The Bottom Line

Newsletter of the
AMERICAN ASSOCIATION FOR BUDGET & PROGRAM ANALYSIS
www.aabpa.org

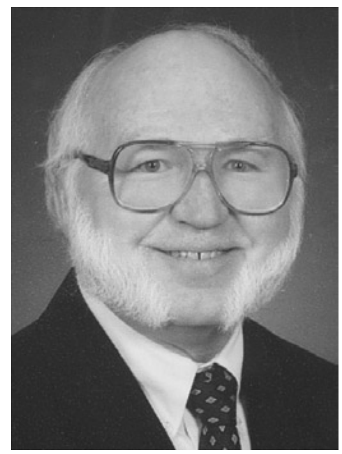
Volume XXV, Number 3 **October 2008**

President's Message

It is an honor to serve as President of the American Association for Budget and Program Analysis for the 2008-2009 year. For almost forty years, AABPA has helped government managers and analysts, academics, and analysts in the private sector meet the unique challenges of their careers. Through our semiannual symposia, monthly program meetings, newsletters, website, and annual reception, we strive to help you, our members, keep up with the latest developments in the fields of budget and program analysis, establish and maintain contacts with your colleagues, and take advantage of opportunities to sharpen the skills and knowledge that will enhance your careers and our profession in general.

We are hard at work planning another great year of events and hope that you will take full advantage of all that AABPA has to offer. Your continued professional development is important and AABPA can help you gain the expertise you need by keeping abreast of changes in budget laws and regulations, new government-wide initiatives, Congressional activities, and other training and professional development opportunities. We hope you will look to AABPA as a resource to help you do your job better, and we encourage you to let your friends and other potential new members know about our association and its activities.

In particular, we hope you will plan early to join AABPA in November for our fall symposium—"Navigating Transition, Leading Change." The Fall Symposium takes place Tuesday, November 18, at the Capital Hilton Hotel (16th, between K and L Streets NW). Please check our web site at www.aabpa.org for details, and for secure, online registration. The symposium will provide you with an update on budget reform proposals on Capitol Hill and a discussion about the future of budget analysis as a profession, including advice for the next generation of budget analysts. It will also focus further on the rapid pace of change in the budget and policy community with the intent of helping you understand and prepare for this change. Newly automated or consolidated systems continue to roll out every year. They affect the way you develop, track, and implement your agency's budget and mission. Our Nation will elect a new President and Congress this Fall, and, undoubtedly, that will influence the direction



of the overall Federal Budget, as well as, events in your Agency. The Symposium is a great training bargain. It will include headline speakers who make policy, publish analysis, or provide commentary, which affects your work. We strive to make the panel workshops relevant to your current work. In addition to the featured speakers and panels, the symposium is a great opportunity to network with professional colleagues inside and outside of Government.

New this year we are proud to support the Toys for Tots campaign. Join with other AABPA members as we help those families that are less fortunate. Please consider bringing a new, unwrapped toy (or toys!) or your checkbook. The Marines will be on hand to collect your contributions when you arrive at the registration desk. We hope that you will you will contribute to this worthwhile cause and also support AABPA by sharing this newsletter with your colleagues that may not be AABPA members. There is no better introduction to AABPA than a symposium. We looked forward to seeing you on November 18th.

I would like to take this opportunity to thank Ed Brigham (DOT), who has stepped down, again! Ed brought to the AABPA presidency a long-standing dedication to the budget and program community, with broad insights from both the OMB world and from a Cabinet Department. We valued his leadership and expertise in guiding AABPA this past year – and we will call on him OFTEN! Under his leadership, AABPA's membership continued to grow. We are committed to keeping those new members, as well as, our longstanding ones, informed and up-to-date. I want to also offer a personal note of thanks over the past year to all the members of our Board, whose dedication and hard work are what make the difference for our Association.

We also want to report on the wonderful symposium AABPA sponsored last April. Our spring symposium, which was entitled "Budget Policy and its People at the Crossroads?" was spearheaded by our Vice President for symposia, Shelly McAllister (OMB). It was an excellent symposia and I hope you were there. It provided the community with insights, information, and new tools that will help us all meet the challenges ahead. This issue of The Bottom Line is devoted to summaries of discussions presented at the spring symposium, which are now also posted to our website at www.aabpa.org.

Our monthly program meetings, under the leadership of Vice President Leo Lex (CBO), explored a wide range of topics including such areas integrating budget and performance results, forging your own career path, PART, changes to OMB circular A-11, and new automated tools for budget formulation and execution.

Fortunately, for all of you (and especially for me as your new president!), we have a high level of continuity on the Board to insure another great year of symposia, monthly programs, and networking activities. I am excited to work with this great group of people, beginning with Melissa Merrell (CBO), who has served AABPA for many years and is this year's President-elect. Shelly McAllister (OMB) will continue to serve as our Vice President for Symposia, and Pat Mullen (UIS) will continue as Vice President for Communications. In that position, he will have the responsibility (remotely!) of editing The Bottom Line. Leo Lex (CBO) will continue to serve as Vice President for monthly programs, and is already hard at work to bring you an interesting array of programs held monthly in the CBO Director's conference room.

