

# FEMS Budgets 101

## BUDGETING BASICS FOR MSA ADMINISTRATORS

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# Fiscal Year and Cash Flow

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- Facility Engagement runs on a fiscal year from April 1<sup>st</sup> to March 31<sup>st</sup>
- Funding is based on tiers, which are based on bed count for acute care facilities
- Funding is also gated, meaning it is released on an as-needed basis throughout the fiscal year
- Budgets in FEMS are based on annual funding plus any carryover from previous years
- On April 1<sup>st</sup> of each year, each MSA is allocated their full budget in FEMS to dedicate to activities and expenses throughout the fiscal year
- On March 31<sup>st</sup> each year, MSA budgets are reduced by the amount that the MSA did not receive in gated funding
- These transactions can be seen in the Financial Overview section of FEMS

# FE Budgets Are Waterfalls

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**Think of FE budgets in terms of your own personal budget**

- Financial overview annual allocation = your yearly budget of income
  - It does not represent what your bank account looks like now but is an expectation of what you expect to receive this year, on which you will base your breakdown of line items.
  - MSAs will use this to determine how they wish to spend their money over the next year.
- Engagement activities = the line items within your yearly budget
  - Think of these as the line items of your budget, such as food, entertainment, clothing, vehicle costs, etc. Some of them are fixed costs like your monthly rent (e.g., administrator costs, VoPay fees, etc.), and some of them are variable costs like your clothing (e.g., engagement projects and areas of focus)
  - So, when you look at your yearly budget, you make educated guesses about what you will spend in each line, usually based on what you have spent on those in the past.
  - The same process can be used to figure out what activities the MSA will fund this year.

# FE Budgets Are Waterfalls



**Think of FE budgets in terms of your own personal budget**

- Expense types = the divisions within your line items
  - In each budget line item, you often want to know what you spent within that budget (e.g., within your food budget, you want to know what you spent on produce, cereal, dairy, etc.)
  - These divisions are expense types in FEMS, the option chosen when entering an expense (e.g., parking, hotel, meals, etc.)
  - These expense types appear on the MSA's financial statements and are extremely important for reporting and analysis.
  - Some expense types, such as travel and parking, are self-explanatory, but others are not.
  - Examples of more ambiguous ones are IOE, communications, and consultants.
    - IOE, or Internal Operating Expenses, are expenses for running the MSA (e.g., physician lounge costs, MSA administrator costs, banking fees, etc.)
    - External consultants are only for outside consultants brought in for a specific deliverable (e.g., evaluation, governance, etc.). This category is NOT to be used for overall MSA administrator costs.
    - Communications are used for those items such as website hosting fees, flyers or posters advertising activities and meetings to members, etc.

# FE Budgets Are Waterfalls

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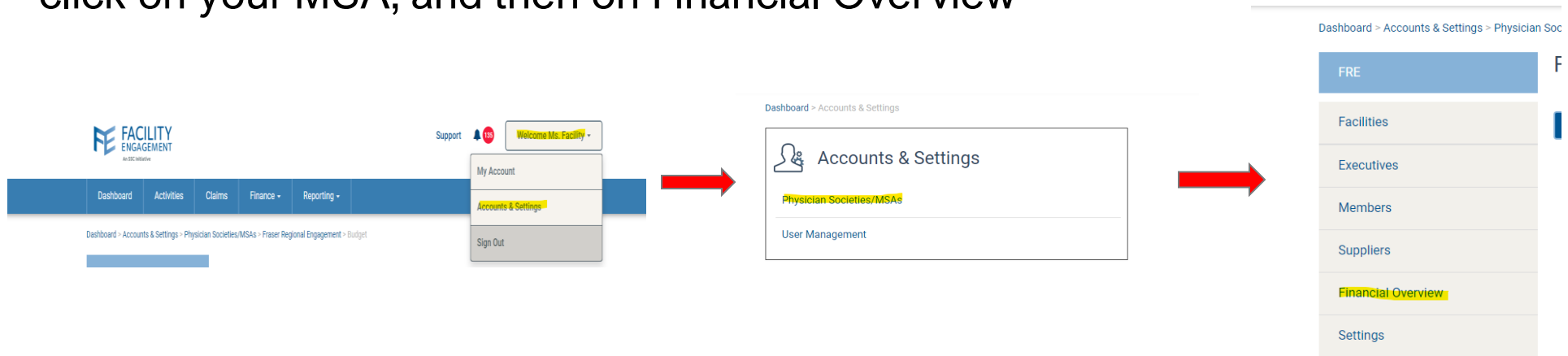
**Think of FE budgets in terms of your own personal budget**

