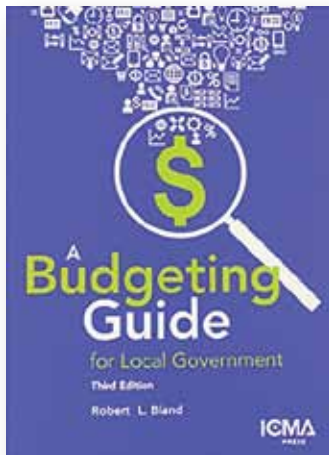




Budgeting Book Will Interest Readers at All Levels

By Vincent Reitano



A Budgeting Guide
for Local Government
(Third Edition)

Robert L. Bland

ICMA Press

2013, 343 pages

Despite a proliferation of academic textbooks, few volumes accurately capture the complexities of the government budgeting process. But *A Budgeting Guide for Local Government*, by Robert Bland, may be helpful to new analysts entering government from their masters of public administration or public policy programs, and experienced practitioners who are looking for a refresher. The book details the budgeting process comprehensively, but succinctly, through seven chapters that include helpful illustrations and case studies. As a bonus, Bland's writing style is engaging, a rare quality in budgeting and finance textbooks.

COMPREHENSIVE APPROACH

The book begins by paying homage to Aaron Wildavsky, a legend in the fields of political science and government budgeting, who argued that, "One cannot speak of 'better budgeting' without considering who benefits and who loses or demonstrating that no one loses." The quote acknowledges the challenges faced by any budgeter — and why budgeting is not a strictly technocratic or economic exercise.

The guide is framed not as a pure economics or finance textbook, but a practical tool that acknowledges how human values, rational and irrational behaviors, and institutional norms

drive government budgeting. The text implicitly encourages the reader that he or she will learn the budgeting process over time. The first four chapters introduce the context of government budgeting and the process of preparing and approving the budgeting, of addressing deliberations throughout the process, and implementing the budget. This comprehensive approach provides an excellent foundation for students who are new to government budgeting, while offering enough depth to merit attention from experienced practitioners who want to learn new strategies and skills to address the conflict and complexity in the budgeting process.

EXPLAINING THE PROCESS

Each chapter has easy-to-follow charts, tables, and sidebar discussions demonstrating what a budget is, how to understand it, and how to make changes throughout the process. For example, the first chapter presents a condensed budget. The second chapter has a table with the different organizational and individual actors involved in the budgeting process, in relation to their core values and focus, and a detailed flow chart of the budget process, to show the complexity and breadth of actors involved.

Chapter 3 discusses how to manage and facilitate budget delibera-

tions. As budget expert Irene Rubin often argued, conflict is a key aspect of the budgeting process. Bland's book acknowledges this and shows how to harness it. For example, he reviews conflicts as a range, starting with the practical and common such as those between the budget office and single departments, extending to the theoretical, such as the ongoing conflict between bureaucracy and democracy. He illustrates these conflicts with practical examples and potential solutions from local governments. The chapter doesn't fall into simple mantras for conflict resolution; it reviews conflicts in relation to budgets and financial policies, such as the inherently political issue of determining appropriate levels and uses of fiscal reserves.

One of book's greatest strengths is showing that budgeting is inherently normative, as espoused by many of the most notable researchers and practitioners.

Chapter 4 addresses the implementation phase of the budget, using graphs and strategies. In the case of a budget crisis, strategies for responding to both expenditure and revenue concerns are presented, showing that governments have options when they're under fiscal duress. The book appreciates the complexities of dealing with fiscal crises and presents a realistic picture of conflicts that may arise.

Subsequent chapters address topics ranging from accounting and finan-

cial reporting to performance measurement. While these subjects often warrant the focus of whole textbooks, Bland provides an excellent overview in a single chapter, covering the basics of governmental funds, proprietary funds, and fiduciary funds. Practical topics covered include the chart of accounts, the accounting cycle, and interim financial reports.

Additionally, the chapter on performance measurement includes different types of measures and presents a realistic assessment of some of the limitations of performance measurement programs in general. Case studies that illustrate these concepts bring them to life, rather than just showing performance measurement programs as the mere calculation of statistics. A final chapter on capital improvement budgeting runs through capital improvement planning, providing detailed examples that illustrate how capital budgeting and infrastructure finance is an ongoing process.

CONCLUSIONS

Overall, *A Budgeting Guide for Local Government* is highly relevant. The writing style will keep readers of all levels of budgeting experience engaged. One of book's greatest strengths is showing that budgeting is inherently normative, as espoused by many of the most notable researchers and practitioners. The book pays homage to the tradition of teaching and research that has developed the current generation of government budgeters. ■

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Recommended Budget Practices

The National Advisory Council on State and Local Budgeting (NACSLB) defines the budget process as consisting of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets. Its mission is to help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process. The key characteristics are that it:

- Incorporates a long-term perspective;
- Establishes linkages to broad organizational goals;
- Focuses budget decisions on results and outcomes;
- Involves and promotes effective communication with stakeholders; and
- Provides incentives to government management and employees.

GFOA recommends that state, provincial, and local governments look to the recommended practices of the NACSLB as a model for evaluating and improving their own budget policies and procedures. The *Recommended Budget Practices from the National Advisory Council on State and Local Budgeting* best practice is available at gfoa.org.