

## Making\_Your\_budget\_work\_for\_you\_cps\_2

The Bureau of Land Management National Training Center presents Supervisors' Audio Forum. Now the host of your program, June Clay.

Good morning everyone, and welcome to this month's supervisor audio forum. I'm June Clay from the National Training Center, and today we're going to be talking to you about making the budget work for you. Sabria Mathis with the Washington Office Division of Budget will be presenting our forum today. She has worked with the budget development staff as a program analyst for the past 3 years, and we're really grateful to have her here today to do this. Okay, Sabria, why don't you go ahead and get started.

Alright. Thank you, June. I appreciate it, and I thank everyone for chiming in this morning. I think this forum for you will be very informative, and I have quite a bit of information to cover with you. I hope that you have your Power-Point presentation in front of you. It will really help you out to follow along. I wanted to cover some general objectives, I hope, that we will accomplish today. The first will be defining what role you play in the budget process. Also defining and understanding that the internal and external factors play different roles at the national level in the federal budget process. I also hope that you would understand at the end of this why the budget received may be different from the budget submitted and also describe why the final allocation we receive may vary from the initial allocation. Also, I will cover how the BLM, how we work in the budget process, what role do we play as it relates to our internal budget process including the Annual Work Plan and the PTA. I'll cover some other areas as far as BPS, PMDS, and the strategic plan as well, and also I hope that you become familiar with

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budget terminology. I have also included, as June stated, the terminology handout that's almost current. It's very useful. I may be, throughout the presentation, referring to that. Not a lot, but basically I'll be covering the information in today's presentation in these four different parts, and that includes OMB, which is The Whitehouse, I'll talk about the bureaus developing their proposed budgets, I'll talk about, in part 3, how congress plays its role in the budget process, and then lastly I'll focus in on BLM and our internal budget process and how we allocate funds through the planned target allocation as well as the AWP.

I'll begin part 1, and just to give you an idea, this is geared towards the Office of Management and Budget, which is the Whitehouse agency that assists the president in overseeing the preparation of the federal budget and supervises its administration and executive branch agencies into helping formulate the president's spending plan. OMB does evaluate the effectiveness of agency programs, policies, and procedures, it assesses competing funding demands among agencies, and it sets funding priorities. OMB also works to ensure that agency reports through testimony and proposed legislation are consistent with the president's budget and the administration's policies. One of the major roles that OMB does play in helping to improve the administration of management. It also helps to develop better performance measures and coordinating mechanisms and to reduce any unnecessary burdens on the public. So this is actually the president's budget office. That's how I like to remember them. The Office of Management Budget. That's actually the Whitehouse budget office. So this area will focus in on – they're the group that actually starts the budget process as it relates to making decisions, etc. There are

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actually two ways that the Office of Management and Budget uses to provide guidance to BLM and other federal agencies. The first is through fiscal concerns and the second through policy directions. Fiscal concerns, this is relating to the deficit, entitlement spending, national debt payment, and second, policy direction, and each administration comes in with their own set policy. So OMB, they begin earlier on in the process well in advance of our budget year, of looking at this information. This is not something that the Department of Interior nor BLM actually plays a role in. It is actually done before it even gets to us so certain things are already pre-decided.

Just to give you a better understanding of some of OMB's fiscal concerns as it relates to the budget, there are two basic concepts that I want to discuss. The first is expenditures, and within expenditures you have two different types. The first is discretionary, and discretionary expenditures are expenditures that congress each year makes a decision on how much to spend or not to spend. These include defense, commerce, justice, BLM – we are all agencies that get our spending authority through discretionary appropriation money or expenditures. The second type is mandatory expenditures, and this is money that is paid out by the treasury that automatically, without any decision making by congress or the president, is just paid out, and these things include Medicare, Medicaid, Social Security benefits. You'll often hear these referred to as also entitlements. The second basic concept that OMB uses to help in making their decision is based on receipts. For example, taxes and different things that we collect, and I'll speak more specifically in this in the next few slides. So what happens is if there's more expenditures than there is money that we're having as the federal government to come in as receipts, then the