- One note about expense types and activities—they do not need to match. For example, if the MSA wishes to advertise a specific activity, it would still use Communications as the expense type within the Engaging with the Health Authority activity. The important thing to consider is what the expense is FOR, not just what activity it is within.
- For example, I want to buy socks for my husband for Christmas. What would be the most logical choice below?
  - I have an Entertainment budget (e.g., engagement activity).
  - BUT I ALSO have a clothing budget for myself (e.g. engagement activity).

I would choose the entertainment budget, as it is not for me, and clothing as the expense type. However, if I bought those socks for myself, I would choose the clothing budget AND expense type. It just takes a little critical thinking to make sure the best choice is made.

# Financial Overview

- The Financial Overview section in FEMS is where each MSA can see real time budget information
- To access the Financial Overview from the main page in FEMS, click in the top right section where your name is, click Accounts and Settings, Physician Societies/MSAs, click on your MSA, and then on Financial Overview



# Financial Overview Top

- The top portion of the financial overview will show the total budget allocations that the MSA has received during their years in FEMS, and is sorted in chronological order, with the current year at the top

## Financial Overview

\* Actuals exclude GST

Year ▾ Actual Spend ▾

YEAR ▾	ANNUAL ALLOCATION ⚙	CARRYOVER ⚙ FROM PREVIOUS YEAR	TOTAL FUNDS AVAILABLE ⚙	TOTAL FUNDS BUDGETED ⚙	ACTUAL SPEND ⚙	REMAINING ⚙ BUDGET TO COMMIT THIS YEAR
2022/2023	\$400,000.00	\$56,918.66	\$456,918.66	\$356,819.31	\$82,891.70	\$100,099.35
2021/2022	\$246,034.51	\$166,197.05	\$412,231.56	\$609,318.84	\$355,312.90	
2020/2021	\$384,990.98	\$196,715.99	\$581,706.97	\$635,768.19	\$415,509.92	
2019/2020	\$400,000.00	\$260,726.03	\$660,726.03	\$620,796.37	\$464,010.04	
2018/2019	\$0.00	\$612,288.89	\$612,288.89	\$505,711.39	\$351,562.86	
2017/2018	\$400,000.00	\$396,726.50	\$796,726.50	\$351,832.50	\$184,437.61	
2016/2017	\$400,000.00	\$0.00	\$400,000.00	\$99,000.00	\$3,273.50	

# Financial Overview Transactions

- The bottom portion of the financial overview details all transactions for the MSA, which are the details of the different dates and amount of funding the MSA has received
- PLEASE NOTE: at the beginning of the fiscal year, each MSA is allocated their full funding amount for budgeting (in this example, \$200,000), while at the end of each fiscal year, the budget is reduced by any amount that the MSA did not receive during the year (i.e., how many gates the MSA did not receive, and in this example for 2021-22 fiscal year, \$100,000)

