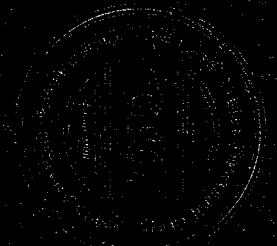


Core Competencies



UNIVERSITY OF CALIFORNIA



U.S. Government Chief Financial Officers Council

The members of the U.S. Government Chief Financial Officers (CFO) Council—the CFOs and Deputy CFOs of all the 24 largest Federal agencies and senior officials of the Office of Management and Budget and the Department of the Treasury—work collaboratively to improve financial management in the U.S. Government. The CFO Council has become a strong force for active cooperation among agencies dealing with common problems. Its composition of both political appointees and senior career civil servants ensures collaboration and continuity of effort.

Under the Chief Financial Officers Act of 1990, the CFO Council was established to advise and coordinate the activities of the agencies of its members on such matters as consolidation and modernization of financial systems, improved quality of financial information, financial data and information standards, internal controls, legislation affecting financial operations and organizations, and other financial management matters.

The CFO Act legislated broad authority for each CFO to oversee all financial management activities relating to the programs and operations of the agency. With this authority, the CFO will ensure that sound financial management practices are applied in all organizational components of his or her agency and that modern automated financial systems and tools are used. Specific CFO authority varies agency by agency, but may include some or all of the following financial and general management components: budget formulation and execution, facilities or property management, financial operations and analysis, financial systems, grants management, information resources management, personnel, and procurement. Information of the CFO Council can be found at its website:

www.financenet.gov/financenet/fed/cfo/cfo.htm

The Joint Financial Management Improvement Program

The JFMIP is a joint and cooperative undertaking of the U.S. Department of the Treasury, the General Accounting Office, the Office of Management and Budget, and the Office of Personnel Management working in cooperation with each other and other agencies to improve financial management practices in government. The Program was given statutory authorization in the Budget and Accounting Procedures Act of 1950 (31 USC 65). Leadership and program guidance are provided by the four Principals of the JFMIP—Comptroller General of the United States, Secretary of the Treasury, and the Directors of the Office of Management and Budget, and the Office of Personnel Management. Each Principal designates a representative to serve on the JFMIP Steering Committee, which is responsible for the general direction of the Program. The JFMIP Executive Director, and a program agency representative (who serves for 2 years) are also on the Steering Committee.

The Program promotes strategies and guides financial management improvement across government; reviews and coordinates central agencies activities and policy promulgations; and acts as catalyst and clearinghouse for sharing and disseminating information about good financial management practices. This information sharing is done through conferences and other educational events, newsletters, meetings with interagency groups and agency personnel, and through FinanceNet, an electronic clearinghouse on the Internet.

The JFMIP has worked on interagency projects that developed a financial systems framework and financial systems requirements. For the future JFMIP plans to assist Federal agencies in improving their financial systems through its Program Management Office. The Office will work on revising the Federal government's requirements definition, testing, and acquisition processes; the first target of opportunity is core financial systems. The objectives of the Office are to develop systems requirements, communicate and explain Federal and agency needs, provide agencies and vendors information to improve financial systems, ensure that products meet relevant system requirements, and simplify the procurement process.

Information on JFMIP can be found at its website: www.financenet.gov/financenet/fed/jfmip/jfmip.htm or call 202/512-9201.

Foreword

The Human Resources Committee (HRC) of the U.S. Chief Financial Officers (CFO) Council and the Joint Financial Management Improvement Program (JFMIP) have undertaken efforts to improve the recruitment, training, retention, and performance of Federal financial management personnel. Since 1995, their efforts have centered on publishing a well-defined set of technical core competencies for financial management personnel. The core competencies series of documents articulate the appropriate knowledge, skills, and abilities necessary for financial personnel to succeed in their respective careers.

Recognizing the accelerating rate of change in Federal financial management, in 1998, the HRC and JFMIP established a Core Competency Review Board to ensure the currency of these documents. The first project was to review the first document in the series, *Framework for Core Competencies for Financial Management Personnel in the Federal Government*, published in November of 1995. That publication addressed competencies for accountants, budget analysts and financial managers. Revisions for each occupational series will now be issued separately.

This document, *Core Competencies for Budget Analysts in the Federal Government*, identifies and sorts the competencies necessary for budget analysts' work into the following categories: Budgeting Concepts and Processes, Budget Presentation and Justification, and General. Pursuit of these competencies will enable budget analysts to meet the challenges of today's changing environment and prepare for the future.