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federal government has to borrow money to pay for the difference, and that's why we have what we refer to as the federal deficit, and so the second thing I wanted to point out is OMB is charged with making these projections on the deficit, and they do this by finding ways to lower the deficit, which is very hard to do. There are two ways that they can either lower the deficit or the debt. They either cut spending or they increase the revenue. These are both very complex issues. Over the last several years they have continued to be a problem, and we're continuing to see much tighter budgets because we're actually exceeding our limits as far as spending. We're spending more than we actually have, so it's important to know that although BLM is not involved or the department does not play a role in this part of the process, it absolutely sets the actual precedent for what we do receive in our initial budget that's allocated to us.

This just gives you a very good, I think, visual picture of basically what I'm discussing. If you notice the following graphs, on the right we have all the mandatory expenditures, and this is from 2009. you see Medicare, Social Security, debt payment; they all are rolling into a larger part of the entire federal spending, which is on the right side, and so as you see, the mandatory spending is exceeding over half of our federal spending amount, our federal budget, and so that's pretty much what's going on and where we're having huge issues with addressing the deficit. As you can see, I wanted to point out as well in the graph on the left-hand side, that DOI, as you see at the bottom, is discretionary, and we don't have a huge budget as it compares to DOD, the Department of Defense, who is getting 782 billion dollars. We get about 10.6 billion dollars. Within

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that, BLM receives annually about 1.1 billion dollars. So that's important to know as well.

I also wanted to break it down – it's just basically a subset of the previous slide, and this just shows you more of a breakdown as far as discretionary – the spending amount that's mandatory that the federal government has to pay out and where we stand as far as fiscal year 2009. If you notice, I wanted to also point out in this chart that Defense as well as Social Security, Medicare, and Medicaid are the top three in ranking and taking up that entire pot of money, so you can actually get a good picture here of our overwhelming deficit and where the federal government is really struggling to figure out how to meet all the needs and demands of not only our mandatory expenditures but also in our revenues and what we're receiving, that the BLM and all federal agencies, they have to do receipt estimates every year, and it's also put into an OMB system used by all federal agencies called the MAX system. These receipt estimates are usually submitted in December of every year, and the graph above just shows you the comparison from receipts that we were receiving in 2007 compared to 2009. we received receipts – for instance, oil and gas royalties, right-of-way rents are some of the things that BLM, we help to generate revenue for the federal government, so we would be contributing, and if you see, it's kind of definitely been on the decline from 2007 where we received 2.6 trillion dollars in revenue, and now in 2009 we only received 2.1 trillion, so that just gives you a better idea. It's good to have charts. I know some people are visual like myself, so it's good to be able to actually see this.

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I just wanted to touch base on other generalizing in OMB's final concerns in deciding the broader budget outcome. So what happens is OMB and the president, they balance the collective fiscal concerns based on our receipt estimates, as I just discussed, mandatory entitlement estimates, and debt cost. They decide how much discretionary money they want congress to appropriate; for example, our budget as BLM, the Department of the Interior. OMB then takes the total amount of that discretionary money and divides it amongst the various federal departments. They then give directions to the department and offices in the executive branch. This direction includes things such as spending limits for the total budget for each department. It includes things like policy directions as it relates to certain areas. A lot of these things include whatever the priorities are for that particular administration. It may be IT security, it may be border security, or performance. It also plays a role in deciding what department, how much money each bureau actually receives. The discretionary spending number is already set before giving any consideration to any of the needs of the various federal departments. The department then gives directions to the bureaus, which would be BLM, and that includes spending limits for us as well, it includes the same kind of policy direction. So as you see, it's kind of like a two level. It goes to the department, OMB gives the direction to them, it's then funneled down from DOI's level all the way down to the bureau level, so it kind of all works together. It all kind of works in one pot, several different levels but all the same kind of concept. Just to give you all as a sidebar, information on this administration, our current administration's view of the federal budget, the Obama Administration has announced a freeze on nondefense discretionary spending and a sizeable coalition of conservative democrats in the house. They're proposing 2% yearly cuts in nondefense

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discretionary spending over the next 3 years, and whether or not these cuts materialize, the fact is that the budget for nondefense discretionary appropriation is not increasing, which means that BLM is competing with all other nondefense agencies for resources in a very tight budget climate. So it is important to know that it's not just the Department of the Interior and our agency, the Bureau of Land Management that is in need of money, it's everybody, and it looks like if nondefense, you will be really competing much harder because they're focusing a lot of money, you know we have wars and different things going on in other areas.

