Professional Practice

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REPORT FROM THE TRENCHES: THE LIFE OF THE APPRENTICE BUDGET ANALYST

Eugene Bardach, Guest Editor

The closest thing we have to a professional niche for policy analysts is the government budget analyst. To be sure, offices of policy analysis or program evaluation or policy planning employ people with public policy or social science training who may think of themselves as "policy analysts." But the issues dealt with in those offices may or may not force the analyst to do the two things, in combination, that most distinguish policy analysis from applied social science: confront tradeoffs and project them into an uncertain future. Any respectable budget shop employs people whose raison d'etre is to do just this.

I asked three current budget analysts employed by highly respected professional budget analysis shops—the Office of the Legislative Analyst of California, the U.S. Office of Management and Budget, and the Office of Management and Budget of New York City—to write about their work. More precisely, I asked them to reflect and write about their work during the period when they were apprentices in their organizations and needing to learn both the ropes and the craft.

One would never confuse apprentice budget analysts with novices preparing for holy orders. Nevertheless, one gets a sense, reading these accounts, that doing the work well amounts to fulfilling what Max Weber termed a "calling."

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GOING UNDERCOVER AS A BUDGET ANALYST

Jennifer Kuhn

I began working as a fiscal and policy analyst for California's Legislative Analyst's Office (LAO) in the summer of 1999, only a couple months after graduating from the University of California, San Diego, with a doctoral degree in political science. Until my fourth year of graduate school, I had not contemplated working outside of academia and I certainly never had contemplated working within the governmental realm as a budget analyst or any other kind of practitioner. Indeed, up until that point, I was convinced I had been tailor-made for academic life. I was inquisitive, though bookish and painstakingly methodical—content with taking as much time as needed to excavate answers using well-endowed libraries, powerful computers, state-of-the-art software, and advanced statistical techniques. Despite my predisposition, I ended graduate school exhausted and eager for some kind of respite. Thus, I packed up my academic knowledge of legislatures and, feeling a bit like a journalist working undercover, became a budget analyst for the California Legislature.

I provide this elongated introduction only because I think it reveals how initially ill-prepared I was for the realities of state budget-making and provides some context for understanding the types of challenges I confronted as a new budget analyst. These challenges included: (1) learning the language of public finance, (2) understanding my clients and building relationships with them, (3) adapting to the budgetary process, and, most formidable, (4) living with the outcomes of this process.

LEARNING THE LANGUAGE

Learning the language of one's profession obviously is a gateway requirement for effectiveness. Many people hired by the LAO arrive already fluent in the language of public finance, having learned it during their graduate programs in public policy or economics. My political science jargon, however, proved rather inapplicable, so my first challenge simply was to learn the basics of public finance. When I arrived at the office, I actually never had seen a budget act, read a budget change proposal, run a cost estimate, or prepared a fiscal forecast. I never had pondered the merits of using the marginal cost rather than the average cost or the Consumer Price Index rather than the State and Local Deflator. I never had lost a night's sleep over distribution formulas, equalization, revenue limits, constitutional minimum funding guarantees, or statutory growth factors. Terms such as prehearings, *May Revise,* control sections, pinks and blues, reconciliation, and the Big Five all were new to me, and I was bombarded with a seemingly endless array of acronyms applied to everything from agencies and programs to civil service positions and fund sources.

UNDERSTANDING AND ACCESSING MY CLIENTS

Learning the language of public finance was easy compared to the challenges I faced in understanding my clients—the members and staff of both parties and both

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houses of the Legislature. Two particular challenges for me have been to understand my clients' mindset—a mindset rooted in ideology and reflected in localism—and to develop meaningful relationships with them.

Dislodging Deeply Entrenched Assumptions

One major challenge I confronted immediately upon beginning work for the Legislature was its predominantly ideological mindset. Indeed, I was not on the job long before I detected some notable differences between the mindset and modus operandi of scholars and legislators. Compared to the scholar's extensive literature reviews, meticulously constructed theories, complex methodologies, and original findings, a legislator's mental methodology is much more condensed and tends to leap quite effortlessly from firmly held core beliefs to firmly held policy convictions. Dislodging these convictions from legislators is neither an easy nor a speedy task, yet doing so is one of the most important assignments a budget analyst undertakes. A successful budget analyst must be able to compile relevant data and present them in such compelling fashion that legislators and their staff will rethink their policy preferences and consider new policy solutions and/or reconsider previously discounted policy options. This requires a rather specialized skill set that drives budget analysts continually to refine their research, communication, and marketing abilities.