James Taylor (DOT) will serve as our Secretary/Treasurer, Pedro Briones (GAO) will continue as our General Counsel, and George Khrumbaar of USbudget.com) will continue as our Webmaster. Please feel free to contact George through our website if you have any comments or additional material you wish to post. Returning Board members include Susan Irving (GAO), Phil Joyce (GWU), Joseph Kull (PWC), Ed Martin (HHS), Joan McKean (NOAA), Roz Reitman (retired OMB), Jonathan Stehle (GAO), Judy Thomas (OMB), and Gail Zimmerman (OMB). We also will be joined by new board members Kristen Dedinsky (Lockhead Martin) and Michael Sieverts (NSF). And of course, Christine Lawson will continue as AABPA's Executive Secretary.

I urge you to stay involved with AABPA. Please feel free to contact me and the people listed above (e-mail addresses can be found on our website) if you have any questions, suggestions for improvements to AABPA, or ideas about future topics for our symposia, program meetings, or other activities we do as a professional association.

TOYS FOR TOTS℠

Bring a new, unwrapped toy to support the Toys for Tots campaign. Checks also accepted. All contributors will be eligible for a special door prize drawing at the Fall Symposium.

AABPA Hosts Career Workshops for Students Interested in Budgeting

This summer, more than 30 students participated in Careers in Federal Budgeting, a series of workshops organized by AABPA. The students, who all have an interest in working in federal budget offices in the future, were interning at a wide assortment of agencies including the Congressional Budget Office, the Government Accountability Office, the Office of Management and Budget, the Departments of Energy, Homeland Security, Commerce, Health and Human Services, State, Housing and Urban Development, and the Environmental Protection Agency.

Professor Philip G. Joyce from the George Washington University began the first session by outlining for the students the types of budget problems that the incoming President will face next year. He highlighted both policy issues—war costs, tax cuts, the alternative minimum tax, and the long-term spending projections for Social Security, Medicare, and Medicaid—as well as process and political challenges—continuing resolutions, earmarks, and an incremental budget process that doesn't incorporate performance measures. Professor Joyce ended the session with a discussion on what budget reform and the new President's management agenda might look like next year.

Five current budget analysts in congressional and executive offices illustrated for the students the different types of careers that are available for students who are considering service in the federal government. Tyler Kruzich, from the Congressional Budget Office, and Greg Waring from the House Committee on the Budget, offered their insight on the pros and cons of working for the legislative branch, while VerLyn Francisco, from the Department of Homeland Security, Sean McCarville, from the Department of Health and Human Services, and Clare Doherty, from the Department of Transportation, shared their experiences of working in the executive branch.

Finally, the students heard from a panel of career experts. Donna McLean, current chair of the Amtrak Board and former Assistant Secretary for Budget and Programs and CFO of the Department of Transportation, provided the students with a roadmap for creating their own career path in budgeting. She stressed the importance of building experience, exposure, and contacts in the budget world, as well as taking advantage of educational opportunities and crafting your own brand recognition. Kim Holden, the Assistant Commissioner for Management at the Food and Drug Administration, gave the students technical advice on how to find and apply for federal positions. She talked about the information that should be included in a resume, how to answer the Knowledge, Skills, and Abilities (KSA) portion of the application package, and how to be successful in interviews. Shelly McAllister, Budget Methods Specialist at the Office of Management and Budget, concluded the career panel by talking with students about the multiple resources that are available to help them craft their career, including the new CFOjobs.gov, USAJobs, Young Government Leaders, and the Max Federal Community site.

AABPA wishes to thank all of our panelists and the students that participated in this summer's event and Public Financial Publications, Inc., who donated copies of the Journal of Public Budgeting and Finance to support our program.

Budgeting at the Crossroads
Steve Isakowitz Points the Direction Home

Ethan Pollack, Reporter

Steve Isakowitz opened the 2008 Spring Symposium by talking about the main challenges that now face the budgeting profession. Drawing upon his experience as a rocket scientist at NASA, as a budget analyst at the Office of Management and Budget, and now as Chief Financial Officer at the Department of Energy, Isakowitz made the case that the budgeting profession must tackle the twin problems of inadequate human capital and excessive focus on compliance rather than analysis.

Isakowitz started his opening remarks by noting the importance of budgeting to the overall operations of the government, relating a comment he had heard from a NASA engineer that “the space shuttle gets in orbit not because of rocket fuel, but because of money.” He noted that the federal government in the past has accomplished remarkable things, such as the Apollo Program and the Manhattan Project, but he wondered, “In today’s environment, could we still do those things?”

Isakowitz is not so sure. He pointed out that the challenges that this country will face in the coming years demand similarly remarkable efforts, but the budgeting profession is at a crossroads and, as an ad-hoc survey of the symposium attendees revealed, the mood among budgeters is overwhelmingly negative. In his address, Mr. Isakowitz outlined the two main problems that he felt the profession must address.