I'm going to discuss in this section now, part 2, how the bureau developed their proposed budget, how BLM, where we get started in the process. So the bureaus work within the policy and the fiscal direction given by the department, which was based off of what OMB has already told our department they want us to do. Total spending amounts for each of the bureaus is set, although sometimes the department will decide that they can shift money around within the bureaus in the department, and they do that sometimes. Bureaus develop their budget based on the department guidance and to provide to the department and then to OMB, and here's where we get started in the budget process actually. We begin, the Bureau of Land Management, with submitting a DOI budget request along with other bureaus within the Department of Interior. We also participate in the Office of Management and Budget request submission, and I'll talk about all of these areas, and then lastly, the president's budget.

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So this is where we get started. My office in particular is responsible for working with the program leads here in Washington D.C. to develop all of this information for all of these separate requests. The first thing I wanted to talk about was the development of the BLM budget and proposals. Before we get into detail about the various processes that we are a part of and we play in, I wanted to talk about the budget strategy team because this team is very important and they play a very vital role in what the BLM decides that they want to do or what we will do. This group is an internal BLM team that guides and coordinates the BLM budget process. They have the responsibility for guiding and coordinating the BLM's budget process from start to finish. With the assistance of the Washington Budget Office, they develop the overall budget strategy to implement the DOI and other BLM strategic plans. They provide oversight on the implementation of the budget, they provide guidance and statement of emphasis areas to integrate the BLM budget strategy and the strategic plan goals, and they guide other BLM processes as well. The BST develops proposed budget, but ultimately they have to fit this in within the budget numbers developed already by OMB and the department. One thing that the BST does is they focus on strategic issues rather than a lot of operation issues, and they make up a representation from all levels of the organization. This is a good list of all of the participants on the Business Strategy Team known as the BST here in BLM. So you can familiarize yourself with those positions. The BST makes decisions on the fiscal budget. So during the months of December through April of each year, the Budget Strategy Team meets to discuss the bureau-wide initiatives, the DOI strategic plan, BPS entry, and other BLM priorities. From this, the team develops the draft budget concept for the upcoming budget cycle. So this March and April we worked along with the BST to develop these

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concepts for the BLM 2012 strategy. I'll talk about the different years a little later on and how we work current year, coming year, so you'll better understand. So right now we're in fiscal year 2010, but we are already preparing the budget for fiscal year 2012. So this year the BST has already made pre-decisional information based on guidance from OMB, based on guidance from the department, and so that sets the precedent for what we will do for 2012 as far as budget strategy. Just to give you an overview of where we are with the Department of the Interior's strategic plan, this plays a very vital role as well in our budget process. It kind of all links together. The budget process as well as the strategic plan helps to formulate our priorities, our mission, our emphasis, areas of work, not only as a department but BLM.

So I wanted to just give you all a quick update on where we are with the strategic plan. This is the old Department of the Interior strategic plan, which you may know it as – some refer to it as the house, and currently the department is revising this. They have decided to do something new, and this often happens because we're have a new administration, and usually as the administrations change, their policy, their direction, their ideas change as well. So as you see it here then, they're moving more towards – this is the newly proposed draft strategic plan and how it may look similar to this. I won't go through the various areas of this. Just to give you an update, BLM has been working along with all of the other bureaus in DOI to develop this strategic plan. We expect to have it final by the end of this fiscal year so that we can begin using it for 2011, in year 2011. I'm not sure how fast we'll move and if that is exactly what will happen because things can change, we have other priorities that come up, but when we're done we'll then

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begin revising within the BLM the bureau operating plan. So that's just to give you all an idea, a heads up on where we are with the strategic plan as well.

