

PROCEDURE

Series: Fiscal Management **COA : FIN 1, 2, 5**

Procedure Name: Budget Forecasting
Procedure Number: FM201
Reviewed Date: 2/22/13, 10/22/15, 3/29/2023, 04/16/24
Revision #/Date: 08/11/14, 9/2/14, 08/11/2020, 3/29/2023, 11/11/25
Effective Date: 1/1/09

Applicable to: All Family Partnerships of Central Florida (FPOCF) Staff

SUBJECT: Budget Forecasting

PURPOSE: To establish a budget forecasting system whereby the agency's program and service delivery will be funded appropriately, and viability of such services will be assured throughout the operating fiscal year.

PROCEDURE:

References

Policies/Procedures: GOV-202, GOV-203, GOV-207, FM202
 OMB Circular A-122
 State of Florida, Department of Children & Families Expenditure Guidelines for Community Based Care Organizations
 Budget Projection Tool
 Budget Reallocation Form

Scope

Responsibility for the monitoring and daily management of the FPOCF budget line items may be delegated to various Supervisors, Managers, Directors, and Senior Directors under the direction of the Vice President and Chief Operations Officer and the President and Chief Executive Officer. Each responsible party is tasked with maintaining their assigned budget line items and reporting deficiencies and subsequent solutions to the President and Chief Executive Officer on a routine basis. The Executive Team holds weekly budget meetings with the Controller, Senior Director of Finance, Director of Financial Planning and Analysis, and Financial Planning * Analysis Specialist to review and discuss significant agency budget variances and determine what action needs to be taken and by whom, if any.

Budget Monitoring and Correction

Monthly, the CFO or designee appointed by the President & CEO, provides a financial reporting package consisting of a *Statement of Revenues & Expenditures*, *Statement of Financial Position*, *Statement of Cash Flows*, and *Statement of Activities & Changes in Net assets*, and *Supplemental Analysis* to responsible budget parties. This same financial reporting package and supplemental analysis is provided monthly to our Finance Committee and Governance Board.

Quarterly Budget Forecasting

[1] After the closure of each Quarter's financial statements, budget forecasting is initiated by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer.

[2] If a deficit is determined for any line item or group of care, the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer will notify the Executive Team. The budget responsible party will be notified by their respective supervisors that a budget revision must take place. The responsible budget party will prepare their budget line-item revisions as follows:

- The line-item projected deficit must be addressed.
- The potential for changing costs, client service populations, and other conditions are researched and are included in the budget revision.
- Each budget line-item revision is reported as outlined in procedure FM202, Budget Revision Instructions.
- Before the Budget Reallocation Form is submitted to the Finance Department, the responsible budget party must have submitted their work to their respective Officer, President and Chief Executive Officer, the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer, for review and approval. The Budget Reallocation Form may also be required to be reviewed and approved by the President and Chief Executive Officer, at their discretion.
- Any budget reallocation considered from prior budget corrections must be submitted prior to mid-year forecasting.

[3] All reviewed and approved Budget Reallocation Forms will be accumulated by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer for analysis.

The completed and consolidated quarterly analysis will be forwarded by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer to the President and Chief Executive Officer for final review and approval. Once the year quarterly projections are finalized, the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer will make the corresponding line-item budget reallocations. If surplus funds remain, the President and Chief Executive Officer and their designee(s) will draft a spend-down budget as appropriate. If the quarterly projections forecast of total expenditures are in excess of the FPOCF Governance Board approved budget by \$250,000 or if the actual expenditures are more than the total revenue, the President and Chief Executive Officer and/or their designee(s) will draft proposed solutions to be presented to the FPOCF Governance Board of Directors as outlined in GOV-207 Budget.

[4] Quarterly budget reallocations will be reported to the FPOCF Governance Board as soon as possible.

Funding Forecast



In addition to forecasting expenditure line items, funding trends are also forecasted. This is essential to identify any deficits in the various financial resources that fund the budget.

Any projected funding deficits will need to be reconciled with the FPOCF Governance Board approved budget. FPOCF Governance Board approval is necessary if total actual expenditures identified in the budget are to exceed the approved annual budget of more than \$250,000. Likewise, FPOCF Governance Board approval will be necessary if total actual expenditures are more than total revenue. When such a revision to the budget is necessary, the President and Chief Executive Officer and/or their designee will present to the FPOCF Governance Board alternative solutions to the deficiencies needing to be corrected.

Any projected funding deficits will need to be reconciled with the FPOCF Governance Board approved budget.

Any projected funding deficits will need to be addressed with the respective Funder, especially the State of Florida, Department of Children and Families. Corresponding Funder reporting forms will be completed as applicable by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer.

Forecast Monitoring

Both the budget expenditures and funding forecasts will be monitored monthly by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer. Any negative trend identified will be brought to the attention of the President and Chief Executive Officer and other applicable Officer(s) by the Chief Financial Officer or designee appointed by the President and Chief Executive Officer in the absence of the Chief Financial Officer as soon as possible.

For budget expenditure line items, further corrective action will be determined by the responsible budget party and reported as outlined in the Quarterly Budget Forecasting, sections [2] and [3]. For funding items, further corrective action will be determined by the President and Chief Executive Officer and their designee.

BY DIRECTION OF THE PRESIDENT AND
CHIEF EXECUTIVE OFFICER:

A handwritten signature in blue ink that reads "Philip J. Scarpelli".

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

APPROVAL DATE: 12/4/2025