First, the workforce must rebuild its human capital. The baby boomers are retiring at a rapid rate, leaving understaffed agencies with many vacancies. Agencies have been further strained by “years of downsizing and trying to do more with less” amid a growing workload and desperately need new people with technical and program management expertise.

But, as Isakowitz found, the federal government is having difficulty attracting enough new people. Isakowitz described a trip he took to a top research university, where he was shocked to learn that only 5 out of 1,700 of the graduates would go on to work for the government, while 40 percent were choosing careers in financial services and consulting. The problem wasn’t simply pay disparity-the students had ranked making a difference doing important work much higher than salary-but the fact that firms were successfully recruiting graduating students so early that by the time agencies started looking for new people, most of them already had jobs. Isakowitz concluded that if the federal government wants to compete for these graduates, it must recruit earlier and more aggressively.

The second challenge facing the budgeting profession is the need to provide more hands-on budget analysis. Isakowitz argued that, along with the workforce problems mentioned above, the budgeting environment has trended towards more information requirements, less flexibility, and increased pressure to meet deadlines and get clean audits.

Although the intent is well-meaning, Isakowitz worries that “we are increasingly becoming a compliance organization... struggling to meet our deadlines.” This has caused budget officers to spend less time traveling to the field offices and getting to know the programs, and thus providing less informed analysis to policymakers. In the end, this leaves us “knowing the cost of everything and the value of nothing.”

Isakowitz then shared with the audience some of the things that he is doing as chair of the CFO Council Human Capital Taskforce: Those activities include:

- Organizing a “CFO Academy” to provide more executive training. The first class will be this fall.
- Creating a new website, called CFOJobs.gov, to supplement the well-meaning but unfriendly USAJobs. The user will be able to sign up for email alerts, a tool which will also assist college career officers.
- Working with the Office of Personnel Management to given CFOs special direct hiring authority.
- Isakowitz offered advice to fellow budget officers:
- Proactively recruit for vacancies instead of relying on USAJobs.
- Develop lines of succession so that you have people to fill open spots when you or someone in your office gets sick or leaves.
- Develop increased job mobility between the budget and program offices, as well as between departments and between government and industry.
- Develop and maintain relationships with universities. When traveling, visit campuses and try to meet with the administration and faculty.
- Create or expand summer internship programs.
- Budget analysts should work directly with the programs during budget formulation.
- Some agencies are getting to the point where they are hiring contractors to manage contractors. Don’t over-outsource.

Isakowitz concluded his remarks by making a final plea: budget officers are the most committed, hardest working, and most talented federal employees, but they must look past the next deadline, recruit, and get back to the job of analysis.

Play Ball!

Matt Kazan, Reporter

It's 3 A.M. and your children are safe and asleep, but there's a phone in Stan Collender's house, and it's ringing. Something has happened in the world ...the world of budgeting that is.

Stan Collender, managing director for Qorvis Communications and columnist for Roll Call and CapitalGamesandGains.com, was up late the previous weekend putting the finishing touches on his humorous yet informative presentation that brought this year's AABPA Spring Symposium to a close and its attendees to their feet. With the thoughts of this year's baseball season upon us and the opening of the beautiful new National's Stadium, Mr. Collender's presentation, entitled "Take Me Out to the Budget," gave attendees an informative view of the current state of the federal budget as well as where we may go from here, with a flavor of America's past time.

Live from Budgetville Stadium, a re-cap of the FY 2008 budget season: a season that Mr. Collender characterized as "a very bad season for everyone." Pitting the White House Reds against the Congressional Blues, no one came out of this fight as clear winners. The congres
sional budget resolution was passed two months late, "and that was the high point." The national debt exceeded $9 trillion for the first time in history, President Bush vetoed one appropriation bill and one supplemental appropriation bill, no appropriations were enacted before the beginning of the fiscal year, and four continuing resolutions were needed to prevent a government shutdown. In his post game analysis, Mr. Collender reflected his thoughts, "It should be buried in the backyard and never seen or heard from again."

As Chicago Cubs fans have come accustomed to saying, "Well, there's always next year." But as Mr. Collender pointed out, the outlook for FY 2009 wasn't looking any better and the game itself will be much different this year. The season will be much shorter with less time to work, so there may be extra innings, or in other words a lame duck Congress working after the election. It's the last season for the Red's starting pitcher, President Bush, and the ownership of the Senate going into the election is unclear. Advantage, the White House Reds. Without enough votes for cloture or to overturn a veto, President Bush will have the opportunity to "veto everything the Democrats want to do."

Just like a sudden downpour between innings, the economic downturn has changed everything. Mr. Collender predicted PAYGO, the congressional agreement to ensure any new expenditures or tax changes will not add to the federal deficit, would be waved, there will be no deficit reduction, and because it is an election year, "blaming the other team is as important as winning." Apologies to Tom Hanks, but there is crying in baseball.