Another area I wanted to talk about that you all should be very familiar with is the secretary's initiative. We use the secretary's initiatives in developing pretty much everything that we do. It plays a very vital role in where we put money, what gets priority over other things. These priorities are set by the administration. Our secretary then decides what he wants to make a priority for the department, and BLM ultimately is in support of that and the following are what our secretary initiatives are currently and probably most likely will be for the rest of this administration. I doubt if they will change. That's new energy frontier – I'm not gonna go through them all in detail. You can read there for yourself. Climate change adaption. Treasured landscape is also another focus area. The smart – you may have heard of it as water smart. This is not something that is directly related to BLM, so we don't play much of a role in this particular initiative. Youth and natural resources is a big one for BLM. Empowering tribal nations, and although the wild horse and burro may not be an official secretary initiative, we are treating it as one considering the director as well as the secretary have launched an initiative, a new strategy for the wild horse and burro program, so that program still takes very high precedent as it relates to things at the secretarial level.

I wanted to now get into the actual DOI request, and that's our first submission. We submit this to the Department of the Interior. DOI starts this by giving us guidance on the policy and then giving us targets, and this is usually turned in to DOI during the

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months of April and May of each year. So a few weeks ago, actually last week, we submitted our 2012 DOI request to the department, and all of this information is all pre-decisional. It's not discussed, it's not shared, it should not be funneled out. It mainly remains and should remain in the Washington Office because nothing is final. It will not be final until the publication of the president's budget, which I'll talk about later, but that won't be until next February. Every February pretty much is when the president announces his budget. So this information is pre-decisional. I just wanted to note that so you could keep that in mind. So BLM usually focuses this request on our secretarial initiative areas and other BLM priorities, which is usually decided by, of course, the director and the BST. The DOI usually asks us to provide them with several scenarios. For example, they may ask us to write to a reduction of a certain percentage based on the previous year's budget bottom line number. They may ask us to do a variety of different things. They may ask us for a variety of different information. So that's pretty much what we do. The secretary then reviews all of the bureau submissions within the Department of the Interior. He determines if the submissions meet the DOI goals and then decides on the composition of the DOI budget request including overall funding levels between bureaus, continuing programs, any new initiatives, any reduction scenarios, any areas of management improvement. BLM at this point in the process now begins to compete for funding with other DOI bureaus. Because DOI has a bottom-line number that they're working with, BLM has to make a very persuasive case for funding, and this is usually based on our performance in prior years. They want to know how we have performed previously to determine whether or not we get that money over the National Parks Service or over Fish and Wildlife Service, so it's very important that our

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performance was very accurate in its reporting, we have everything we need as far as that's concerned, because they do take much of that into consideration. I wanted to discuss then the budget request submitted to OMB, also known as and referred to as the OMB request. So during July and August of each year, the BLM then develops the budget estimate for upcoming fiscal year for the Office of Management and Budget. We submit this budget proposal, which is based off the outcome of the DOI request to OMB in September. The Office of Management and Budget completes its review of our submission in late November determining which proposal should be included in the president's budget. It includes funding levels, and during this time, usually around late November, it happens usually around the Thanksgiving holiday time, we do an OMB passback. It's known basically as a very short time period, a few days that we have to appeal to OMB. So pretty much DOI and OMB during that time, we do some negotiation, so they come back and tell us this is what we're proposing, we appeal it, and then there's a final decision that's made. DOI is competing for funding with other government agencies. During this part of the process, OMB has to take information from the whole executive branch and make some complex decisions. Areas OMB looks at to determine their decisions can include programs with funding increases in the past. They look at whether or not those programs had shown an increase in their performance based on the amount of money that they received in increases previously. They also look at where they can get the most work for their money. That's based on performance as well. It's also a good thing, initiatives that show the departments and bureaus working collaboratively together are very persuasive during this time, so as we see any programs or areas. For instance, if it's regarding procurement, which is a function that all agencies

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within the Department of the Interior have, they may think of a way or come up with an idea that all of the agencies can save money or can cut back on whatever. It may be travel. Any of those crossover arching areas. And it's also important to keep in mind that even still now this information is still pre-decisional. Although we submit it and turn it in to OMB, it's not for public use and it usually remains just at the national level, the Washington level.