Seeing Through Local Lens

A second major challenge was to reprogram myself to see issues as my clients see them. Again, I needed only a short time to discover that the parochialism often disparaged in the annals of political science was, in the legislative world, proudly hailed as local representation. Although seeing the world through local lens is a critical aspect of a legislator's job, I often find I have become so engaged in the analytical aspects of some issue that I entirely have forgotten to consider the local impact of my recommendations. After four years, my supervisor remains astonished at the extent of my political naiveté. Although I can remember an analysis I did several years ago that showed a merit-salary program did not discriminate against female faculty members, I have yet to remember who represents Madera, Mendocino, and Murrieta. (I actually have an inexcusably difficult time even remembering who represents Marin and Malibu.) Another illustrative example of my political naiveté was an experience I had during one of my first budget hearings. During this hearing, I recommended against the expansion of a small off-campus college center, which happened to be located in the district of one of the committee's members. Although I attempted to plead with all my carefully honed reason about the overwhelming lack of justification for the new center, I was simply and quickly dismissed as an overly eager new analyst who obviously had very little inkling as to how the budget process worked. I still remember being stunned that my claims, which I believed to be so indisputably valid, could be so completely disregarded.

Establishing Relationships

Although understanding and operating within the legislative mindset have been major challenges, another related challenge for me has been to establish meaningful relationships with members and their staff. I, like all nonpartisan budget analysts, essentially had to find a way to graft myself into the budget process.

Although part of the grafting happens automatically due to the institutional role and history of the LAO, new analysts still need to demonstrate that they are skilled, helpful, nonpartisan, independent, accurate, and fair both in addressing budget issues and in identifying feasible budget solutions. Only after budget analysts have established this reputation and cultivated these relationships will staffers and members seek their assistance and rely on their knowledge and expertise.

ADAPTING TO THE PROCESS

In addition to the challenge of understanding my clients, I initially found myself unfamiliar (and even slightly resistant) to almost every aspect of the budget process—particularly its hectic pace, erratic schedule, high-stakes and combative nature, and limited research tools.

Fast Paced

Although the pace of academic life seemed to me intense, the pace of the budget process is even more rapid and frenzied. Once the governor introduces the budget bill on January 10, our office only has about a month to scrutinize its 600-some pages, research the validity of specific budget proposals, devise recommendations for improving the most dubious of these proposals, and submit our findings clearly and succinctly to the Legislature. During the subsequent months of subcommittee and conference committee deliberations, the pace of our work slows only slightly. During this season, we often have only a couple hours to research a member's information request, compile a list of cut options, construct budget bill language to ensure proper oversight of an appropriation, or develop a conference package. Even during our most leisurely period (the fall months when the Legislature is adjourned), we typically have only a few months to prepare an in-depth policy analysis.

Erratic

This hectic pace is coupled with an erratic calendar that depends upon coordinating the schedules of many legislators with many obligations. Legislative time is indeed a creature all its own—with standard operating rules that ensure the greatest number of staff will be whiling away the greatest amount of time during the most pivotal periods of the year. For example, each budget season, one or two budget hearings will begin on time—all others will begin between a half-hour and three hours late due to legislators' consuming and often conflicting schedules. Not knowing which hearing(s) will begin on time, this pattern ensures that conscientious budget analysts usually will arrive well before the hour they are needed. Toward the end of the budget season, given the intensity and difficulty inherent in final negotiations, these time-related inefficiencies reach their peak. A conference hearing scheduled to begin on Tuesday at 10:00 a.m., for example, might not convene until Wednesday evening. An after-dinner conference session planned for 8:00 p.m. might not convene until midnight. A conference committee hoping to close out by June 15 might collapse on June 25 when one house unilaterally withdraws from budget negotiations. This certainly is not a process governed by well-structured syllabi with neatly organized schedules designating certain hours for lectures, exams, and office hours.

High Stakes

The fast pace and erratic schedule are themselves accompanied by a high-stakes budgetary environment. California not only has the sixth largest economy in the world, but its state government exerts considerable influence over some major fiscal levers. The result is that the state budget process entails myriad issues that are high stakes and high cost. I do not think I ever will forget the first time I reviewed a $1 billion budget proposal and a more-than-$10 billion proposal—they serve as sort of markers along my career. In reviewing the $1 billion proposal, I admittedly was nervous—particularly when I contemplated just how many people across the state would be affected by the proposal, our response to it, and the Legislature's ultimate action regarding it. On more than one occasion, I also have had to wrestle with the inner turmoil ignited by an agency's angry accusation that one of my recommendations would spark chaos across the state and cause many people much harm. Fortunately, these types of anxieties have become less gnawing as I have become more acclimated to the high-stakes nature of the job—so much so that I now sleep quite peacefully and rarely suffer from nightmares involving agencies that execute some brutal and terrifying vengeance against me.