Budget professionals also need to develop leadership competencies, which are the personal and professional attributes critical to successful performance in many occupations. The U.S. Office of Personnel Management (OPM) has issued the *Leadership Effectiveness Framework (LEF)*, which defines 27 competencies that are important for effective performance at all leadership levels within the Federal government. OPM also identified five fundamental executive qualifications. These are posted on OPM's website: <http://www.opm.gov/ses/html/ecq4.htm>.

In 1998, the CFO Council approved the *Statement of Principles for Federal Financial Education and Training* (Appendix A). This document should be used in conjunction with the other core competencies documents (Appendix B). All of the core competencies documents, which are also posted on the FinanceNet website <http://www.financenet.gov>, will promote a better understanding of human resources development in the Federal government.

We would like to thank and acknowledge the major contributors who updated this document (Appendix D). We are working toward a policy to promote the professionalism of this occupational series by working with the Office of Personnel Management, and developing a CFO Council policy on professional certification. If you have any comments or changes to this document, please contact the CFO Council HRC or JFMIP.

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Introduction

The decision to develop core competencies for Federal financial personnel was made in 1994 at a government-wide Financial Education and Training Symposium sponsored by the Chief Financial Officers (CFO) Council and the Joint Financial Management Improvement Program (JFMIP). The goal of that Symposium was to identify priorities and develop strategies for the professional development of the Federal financial workforce. At the time, Federal financial management was facing unprecedented and significant changes demanded by the convergence of new legislation (CFO Act of 1990, The Government Management Reform Act of 1994, and the Government Performance and Results Act of 1993), an increasing rate of accounting standards issuances, and evolving business practices. Attendees agreed that the first priority would be to identify the core competencies for financial management personnel. This would serve as a base to help CFOs recruit and develop a highly qualified financial workforce with the knowledge and skills needed to succeed in the 21st century.

The core competencies for financial management disciplines were completed in 1998. A full range of Financial Core Competencies documents has been published. These are:

Core Competencies for Accountants in the Federal Government

Core Competencies for Budget Analysts in the Federal Government

Core Competencies for Financial Managers in the Federal Government

Core Competencies in Financial Management for Program Managers in the Federal Government.

*Core Competencies in Financial Management for Information Technology Personnel
Implementing Financial Systems in the Federal Government;*

Core Competencies for Financial Systems Analysts in the Federal Government; and

Core Competencies in Financial Management for Management Analysts and Financial Specialists.

Reasons for Revision

Since 1995, when the first work was published, changes to financial management have continued to evolve. Subsequent legislation, new FASAB (Federal Accounting Standards Advisory Board) standards, and changes in the workplace at large, drive document revisions to ensure that the documents continue to serve as valued reference guides for the financial community. A Core Competencies Review Board was established by the JFMIP and the Human Resources Committee of the Chief Financial Officers Council in 1998. This Board ensures that the core competencies body of work does not become dated.

Core Competencies for Budget Analysts in the Federal Government has been revised by an interagency team of budget professionals to include the following changes in emphasis:

-- Analytic skills. Crunching the numbers will always be important for budget analysts, but understanding what the numbers mean is much more critical for effective performance. The ability to discern relationships between budget numbers and performance results is increasingly important.

-- Knowing the business. Just as one cannot be an effective budget analyst without knowing the Congressional budget/appropriations process or accounting fundamentals, today's budget analysts must also be aware of and understand the functional programs of their agencies. Justifying budget needs and relating resources to performance results requires program knowledge.

Core Competencies for Budget Analysts in the Federal Government

-- Using new tools. Technology changes and innovations are constantly providing new tools. Analysts must be able to select those that are most appropriate and then learn to use them with expertise.

The core competencies needed to perform the duties of Federal Budget Analysts are divided into three distinct levels. These levels are:

Level 1 Entry level: learning and applying fundamental policies and procedures, and performing routine activities. This stage can entail 1 to 3 years of developmental experience.

Level 2 Journeyman level: applying proficiencies as a fully functional and experienced analyst. At this level, a budget analyst begins to make sound recommendations to resolve complex budget issues and is capable of integrating a successful multi-disciplinary approach to problem solving.

Level 3 Senior level: normally a team leader or first level supervisor. At this level the budget analyst makes sound judgements and recommendations, and coordinates and directs others to address budget issues competently.

The competencies, also commonly referred to as knowledge, skills and abilities (KSAs), are listed in the first column of the following matrix. In the center of the matrix, the column entitled "Learning Objectives" describes the performance activities that demonstrate successful achievement of the respective competency. The final column lists examples of developmental activities and education/training one might pursue to gain the competencies. These activities include on-the-job training and formal training courses.

