Set Up Your Fiscal Year Budget

Learn about Purchase Orders and the tasks required to set up your new Fiscal Year Budget.

Before We Begin

To create and modify budgets, one or more of the following PASSPort user roles are required: **Vendor Admin**, **Vendor Financials L1**, or **Vendor Financials L2**.

The Vendor Admin wants to confirm that the user has the necessary task authorizations:

1. Go to nyc.gov/passport and click the **PASSPort Login** button.
2. Click the **Contacts** tab on the left side of the Vendor Profile.
3. Locate the user in the **Vendor Contact Information** section. Make sure the user is listed as a contact with the correct email address, and in the Profile column they have one of the required roles listed above.
4. Then, on the top navigation menu of PASSPort, click **Contracts**, and click **Manage My Contracts**. Find the contract with the budget to be created or modified and click the **pencil** icon to the left of the contract listing.
5. Click the **Setup Team** tab located on the left-side in the Contract. In the **Vendor Team** section, make sure the user is listed as a contact. If they are listed, the user can proceed to create or modify the budget. If they are not listed, see the **Add or Delete Contacts** section of this guide for instructions: **Edit the Vendor Team**.

1. Budget Setup Basics: What You Need to Know

Setting up a budget in PASSPort can involve completing specific steps based on how your contracting agency has configured your budget. There are three possible budget setup paths:

- **Vendor Creates the Budget:** Commonly used for most Human/Client Service (also known as Health and Human Service/HHS) contracts. When it's time to complete the budget, vendors receive a **Vendor Budget Completion** task in PASSPort, along with an email notification. **Note:** For HHS contracts, the **Industry** field in the Contract Header section will display "Human/Client Service."

- **Agency Creates the Budget, Vendor Finalizes It:** Agencies create the initial budget and notify vendors when it's time to finalize it by submitting a **Purchase Order Change Request (POCR)** to break down the budget into detailed budget lines.

- **Agency Creates the Budget (No Vendor Action Required):** This option is usually reserved for contracts where the budget details are not managed in PASSPort such as for large construction contracts. **No vendor action is required.**

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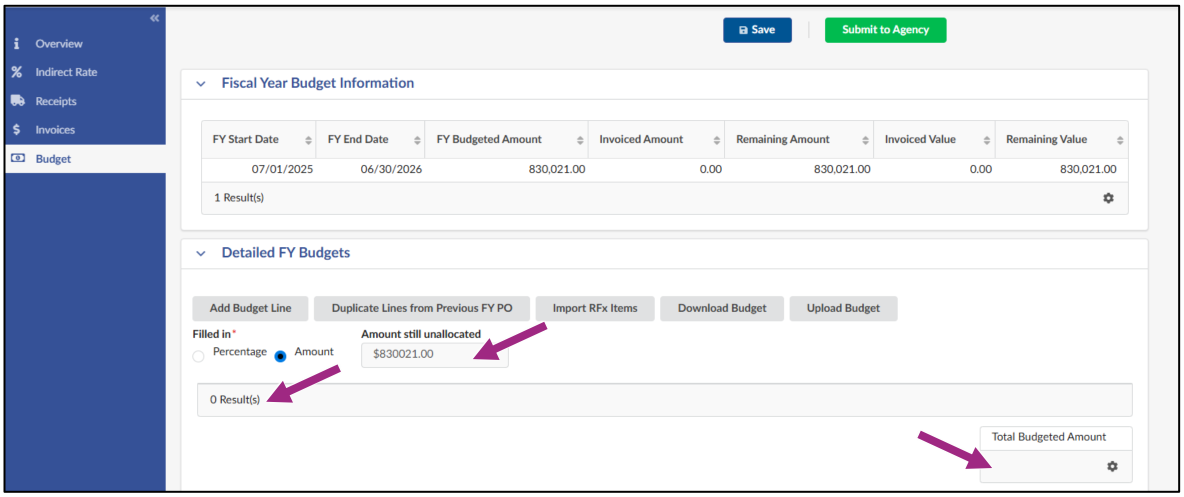
2. Easily Determine Your Budget Tasks

In addition to receiving prompts from your contracting agency to complete your budget, you can easily determine what your organization needs to do by following these steps:

Open your **Purchase Order** (PO). Go to the **Budget** tab. Navigate to the **Detailed FY Budget** section. Check if **Budget Lines** are displayed.

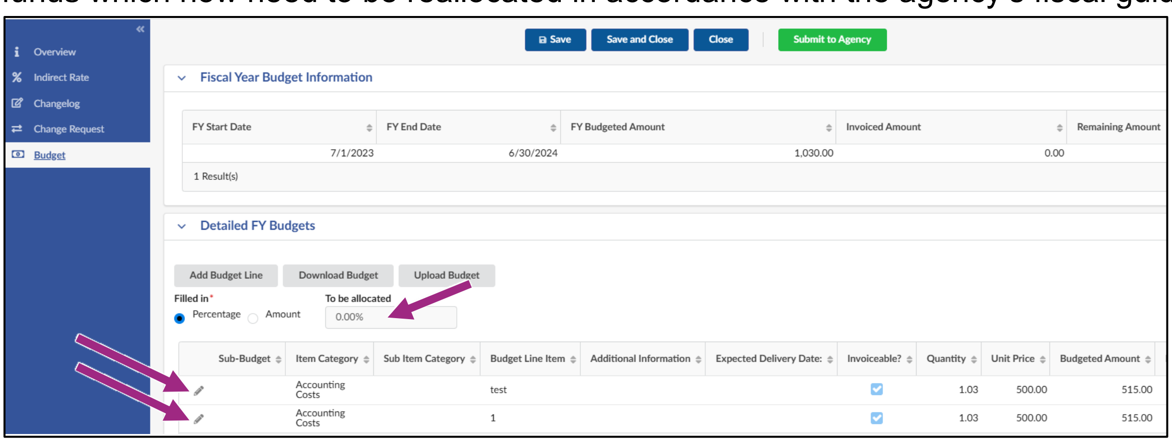
- **No Budget Lines Display**: You need to create your budget – see **4. How to Create a Budget**.

  Example: The Detailed FY Budgets section is blank, and it reads "0 Result(s)", the Total Budgeted Amount field is blank, and the Amount still unallocated field displays the full budget amount.



- **One or More Budget Lines Display:** You need to finalize the agency-created budget by breaking down the provided budget into individual budget lines – see **5. How to Finalize an Agency-Created Budget**.

  Example: Two budget lines were already created by your contracting agency. The **To be allocated** field lists "0.00%" (or: 0 dollars), indicating that the contracting agency already allocated all of the funds which now need to be reallocated in accordance with the agency's fiscal guidance.



3. What are Purchase Orders?

Before diving into all things budget-related, especially if you're new to PASSPort, here are a few key things to know about Purchase Orders (POs):

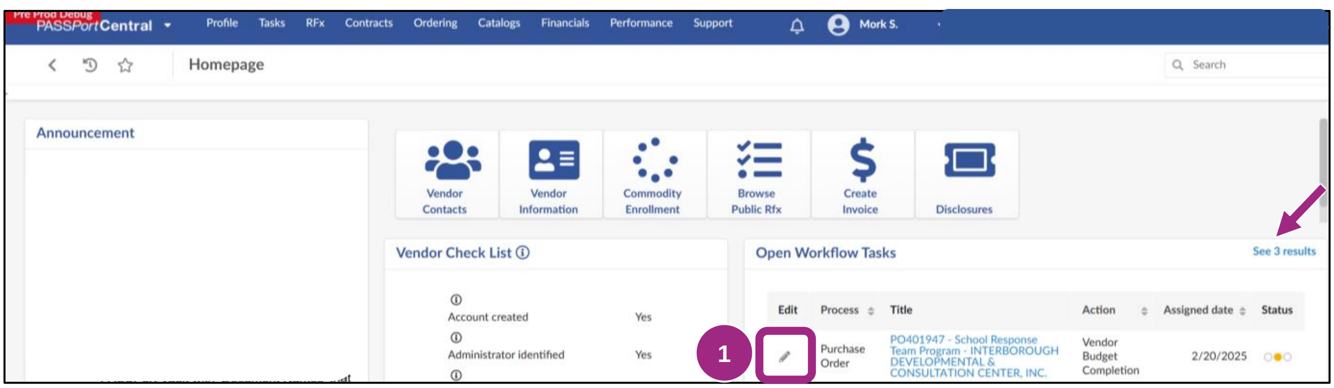
- The PO represents the contract budget for a fiscal year. There will be a new PO for every fiscal year of your contract.
- Fiscal Years (FY) begin July 1st and end June 30th for the City of New York.
- Multiple POs may be issued, depending on your contract term.

4. How to Create a Budget (Vendor Creates the Budget)

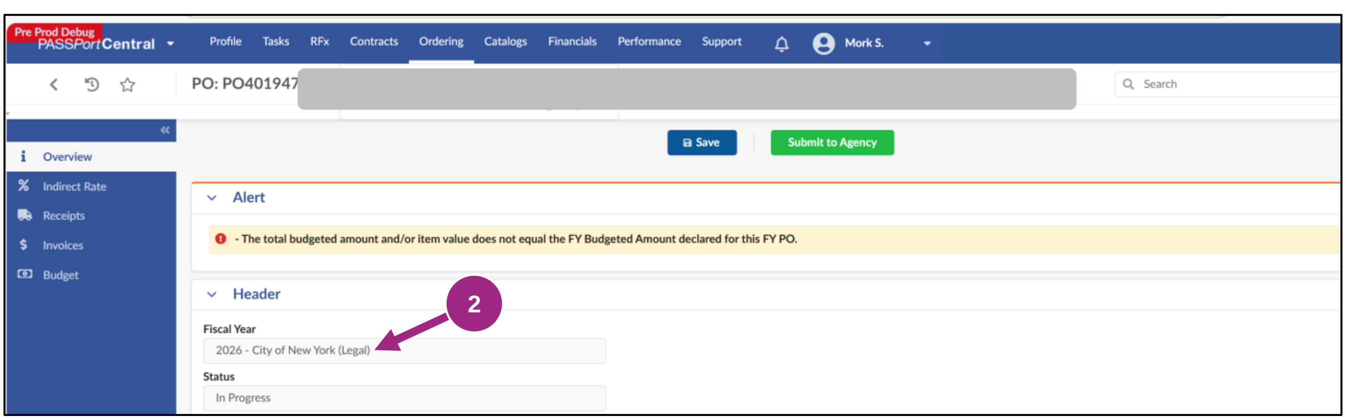
Complete the Vendor Budget Completion Task as soon as the Fiscal Year PO becomes available.