Finally, FY 2009 was about to start. The national anthem had been sung, the hot dogs and Cracker Jacks had been served, and the veteran pitcher for the White House Reds took to the mound ...and hurled a knuckleball across the plate that no one seemed to like. In response to President Bush's 2009 Budget, for once Congress came together in a bipartisan fashion. Senator Gregg (R-NH) declared, "This ...is not a serious budget." Senator Conrad (DND) agreed, "This budget will be quickly forgotten." Mr. Collender pointed out that while the Congressional Blues did pass a budget resolution, it was passed mostly along party lines and was totally irrelevant. He predicted only two of twelve appropriations will be enacted before the beginning of the
another season filled with continuing resolutions and supplemental or emergency appropriations In other words as Mr. Collender pointed out, 2009 will be "a low scoring pitchers' duel."

But as Mr. Collender looked to 2010, he previewed the serious challenges confronting our nation's fiscal health:

- Defense spending will continue to grow with the ongoing conflicts in Iraq and Afghanistan, including much needed equipment replacement, ongoing recruitment as well as continuing care for our returning veterans.
- Medicare will continue to grow, expanding the size of entitlements.
- Domestic spending, which has been spread thin, will have to address issues of concern, specifically the Center for Disease Control, FEMA, and the Food and Drug Administration.
- The Alternative Minimum Tax will become more expensive to reform as time continues. In 2009 it will cost $1 trillion to repeal and by 2016 "repealing the AMT will cost more than repealing the income tax."
- Policy makers will also have to decide whether to make the Bush tax cuts permanent, at an estimated cost of $2 trillion.
- Finally, Mr. Collender stressed that often the most overlooked challenge is the impact of the interest paid toward the national debt. The interest represents the third largest portion of the budget, at approximately $10 billion a year, and is also the fasting growing single expenditure.

In other words, come 2010, both teams better come to play.

So as the 2009 budget cycle may feel more like the seventh inning stretch, 2010 presents great challenges and perhaps opportunities as well. So grab your glove, the sunscreen and your favorite team's jersey, because as Mr. Collender proclaimed, 2010 will be, "a budget debate like you've never seen before!"

Technology Eases the Way for Budgeteers

Kara Farley, Reporter

The MAX Federal Community presented itself to a variety of professionals in a session on April 1 at the AABPA Spring Symposium. The session, The Budget Formulation and Execution Line of Business (BFELoB): Infusing Automation in the Budget Community, was convened by Tom Skelly, Budget Director at Department of Education.

The presenters were, in order of appearance, Andy Schoenbach, Branch Chief for Budget Systems at OMB and BFELoB Policy Lead, Sandi McCabe, Department of Education and BFELoB Project Manager, and Emily Fort, OMB and Project Lead for MAX Federal Community.

The MAX Federal Community (MAX) is a collaborative website that is available to federal government employees. Although it began as the Budget Community, its value was quickly realized by others and today the use of this site has expanded to those in various communities of the government. Some of the communities represented in MAX are: Acquisitions, E-Government, and Financial Management. MAX now has approximately 6,000 users.

Andy Schoenbach, recent recipient of a Fed 100 award for his work with MAX, began the session by informing those in the room about how the community got started. Mr. Schoenbach said that the “impetus for the development of BFELoB was that most agencies did not have integrated automated systems” for budgeting. He added that one of the major advantages of using the MAX Federal Community is to eliminate the use of e-mail as a knowledge management tool.

Next up was Sandi McCabe of the Department of Education. Ms. McCabe spoke of the advantages of a collaborative tool of this magnitude and outlined some of the advantages of MAX. They are:

- Tools and services
- Government wide collaboration
- Online meetings
- Shared workspace for co-authoring
- Guidelines for data ownership in all shared spaces.

Ms. McCabe also informed the audience that they could use MAX to find the latest news on training sessions for MAX users as well as information about the human capital community on the website. The human capital area defines ideas for recruitment and retention of government employees and identifies some of the core competencies for professionals in the budgeting community.

Following Sandi McCabe was Emily Fort of OMB. “The MAX Federal Community is a wiki,” stated Ms. Fort, “a web based tool that allows anyone to modify pages.” Some features of MAX are:

- Users can create a page in MAX with just one click.
- Users can restrict others from viewing or editing their information.
- Users can watch pages for the latest information or to see if anyone has posted changes.
- Multiple attachments can be stored and viewed.

The session ended with a brief question session in which potential users were able to learn more about the benefits of using the MAX Federal Community.

For more information about MAX go to https://max.omb.gov.

The 2008 Economic Stimulus Package

Good Politics or Good Policy?

Ashley Palmer, Reporter

As Americans anxiously await the arrival of their 2008 tax rebates, a panel discussed the anticipated effects on the economy during a morning session of the AABPA Spring 2008 Symposium. George Krumbhaar, Founder of USBudget. com and Senior Editor for the Federal Budget Observer, opened the discussion with the question, "Was this good politics and not good policy?" Respondents included Douglas Hamilton of the Congressional Budget Office, Diane Lim Rogers of the George Washington University and Chief Economist of the House Committee on the Budget, and Alex Brill of the President's Council of Economic Advisers.