How to Use this Document

This document is a guide to help budget analysts and managers when engaged in workforce planning, career development, and other human resource functions. It should stimulate discussion between management and staff regarding professional goals and expectations, and the appropriate training choices and assignments to reach those goals. The individual and the manager should use this guide when developing an individual development plan (IDP) for the employee. A sample IDP can be found in Appendix E. We also encourage the human resources community to use this guide, as well as the other guides in the series, when servicing their financial management/budget constituencies.

Employees need to be aware that they have a responsibility for building, maintaining and refining these core competencies in order to effectively execute their duties, meet the demands of emerging requirements, and prepare for career advancement. While this document provides advice to help budget analysts become more effective, it does not guarantee promotion or qualification for specific positions.

Training Resources

Agencies, educational institutions, and commercial training providers offer a range of courses to help employees attain the competencies described in this document. Classroom instruction is generally essential to learning the basic concepts, principles and policies of all the financial management disciplines. The knowledge gained must also be reinforced with practical applications in the workplace. And since no discipline is static, learning must be a continuous exercise, both in and out of the classroom setting.

An excellent resource for budget analysts to find education and training suited to their specific needs is through the Internet. The FinanceNet address--<http://www.financenet.gov/>--provides access to the web pages that contain many of the course catalogs and training materials from both private and public sector organizations in the education and training business.

Budget analysts, as all workers, will also benefit from management training in leadership, quality management, team management and oral and written communications.

Conclusions and Recommendations

The Human Resources Committee of the CFO Council, JFMIP, and other financial management leaders throughout government have recommended and supported the development of the core competency documents. The Review Boards were established to ensure the currency and accuracy of these documents. For core competencies to be most effective, financial managers and other leaders need to fully support and promote their use within their organizations. Agencies are encouraged to share their best practices in education and training with other departments and with JFMIP for posting on FinanceNet to realize maximum benefit to the government.

Core Competencies for Budget Analysts in the Federal Government

Core Competencies (Knowledge of, Ability to Use, or Skill in Using):		Levels			Learning Objectives	Developmental Activities
		1	2	3		
Budgeting Concepts and Processes						
1.	Basic budget, accounting and program concepts, principles and terminology Agency budget principles and procedures and the agency's financial management system	X	X	X	Conduct research into Agency's financial status Provide advice to agency officials on budget policies and procedures Prepare Congressional justification.	<u>Courses:</u> Budget formulation, presentation and execution Federal accounting concepts and principles
2.	Nature, characteristics, applications and structure of appropriations and other funds that support accomplishment of the agency's mission	X	X	X	Prepare status of funds, which analyzes agency's current funding position and estimates end-of-year spending	<u>Courses:</u> Federal budget process Appropriations law Work experience
3.	OMB and agency object classes, agency accounting code conventions, and document flow processes	X	X	X	Track documents through accounting system for purpose of determining funding status Prepare status of funds, estimate costs of specific program increments Prepare Congressional justification books and the President's Budget appendix	<u>Work Experience:</u> Rotational assignments Learn structure and use of agency financial management systems Study pertinent OMB circulars Track obligations and costs through accounting system
4.	Agency systems for the administrative control of resources, fund allocation and fund control, paperwork management, program objectives, inter and intra-agency reimbursable agreements and funding and financial reports	X	X	X	Monitor agency's use of funds Provide advice on spending actions Operate agency's fund control system Prepare apportionments and other OMB required documents Design and use system processes and procedures that ensure financial management integrity	<u>Courses:</u> Program analysis Project management Database management <u>Work experience:</u> Study agency's administrative control of funds procedures Compile continuing resolutions authority

Core Competencies for Budget Analysts in the Federal Government

Core Competencies (Knowledge of, Ability to Use, or Skill in Using):		Levels			Learning Objectives	Developmental Activities
		1	2	3		
						requests Prepare temporary appropriations warrants requests for submission to Treasury Prepare 1105 apportionment requests
5.	Agency's budget operations and processes and how obligations and expenditures are incurred for assigned program areas	X	X	X	Analyze and estimate assigned area of spending Prepare accurate status of funds reports	<u>Work experience:</u> Study program regulations and operations; internal agency budget policies and procedures, and authorizing statutes Details to program financial offices Review legal constraints on prior year and current year budget execution Learn about contracting procedures, reimbursable & direct procurement, MOU instruments, & inter-agency support agreements
6.	Laws regarding appropriated and other types of funds (i.e., reimbursable accounts, working capital funds, and loan funds) Revolving funds concepts, fee-for-service operations and privatization criteria	X	X	X	Resolve budget issues Conduct sound cost/benefit analysis Generate sufficient revenues to cover costs	<u>Courses:</u> Appropriations law Working capital/revolving fund accounting courses <u>Work experience:</u> Research appropriations case law Rotation to working capital function
7.	Budget formulation, presentation and execution concepts and processes Current program and budget issues and state-of-the-art developments in the budget field Key agency program policy and program performance issues		X	X	Relate financial information to program policy objectives and performance results of the agency Explain importance and impact of specific budget issues to high-level program officials	<u>Courses</u> Public administration Government operations <u>Work Experience:</u> Rotational assignments to program offices Study agency performance plans, strategic plans, annual financial statements, and accountability reports.
8.	The Federal budget preparation process as it applies to the agency		X	X	Prepare budget narratives and exhibits for inclusion in OMB, Congressional budgets, and annual performance plan	<u>Courses:</u> Federal budget process Budget formulation