TYPE	AMOUNT	TOTAL	BY	START DATE	COMMENTS
Additional	\$100,000.00	\$100,000.00	Fedor, Jessica	Sept 15, 2017	First year funding 2017/18 Q1-Q2, retroactive to April 1, 2017. (Q3 will be funded once Delta Hospital Physicians Society is live in FEMS and reconciliation complete).
Additional	\$87,559.38	\$187,559.38	Fedor, Jessica	Mar 31, 2018	Reconciliation allocation. Prior advance funding spend: year 2017/2018 Q1-Q4 via Doctors of BC: \$12,440.62.
Additional	\$200,000.00	\$387,559.38	Fedor, Jessica	May 10, 2018	Full Funding Allocation 2018/2019.
Additional	\$200,000.00	\$587,559.38	Fedor, Jessica	Apr 01, 2019	2019/20 Funding allocation per SSC funding policy.
Reduced By	-\$150,000.00	\$437,559.38	Fedor, Jessica	Mar 31, 2020	Funding allocation adjusted to funding transferred for 2019/20.
Additional	\$200,000.00	\$637,559.38	Fedor, Jessica	Apr 01, 2020	2020/21 Funding Allocation per SSC funding policy.
Additional	\$47,202.05	\$684,761.43	Fedor, Jessica	Sept 11, 2020	COVID Ministry of Health (MOH) reimbursement.
Additional	\$5,631.35	\$690,392.78	Fedor, Jessica	Dec 07, 2020	JCC rate change adjustment for claims between April 1, 2019 to Nov 10, 2020.
Reduced By	-\$150,000.00	\$540,392.78	Fedor, Jessica	Mar 31, 2021	Funding allocation adjusted to funding transferred for 2020/21.

Additional	\$200,000.00	\$637,559.38	Fedor, Jessica	Apr 01, 2020	2020/21 Funding Allocation per SSC funding policy.
Additional	\$47,202.05	\$684,761.43	Fedor, Jessica	Sept 11, 2020	COVID Ministry of Health (MOH) reimbursement.
Additional	\$5,631.35	\$690,392.78	Fedor, Jessica	Dec 07, 2020	JCC rate change adjustment for claims between April 1, 2019 to Nov 10, 2020.
Reduced By	-\$150,000.00	\$540,392.78	Fedor, Jessica	Mar 31, 2021	Funding allocation adjusted to funding transferred for 2020/21.
Additional	\$200,000.00	\$740,392.78	Fedor, Jessica	Apr 01, 2021	2021/22 Funding Allocation per SSC funding policy.
Additional	\$9,262.00	\$749,654.78	Fedor, Jessica	Jul 28, 2021	MoH Fall/Winter COVID Planning Reimbursement
Reduced By	-\$100,000.00	\$649,654.78	Racicot, Sarah	Mar 31, 2022	Return of un-transferred allocation for 2021-22 fiscal year.
Additional	\$200,000.00	\$849,654.78	Racicot, Sarah	Apr 01, 2022	Funding allocation for 2022-23 fiscal year.

Showing 1 to 13 of 13 entries | Show 15 entries

« Previous 1 Next »



# Financial Overview Allocation

- The first column shows Annual Allocation and includes both funds that have been received and funds that the MSA may be entitled to, but has not yet received
- Any funding that is not received by the end of the fiscal year is then deducted from this original amount
- Funding in years prior to the current year only show funds actually received by the MSA

## Financial Overview

\* Actuals exclude GST

Year ▾ Actual Spend ▾

YEAR ▾	ANNUAL ALLOCATION	CARRYOVER FROM PREVIOUS YEAR	TOTAL FUNDS AVAILABLE	TOTAL FUNDS BUDGETED	ACTUAL SPEND	REMAINING BUDGET TO COMMIT THIS YEAR
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2016/2017	\$400,000.00	\$0.00	\$400,000.00	\$99,000.00	\$3,273.50	

# Financial Overview Carryover

- The second column, Carryover from Previous Year, has been added to show any funding from previous years that was received but not spent and is, therefore, available to spend in the current year

## Financial Overview

\* Actuals exclude GST

Year ▾ Actual Spend ▾

YEAR ▾	ANNUAL ALLOCATION *	CARRYOVER FROM PREVIOUS YEAR *	TOTAL FUNDS AVAILABLE *	TOTAL FUNDS BUDGETED *	ACTUAL SPEND *	REMAINING BUDGET TO COMMIT THIS YEAR *
2022/2023	\$200,000.00	\$21,444.18	\$221,444.18	\$220,788.84	\$67,979.43	\$655.34
2021/2022	\$209,385.32	\$84,924.73	\$294,310.05	\$294,310.05	\$272,865.87	
2020/2021	\$287,120.56	\$68,109.75	\$355,230.31	\$333,365.88	\$270,305.58	
2019/2020	\$200,000.00	\$142,350.80	\$342,350.80	\$274,782.98	\$274,241.05	
2018/2019	\$200,000.00	\$218,309.91	\$418,309.91	\$384,377.87	\$275,959.11	
2017/2018	\$200,000.00	\$199,855.28	\$399,855.28	\$342,660.42	\$181,545.37	
2016/2017	\$200,000.00	\$0.00	\$200,000.00	\$68,000.00	\$144.72	