Mr. Hamilton began with an overview of the current state of our economy. He discussed several of the key indicators of our economy and noted that while the growth of employment has slowed, there has not been a sharp decline in employment which typically signals the beginning of a recession. He also discussed the uncertainty of the housing market and outlined the subprime mortgage crisis:

- Rising home prices encouraged borrowers to buy houses they could not afford, and the standards for lending became more lax.
- Once the market began to fall, the prospect of losses pressured financial markets, and the value of securities backed by subprime mortgages began to fall sharply.
- Financial institutions that invest in subprime mortgages became leery of lending to one another out of concern for each other's exposure to subprime mortgages and solvency.
- That concern spread to the market for interbank loans, which began to affect credit and spread to the rest of the economy. The subprime crisis also caused investors to become more risk-averse.

Hamilton went on to say that the current uncertainty in the housing and credit markets will cause the economy to continue its downward spiral. Currently, buyers are expecting housing prices to continue to fall, which causes them to hold off on buying and perpetuates the fall in prices. The farther housing prices fall, the more people will owe on their homes relative to the homes' worth. This will increase the incentive to walk away and increase losses to lenders and to neighborhood home values. There is also uncertainty regarding how large losses will be-estimates are between $200 billion and half a trillion dollars-and how those losses will be distributed among borrowers, lenders and taxpayers.

Policy options will play a role in determining the magnitude of these losses. Mr. Hamilton said three main considerations should guide the policy options:

- Foreclosures-Foreclosures create large costs to the lender and external costs to the neighborhood. If foreclosures can be avoided, resources will be available to help curtail other problems in the economy.
- Moral hazard-There is a risk that government actions to prevent foreclosure can have the unintended consequence of causing some individuals to take more risk, believing that the government will bail them out if they get in trouble.
- Adverse selection-Investors may pawn off the worst assets to those who are the least informed and most vulnerable.

Mr. Hamilton concluded with an overview of the Economic Stimulus Act of 2008, which will provide rebates for households and incentives for business investment. He contended that this year's act will provide more stimulus than the 2001 rebates and will likely provide a kick to the economy in the second half of the year. The size of the rebate is three-quarters of a percent of GDP, and because it will be concentrated in the second half of the year, its effect on GDP could be as much as double that percentage. Studies of the 2001 rebate suggest that about two-thirds of the money will be spent, and that spending by consumers will have a multiplier effect. According to Mr. Hamilton, the net effect on GDP should range from .5 percent to 1.5 percent.

Ms. Rogers provided an overview of the House Budget Committee's role in passing this legislation and gave the audience a sense of the options available to promote long-term economic growth. She focused on tax reform rather than tax policy as a means of promoting such growth, emphasizing the need for policies such as the Economic Stimulus Act of 2008 to be paid for in the years immediately following its passage. She contended that spending beyond our means reduces our national saving growth, which hurts long-term economic growth. She also commented on the political reasons that the bill was passed without a means to pay for it, highlighting the fact that it is an election year and an increase in taxes would have been unfavorable. Because this bill was not paid for, the budget committee and others in the House wanted to ensure that the bill was timely, targeted and temporary. They used this phrase to contain the bill's scope and minimize the fiscal irresponsibility associated with it, and they followed Federal Reserve Chairman Ben Bernanke's advice in keeping the scope of the bill around 1 percent of GDP.

Finally, Mr. Brill concluded with a discussion of the current tax code and a brief analysis of the Economic Stimulus Act of 2008. He contended that the rebate checks are a relatively inefficient way to stimulate the economy because it is likely that people will save their rebate checks. He also questioned how temporary the tax cuts can be. Some people were removed from the income tax rolls as a result of this legislation, and Congress may not be interested in putting them back on. Mr. Brill posited that this legislation sets a precedent for tax cuts and unemployment benefits, and it reinforces negative ideas about the economy, which will cause people to be more conservative in the way that they choose to spend their money.

Mr. Brill discussed the distortionary nature of the current tax code and the way the code influences people's economic decisions. He believes that by broadening the tax base, we can reduce these distortions and enhance economic efficiency, which may lead to greater economic growth and promote efficient economic behavior.

Budget Professionals Discuss Certification Options

Amanda Cherrin, Reporter

"Does the budget profession need certification standards similar to those for accountants, acquisition staff, and financial managers?" That was the question on the table at the AABPA Spring Symposium morning session entitled "Certification for Budget Professionals." The session, convened by Department of Housing and Urban Development Budget Director Anthony Scardino, included advice and cautionary tales from a panel of professionals who were involved in the creation of certification programs in their respective fields.