4.1. Open the Vendor Budget Completion Task

1. Click the **pencil** icon to access the Vendor Budget Completion task via the Open Workflow Tasks widget on the homepage. Don't see the task? Click the hyperlink above the table to view all tasks (Example: "See 3 results")



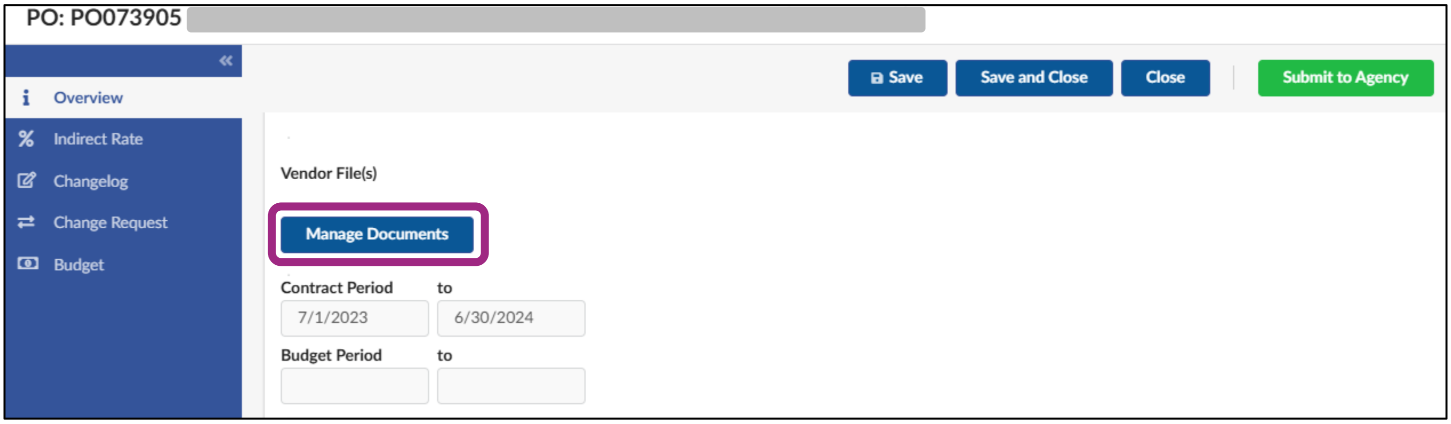
2. The Purchase Order (PO) displays with an In Progress status and an alert that indicates it's time to create the budget. Review the PO details in the Overview tab, including making sure the correct **Fiscal Year** displays.



4.2. Upload Required Documentation

Refer to your contracting agency's fiscal guidance if backup documentation is required.

If supporting documentation is required: In the Overview tab of the Purchase Order, click the **Manage Documents** button to upload required documents. Follow the prompts. The file size limit is 300MB.

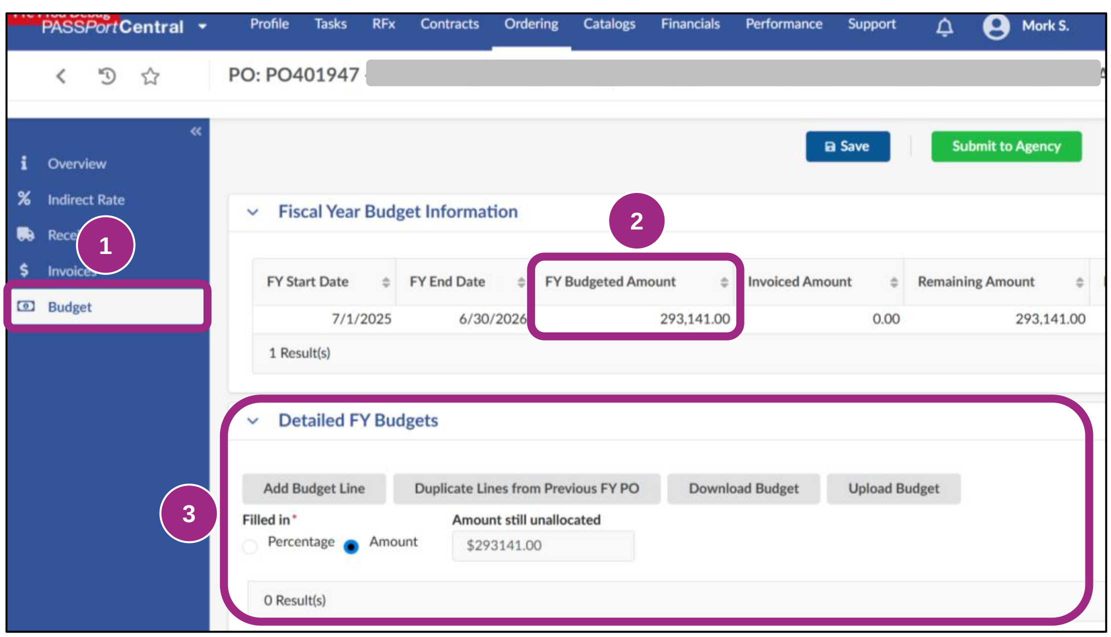


4.3. Review the Budget Information

1. Click the **Budget** tab of the PO. The budget displays.

2. Note the **FY Budgeted Amount** in the Fiscal Year Budget Information section. The full amount must be allocated when filling out the budget.

3. Scroll down to the **Detailed FY Budgets** section to begin filling out your new budget.



4.4. Add Budget Lines

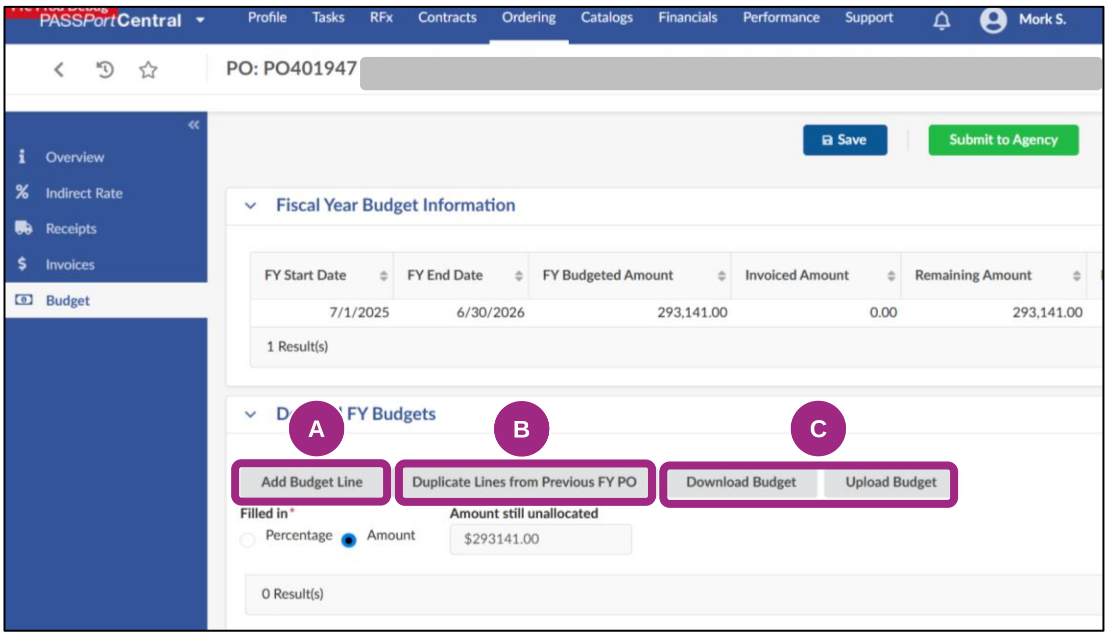
For your convenience, there are **three different methods to add line items** to your budget.

Choose one or more of the following methods to add budget lines:

A. Add Budget Line: Add lines manually, one by one.

B. Duplicate Lines from Previous FY PO: Only available if previous FY PO exists. Efficient when budgets don't change much between fiscal years. This automatically copies over all lines from the previous fiscal year budget. Once copied over, you can edit the entries.

C. Download Budget Template and Upload Budget: Ideal for bulk entries. Download the budget template, complete it offline in Excel, and then upload the finalized version to PASSPort.



