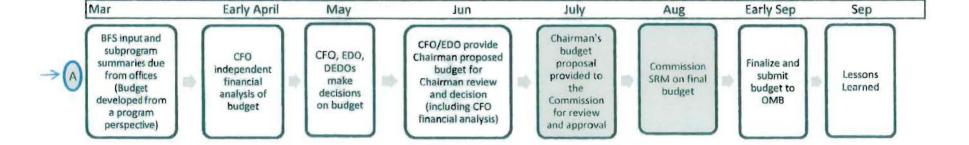# THE BUDGET PROCESS

As part of the collegial functions, the Commission revises budget estimates and determines the distribution of appropriated funds according to major programs and purposes. As a best practice the initial step in this process at the Commission level is for the Chairman to provide high-level planning objectives for budget development and prioritization of planned activities to the Commission for review and approval and to provide any other documents used to inform the high-level planning objectives to the Commission for review. This is done prior to the start of the annual budget formulation process. The Chairman is also responsible for initiating the update of the agency Strategic Plan and the Commission's annual review of the Performance Budget; presenting the Strategic Plan, Performance Budget, and Congressional Budget Justification to the Commission for its review and approval; and proposing to the Commission the distribution of appropriated funds according to the agency's major programs and purposes. Upon request of a Commissioner after submission of the Chairman's budget proposal, the Commission shall be provided all budgetary input provided to the Chairman or otherwise used for the purpose of formulating the Chairman's budget proposal.

The following flow chart depicts a budget formulation process that the Commission has found very useful and recommends as a best practice

Recommended Budget Formulation Process

Oct	Early Nov	Nov	Early Dec		Dec	Jan	
CFO/EDO issues guidance for Program Considerations and Priorities*	CFO/EDO informal consultation with Chairman on budget	Lead Offices develop and submit Draft Program Considerations and Priorities*	CFO/EDO Develop Program Considerations and Priorities	CFO/EDO propose to Chairman Program Considerations and Priorities for Chairman review and approval	Chairman proposes Program Considerations and Priorities to Commission for review and approval	Commission SRM to staff on budget direction	CFO/EDO issue budget guidance to offices (including financial factors)

(A) →

Mar	Early April	May	Jun	July	Aug	Early Sep	Sep
BFS input and subprogram summaries due from offices (Budget developed from a program perspective)	CFO independent financial analysis of budget	CFO, EDO, DEDOs make decisions on budget	CFO/EDO provide Chairman proposed budget for Chairman review and decision (including CFO financial analysis)	Chairman's budget proposal provided to the Commission for review and approval	Commission SRM on final budget	Finalize and submit budget to OMB	Lessons Learned

→ (A)

*Program Considerations and Priorities include workload analysis and planning assumptions.

Green shaded cells represent Major Deliverables