Core Competencies for Budget Analysts in the Federal Government

Core Competencies (Knowledge of, Ability to Use, or Skill in Using):		Levels			Learning Objectives	Developmental Activities
		1	2	3		
					Brief Congressional staffers on budget request Defend/support budget before OMB staff, and Congressional appropriations and oversight committees	Budget estimating techniques Writing effective budget justifications Budget presentation and justification Budget execution Internal policies and procedures Rhetoric Creative thinking <u>Work experience:</u> Budget examiner Detail to OMB
9.	The Congressional budget and appropriations process	X	X	X	Provide advice on potential Congressional reactions to proposed agency budgets Determine possible course of Agency action in response to Congressional action.	<u>Courses:</u> Congressional appropriation and budget process <u>Work Experience:</u> Review and analyze oversight committee reports; learn Congressional oversight committee procedures (House, Senate, & Conference), budget resolution process, authorization/appropriation relationship Learn role of OMB.
Budget Presentation and Justification						
10.	Basic missions, functions and organizational structure of the agency and its offices	X	X	X	Prepare budget narratives to OMB and Congress Review specific program objectives for adequacy of funding	<u>Work experience:</u> Assist clients to prepare performance goals and measures and monitor progress Rotational assignments and details Site visits
11.	The impact that agencies such as OMB and OPM, and GSA, have on agency operations	X	X	X	Prepare budget narratives to OMB and Congress Review specific program objectives for adequacy of funding	Direct contact with OMB, OPM and GSA counterparts
12	Assigned program/account areas	X	X	X	Prepare budget narrative to OMB and Congress Review specific program objectives for adequacy of funding	Visit facilities (production, test, labs, etc.) with program managers

Core Competencies for Budget Analysts in the Federal Government

Core Competencies (Knowledge of, Ability to Use, or Skill in Using):		Levels			Learning Objectives	Developmental Activities
		1	2	3		
13.	Public laws, executive orders, OMB circulars and bulletins, and agency directives which govern the budget process for assigned program areas	X	X	X	Prepare President's appendix and technical budget exhibits in order to reflect agency's policy and financial situation consistent with information from agency's accounting system	<p><u>Courses:</u> Appropriations law Budget formulation</p> <p><u>Work experience:</u> Learn agency financial management policies and regulations Research, analyze and interpret financial data</p>
14.	Sufficient knowledge and ability to interpret and apply statutes, regulations, Comptroller General Decisions, court opinions, and specific Congressional mandates included in the agency's authorizing legislation, appropriation acts, and Committee reports		X	X	Advise agency official on budget policy and procedures	<p><u>Courses:</u> Appropriations law</p> <p>Work experience</p> <p>Research</p>
15.	Basic techniques of budget, financial and economic analysis Good business practices Sound basis in general analytics	X	X	X	Advise on financial operations of the agency. Prepare budget analyses, including depreciation of program assets, and projections of future year costs Prepare status of funds reports, which estimate year-end spending Prepare budget estimates for program increases Compute and justify inflationary, uncontrollable increases Identify financial issues before they become funding problems	<p><u>Courses:</u> Basic and Federal accounting concepts and principles Economics Internal control. Automated data processing controls (to ensure data integrity) Business administration Quantitative mathematics Statistics Operations research Regression analysis as a forecasting tool Effects of foreign currency fluctuations</p>
General						
16	Ability to integrate the requirements of the Government Performance Results Act into the budget process		X	X	Prepare agency budget based on strategic and performance plans Advise program managers on preparation of performance plans and measures to facilitate agency wide cohesion in budget plans	<p><u>Courses:</u> Strategic planning Performance measures</p> <p>Work experience</p>