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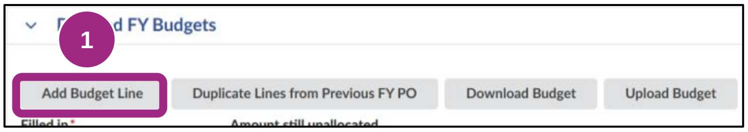
A. Add Budget Line

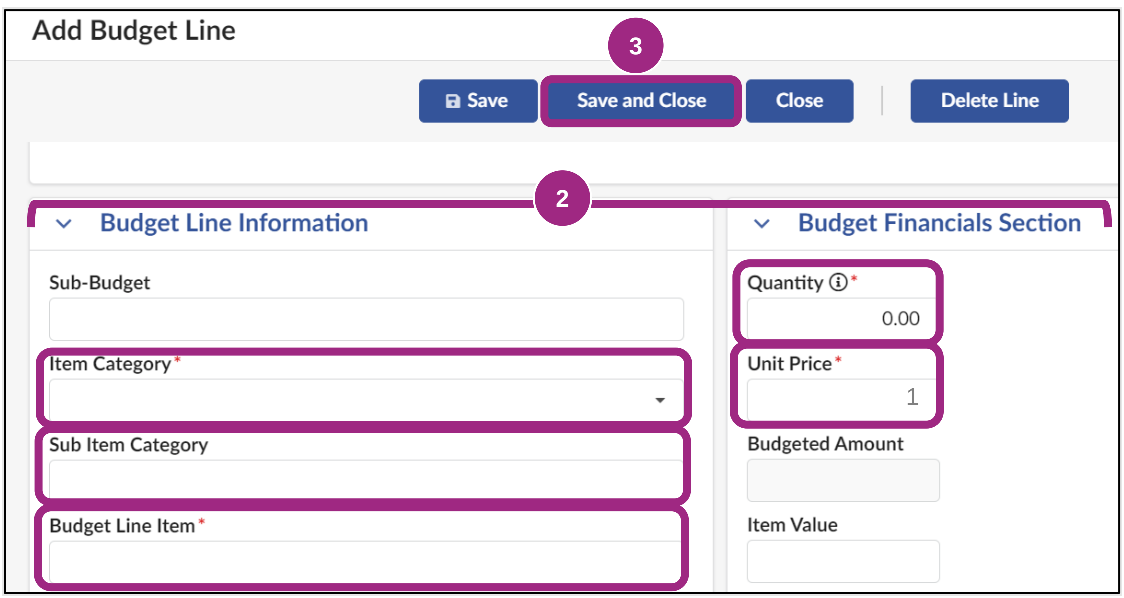
1. Click the **Add Budget Line** button. The Add Budget Line window opens.



2. The Add Budget Line window is where you enter the budget line details:

Item Category	Select the appropriate category to define the deliverable of the budget line. **Note:** If a category is not listed in the drop-down, select "Other" instead. Keep in mind that for Human Client Service contracts, selecting the correct item category is crucial because the indirect rate calculation is driven by the information entered in the item category.
Sub Item Category	While this is an optional field, some agencies require that you complete this field. Refer to agency guidance.
Budget Line Item	Provides further detail to the deliverable. Type in a label.
Quantity	The amount budgeted towards the goods or services described by the line.
Unit Price	Should always be "1", unless it is a rate-based line such as wages. **Note:** Once you enter the unit price and submit, it cannot be edited.

3. Click the **Save and Close** button.

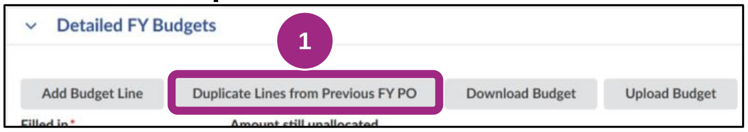


Important:

- The **Unit Price** should always be "1" unless it's an hourly rate.
- When budgeting **wages**, enter the projected number of hours to be performed in the Quantity field and enter the hourly wage in the Unit Price field. For **salaried** full-time employees, in contrast, enter in the full dollar amount in the Quantity field and enter "1" in the Unit Price field.
- The **Item Value** field should always be left blank.
- The checkbox next to **Invoiceable?** is not editable. That's because the agency will have the final say on which lines will be marked invoiceable after you submit the budget.

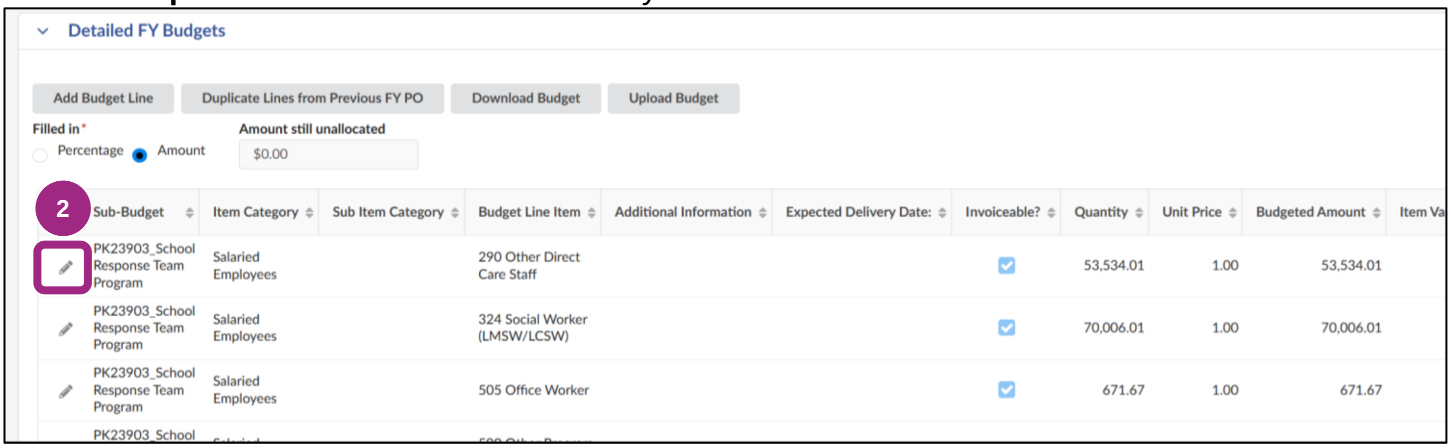
B. Duplicate Lines from Previous FY PO

1. Click the **Duplicate Lines from Previous FY PO** button.

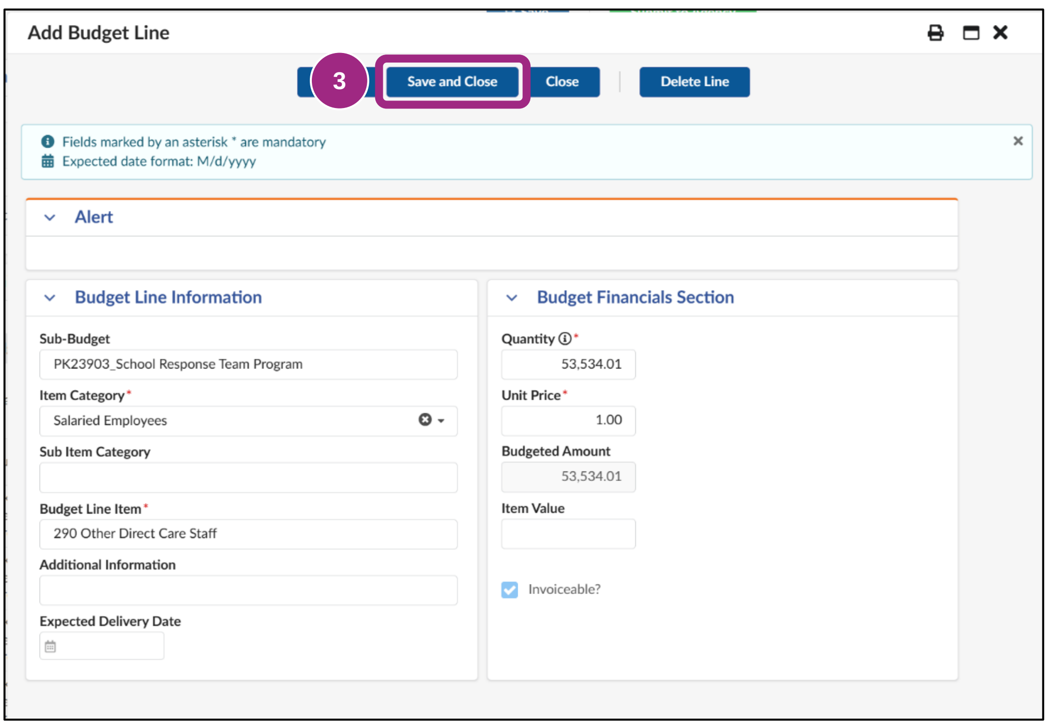


As a result, all budget lines from the prior fiscal year's PO are copied to the current budget.

2. Click the **pencil** icon to view and/or edit any line item.



3. Make the necessary edits then click the **Save and Close** button. Optional: To remove any unncessary lines from the budget, click the **Delete Line** button and follow the prompts.



To add individual budget lines, refer to the instructions listed in **A. Add Budget Line.**

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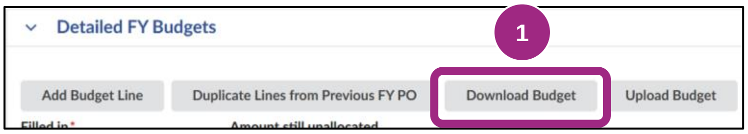
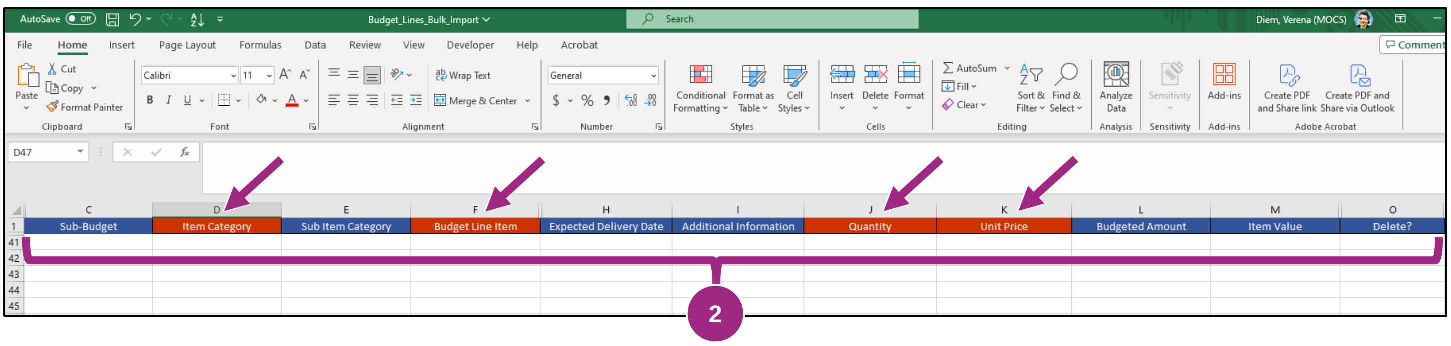
C. Download Budget Template and Upload Budget

1. Click the **Download Budget** button.

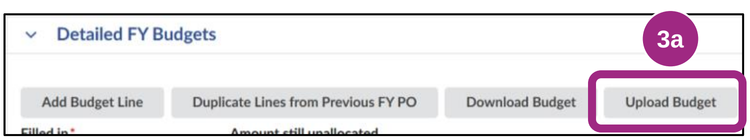


A template will download to your computer. Don't see it? Check your Download folder and make sure there are no pop-up blockers set up in your web browser.