That then brings us to the publication of the budget justification, often referred to as the green book or the president's budget. This occurs in late November of each year. So after we submit our request to OMB, we make the appeal, they come back with some final decision, and based on their decision in late November, the BLM and all other federal agencies and bureaus, they begin writing the upcoming fiscal year's budget, and that's known as the budget justification. In December and January, OMB gives final decisions to DOI and BLM. At this point, we are not competing for funding anymore, it's been set, we know what it is, and we are in support of it. We are in support of the administration at this point. We're not coming up with any other strategies. The decisions are final. The president presents this budget to congress on the first Monday of every February of each year. Usually during this time the secretary also holds a press conference announcing the budget for the department, and that also happened this past February. Secretary Salazar had his own presentation for the Department of the Interior employees on what the budget will be, decisions made, key emphasis areas. He discussed generally our focus for the next budget year. He also discussed and talked about the various secretarial initiatives and what money they proposed for increases,

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things like that. The secretary and the BLM director then began to testify for several congressional committees in late March and April of the current year on the upcoming budget year. So this year our director and many other federal agencies, their directors are testifying, answering questions, all kinds of things as it relates to the 2011 budget.

I'm going to briefly talk about the congress, their role in the federal budget process. In January and February, congress passes a budget resolution. A budget resolution is congress's actual outline of the budget. The budget resolution has the total dollars congress decides to appropriate, and it divides it among the other appropriations committees. This is done before considering any of the needs of any of the bureau. So it's important to keep that in mind. Congress makes their own projections of the receipt, expenditures, debt cost, just like the Office of Management and Budget did. Usually they differ. In the last several years they both had come out with their own ideas or their own conclusions. It's important to note that the Congressional Budget Office, CBO, and you can refer to this terminology in your budget terminology handbook that was provided to you, the definitions of this, but this is the entity in congress. It's congress's budget office that actually is doing this and playing a critical role in this part of the process.

To continue, in February and March the committee begins holding hearings. In March and April the appropriation committee staff works on a draft bill and report. BLM during this time answers a lot of questions, we prepare capability and effect statements, and this terminology is also provided to you in your budget terminology handbook for your reference. The house and senate appropriations committees both develop their version of

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the appropriations act, and the committees vote on the draft bill and then the house and senate vote on their respected draft bills. The house and senate versions will be different. Each version reflects the respective priority.

So moving now to part 4, our last part of the presentation, the BLM's internal process and how we allocate funds. To give you all a visual idea, how we work in the budget office and how our budget process is working, this slide shows that it takes three years of work from one fiscal year budget. We usually have activities for three years, sometimes four, going on at one time in the budget process. The budget years that you see represented down on your left-hand side under the column year, they include the year in progress, which is known as the current year. That would be the fiscal year 2010, year in congress, and that's considered the budget year, which would be 2011 for us right now, and year agencies are preparing budget requests, known as the first out budget year, and that's 2012 for us considering it's 2010. So it's just good to give you all a visual. It's a very complex process with a lot of integrated things that go along with it, and this is maybe the simplest form I think we have available that kind of gives you an idea. So for instance in May, I've highlighted this May we completed our 2012 DOI request. We've also worked on house and senate appropriations work and different things. We've been working on hearings, testimonies, all kinds of things for the last two or three months. So you just can familiarize yourself with that slide later on if you would like.

