



Business Process Flowchart

Manage and Control Budget

Packet Description

The Manage & Control Budget Packet describes how state budget execution will occur. In addition, it will show how to enter the budget via the budget workbench in MAGIC.

MAGIC Roles

The MAGIC Roles used in these flows are:

- FM - Funds Management Agency Budget Analyst
- FM - Funds Management Agency Budget Entry
- FM - Funds Management Budget Management

A description of each role can be found on the [MMRS Website](#).

MAGIC Flows

The individual MAGIC flows that are included in this packet are:

- B1-Original Budget Entry at State or Agency Level
- B2-Budget Transfer, Supplement, or Return
- B3-Funds Reservation

Help or Questions

Click [here](#) to learn how to read a MAGIC Business Flowchart.

If you have a question, please use the [MAGIC Feedback](#) webpage to submit your question.



Business Process Flowchart

Manage and Control Budget

Significant Changes

- Electronic Budgeting Process
- Agencies with lump sum budgets will not be required to submit Z1 changes to DFA
- Agencies can set options for budget warnings and/or for hard stops
- Agencies can reserve funds for future expenditure by creating a “soft” encumbrance
- Agencies will release current fiscal year grant funds to their operating budget.



High Level Process Description

- Budget all revenues and expenditures for different responsibility areas
- Monitor future funds requirements in light of available budget authority
- Prevent budget overruns
- Monitor the availability of funds through Availability Control (AVC)
- Check consumable budget against consumed amounts
- Tolerance limits: Allows an agency’s defined budget consumption checkpoints. Limits can issue warnings or hard stops at predefined budget consumption percentages. Stops would not permit certain activities, such as postings, without management authorization

