

## ***Development Suggestions for Financial Management/Managing Budgets***

### **Suggested Readings**

<b>Title</b>	<b>Author/Publisher</b>
Handbook of Government Budgeting	Jossey Bass Nonprofit & Public Management Series
Government Budgeting	Albert C. Hyde
Practical Government Budgeting: A Workbook for Public Managers	Suny Series in Public Administration

### **Activities**

#### **→Strategic Planning and Financial Management**

##### **Link your financial plan to the organization's strategic plan.**

Learn how your budget fits into the budget of the whole organization. Develop an in-depth understanding of your office's budget by reviewing each budget line and by talking to the people who are responsible for each of the resource requests. Attend open budget hearings whenever possible. Review in depth the agency, OMB, and congressional materials relevant to your unit's budget-setting process.

##### **Gain a working knowledge of the agency and Federal Government procurement practices.**

Build lead-time into project plans to accommodate for the procurement process. Conduct interim reviews of contractor performance, and develop a collaborative relationship with them to develop strategies to improve the deliverable as the contract matures. Establish clear requirements for contractors in advance, including expected deliverables, measures of results, and interim timelines. Monitor and keep your own record of work done by contractors.

#### **→Understanding the Budget Process**

##### **Learn the budget cycle and process.**

Request a temporary assignment to your organization's budget office to observe and learn the process in more in depth.

##### **Use the development of the budget as an opportunity for constructive communication, assessment, and planning with your supervisor.**

The budget process is an excellent time to review your organizational goals and to assess how well they are being met. Work with your staff members to ensure that new resource requirements are directly tied to the organization's performance plans and strategic objectives.

#### **→Tracking resources**

##### **Refer to your budget on a monthly basis.**

Don't set it aside for a year. Ask others in your organization how they monitor expenses and budgets. Meet with your subordinates as a group to discuss how expenses can be better controlled.

##### **Periodically meet to review financial management systems**

Work together to analyze whether the financial resources are being spent effectively and efficiently. Also, review your management control systems to ensure that there is no fraud, waste, or abuse of Government resources.

**Ask a staff member for his or her input on financial decisions.**

Provide background information you have regarding a resource investment or financial decision you are about to make for the agency. Give the individual time to review and analyze the material. Afterwards, have a discussion to compare and contrast the decisions you individually reached. Acknowledge what the individual did to effectively evaluate the situation, and also provide him or her with guidance on what else should be considered when making resource investments or financial decisions.

**Financial Management Quick Tips**

Develop a relationship with a financial expert within your organization. Ask for help when you have questions.

Learn how to budget project activities and to prepare a project plan and associated budget.

Learn how to project annual, 2-year, and 3-year budgets from expert insiders in your organization and by reviewing budget documents from other departments.

Meet with all managers in your unit who have resource needs in order to understand their budget requests.

Refer to your budget on a monthly basis; don't set it aside for a year.

Think about the budget as a link to planning and control.

Use computer software for budget preparation and analysis.

Use the development of the budget as an opportunity for constructive communication, debate, and coordination with others in your organization.

Analyze whether the financial resources for which you are responsible are being spent appropriately, effectively, and efficiently.

Apply procedures to enhance cost-effectiveness to any areas over budget.

Ask others in your organization how they monitor expenses and budgets.

Benchmark your financial tracking process against those in government agencies, other companies, and private organizations to identify best practices and opportunities for improvement.

Break your budgets down into monthly amounts and year-to-date totals. Compare expenditures and revenues with amounts budgeted.

Develop a systematic and timely tracking system to follow project and departmental budgets.

If this is a large part of your work, consider an assignment in an organizational budgeting or finance department to develop knowledge of best practices.

Meet with your subordinates as a group to discuss how expenses can be better controlled.

Track all expenses and transfers against project and departmental budgets to identify any

discrepancies and deviations from plans.

Build lead time into project plans to accommodate for the procurement process.

Delegate to an employee within your work unit the responsibility for understanding and managing procurement issues.

Establish a partnership relationship with suppliers.

Form teams to address issues such as quality, service, and price when dealing with outside suppliers. Have teams report to you on a regular basis.

Identify a specialist in the procurement department for the particular kind of equipment, facilities, supplies, or services in question, and draw on the individual for information and assistance.