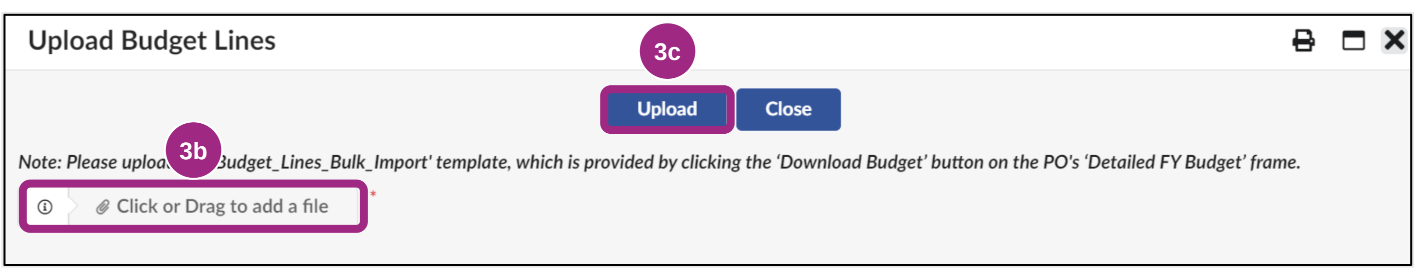
2. Open the Excel file and enter budget line information according to the column labels. Columns marked in **red** indicate required fields. Save the file to your computer.



3. Upload the spreadsheet to PASSPort:
   a. Click the **Upload Budget** button.



   b. **Click or Drag to add a file** to add the budget template file and follow the prompts.
   c. Click the **Upload** button.



To add individual budget lines, refer to the instructions listed in **A. Add Budget Line.**

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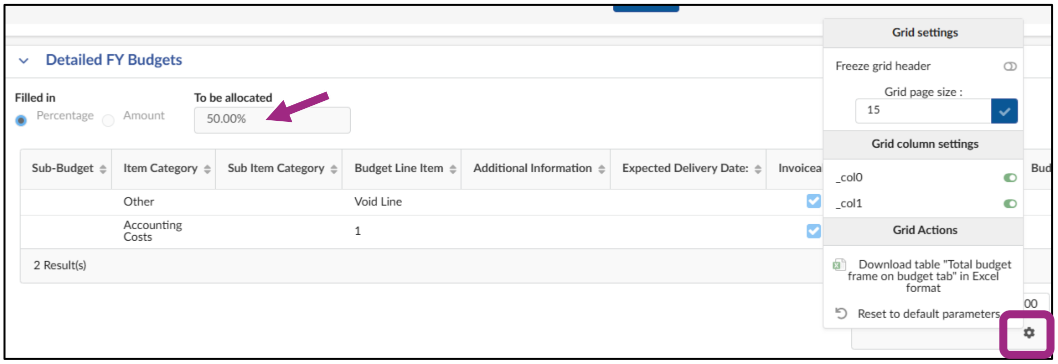
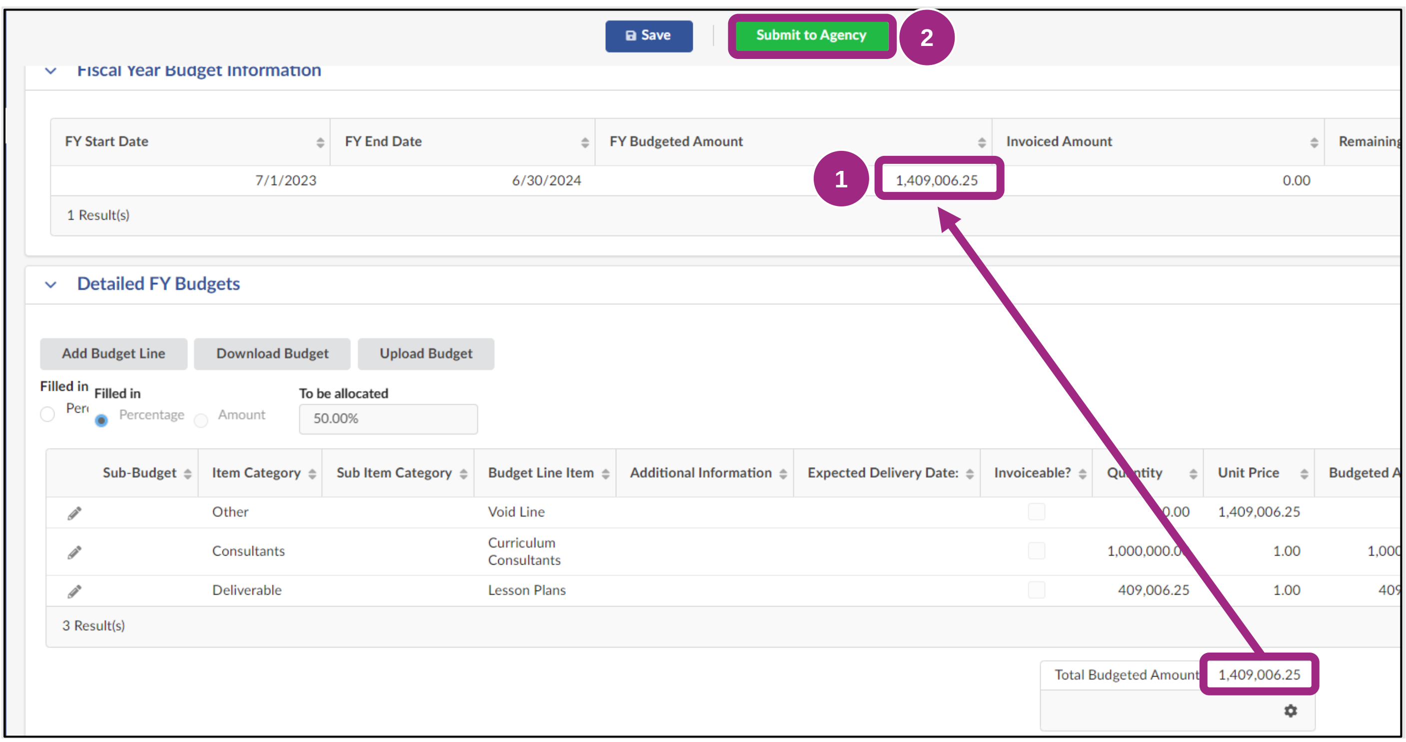
Tip: Keep an eye on the **To be allocated field**—it shows the remaining budget you still need to allocate. Optional: Click the **gear** icon to download the table's contents for your records.



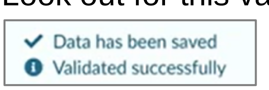
4.5. Submit the Budget

1. Take a moment to ensure that the **Total Budgeted Amount** is the same as the **FY Budgeted Amount.**

2. Click the **Submit to Agency** button at the top of the page.



3. Look out for this validation message. It confirms successful budget submissions.



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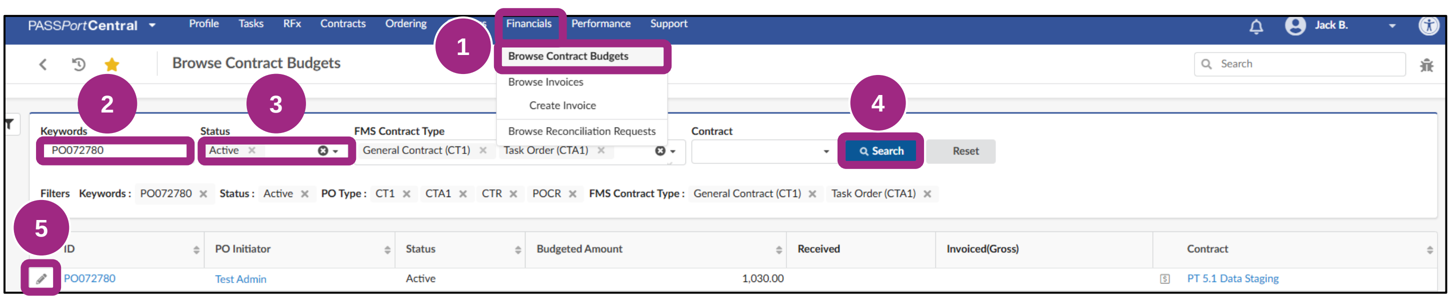
5. How to Finalize an Agency-Created Budget (Agency Creates the Budget and the Vendor Finalizes It)

Submit a POCR to finalize an agency-created budget.