Moving on now to the planning target allocation, and this is known as PTA, and this is our preliminary allocation within the BLM and program directives based on the budget

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justification articulated during this process, we do an analysis of prior performance and BPS entries for project-specific programs. The PTA is usually issued in the spring after the budget justifications are completed. Feedback from the state offices is very crucial during this time. The BLM field committee is the committee within BLM that assists us in making these decisions on the PTA, and that assists the Washington Budget office. The final decision is made though ultimately by the BLM director. So just to give you all an update on our 2011 PTA, the Washington Budget Office is gearing up for the PTA process. We just completed the zero-based budget exercise, which was basically a detailed assessment of the budget for the Washington Office and center to address budget needs, and to identify how much money we are spending in these areas. So this is preliminary to us during the PTA. This information will be used for the 2011 and 2012 budget planning, and we plan to have a PTA to the field by the end of June, so more information will be forthcoming. We believe that next week we will have an internal Washington Office PTA kickoff meeting with all our program leads, and that will start the process.

I did also want to quickly talk about BPS, the Budget Planning System, and I'm not going to go through this slide, but it's important for you to keep the information in BPS current. All projects that are submitted should be tied to a BPS theme, and our Washington Budget Office issues an IM every year to provide guidance to the field on exactly BPS projects and what the upcoming BPS system looks like, how data should be entered, and it's very important that this information stay current because it's often referred to by the program leads here, and we may have a quick, call that comes in and they go right to the

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BPS system to pull projects that we can possibly fund with maybe new money they would use that system, and if the information is incorrect or was outdated it doesn't help us, so just a side note for you all to keep that in mind.

I'm not gonna spend too much time either on the BLM field committee, but this is also the BLM senior leadership group. It's composed of all the associate state directors and deputy assistant directors, and the budget subgroup of the field committee meets several times a year to do a lot of the preparing for the PTA guidance, they recommend projects to us for centrally funded money, they recommend the release of the PTA to the director, they also recommend a release of the Annual Work Plan to the director. So they also play a crucial role in the budget process as well.

How you fit into the PTA process. The PTA process, of course, is the BLM internal process that gives the states and the field offices its direction for the year. It determines what project and work areas you will focus on for that year. You get to negotiate with your state leads on what you need for your office's programs during this part of the process. That information is then rolled up at the state level and submitted to the Washington Office, my office, budget office, as the state's PTA feedback. So the PTA feedback is then used by us to negotiate and then determine what they can and will be able to fund. So we look at the base funding and one-time funding needs to assess these needs. The Annual Work Plan is our BLM internal funding allocation process that is issued once congress enacts an appropriation, and this is done in late September-October every year. The Annual Work Plan implements any of the changes made from the budget

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justification and other changes needed after the feedback on the PTA, and we note this in the AWP through redline strikeouts. The Annual Work Plan is usually issued in November or December to the states after the enactment of the appropriations in September or October. So the AWP, Annual Work Plan, is the final version of the PTA. It is simply the changes made during the year and reflects any changes from the enacted appropriation by congress. It's just a continuation of what the Annual Work Plan is, the field committee, what role they play as far as providing guidance for the development of the Annual Work Plan. They review the AWP, they make some recommendations to the director about it, and they also make decisions on allocations of carryover as well above 2%.

What you should know about the AWP process is that it is our BLM internal process. It gives the states and the field offices the final direction after congress has enacted the budget. It will include any changes congress made from the budget justification and incorporate your input from your state's PTA feedback.

This brings us to the end of the budget cycle and with review and audit of expenditures, and the Washington Budget Office along with the NOC, we work together to conduct reviews of performance and spending at the first quarter, mid year, and third quarter annually. The budget office, we conduct end-of-year analysis, and then we close out in late September of each year with the budget office and the NOC working together to close out the books. We have audits and auditors that come in sometimes and assess what we're doing and comparing information from that year's closeout to previous year's

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closeout. That pretty much brings the budget cycle to a complete end. That's the last final step that we do in the budget cycle.