# Financial Overview Funds Available

- The carryover amount is then added to the annual allocation amount to show the Total Funds Available, the third column
- This number indicates the total amount of funding the MSA has available to budget for engagement activities in the current fiscal year

## Financial Overview

\* Actuals exclude GST

Year ▾ Actual Spend ▾

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2016/2017	\$200,000.00	\$0.00	\$200,000.00	\$68,000.00	\$144.72	

# Financial Overview Total Funds Budgeted

- The next column, Total Funds Budgeted, shows the total amount currently budgeted to engagement activities

## Financial Overview

\* Actuals exclude GST

Year ▾ Actual Spend ▾

YEAR ▾	ANNUAL ALLOCATION	CARRYOVER FROM PREVIOUS YEAR	TOTAL FUNDS AVAILABLE	TOTAL FUNDS BUDGETED	ACTUAL SPEND	REMAINING BUDGET TO COMMIT THIS YEAR
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2016/2017	\$200,000.00	\$0.00	\$200,000.00	\$68,000.00	\$144.72	

# Financial Overview Actual Spend

- Actual Spend indicates the amount of money spent on activities

## Financial Overview

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2016/2017	\$200,000.00	\$0.00	\$200,000.00	\$68,000.00	\$144.72	

# Financial Overview Remaining Budget

- The last column shows the Remaining Budget to Commit to this Year
- This number only shows for the current fiscal year and indicates how much funding the MSA has available that has not yet been budgeted for an engagement activity
- This is the MSA's unallocated budget and may be used for additional engagement activities or added to existing activities in the current fiscal year

## Financial Overview

\* Actuals exclude GST

Year ▾ Actual Spend ▾

YEAR ▾	ANNUAL ALLOCATION *	CARRYOVER FROM PREVIOUS YEAR *	TOTAL FUNDS AVAILABLE *	TOTAL FUNDS BUDGETED *	ACTUAL SPEND *	REMAINING BUDGET TO COMMIT THIS YEAR *
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2016/2017	\$200,000.00	\$0.00	\$200,000.00	\$68,000.00	\$144.72	

# Tips & Tricks for Activities and Budgets

- If an activity is declined or put on hold, be sure to check and see if any remaining budget is still attached. If it is, edit the activity and return the remaining budget from the activity so that it will be available for use elsewhere.

On Hold	\$10,000.00	\$0.00	\$5,670.02	57% <div><div></div></div>
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- Check draft activities quarterly and delete any that are not going to be approved.
  - NOTE: any physician who is a member of the MSA can create an activity, and these are often left in draft.
- Check completed activities quarterly and ensure that any remaining budget is returned correctly (they will show 0% or 100%.) If they show less than 100%, be sure to edit the activity and return the remaining budget so that it will be available for use elsewhere.

Completed	\$2,100.18	\$0.00	\$2,100.18	100% <div><div></div></div>
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Completed	\$946.74	\$0.00	\$315.58	33% <div><div></div></div>
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# Budgets At Year End

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- After the fiscal year ends on March 31st, there is a 30-day period called accrual. During this time, claims can be made against engagement activities in the current or previous year, as appropriate; however, after April 30th, claims can no longer be accrued to the previous year.
  - NOTE: **do not add any additional budget** to previous fiscal activities during this time. Leave the activities open for claims and expenses to be added.
- During the accrual period, claims and expenses that occurred within 90 days prior should be entered in the previous fiscal year's activities by ensuring they are dated prior to March 31st, whereas those claims that happened from April 1<sup>st</sup> forward should be entered in the current fiscal year's activities.
- Engagement Activities in FEMS from the previous fiscal year will be automatically closed on April 30th, and any unspent budget from the previous fiscal year is then shown as the carryover amount in the financial overview.