5.1 Find the Purchase Order

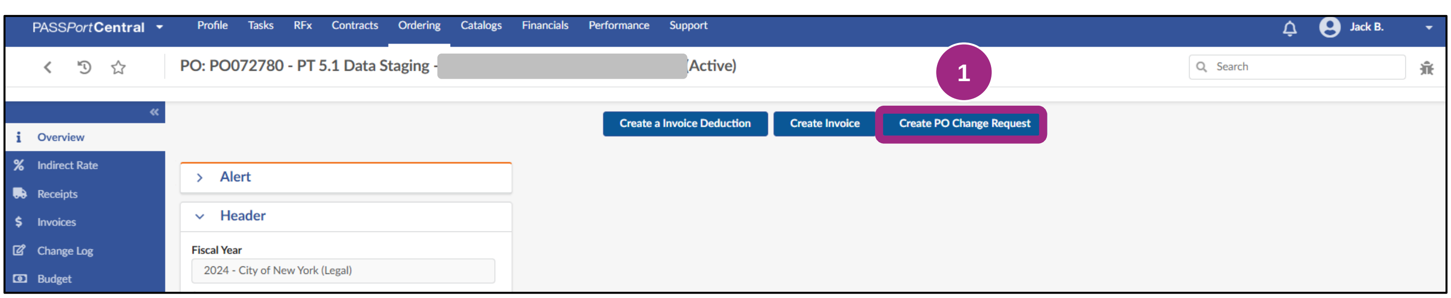
1. Click **Financials** on the top navigation menu and select **Browse Contract Budgets** from the drop-down.
2. In the **Keywords** text field, enter the Purchase Order ID (PO ID). If you do not know the PO ID, you may enter other search options such as the Contract ID.
3. In the Status field, remove the In Progress and Registered filter, so that only **Active** displays.
4. Click the **Search** button. Results matching your criteria will appear in a table below the search fields.
5. In the search results, click the **pencil** icon or the PO ID link to open the Purchase Order (PO).



5.2 Create the Purchase Order Change Request (POCR)

Since your contracting agency has already created and approved an initial budget for you, a POCR needs to be created to finalize the budget.

1. Click the **Create PO Change Request** button at the top of the page.



The Select Purchase Change Request Type page will display.

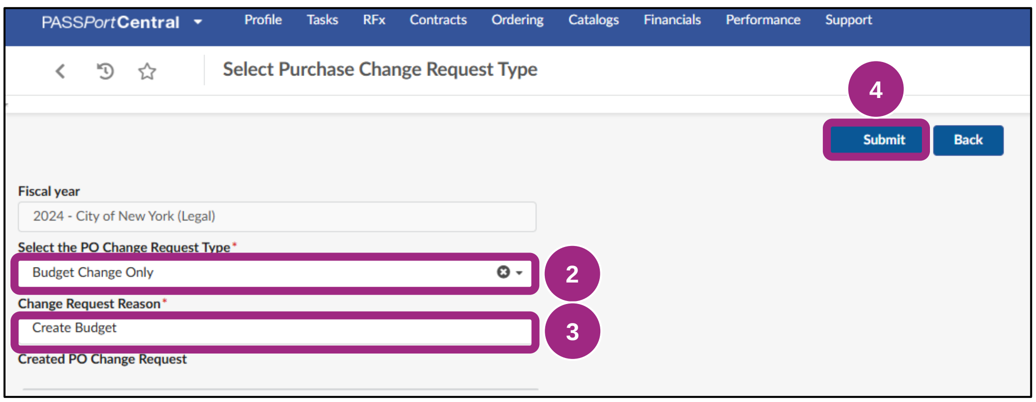
Note: If the **Create PO Change Request** button does not display, it may be due to:

- You might not have a required user role. See Before We Begin of this guide for details.
- The contracting agency might not have (or not yet) enabled vendor-submitted budgets.
- A Purchase Order Change Request (POCR) may already in progress.
  Previously initiated POCRs can be found by clicking on **Change Log** on the left-side navigation. Submit any pending POCRs or send your contract agency a request to cancel.

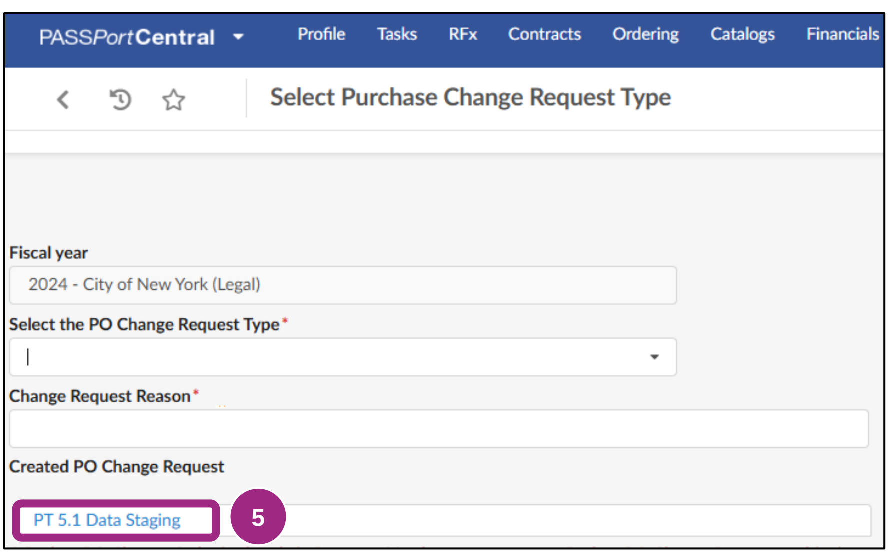
2. Click the Select the PO Change Request Type drop-down and select the option: **Budget Change Only**.

3. In the **Change Request Reason** text field, enter a reason for the change request. In this example, we're looking to create a budget and entered "Create Budget".

4. Click the **Submit** button at the top of the page.



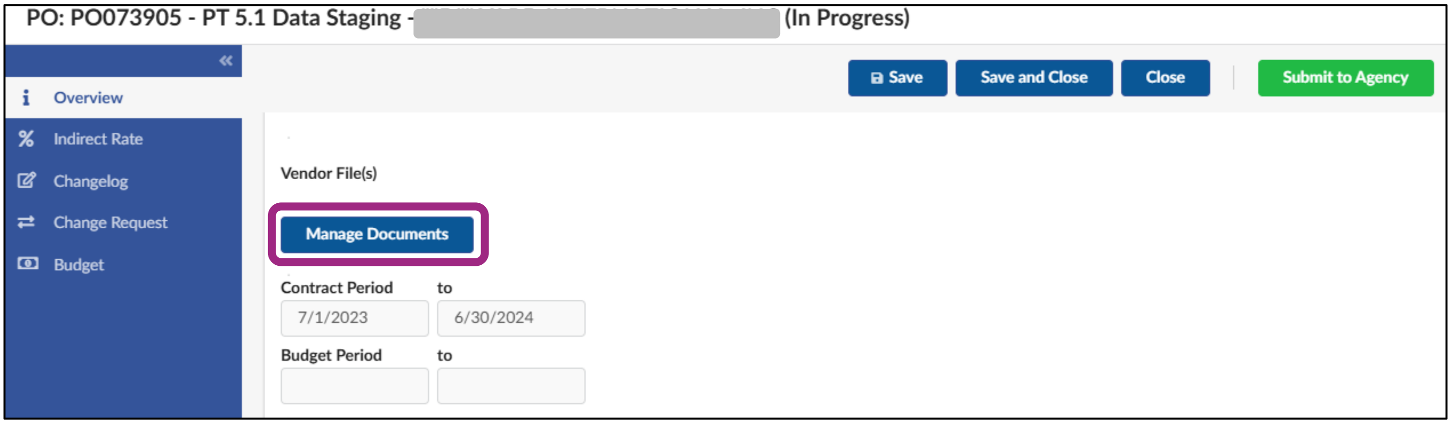
5. When the POCR is created, in the **Created PO Change Request** text field, hyperlinked text will display. Click the **hyperlink**. The Purchase Order (PO) will display.



5.3. Upload Required Documentation

Refer to your contracting agency's fiscal guidance if backup documentation is required.

If supporting documentation is required: In the Overview tab of the Purchase Order, click the **Manage Documents** button to upload required documents. Follow the prompts. The file size limit is 300MB.

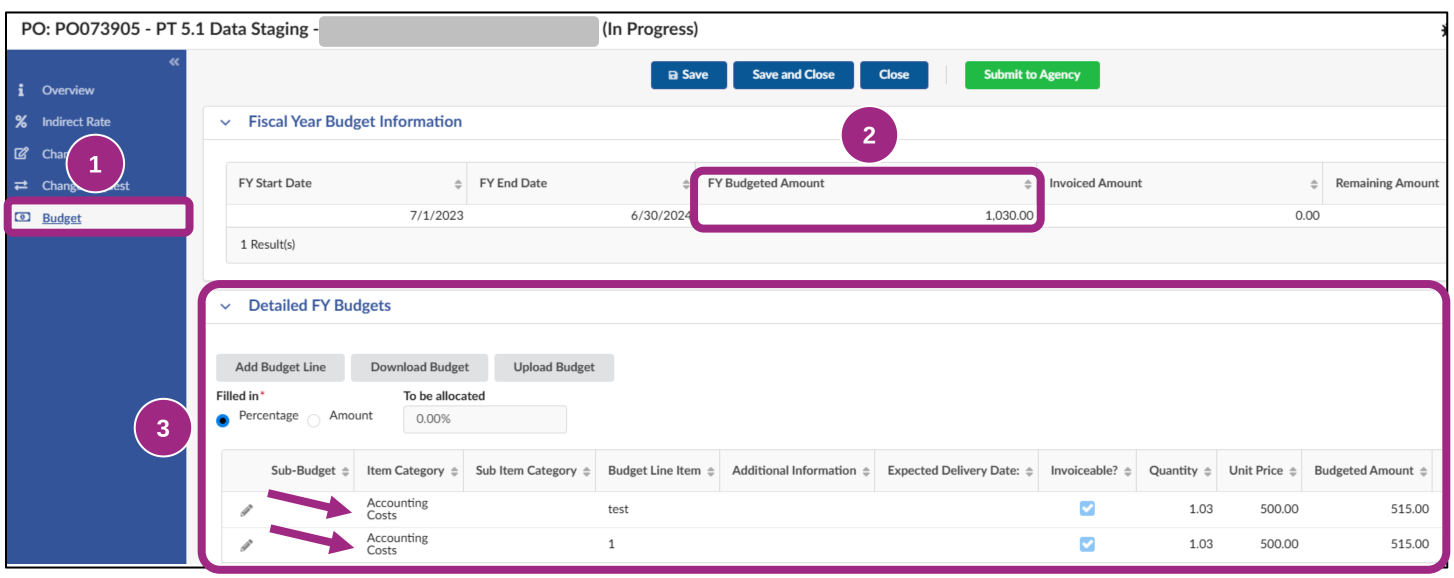


5.4. Review the Budget Information

1. Click the **Budget** tab of the PO. The budget displays.

2. Note the **FY Budgeted Amount** in the Fiscal Year Budget Information section. The full amount must be allocated when filling out the budget.