So things that you might want to keep in mind as far as your contribution to the budget process, making sure that you submit funding needs through your BPS, and that's usually around march of each year. Make sure that you submit your workload targets. That's very important. Another important areas is reporting your workload accomplishments in PMDS. PMDS is the only official bureau-wide performance system. It's the Performance Management Data System, so it's very important that that information in there is crucial. Responding also to the planning target analysis, and that's done May of every year. Commenting on the planning target allocation, and that's important, and then also commenting on the Annual Work Plan in September of every year. Also, ensuring that the funding is sent for the intended purposes. So if your state lead or your program lead has allocated money to your particular field offices for intended purposes, it should be used for that. Then, of course, contributing to the budget justification. Our budget justification every year. Along with the information we're required to as far as our request for that budget year, we include success stories, things of that nature. I mean that's very important. The administration, they love to see great things that BLM is doing, so it's important to provide that information as well. Also, a very critical part of that includes your performance and your accomplishments, and I just wanted to note also as far as PMDS is concerned, there's an IM that the Washington Office issues annually that provides guidance to the field, and this year's IM for your reference if you wanted to look at it is IM2010-104. So we're aware that many programs have their own

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performance reporting system, but you have to keep in mind that PMDS is the only official reporting system for the bureau. So it doesn't help if the program, they're reporting accurate performance information in their own system but not reporting it in PMDS.

Some principles of budget that you should be aware of are prioritizing your requests. It's very important to be honest about what you need. Second, being consistent in your financial message. What exactly are you asking for and is it consistent with your state. What's the actual program who you're requesting the money from or you're receiving the money from? Knowing what's happening in your program and your respected field offices in regards to the budget at a national level is also very important. Be aware of the secretary initiatives. Be aware of congressional interests as it relates to your programs in your particular states. Be familiar with the budget information, i.e. the president's budget that we do every year, the Annual Work Plan, the PTA, things of that sort. Again, accurately reporting your accomplishments in PMDS would also help a great deal. Then lastly, keeping the priorities of the bureau, which are already set before you.

As we come to a close, I wanted to just give you where the best source for BLM budget information lies, and that is our Washington Budget Division website, and here's where we house all of the previous Annual Work Plans, PTA - you can get to all of the budget systems that we use, all of the previous justifications. They all get posted on our budget website, and it's a very good source for other reasons and other information as well, and then also using now your new budget terminology handout that I submitted for your use.

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That's a good way to at least understand some of the terminology as it relates to the budget process.

I hope that this training was informative to you. So I will now open the floor for the next 10 to 15 minutes for questions and answers.

While we're waiting for some of those to get cued up, I'd like to ask you a question on how BLM makes sure it gets as much as it can from the discretionary money given to the various federal departments. Do they have any special things they do to make sure they get that?

Yes, June. Absolutely. They are various things that we should be doing to make sure that we get as much money as we possibly can, and that's to be as persuasive as we can in our story. It's very important that we articulate our performance since we do performance-based budgeting. That's how we are appropriated our money. It's important that we articulate what we are doing. It's important that that information is – when we submit our different requests to the department, when we submit our different requests to OMB, that we're telling a very good story to be convincing so that we can get the money, because if Parks Service comes up and they have a better idea or they came with a better persuasive story, they'll most likely get the funding over us.

Okay. Well thank you. I appreciate that. We have Rubin Sanchez that would like to ask a question, so we'll go ahead and have him ask you a question.

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Sabria, I'm curious – I understand the accomplishments and the significance of reporting that. My question is when an office exceeds a target that was identified as just one of those unforeseen opportunities, is it seen at the higher levels as a frown, I guess, for overachieving in different subactivities or can this help maybe with potential future funding opportunities to get an increase? That's the question.

Actually, I'll answer that, and then I also have our Washington Office performance person, Raymond Smith. He works along with Sandra Myers on our performance. He can better articulate, but I would certainly say that it should not be frowned upon. If you are accomplishing over target, it should be a good thing. They should look at it as a way of saying well, if we have one area that's underperforming, this is possibly another field office that could use that money since they're getting it done faster, quicker. You must have a best practice. They also can use that to maybe figure out what you guys are doing to actually move ahead faster than the other offices if that's what's going on. Then they can use that as a benchmark or a best practice for the rest of the other offices to start doing the same thing. So no, it shouldn't be frowned upon. Absolutely not. I think it should be noted, but it should maybe be a little bit further investigated to decide what should happen, whether or not money could be shifted to you guys or at least your information could be carried on and articulated to the other states or other offices.

