

To: QGC/QPC Budget Center Managers
From: Craig Brown/Jeff Callor
Subject: 2016 Operating Budget Preparation
Date: July 13, 2015

Questar is now beginning the process of preparing the operating budgets for 2016. The steps to preparing your 2016 operating budgets are: Accessing and preparing your budget, justifying large budget variances and submitting your budgets. We are requesting that you complete your operating budgets by **Monday, July 27, 2015**.

Access and preparation

An Excel file has been generated for you to prepare your operating budget and is located in your budget directory under a **folder named 2016**. The file is named **2016_Operating_preparation_XXXX**, where XXXX is your department code. Managers can access their files through the **Streamline** home page by placing your cursor over the “**Financial**” text at the top of the page and then clicking on the “**Accounting and FP&A**” link from the drop-down menu, then selecting your business unit under the “Budget Statements and Preparation Files” menu on the left, and then click on your department to the right. You can also access the Budget Statements and Preparation Files menu by clicking on this link Accounting and FP&A. The **yellow tabs** in your workbook are the tabs that are required to be completed.

The yellow operating budget tab with the department number contains expense amounts for the twelve months (TTM) ended June 30, 2015, and annual amounts 2014 and 2013. The history is provided as a guide in preparing your individual budgets. However, some amounts may not be a representative guide if there has been changes in organization, personnel, shifts in costs, or new items or regulation that have not occurred in the past. If there has been a change in your department since last year you may notice months without amounts in your 2016 directory file, or amounts that may not be reasonable. Please refer to the 2015 operating statement under your old department number for the historical data you need and put your new budgeted amounts under your new department number. You can also refer to last year’s 2015_Prep file or prior year’s operating report files for guidance.

Additional Resources

Four (grey) tabs are included in your prep file workbooks: TTM 2015 actual charges, How to view invoices, supporting schedule and list of transaction codes. These tabs are included as a resource for you. The TTM 2015 actual charges tab used to be a separate file, now it a tab in your workbook. How to view invoices provides instructions for the actual charges tab. The Supporting schedule tab provides an optional resource to assemble your budget detail amounts by transaction code, and the List of transaction codes is a resource that provides the most commonly used codes

if you need to add new expenses to your budget (use the search feature in the description column to find the transaction associated with the type of expense you may have. *Note:* entering amounts in the supporting schedule tab does not populate the yellow tab prep file. You must copy the transaction summary amounts from the support tab to the prep tab to establish your budget.

Items you will not need to budget for:

<p>-Office Supplies -Printing, and -Mail-Stationary</p>	<p>George Pace (ext. 3021) These expenses are consolidated in George Pace's area. George will budget for these items for everyone in his budget</p>
<p>Rose Awards - Transaction code 651</p>	<p>FP&A Department will prepare the budget amounts</p>
<p>Software - Transaction code 453</p>	<p>Steve Welker (ext. 5434) will budget for these items in his area. Contact Steve to discuss software items including changes, additions, deletion, pricing and cost savings ideas. Note: laptop computers and additional monitors are <u>capital</u> items to be budgeted for by the individual departments (Contract Larry Knight for pricing ext. 5777).</p>

Contact for Budget Items

<p>Telecom Communication – Transaction code 482</p>	<p>Contact Joe Greene (ext. 1945) so that he is aware of the item, will coordinate who's budget the item or charge belongs in and provide pricing if needed. If these costs are currently in your preparation file, then please include them in your budget.</p>
<p>Training – Transaction code 413</p>	<p>Contact Debra Dickerson at (ext. 5492) for questions. Most internal training will not be charged to your department except for Coaching for Hyperperformance, Becoming an Effective Supervisor and Leadership Skills. For external training, include registration fees, transportation costs, lodging and sundry items associated with training on the training line - Transaction code 413. Meals should be coded</p>

	to transaction code 414.
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If you have questions regarding **transaction codes**, access the code menu through the **Streamline** home page by placing your cursor over the “**Financial**” text at the top of the page and then clicking on the “**Accounting and FP&A**” link from the drop-down menu, then selecting the “Codes” link under the “Finance” menu at the left, and then click on the **transaction code list or description** link towards the bottom of Codes menu to the right, or you can click on the following link Codes.

To review Questar’s organizational chart through the **Streamline** home page, place your cursor over the “**Human Resources**” text at the top of the page and then clicking on the “**Organization chart**” link to the right in the drop-down box or you may click this link [Questar Organizational Chart](#).

Justification

When preparing the budgets please keep in mind that the “**Justification**” worksheet needs to be filled out for any budget transaction code variances that are **10% and \$50,000 higher** than the twelve-month history. This is especially important for managing costs and during rate case preparation for justifying budget increases. That said, please feel free to provide a justification for “all” variances as that information becomes very helpful when performing research for management. **If there are contingency dollars for maintenance that may be done in an emergency, but not scheduled, please identify these items separately in the “Justification” worksheet as a contingent item. If there is a budget variance of greater than \$100,000, please contact your budget coordinator as soon as possible so that we are sure to include those dollars in our long-term plan.**

Submitting your budget

Please ensure that you have reviewed your worksheet entries and save any changes to the worksheet in the same directory before closing the file. Also, please review your budgets and justification with your supervisor before logging your completion. Some budget managers will have more than one budget center because similar activities may include more than one company.

- Please save your file in its original location (in your department's budget directory under the "2016" folder).
- Log the completion of your budget preparation on SharePoint using the “Submission Instruction” blue tab in your workbook (enter the date and name by department) or use this link [Log Completion](#) (and down the list to “Budget Preparation – QGC or QPC”)

As a reminder, the deadline for submission of your budget is Monday, July 27th, 2015.

P.S.C.U. Docket No. 16-057-03
Data Request No. MDR_22 D.13_Attach1A
Requested by R746-700-22
Date of QGC Response: July 1, 2016

If you need assistance, please contact the budget center representative assigned to your department. To find your representative, budget center managers can locate the representative directory through the **Streamline** home page by placing your cursor over the “**Financial**” text at the top of the page and then clicking on the “**Accounting and FP&A**” link from the drop-down menu, and then click on the “**FP&A Contact List**” link at the bottom of the menu (center page). You may also access the FP&A Contact List by clicking on this link [FP&A Contact List](#), and entering your department number in the second box provided (on left). Your representatives name and phone extension is listed on the right. Thank you.