3. Scroll down to the **Detailed FY Budgets** section. This is where you will complete the budget.
Note: The existing budget lines were created by your contracting agency. In this example, the Agency already created two pre-existing budget lines for Accounting Costs.



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5.5. Void Pre-Existing Budget Lines

Before adding new lines to your budget, you will typically need to **void any budget lines** created by your contracting agency. Voiding a budget line simply means noting in the budget line that it is no longer needed, so that the agency can ignore or delete it when approving the budget.

Do Void Budget Lines:

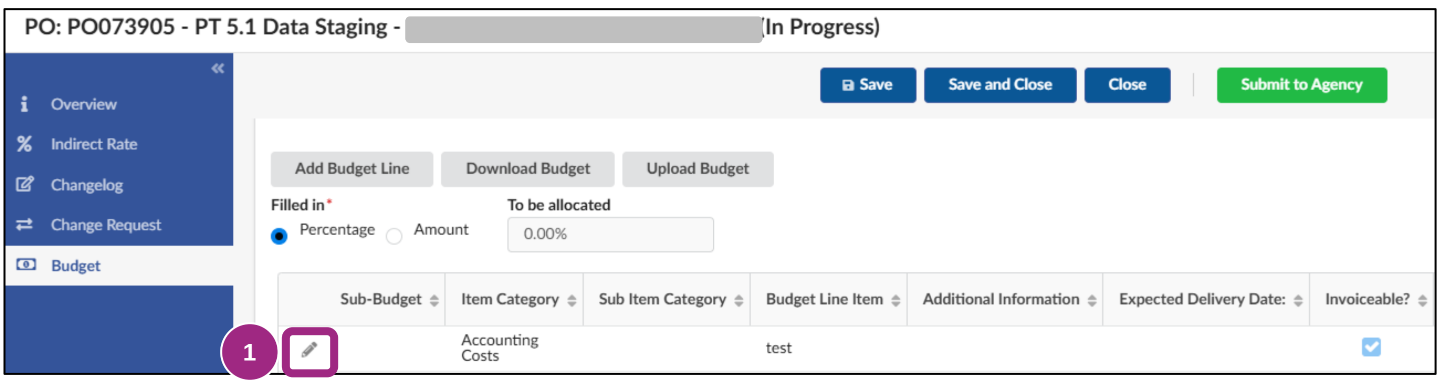
- When the pre-existing budget line(s) has a Unit Price **greater than** “1”.

Do NOT Void Budget Lines:

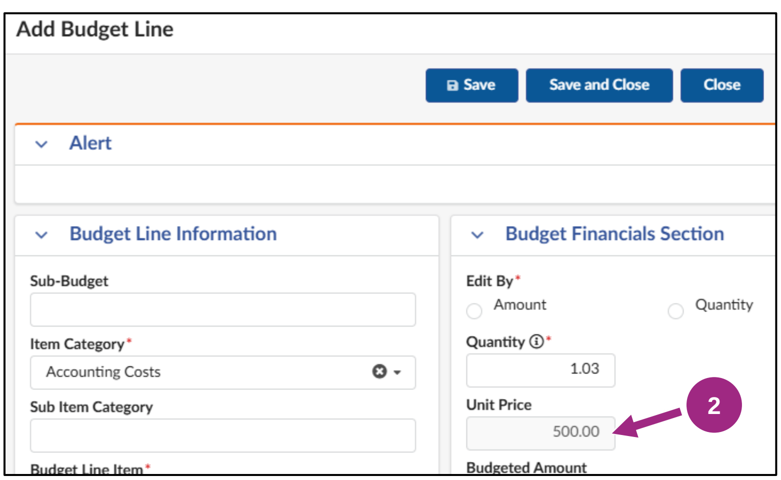
- If a pre-existing budget line has a Unit Price **equal to** "1". Edit the line item fields instead.
- For Budget Lines with an Item Category “Allowance” or “Unallocated”. Refer to the contracting agency guidance on how to proceed instead.

How to Void Budget Lines:

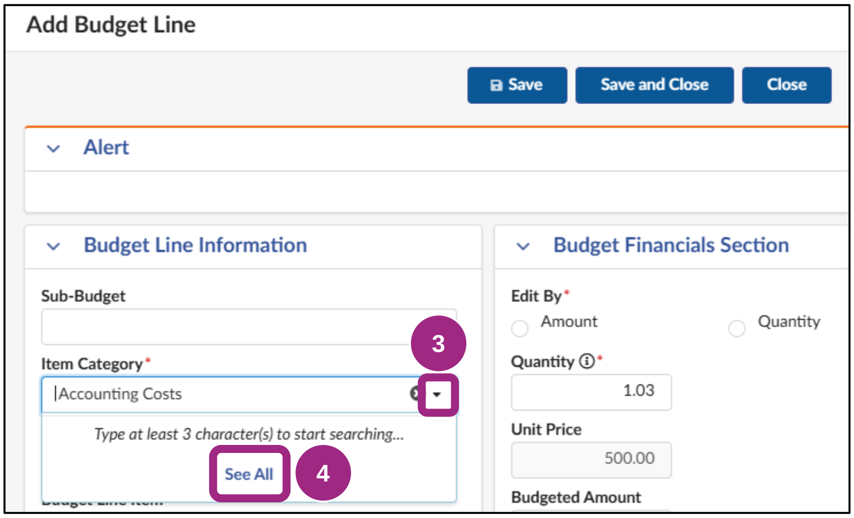
1. Go to the **Detailed FY Budgets** section and click the **pencil** icon.



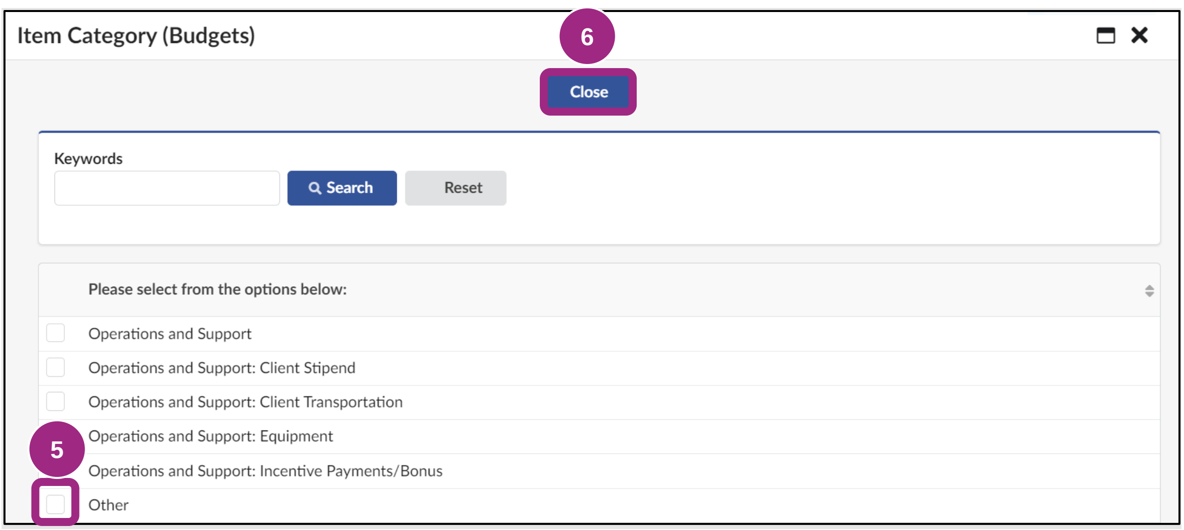
2. Check if the Unit Price is **greater than** “1”, which is the case in this example (it displays 500), continue the steps to void the line. If the Unit Price shows “1”, however, there’s no need to void the line. Instead, simply edit the line item fields as needed.



3. In the Add Budget Line window, click the **Item Category** field drop-down. The menu will expand.
4. Click the **See All** hyperlink. A separate **Item Category (Budgets)** window will display.



5. Click the **checkbox** to select **Other** from the Item Category list.
   Tip: You can also type in the first few letters of the category "Other" to quickly locate it.
6. Click the **Close** button.