Raymond, did you want to comment?

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With regards to a field office or state having accomplishments that are higher than what they had targeted, that's something that we certainly like to see reported in the state report. All accomplishments or over targets are rolled up into how we look at the presentation for when we look at the performance of the bureau, but we certainly want to see any accomplishments that are over the target, and this may be an anomaly how the target was set up at the beginning of the year that we did not account for as the year went on and the field season went on. Hopefully that answers your question.

Yes, it does. Sometimes it's unpredictable and so we identified what we foresee at the time we're preparing our targets as to what we foresee we're gonna be able to do with the workload that's given to us. It's just that sometimes once you get into the fiscal year, the opportunity presents itself to overachieve above the target, and I was just curious, because we occasionally – it's not always complementary and that was my whole premiss for my question. Thank you.

Also remember, built into our system is the opportunity for field offices and states to adjust their targets within the state. So there is some flexibility with that target up until the third quarter, after the third quarter.

Thank you very much. That's helpful.

Rubin, we appreciate your question and the answers. We have another person that would like to ask a question. Herb Arnold, will you go ahead and ask your question?

Hi. Yeah. Question for Sabria. On slide 21, at the very bottom of the page there you see initiatives that show several DOI bureaus working together can be very persuasive. I'm out here at the national Interagency Fire Center in Boise, and we do work with other DOI agencies a lot as well as the Department of Ag. I'm thinking of the Forest Service in particular. So I guess I have the opportunity to take part in these initiatives that are going to help several bureaus and different agencies. What's the best way to identify that it's a cooperative effort like that when it comes to the appropriate reviews so that weight is given to the fact that it's an interagency request and that they're kind of linked together. Since everybody submits their budget requests separately like that, what's the best way to sort of identify it's a group initiative?

What I will say to that is considering currently BLM, the fire is kind of a special entity in itself. It sits under the department. BLM is no longer in charge of fire. So with that being said, it's kind of hard to say. It's kind of hard to even give you an answer because we don't set the precedents, we're no longer in charge of the program, so it would kind of be difficult to even give you an answer.

I'm surprised at that. Who is in charge of fire now?

DOI. The Department of the Interior has taken over the fire program. BLM no longer is in charge of it. That is a good example of where absolutely all the agencies cross, but it's not anything that BLM is in charge of anymore. The department has decided to take it and they're in charge. They get the funding for it.

Okay. I appreciate it. So probably contacting the appropriate budget folks at DOI –

Yes. At DOI Fire. Absolutely.

To identify those joint projects or interagency projects might be the best.

Absolutely. Also, you know, fire, they also submit their own separate justification as well. So along with our president's budget justification there's always a fire budget justification produced. So that information would probably be very useful for that purpose.

Okay. Thank you.

You're welcome.

Thank you Herb. We appreciate your question. I'm sorry. It sounds like they gave you the best answer they could. You have that site you gave at the end. Is that where the DOI strategic plan and all that kind of stuff is housed at this time?

No. The site that I gave reference to is actually BLM, the Washington Division of Budget, our website. That information most likely I'm sure can be found on the Department of the Interior website is where they would house the strategic plan, not us.

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So no, that information, no. I think there may be a link on our website that can direct you to the Department of the Interior once it's finalized, but currently no, we don't house that information but it should be sitting on DOI.gov.

Okay. Thank you. We've come to the end of this wonderful presentation, and we'd like to ask Sabria and people there if they have any last things they would like to say before we close out on last-minute things?

No. We just want to thank everyone for their participation and we hope that this information is useful. I would say one last thing, that we are planning on developing more training at the National Training Center as it relates to the budget process and different areas, not only formulation of the budget but execution of the budget as well as performance information that would be helpful to the field as well, so look forward to that in the near future.

Thank you. We really appreciate this. This has been very, very good to bring everybody up on budget issues and find out how they can make it work for them. Thank you, Sabria, for this wonderful presentation and we look forward to getting more information from you from the trainings that you're developing. Thanks again.

Thank you.

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