Combative

For a nonpartisan budget analyst, even more challenging than the high stakes is the combative nature of California's budget process. Indeed, much of my initial legislative training entailed developing forensic survival skills. As a nonpartisan budget analyst entrusted with assessing programs' cost-effectiveness, I am required almost daily to ask pointed questions about the value of specific programs. These programs, however, tend to be treasured by many proponents, protected by others on a quid pro quo basis, and deemed by the minority party as too insignificant to warrant the tactical tapping of its political capital. Thus, I, like other budget analysts, typically speak as a lone voice against seemingly countless advocates who are prepared to battle strategically and tirelessly to maintain their hard-won policy victories.

Constrained by Data Limitations

Of all the challenges involved in adapting to the budget process, I think my greatest challenge has been coming to terms with the inherent limitations of the budget analyst's investigative tools. Because few external or objective data sources tend to be available, by necessity, I typically must obtain data from the same agencies that know I will use that data to assess their performance. This dependency is exacerbated by agencies' tendency to guard vigilantly any information generated by the field. In my early days at the LAO, for example, I tried to obtain information from specific college campuses without funneling the request through the system's central office. Seemingly automatically, my requests were rerouted through the central office. This central-command approach to information dissemination is coupled with agencies' widespread suspicion that budget analysts are likely to be needlessly intrusive, overly critical, and dangerously revolutionary. The result of all these forces is that only sometimes do I obtain answers to my questions with sufficient detail provided and within the time period specified. Other times, agencies' answers are incomplete and/or late or they just never materialize.

LIVING WITH THE OUTCOMES

Of all the challenges I have faced as a new budget analyst, the most difficult, without rival, has been living with the outcomes of the budget process. Working at the LAO places analysts close enough to the action to make some difference in the budget process, but it also places us close enough to experience the frustration that often accompanies political processes. Like most institutional staff, I tend to end a budget cycle wishing I could have done more to promote wise decision making—wishing I could have communicated more clearly, offered data that were more compelling, presented my arguments more persuasively, devoted more time to informing more staff of the consequences of current policies. Although a bit simpleminded and idealistic, I tend to think that if I had just done something differently, at least some of the outcomes might be better. Indeed, it is a hard reality to come to terms with many of these outcomes—to realize that despite the efforts of staff and specialists, earmarked projects remain, some basic needs are foregone, and funds designated for one currently popular program might have been dedicated to a much more effective though less high-profile program.

Despite some of this sounding a bit sour, I am extremely and genuinely grateful for my experience as a budget analyst. These challenges are largely what attract me to my job. They keep the work exciting and engaging, and they stretch and stimulate me. More importantly, these challenges constantly remind me that the budget process, and the democratic process more generally, needs servants who care enough about their world and each other to become involved in its machinery—even if the machinery revolves much less smoothly than we want and produces outcomes that can be disillusioning. Although I actually have little hope in the process itself to promote life, liberty, and prosperity, I have tremendous hope in the potential of certain dedicated people to influence California in powerful and positive ways. Indeed, the greatest privilege of my job has been to connect with these people—people who not only dedicate their professional lives to improving California generally but who give generously of their time and skills to train people like me. I count myself very fortunate that I can work with them in preserving and promoting good public policy.

This article reflects solely the view of the author and not the Legislative Analyst's Office.

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NEW YORK, NEW YORK: LESSONS LEARNED FROM THE BIGGEST LOCAL GOVERNMENT

David J. Levy

I left the New York City Mayor's Office of Management and Budget (OMB) a few weeks ago. Prior to my OMB experience, I had attended the University of Michigan and graduated with a Master's in Public Policy. This was my first job out of school and, aside from knowing a lot about Manhattan, I had little knowledge of the size and complexity of New York City's government.

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In the past two-and-a-half years I learned an immeasurable amount and had an extremely rewarding experience. That being said, it was tough to see the forest for the trees for many of the days I was at OMB. There were times I literally was lost in the bureaucracy, times I didn't have a clue how to approach a specific initiative, and times when a lot hard work went for naught. Did I help accomplish a lot? Yes. But I was learning as I was doing. In this essay I describe four of the most important lessons I learned—and in some ways am still learning. But first some background on the government of New York City.

By charter, New York City must balance its budget every year and the City Council must pass a budget plan for the next fiscal year that will match expenses against anticipated revenues. This plan must be updated and re-forecasted every quarter based on new revenue numbers and potential expenses that may require additional appropriations. Because of New York City's budget problems in the 1970s, balancing the budget is always an extremely high priority. New York City must subject itself to a rigorous audit of all revenues, expenses, and debt service payments at the end of each fiscal year. Under this audit, New York City, with a budget of roughly $44 billion per year, must come to within $5 million of a balanced budget or be subjected to oversight jurisdiction for the next fiscal year. This oversight, known as the Financial Control Board—the ultimate oversight agency that contains powers usurping the Mayor's—can eliminate union contracts, cancel expenses, and do whatever else is necessary to bring New York City's budget back into balance.