Levels of Control

Z1 – State level at commitment item or major object

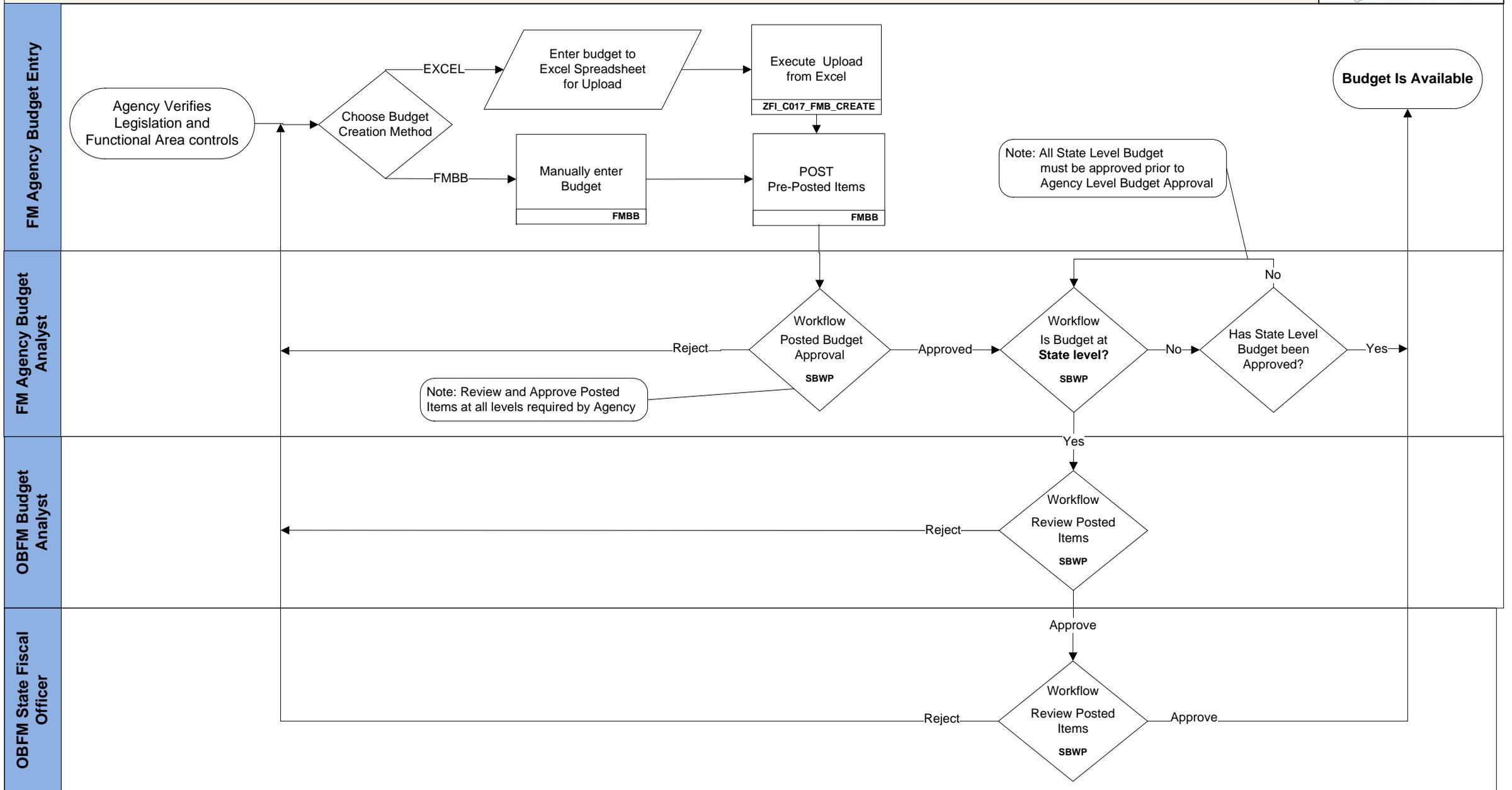
Z2 – State level at fund

Z3 – Agency level at Funds Center and/or commitment item

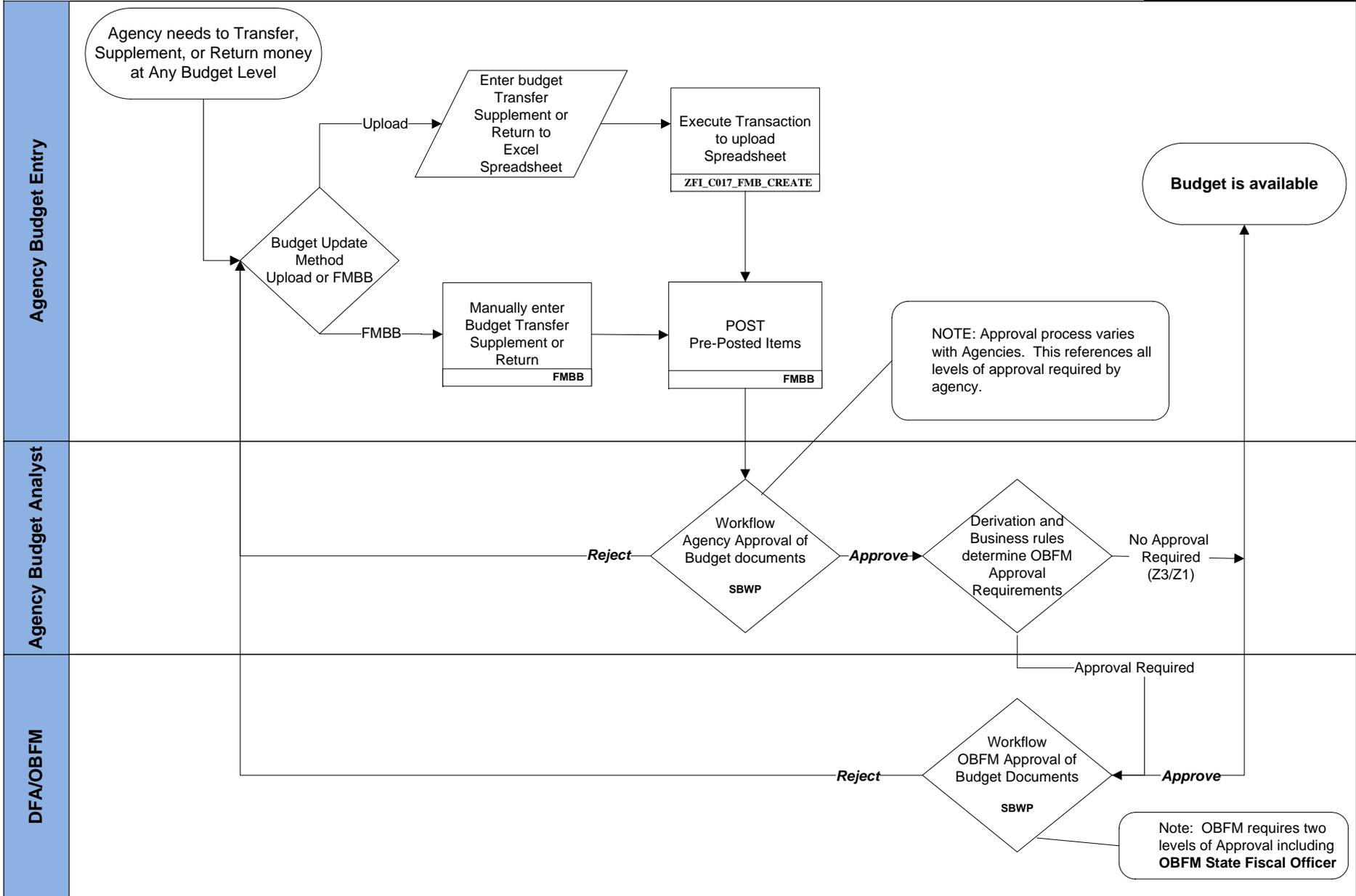
When a posting is made that includes a budget object, funds availability is checked for the referenced budget object before the posting is permitted.

If the funds availability check determines the budget is exceeded, the user receives an error message that the posting is not allowed due to a budget deficit

B1-Original Budget Entry State or Agency Level



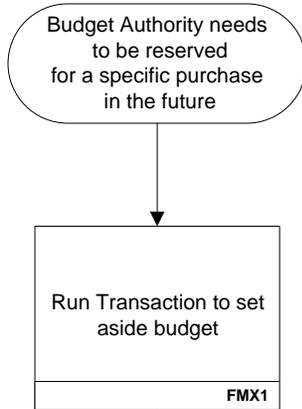
B2-Budget Transfer/Supplement/Return Process



B3-Funds Reservation BP_FM



Funds Management Agency
Budget Analyst



Funds Management
Budget Management