Mr. Scardino set the stage for the discussion with a brief introduction that highlighted the challenges of creating appropriate standards for a profession characterized by such diversity in background and experience. He emphasized the need to start a dialogue among professionals to assess the importance of certification standards in the budgeting field and the impact of such a process on both offices and individuals.

The first speaker was Lesley Field, a procurement policy analyst at the Office of Management and Budget. Ms. Field gave a brief overview of the effort by the Office of Federal Procurement Policy (OFPP) to create a certification process for contracting professionals in civilian agencies. With a goal of standardizing education, training, and experience within the profession, the Federal Acquisition Certification in Contracting Program was approved in 2005 and implemented in 2006. According to Ms. Field, the goal of the program was to encourage coordination in management and practice among the agencies and "meet the challenges of the acquisition world."

Next, Relmond Van Daniker, executive director of the Association of Government Accountants, spoke about his work to create a certification program for government financial managers at the federal, state, and local levels. The Certified Gov ernment Financial Manager (CGFM) program was established in 1994, and since then, has issued 14,000 certifications.

According to Mr. Van Daniker, the creation of the exam was a "significant undertaking not to be taken lightly" and involved considerable time, money, and manpower for both the development and maintenance of the program. Mr. Van Daniker cited initial development, ongoing administration, infrastructure, marketing, training, and costs as factors to be considered when creating a program, remarking, "I don't want to burst your bubble, but it's costly and requires a 10 to 15-year time commitment."

American Society of Military Comptrollers Executive Director Robert Hale spoke next. A self-described "budget-junkie," Hale gave some recommendations for budgeting professionals based on his experience with the Department of Defense. While asserting that test-based certification can help professional development, Mr. Hale recommended that AABPA focus on developing a broader accreditation program instead of trying to create certification standards for budgeting professionals and thought that this could be done through the creation of education guidelines, the establishment of courses, and the implementation of levels of accreditation.

Like Mr. Van Daniker, Mr. Hale emphasized the difficulty of launching certification programs, pointing to the money and time involved in such an endeavor.

Mr. Scardino then discussed the certifications that already exist, relevant skills and education that might be part of a new process, and possible names for the certification before opening up the floor for questions and comments. Those in attendance expressed the need for consistency in standards among agencies, emphasized the value of tests in addition to training, and stressed the difficulty of defining the necessary skills. Mr. Scardino ended the session by saying again that the process will take time and reminding attendees to take the dialogue back to the office.

Bringing Order to Data Collection

James R. Posluszny, Reporter

While Mark Wichlin was Chief for the Division of Budget Policy and Systems at the Department of Labor, one of his responsibilities was to perform all of the budget data requests. Those were daunting tasks at times, but things are changing, Mr. Wichlin explained, as he opened the afternoon session at AABPA's Spring Symposium panel. The Budget Formulation and Execution Line of Business (BFELoB) is working to help analysts organize large amounts of data and to make their job a little easier.

The Data Collection and Tracking Workgroup of BFELoB aims to transform budget exercises at agencies and the Office of Management and Budget (OMB). The workgroup's objective is "to identify, acquire, and make available processes, technologies, and services that enable the budgeting community to capture, process, and manage data from multiple sources governmentwide." The workgroup is exploring options that are agile enough to be used for fast-turnaround exercises, able to handle both text and numbers, and have access controls that enable staged data sharing.

The workgroup has achieved a great success in a short period of time. Phil Wenger and Dave Harmon from OMB discussed some of the data collection exercises that have been completed this year and focused on activities related to the continuing resolution, credit supplement report, and the collection of across-the-board reduction information. The newest exercise involved monthly outlay plans which replaced much of the manual method of collecting this data.

Prior to this workgroup only the Department of Defense (DoD) had a centralized process with a custom database. Paul White from DoD commented on how the workgroup's exercises will be able to be used as a historical reference. One of the major technological improvements of this type of collection is the ability to store the information in a central place (MAX) and locate it easily afterwards.

Another panelist, Diane Shaughnessy, Chief of Budget Administration with the Department of the Interior thought the BFELoB was very useful. Like many agencies, Interior lacks a budget system and uses spreadsheets and word documents, making the data collection workgroup very attractive. Like all new systems there were format ting problems, but the quick turnaround after feedback made the system user-friendly.

The panelists highlighted one example of how the BFELoB is helping budget professionals with their job. For example, this year, the briefing material for the 2009 budget rollout at OMB was posted to the MAX community instead of using Microsoft Word and dozens of binders. It included over 500 questions and 864 pages that were categorized by subject using a simple interface with text and PDF attachments.

The Data Collection and Tracking tools are developed based on user input. The MAX Federal Community offers a quick and effective way of collaborating with other agencies and finding out what tools and systems others are using. Analysts interested in the workgroup can check the MAX Federal Community for the upcoming exercises such as the questions and answer builder and the mid-session review change sheets. Your input will directly affect how these tools are created.

The workgroup meets on alternate Wednesdays at 11:00 at the Office of Management and Budget.