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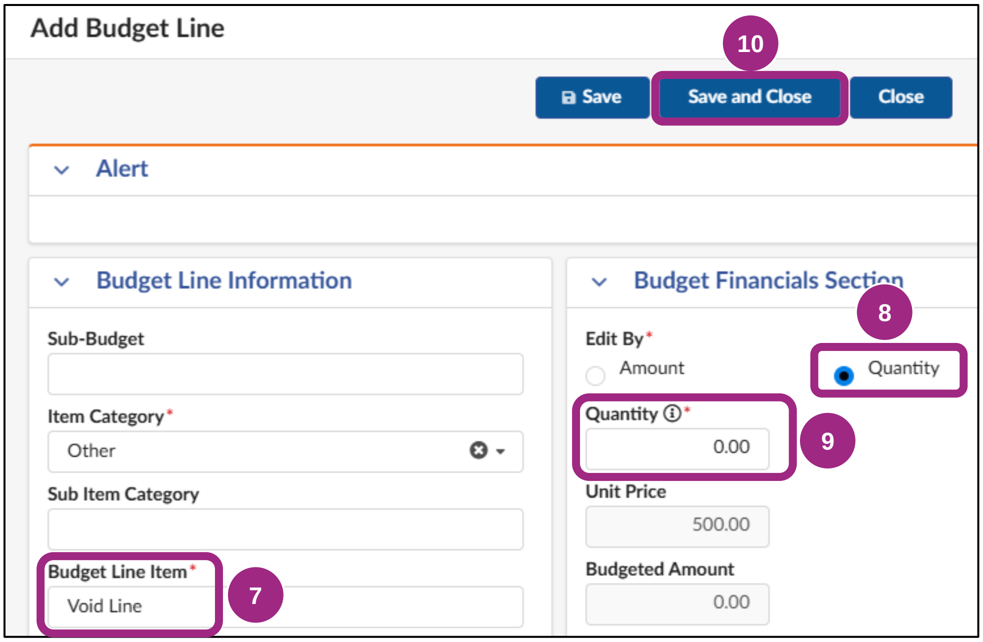
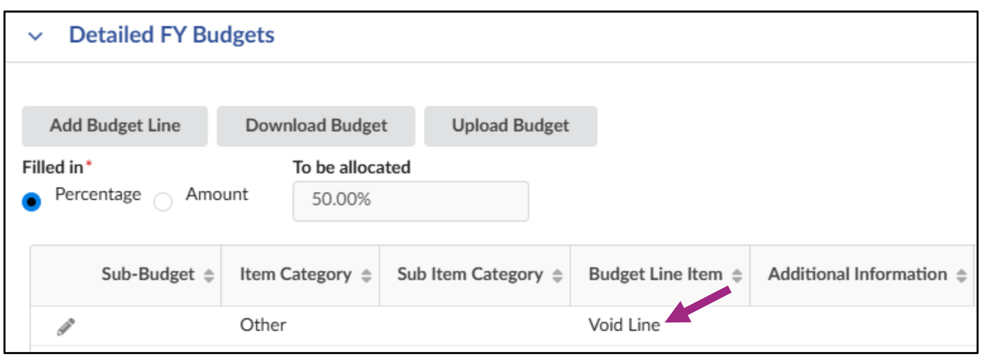
7. In the **Budget Line Item** text field, type: “Void Line”.
8. Click the **radio button** to select **Quantity**. Do not select Amount.
9. Enter “0” in the **Quantity** field.
10. Click the **Save and Close** button.



The budget line will update and display as “Void Line”, indicating to the contracting agency that you want this line deleted.



Repeat steps, as needed.

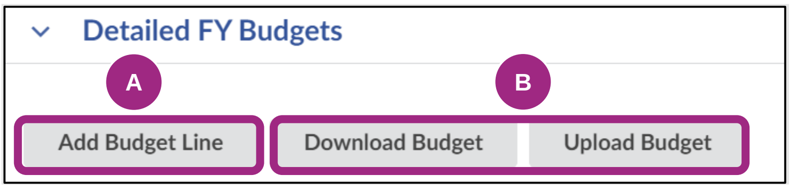
5.6. Add Budget Lines

Now it's time to complete the budget by adding new budget lines.

Add budget lines manually or by bulk upload:

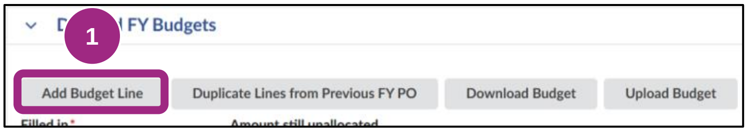
A. Add Budget Line: Add lines manually, one by one.

B. Download Budget Template and Upload Budget: Ideal for bulk entries when creating a new budget. Download the budget template, complete it offline in Excel, and then upload the finalized version to PASSPort.



A. Add Budget Line

1. Click the **Add Budget Line** button.



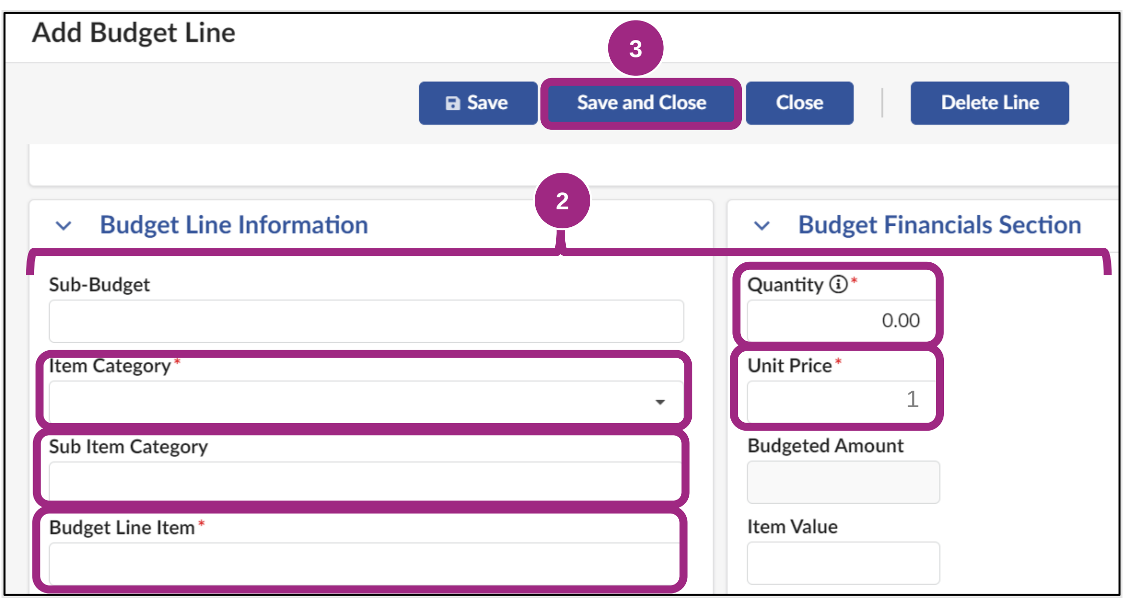
2. The Add Budget Line windows is where you enter the budget details:

Item Category	Select the appropriate category to define the deliverable of the budget line. **Note:** If a category is not listed in the drop-down, select Other instead. For Human Client Service contracts, selecting the correct item category is crucial because the indirect rate calculation is driven by the information entered in the item category.
Sub Item Category	While this is an optional field, some agencies require that you complete this field. Refer to agency guidance.
Budget Line Item	Provides further detail to the deliverable. Type in a label.
Quantity	The amount budgeted towards the goods or services described by the line.
Unit Price	Should always be “1”, unless it is a rate-based line such as wages. **Note:** Once you enter the unit price and submit, it cannot be edited.

Important:

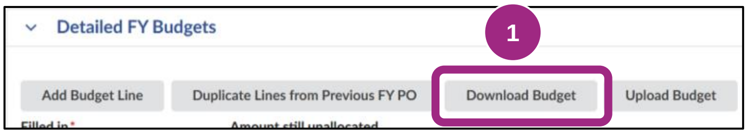
- The **Unit Price** should always be “1” unless it's an hourly rate.
- When budgeting **wages**, enter the projected number of hours to be performed in the Quantity field and enter the hourly wage in the Unit Price field. For **salaried** full-time employees, in contrast, enter in the full dollar amount in the Quantity field and enter “1” in the Unit Price field.
- The **Item Value** field should always be left blank.
- The checkbox next to **Invoiceable?** is not editable. That’s because the agency will have the final say on which lines will be marked invoiceable after you submit the budget.

3. Click the **Save and Close** button.



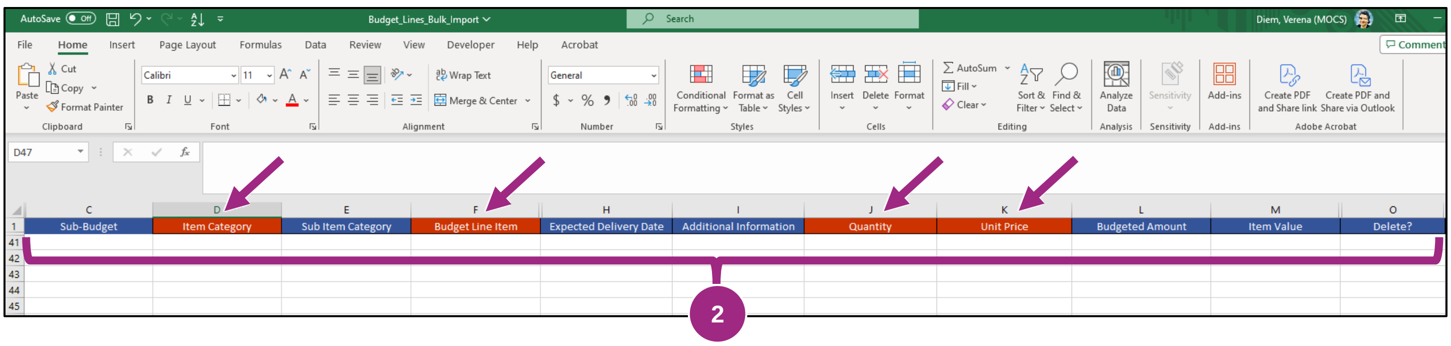
B. Download Budget Template and Upload Budget

1. Click the **Download Budget** button.

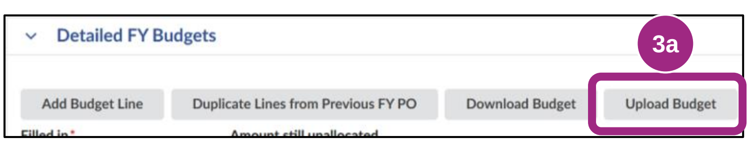


A template will download to your computer. Make sure there are no pop-up blockers set up in your web browser.

