



INTERVIEW

## Approaches to Budgeting in San Bernardino

A conversation with Zuyva Ruiz

BY ALISON WUENSCH

GFOA's **Alison Wuensch** spoke to **Zuyva Ruiz**, budget division manager for the City of San Bernardino, California, about the intersection between accounting and budgeting, serving as a translator for financial information, and balancing short-term demands with long-term sustainability.

**Z**uyva Ruiz brings both technical accounting expertise and hands-on budget experience to her role as the budget division manager for the City of San Bernardino. "It's really changed the way I think about process design, system improvements, and the overall long-term fiscal sustainability in support of reliable service delivery for the community," she said.

After working in finance and accounting for eight years in the private sector, Ruiz joined the City of San Bernardino in 2021. For Ruiz, transitioning from

the private sector to the public sector highlighted the important differences in financial reporting, accountability, and internal controls. She emphasized "the importance of maintaining a clear audit trail, ensuring that decisions are well documented, and that the right questions are asked to support solutions that are transparent and defensible, and then aligned with overall public-sector standards and accounting standards."

Ruiz's focus underwent a transition from accounting to budgeting, and her interest piqued while doing her undergraduate coursework at California

State University in San Bernardino. Her concentration was in public administration, and she proceeded to get a master's degree in public administration with a concentration in public financial management. Public budgeting immediately stood out to her as combining the unique need for community stewardship along with the analytical rigor that comes with overall finance.

"I think I was really drawn to the idea that public budgeting is about aligning the community needs and priorities with the available resources, while keeping it transparent, responsible, and sustainable at the same time," Ruiz said. She emphasized the focus on data analysis, economic indicators, and long-term financial forecasting especially appealed to her, she said, along with the concept of community stewardship.

Ruiz also saw an opportunity to serve the City of San Bernardino, the community where she lived and worked, as well as the city's potential areas for growth—such as strengthening financial practices and improving transparency. Once she started working for a city, she found that the most significant challenge is balancing competing priorities with limited resources and understanding the tradeoffs.

Infrastructure investment and deferred maintenance are a perfect example, Ruiz explained. Delaying maintenance can result in significantly higher costs over time, along with increased operational risk, but resources are finite. We need to understand the tradeoffs and combine historical financial data with "the fine art of understanding the current economic conditions and the broader trends happening at the federal, state, county, and regional levels, and helping translate that into information that provides realistic projections." To balance these tradeoffs, Ruiz works with both city management and city departments, as well as incorporating input from the public. Realistic projections and long-range plans are crucial in positioning the organization to better respond to any type of uncertainty, she added.



The City of San Bernardino transitioned to a biennial budget approach in 2022, enhancing long-term planning capabilities and building greater resilience to respond to future uncertainty.

## The biennial budget approach

In 2022, the city transitioned to a biennial budget rather than an annual one as a way to strengthen long-term planning, though it still adopts the budget on an annual basis. Ruiz found that piloting the biennial approach led to a greater understanding of the city's overall organizational capacity, and it informs the way the City of San Bernardino approaches budget development today, regardless of the formal adoption structure.

Planning and executing a biennial budget is similar in many ways to preparing an annual budget, Ruiz said, with the main difference being the longer time horizon and level of flexibility the budget requires. The biennial budget approach can reduce some of the administrative workload, but it also requires more complex forecasting and risk awareness because it covers a longer period of time. Ruiz emphasized the necessity of strong controls to ensure alignment between adopted strategic priorities and the goal of long-term financial stability. The city conducts monthly and quarterly monitoring of the budget as well as conducting a mid-cycle review to support its goals.

The primary challenge in transitioning to a biennial budget was managing the change while also operating within the same resource constraints, Ruiz noted. That's because extending the planning

horizon requires the departments to develop their projections with greater uncertainty, which Ruiz called an education opportunity.

"The budget team put a lot of education in assisting the departments with long-range forecasting. Their efforts and the new approach have received positive feedback overall, and they've also helped many of the departments become more insightful about the data and projections they must provide," she said.

Ruiz and the budget team were in regular communication with the city's departments to establish this approach, particularly to encourage shared ownership. She regularly met with the departments, and in those meetings, one of the main questions she asked was, "What is the biggest barrier you are experiencing right now in the budget process, and what could my team do better?" One of the most common issues was difficulties with the methods of submitting budget information, which led the city to implement new budget software. She also frequently heard about the breakdown of communication in submitting budget requests and not finding out about the result until the night of adoption. Recognizing the need for increased transparency and communication, Ruiz prioritizes giving everyone a seat at the table.

"A budget is a living document that balances flexibility with fiscal discipline," she said. "The budget process

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### Implementing a new ERP system

The City of San Bernardino is also implementing a new enterprise resource planning (ERP) system. The Finance Department began the process in early 2022, driven by the need for an updated and scalable platform. The goal was to strengthen financial governance and reduce work on manual processes in favor of analysis and decision support. Ruiz was responsible for establishing the scope of work for the budget module, looking into what San Bernardino's legacy system lacked but needed to make employees' work more efficient. Ruiz was also heavily involved in the redesign of the chart of accounts, the key objective of which was to make financial information intuitive for both financial and non-financial employees. She was excited, she said, about being involved in the development of the ERP system, including working to make it easier for staff to pull reports for public-service requests.

The City of San Bernardino brought in a consultant to help develop the request for proposals for the ERP system. Ruiz emphasized that city departments needed to provide insight early in the development of the ERP system to support smoother adoption. Although finance and IT staff were driving the transition, understanding key factors that affected end users was important. To that end, Ruiz's finance director formed both an executive committee that includes all the department heads and a steering committee made up of key staff members, to meet and talk about the status of the project and any

decisions being made. The city also holds a bi-weekly technology lab, where the steering committee works through modules. The goal is to eventually have a test environment that end users can use to understand the processes and provide ongoing feedback.

It's still in the early stages of the implementation, but the early benefits of the ERP development include understanding current processes more clearly, standardizing data structures from the legacy system, and improving departmental alignment. When the system is implemented, the city expects to see improved efficiency through the automation of manual processes.

Ruiz discussed the lessons the city has learned so far in the ERP implementation process—especially the importance of defining the chart of accounts and the reporting structure. Another lesson is the benefit of conducting a thorough review of the current process. Both lessons reinforce the importance of understanding what parts of the legacy system the city would like to revamp, and this implementation process allows them time to ask stakeholders for their input. It helps to align expectations with those of city management, as well as reducing implementation risks down the line.

### Conclusion

For organizations seeking to undertake large projects like moving to a biennial budget or implementing a new ERP system, Ruiz advised defining modernization as a core objective, and also ensuring strong engagement beyond the finance team—because department engagement is essential but often overlooked. Ruiz also recommended

being realistic about project timelines and staff capacity. Large initiatives such as these can have great benefits. Transitioning to a biennial budget approach can limit manual process constraints and optimize the administrative load for the budget. Implementing a modern ERP system can strengthen financial resilience and improve the organization's ability to serve the community in the long term. Ruiz also recommended considering how the software that's already in place helps with service delivery and prioritizing a needs assessment to better understand this. Ensuring that the government's systems are as modern and scalable as possible can support the organization's sustainability.

Technology and automation will continue to play a major role in public finance and will help strengthen transparency, consistency, and access to information across the organization—but the essential foundations of the discipline will remain. Ruiz will continue to work holistically across departments by communicating complex financial information effectively, serving as a translator for financial information, and balancing short-term demands with long-term sustainability. ■



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