Forging Your Own Career Path

William Hoff, Reporter

In a recent public workforce survey, the Segal Group found that the two most important factors to attracting and retaining younger workers are providing a managed career path and engaging work content. The trend away from traditional concerns of pay and benefits presents unique challenges for the public sector.

At the AABPA 2008 Spring Symposium, Dr. Pat Mullen, University of Illinois professor and AABPA Vice President for Communications, convened a panel of four public sector experts to discuss meeting these very challenges. The speakers focused their collective knowledge and experience to offer young analysts a guide to developing a career in public service. Additionally, they highlighted the challenges facing public managers.

Donna McLean, an accomplished public servant and founder of Donna McLean Associates, encouraged young analysts to approach their career development as a private sector company might market a product. Donna offered five key focus areas for career development: education, experience, exposure, contacts, and brand recognition.

Career-minded young analysts should focus on continuing education, in virtually any form available. Certainly formal education should remain at the core of their efforts, but Ms. McLean warned that it should not stop when a degree is passed across the podium. Many other chances to learn exist and employees should take the initiative in their own career development. Seek out opportunities to be mentored by, interview, or shadow seasoned workers.

According to Ms. McLean, experience and exposure go hand-in-hand. Remain open to opportunities and aspire to become a hands-on problem solver. Experience is gained through volunteering for assignments, especially ones that no one else is interested in, and by detailing to other offices and assignments outside the assigned specialty areas. As a result of an analyst's quest for experience they are also exposed to other specialties and managers.

An important focus for new analysts is to develop contacts. Ms. McLean recommended joining at least two professional organizations. Additionally, analysts can set up informal meetings with colleagues in other departments. Managers can assist new analysts by developing mentoring programs. Effective contact management requires maintenance. For this, she recommended that an hour each week be set aside to re-establish communication with contacts to keep the relationships fresh.

How does an analyst develop brand recognition? The answer; like a company would brand a new product. Take on assignments that boost your qualifications and recognition. Find a new and innovative way to solve a tough problem or, invent a new product altogether. Make yourself and your work stand out and sell, sell, sell.

In closing Ms. McLean encouraged new analysts to abandon the idea of a career path as a linear equation and adopt a thinking that embraces career development as a circular path. In the process of using the five areas of focus, the path itself will emerge. The young analyst has but to identify and seize the opportunities that are presented along the way.

Terry Grindstaff, a Senior Budget Policy Advisor with the Environmental Protection Agency, recommended using established core competencies as a career development tool. Mr. Grindstaff noted that an effective way to market yourself is to have a well-formulated individual development plan. Using established core competencies, a new analyst can formulate a development plan that will ensure greater marketability.

Core competency statements include standards for knowledge, skills, and abilities for subject positions. In addition, these statements should identify learning objectives. Using the statements as a guide for development, an analyst can strengthen their capabilities and enhance their mobility. Managers can use these same core competencies to increase skill transferability and improve recruitment and retention.

Analysts should be proactive in identifying the training and experience gaps in their development plans. Supervisors should be prepared to identify trainings, colleague pairings, and professional organizations that will assist the analyst in accomplishing their development goals.

Jeremy Moon, a Program Examiner at Office of Management and Budget, typifies the young analyst. Like many of the incoming generation of workers, Mr. Moon has worked in five offices in his three years of public service. Along the way, he has collected some observations regarding manager's expectations of new analysts and offered his perspective.

Modern analysis goes beyond numbers. Analysts are increasingly being called upon to manage their inbox by assisting with prioritization of tasks. They need the ability to process data, but must also gather, organize, and distribute data in a meaningful way. Well-developed relationships, program knowledge, and a sense of what information is truly useful are critical to accomplishing tasks and developing a lasting career path.

Mr. Moon noted that young analysts are expected to go beyond data collection and line analysis. They can prepare by learning to speak knowledgeably about the programs in their area, hone their writing skills, and develop and maintain relationships with colleagues at sister agencies.

Mr. Moon also had advice for managers looking to recruit and retain new analysts. Key to keeping young analysts, he said, is to help them in their quest for continuing education and acquiring marketable skills. Young workers also want a professional work environment. Managers can foster a positive work environment by enforcing common sense and tackling problems responsibly. Critical to both of these tasks for the manager is a mastery of human resource policies and procedures, and their inconsistencies. The use of available benefits and human resource devices will be key to assisting with the development of analysts.

Laura Howes, an Associate Manager at the Annenberg Leadership Institute, continued the discussion by focusing on how agencies can develop young talent into effective managers. Annenburg's focus is on developing rising leaders to face the impending management challenges.

The Institute seeks to transform the way the government works by helping managers secure the right talent and fuel innovation. Their sevenmonth leadership course helps accomplish this goal by providing instruction on innovation, leadership, and best management practices through a 360-degree assessment style of instruction and a 'learn by doing' execution. Current leaders teaching rising leaders, hands-on learning, and one-on-one coaching are used to deliver the instruction.