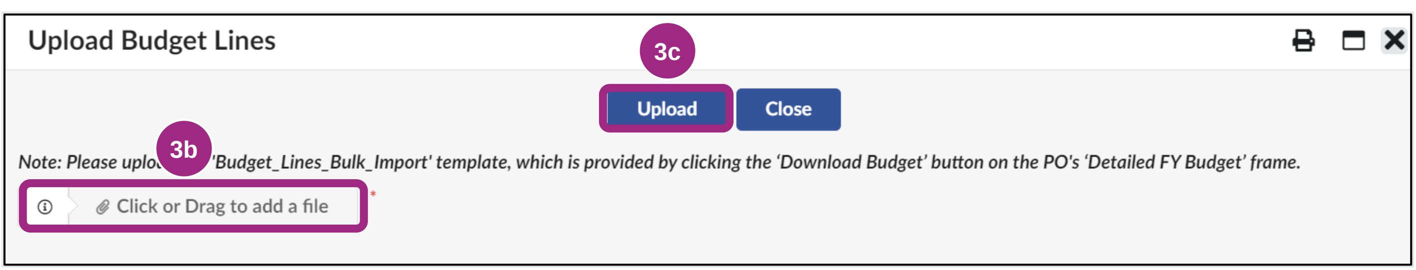
2. Open the Excel file and enter budget line information according to the column labels. Columns marked in **red** indicate required fields. Save the file to your computer.



3. Upload the spreadsheet in PASSPort:
   a. Click the **Upload Budget** button.

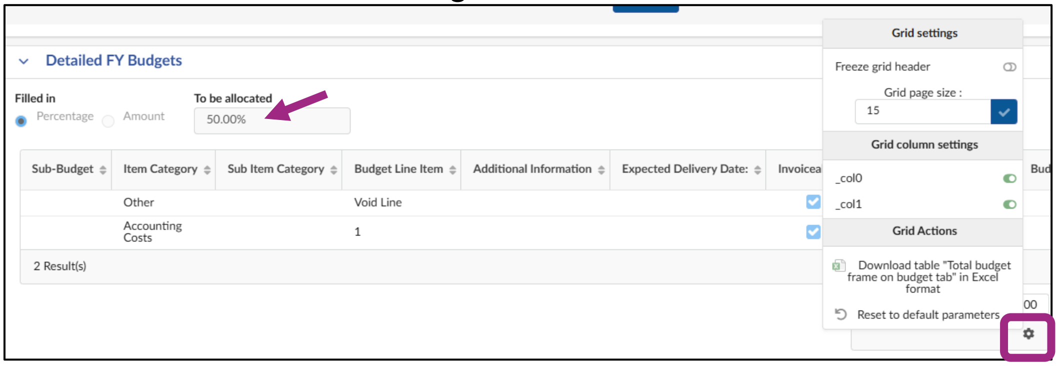


   b. Click the **Click or Drag to add a file** button to add the budget template file and follow the prompts.
   c. Click the **Upload** button.



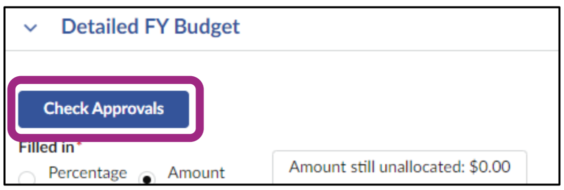
To add individual budget lines, refer to the instructions listed in **A. Add Budget Line.**

Tip: Keep an eye on the **To be allocated field**—it shows the remaining budget you still need to allocate. You can also click the **gear** icon to download the table's contents for your records.



5.7. Check Approvals

For POCRs, in the Detailed FY Budget section, the **Check Approvals** button displays. You can use it to check if your intended budget changes **qualify for auto-approval**.



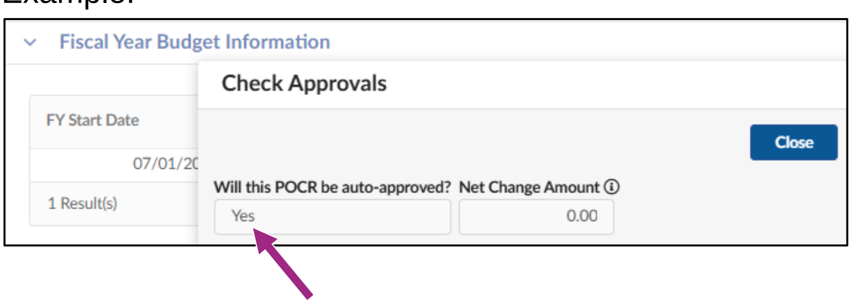
To expedite the approval process, new budget lines valued at **less than 10%** of the total fiscal year budget are typically **auto approved**, meaning they do not require manual approval by your contracting agency. Changes exceeding 10% require manual review and approval by the agency.

Click the **Check Approvals** button to view whether the changes qualify for auto-approval:

- **Yes.** This means your changes **do qualify** for auto approval. The changes do not exceed the agency's auto-approval threshold and will be auto approved in PASSPort, meaning manual approval by your contracting agency is not required**. Note:** If the initial POCR doesn't use the full threshold amount, the remaining balance can be applied to another budget-only POCR.

- **No.** This means your changes **do not qualify** for auto approval. The changes exceed the agency's auto-approval threshold which means that manual budget approval is required by the contracting agency.

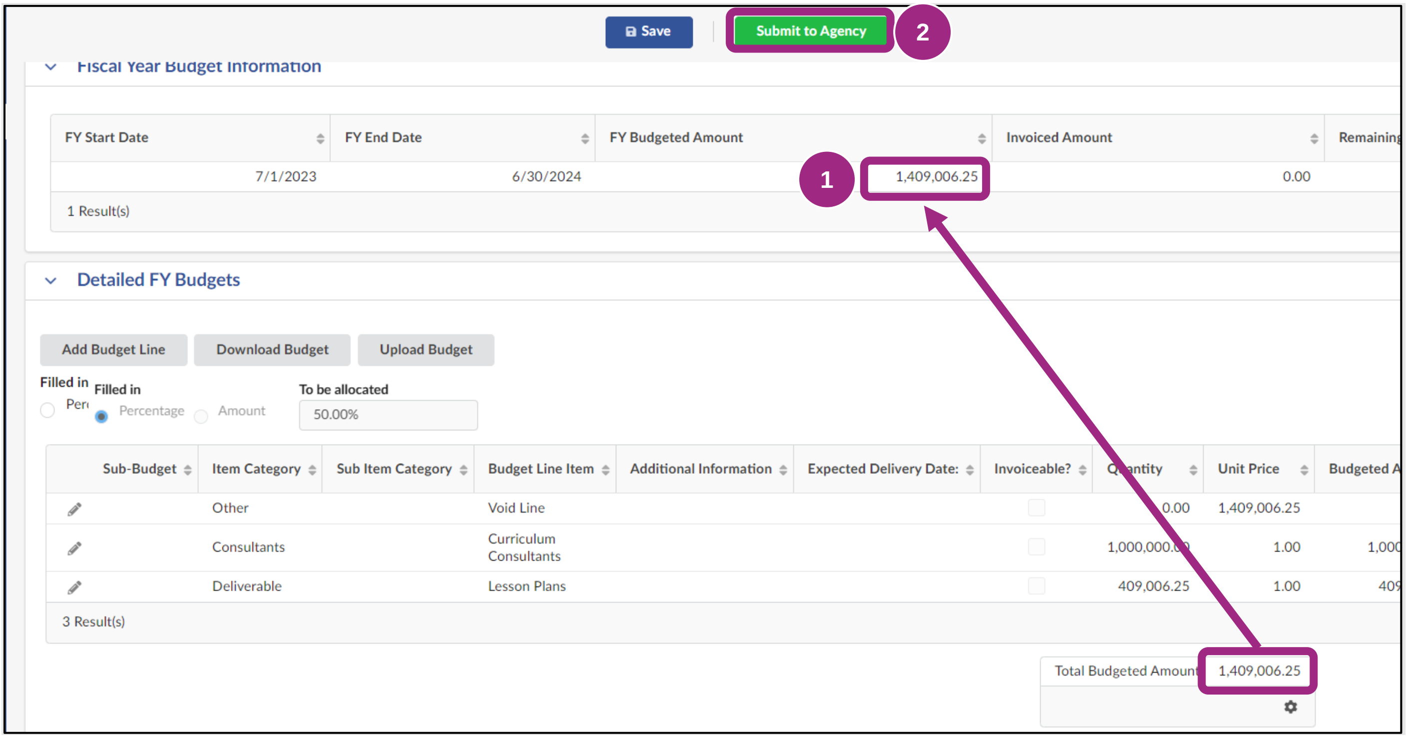
Example:



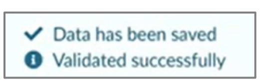
5.8. Submit the Budget

1. Take a moment to ensure that the **Total Budgeted Amount** is the same as the **FY Budgeted Amount.**

2. Click the **Submit to Agency** button at the top of the page.



3. Look out for this validation message. It confirms successful budget submissions.



If the agency **approves** your budget, the POCR status will change to **Registered** and the underlying Active PO will be updated with your changes.

Note: Take note of your Active Purchase Order's PO ID. Both Purchase Orders and Purchase Order Change Requests use PO IDs as their unique identifiers. However, invoices can only be made against Active status Purchase Orders.

6. Next Steps

- While the **agency is reviewing** your budget, you will not be able to make any additional changes.
- The agency **might return** the budget back to you for additional edits at which point you can resubmit with revisions. You will receive an email notification if the budget was returned for revision.
- Once the budget is approved by the contracting agency, the contract is registered and the PO is Active, and work has begun, you can start to **submit invoices!**

7. Best Practices

- **Before Doing Any Work in PASSPort:** Carefully review your contracting agency's fiscal guidance on your Agency's preferences regarding setting up your budget. Make sure your colleagues working on budgets have access to your organization's PASSPort account and are assigned the necessary user role(s) to do the work.
- **Gather Required Documentation:** Review your Agency's fiscal guidance for documentation requirements. Upload required documents before proceeding to budget entry as this step is easily missed.
- **Offline PO ID Tracking:** Record your PASSPort Purchase Order IDs outside of PASSPort – this will help you quickly locate your POs when making future budget modifications. Click the gear icon (located at the bottom-right corner of the Budget tab > Detailed FY Budgets section) to easily download budget details from PASSPort.