Core Competencies for Budget Analysts in the Federal Government

Core Competencies (Knowledge of, Ability to Use, or Skill in Using):		Levels			Learning Objectives	Developmental Activities
		1	2	3		
17.	Mathematics and statistics	X	X	X	Analyze and interpret financial data and trends in assigned programs	<p><u>Courses:</u> Mathematics Statistics</p> <p><u>Work Experience:</u> Master PC software tools for statistical forecasting, trend analysis graphical presentation, exception reporting</p>
18.	Effective oral and written communication skills.	X	X	X	<p>Prepare and present analyses, reports and budget justifications, which are concise and clear to the targeted audience</p> <p>Write and explain budget instructions</p> <p>Conduct and participate in effective meetings</p>	<p><u>Courses:</u> College level English courses, such as English composition, literature, rhetoric, creative writing, etc. Speech Briefing and presentation techniques</p> <p><u>Work Experience:</u> Speaking and writing subject to supervisory mentors Constant attention to ensuring that speech and writing is in plain English</p>
19.	Information Technology	X	X	X	Use computer applications to efficiently extract data from agency financial systems and transform data elements into financial information for analysis and review. Define systems requirements for new software programs or modification to existing programs. Effectively articulate and convey those needs to information technology personnel.	<p><u>Courses:</u> Basic information technology including database management Standard office software (i.e. spreadsheets, graphics, presentations) Agency financial systems and analysis software.</p>
20.	Stress and time management	X	X	X	<p>Use stress and time management techniques to meet tight deadlines</p> <p>Find balance between work, family and recreation</p> <p>Maintain good health habits</p> <p>Maintain team concept</p>	<p><u>Courses:</u> Stress management Time management Setting priorities</p>

Appendix A

Chief Financial Officers Council Statement of Principles for Federal Financial Education and Training

The Federal financial management community must make substantial investments in professional development of its workforce in order to successfully meet requirements for financial services and integrity. Well-designed and delivered education and training programs are critical to developing and maintaining the required level of technical, professional and managerial expertise for Federal financial management.

The following principles apply to planning and evaluating education and training programs for federal financial management.

Quality and Accreditation

Education and training providers should meet the standards for accreditation or certification that are appropriate for their course offerings. Providers should have an on-going process to assess and enhance the relevancy, currency and technical soundness of course content. These assessments should draw from customer as well as internal evaluations. Instructors should be evaluated for their effectiveness in communicating course content.

Core Competency Profiles

Education and training courses should demonstrate, in an affirmative manner, that each course is consistent with the core competency profiles for financial management occupations that have been identified by the CFO Council and published in partnership with the JFMIP. Where appropriate, practical application of course material to the Federal financial management environment should be emphasized.

Delivery

Education and training providers should provide flexible, effective alternative methods of course delivery, including on-site classroom, distance learning, self-study, etc., in order to meet the diverse needs of agencies and students.

Appendix B

Core Competencies Documents Issued for Various Disciplines

Core Competencies in Financial Management for Program Managers in the Federal Government

Core Competencies for Financial System Analysts in the Federal Government

Core Competencies in Financial Management for Information Technology Personnel Implementing Financial Systems in the Federal Government

Core Competencies in Financial Management for Management Analysts and Financial Specialists in the Federal Government

Core Competencies for Accountants

Core Competencies for Budget Analysts

Core Competencies for Financial Managers

Appendix C

List of Abbreviations

CFO	Chief Financial Officer
CFO Act	Chief Financial Officer's Act of 1990
FFMIA	Federal Financial Management Improvement Act of 1996
GPRA	Government Performance and Results Act of 1993
IT	Information Technology
JFMIP	Joint Financial Management Improvement Program
OMB	Office of Management and Budget
OPM	Office of Personnel Management

Appendix D

Contributors to Revisions to Core Competencies for Budget Analysts in the Federal Government

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Appendix E

Generic Individual Development Plan Guide For Fiscal Year

A. Name: _____

B. Date: _____

C. Job Series, Grade and Title: _____

D. Supervisor's Name: _____

(To complete this form, refer to the appropriate Financial Management Core Competencies Document.)

E. Core Competencies/Learning Objectives (Knowledge of, Ability to Use, or Skill in Using)	G. Developmental Activities - Description with Training Priority Essential = A Needed = B Helpful = C	H. Type of Development Activity(ies) C. Course J. On-the-Job Training D. Detail S. Self-Development O. Other (specify)	I. Dates	J. No. Hours	K. Cost	L. Supervisor's Assessment
E1. Name of Core Competency Category(ies):						
F. Competency(ies) to be developed:						
1.						
2.						
3.						

M. Employee's Signature: _____

Date: _____

Supervisor's Signature: _____

Date: _____

Requests for Publications

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<http://www.financenet.gov/financenet/fed/jfmip/jfmip.htm>

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