The course focuses on six core areas:

- Project management,
- Knowledge networking,
- Leading innovation and managing change,
- Managing people and performance,
- Communication and influencing executives, and
- Leading in a crisis.

Ms. Howes explained that the Institute's courses were developed from the best practices of 100 high-performing organizations and a number of effective leadership case studies. The Institute identified five characteristics that foster leadership development:

- Time spent on quality work,
- Assistance in continued education and development,
- Identification of on-the-job development opportunities,
- Candid and regular feedback, and
- Encouragement for development inside and outside the organization.

The age diversity of the workplace is changing and we can expect the needs of workers and managers alike to change with it. Workers are seeking a challenging and professional workplace and a road to continuous learning and development. Effective managers play a role beyond workload accountability; they are also coaches and mentors.

Collaboration in Budgeting
A Chance to Bring Together Diverse Perspectives

One of the afternoon sessions at the AABPA Spring Symposium kicked off with an engaging discussion of improving budget formulation and presentation through collaboration. Collaboration in the budget world is both important and difficult as the morning speaker, Steve Isakowitz, testified to: "In God we trust, all others bring data."

Convener Winnie Chang, from the US Senate Committee on the Budget brought together a diverse set of individuals from the budgeting world including Roz Rettman, retired from OMB's Office of General Counsel ; William Campbell, Deputy Director of the Army Budget Office; William Moschella, Of Counsel, Browstein Hyatt Farber Schreck; and Sheila Conley, Deputy Assistant Secretary, Finance, Department of Health and Human Services.

The mixture of legally minded and budget minded individuals made the panel an exciting opportunity to join a variety of perspectives.

Ms. Chang began the event by introducing the panelists, whom had all been asked to say where they would be if they were not at the day's Symposium, which created a light-hearted introduction.

Each speaker then gave their perspective on how collaboration worked or didn't work in their budgetary worlds. Mr. Campbell led off by discussing his experience in overseeing a budget that exceeds $250 billion annually - a tall order if you ask me. He stressed the importance of communication, describing weekly budget office meetings that included members of the finance community, the general council, public affairs experts, budget analysts, and congressional liaisons. In addition to dealing with budget updates, these meetings are important to a department that is largely dealing with an ad-hoc method of budgeting for wars in Iraq and Afghanistan.

Mr. Campbell was followed by Ms. Conley, a self-confessed "non-budget" person. As more of a finance person, Ms. Conley discussed the tension between the finance and budget disciplines, but noted that cooperation has improved since the Chief Financial Officers Act of 1990. She raised a number of issues regarding financial statements - such as material weaknesses in audits and the inability to sum 133 reports and arrive at accurate budget totals. However, Ms. Conley noted that an increase in errors is the result of a financial system more adept at finding errors, as opposed to more errors in of themselves.

In a very different vein, Mr. Moschella raised the issue of collaboration when dealing with Congress. During his tenure at the Justice Department, Mr. Moschella witnessed a lack of communication between congressional staff and Justice Officials during the allocation of law enforcement grants for the Katrina states, which resulted in a held confirmation of a new deputy attorney general.

An important message to take from this discussion was that communication between the executive and legislative branches is important, but also that the legislative branch has many masters - House and Senate; Appropriations and Authorizations; and communication with these varying masters facilitates successful budget implementation.

The final panelist, Ms. Rettman, also focused on some of the difficulties regarding communication between government actors and branches, but brought a legal perspective to the discussion. She discussed the importance of agency lawyers as resources to agency officials and noted that there is a lack of consistency across agencies regarding the knowledge base and expertise of said attorneys.

Lawyers are important for the implementation of statutes because Congress often drafts ambiguous laws as a result of the need to get something passed (no matter how confusing), the desire to preserve flexibility in how the law will be effectuated, and sometimes due to drafting inexperience. Lawyers advise agency mangers of the risks of various actions, but at the end of the day, it is up to the managers to make policy.

The discussion session that followed these speakers was lively, exposing more inconsistencies in the U.S. budget and financial management systems, all of which could be resolved with improved communication.

One question was whether the Army could state its unobligated budget balance if asked to do so by the appropriations committee on September 29th. Mr. Campbell's response was that it should be able to do so, but that its legislative liaisons should have informed the budget office that the request was coming so that they could gather appropriate data.

Another topic of discussion concerned the role of agencies in defending presidential budget requests. As Ms. Chang rightly noted, most appropriations cuts usually come from the same appropriations bills - making budgeting a zero-sum game. Protecting the president's budget means that you are protecting agencies that you are paired with in the appropriations subcommittees; reciprocity indicates they will do the same.

The discussion concluded with a question about Bush's war on earmarks - what should an agency do when the appropriations bill states that the accompanying committee report has the force of law? The answer - if the bill says a report has the force of law, the report has the force of law.

Altogether, it was an interesting and varied afternoon session that reinforced the notion that we as budgeters do better when we work together even if our inclination is to go at it alone. One of the themes of the day was that we need to build human capital. This session reminded us that successful human capital depends on successful social capital.