



2008 FALL SYMPOSIUM

Navigating Transition, Leading Change

SESSION SUMMARY

Budget Execution and Financial Management Integration

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Mr. Holden Hogue from Department of Treasury convened a panel on Budget Execution and Financial Management Integration. Mr. Hogue's opening remarks explained that the Budget Execution Workshop involved a broad scope of activities including:

- Documenting budget execution processes and information flows between agencies and their components;
- Identifying key intersections (touch-points) between budget and financial management and connecting these points in budget and financial reports;
- Identifying best practices and defining tools that facilitate budget execution decisions,
- Improving agency or OMB apportionment data flows, outlays and receipt reporting, and best practices for FTE reporting and projection system;
- Compiling information for understanding the USSGL, SF 133, A-11, P&F, and standards for intra-government communications; and

- Defining data and data exchange standards to incorporate in FS10 core Financial Management system requirements.

The first speaker was **Karen McBride** from the Office of Federal Financial Management in OMB. Ms. McBride discussed the Budget Formulation and Execution Line of Business (BF-ELoB) and the Financial Management Line of Business (FMLoB) integration from two aspects: funds management and reimbursable processing. She stressed funds distribution, funds control, and the tie into the budget execution process when implementing funds management. Ms. McBride also suggested reimbursable processing and funding of agreements, obligations and expenditures, and tracking and reporting.

The next speaker, **Trina Lawson** from Budget Service in the Department of Education, discussed the Budget Execution/Financial Management Integration (BE/FMI) Workgroup activities and budget execution pro-

cess mapping. She stated that "the mission for the BE/FMI Workgroup is to define, develop, and maintain a business model for performing budget execution that is uniform, common, and government-wide. The goal of such a model would be to promote better decision making and to reduce costs through improved efficiencies." Ms. Lawson presented eleven budget execution processes common to federal agencies. She showed how the budget execution process maps with step-by-step diagrams that illustrated how information flows among agencies and relationships between OMB, Treasury, and agency representatives.

The third speaker, **Chris Friedline** from the Department of the Treasury, first presented the Budget Formulation and Execution Manager System (BFEM) genesis and history, and then described the BFEM as a web-based database used to track numbers and that has been used to capture budget submissions for FY 08. Seven departments are using this system.

The fourth speaker, **Jan Smith** from the Office of Budget in the Department of Interior, presented the advantages of BFELoB from an agency perspective. According to Ms. Smith, the BE/FMI Workgroup does the following:

- focuses on government-wide standards;
- improves communications between budget and finance offices;
- reduces the need for many crosswalks; and
- works to improve consistency in codes and reporting

Ms. Smith explained how process maps are an excellent way to evalu-

ate high-level work flow processes, and said the valuable next step was to drill deeper, filling in details for use as “cheat sheet” for new budget and finance staffs, keeping it short and easy to understand.

The session ended with **Teresa Tancre** from the Budget Review and Concepts Division in the OMB. She talked about the cyclical relationship between budget formulation, budget execution, and financial management from the policy-making stage to post-decisional stage. Ms. Tancre discussed two OMB improvements, the Schedule Realignment Project and the Across-the-Board Reduction Exercise. When discussing the Sched-

ule Realignment Project, Ms. Tancre compared the current schedule to the proposed schedule of budget resources on the SF 132 and 133 and the P&F. She emphasized budgetary resources (appropriation, borrowing authority, contract authority, spending authority) in the proposed schedule. Ms. Tancre described how an across-the-board reduction exercise can occur through out the agency, in an appropriation act or government-wide. She concluded by stating she believes the appropriations mechanism for FY 2009 will likely be a full-year continuing resolution that includes across-the-board reductions.

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