was actually rendered. This should be done so that the “monthly” budget more accurately resembles the actual payment activity. In turn, this will serve in reducing unnecessary actual to budget variances.
- If a budget item does not apply to your assigned budget responsibility, leave it blank.
- Employee compensation will be completed by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer for each Department.
- Any further instructions necessary for the completion of the budget template for any given fiscal year will be issued by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer.

Budget Formulation

The General Ledger Report containing the expenditure data for each budget template over the past fiscal year to the current date, at a minimum six full operating months, will be prepared prior to budget preparation. The Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer will forward a copy of each report to their respective responsible budget party.

This data is to be used by the responsible budget party to identify trends for changing costs and conditions to forecast and budget for the new fiscal year contract fee, billing rates and other expenditures. It should be noted that this should not be the exclusive source of expense trend identification. Current factors and conditions should also be considered when formulating budget expenditures for the future. Such information should include various cost analysis performed during sub-contract monitoring, procurement, etc.

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Each responsible budget party will be partnered with the Chief Financial Officer. The Chief Financial Officer will contact the budget party to schedule a meeting time to build each budget template.

For Administrative budget templates, the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer will set the inflationary threshold limit that will not be allowed to be exceeded without permission. Permission for any increase above this threshold will need to be issued in writing from the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer.

Budget Review

Once the individual budget templates are completed, "write" access to the forms will be restricted for use only by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer. The Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer will then analyze the consolidated budget for accuracy and feasibility. The Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer will review proposed corrections with the respective budget party and then make the entries to the applicable budget template. Once the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer review of the consolidated budget is complete, the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer will schedule a meeting with the President and Chief Executive Officer and Vice President and Chief Operations Officer to perform a budget review. Once the review is complete and their updates made, the Board Budget template is ready to be prepared.

The budget submitted to the Board Finance Committee for review then presented to the FPoCF Governance Board for approval will be formatted to contain at a minimum a variance analysis of the prior fiscal year budget line items to the newly proposed fiscal year budget line items. The Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer will prepare the Board Budget template to be ready for presentation to the FPoCF Governance Board no later than June of a closing fiscal year.

BY DIRECTION OF THE PRESIDENT AND
CHIEF EXECUTIVE OFFICER:



PHILIP J. SCARPELLI
President and Chief Executive Officer
Family Partnerships of Central Florida

APPROVAL DATE: 04/17/2024 _____