LESSON ONE: A JOB IS A JOB

I value government immeasurably. I think a lot about the public good and how well taxes go toward paying for the services a society says it needs. Two months prior to the start of my work in New York City, I was listening to then-Governor John Engler of Michigan give the commencement speech at my graduation. He talked at length about the value of public service and the respect one should have for the offices we would hold. Would we make the most money? No—but we would do the most good.

My first shock on the job was that OMB, within the Office of the Mayor, was employment for a few hundred people. For many of these few hundred people, this was just a job to pay the bills. At first, working in that environment was terribly challenging. Why wasn't my memo being turned around in a day? Why was my boss making every weekend a long one at his vacation house? For anyone that has reviewed the civil service contracts for the City of New York recently, it's pretty easy to tell that there are not too many incentives for hard work.

This had a major effect on how I analyzed and reviewed policies. Questioning assumptions, submissions, and so on, in terms of asking someone to "do the right thing," was not possible. Asking someone to go the extra mile was not possible a lot of the time. Sure, this program would cost millions more, but it would give the person running it a job to keep. To do the right thing, I learned that it takes a lot of energy to get something accomplished, and only someone with a lot of energy can make things happen.

LESSON TWO: ROOKIE OF THE YEAR IS STILL THE WORST OF THE SOPHOMORES

In my first year, I reviewed the following programs for New York City: water and sewer operational costs, capital construction costs for waste water treatment plant upgrades, FEMA 9-1-1 recovery costs, construction costs for sewer repair facilities, reservoir dam reconstruction costs, and policies for the most fair water rate increases, to name a few. And in all this, if someone were to ask me what I learned in my rookie year the answer would be, "Not a whole lot." I had nothing to which I could compare my first-year experiences.

Anyone working in budgets would agree that until one has completed the cycle, one really hasn't understood how to be effective in the budget office. And for our government, like most governments, the budget cycle is one year long.

In my second year, I accomplished much more. I returned capital construction funding requests because the costs were too high. I was able to fund millions of dollars in new needs through self-funding initiatives, not raising the burden on the citizen by a cent for those initiatives. I was a much better public servant.

From initial proposals to City Council adoption, the budget for the next fiscal year requires half of the previous fiscal year's time. Prior to and during that time, a budget official still faces the following demands:

- *Approving capital projects.* Effective reviews and analysis are not enough. You must also ensure that your boss and whoever else needs to sign the approval does so in a timely fashion. In New York City, some capital projects can wait several months before funds are released and the work can begin.
- *Monitoring expense budgets.* Is too much overtime being used? Why is the contract budget being under-spent? How is the following law just passed going to affect the budget for the following agency?
- *Approving hires, approving salaries, and making sure that all of the signatures necessary for a hire occur quickly.* Slow work would ensure the city loses out on good talent that will then go elsewhere for employment.

In short, no matter how effective I was in my first year, every day was a new day.

This had a lot of implications. For one, there was no time to reflect on what I had just accomplished. The queue of new tasks was always growing. These ranged from negotiating a new-need request from an agency for next year's budget, to reviewing a contract. For a good portion of the year, these activities overlapped during the same time period of also working with City Council on passing the budget. This alone required a significant amount of time. How would spending that much time with City Council and their staff then affect how much time my supervisors would have to review my work? Also, how would spending so much time with City Council affect my relationship with my contacts at the agency who were pressing me for approval on their submission? Would they be upset I was not being as attentive?

Therefore, the first day I could say I knew what to expect was day one of year two.

LESSON THREE: ELECTRICAL ENGINEERING WAS NOT AN ELECTIVE AT THE FORD SCHOOL OF PUBLIC POLICY

One of the first capital projects I had to review at OMB was a $250 million upgrade of the Tallman Island Wastewater Treatment Plant. How was a 23-year-old supposed to decide whether this proposal was as efficient as possible?

Luckily, I didn't have to make this decision all by myself. OMB is equipped with several service units designed to provide technical expertise on these matters. For large projects, OMB conducts what is known as a Value Engineering Workshop. This involves bringing outside consultants from around the country into a room for a week to review the project in detail and make suggestions for value improvements. Nine times out of ten these improvements are cost-reducers, but they are all done with the understanding that a little extra review could also assist the performance goals of the project.

In these workshops I was able to ask questions, talk with the engineers, and talk with the operations personnel at the agencies. Toward the end of my two years I could even sometimes make suggestions for design improvements. I'm not at all saying I could re-design a de-nitrification tank. But by the end of my OMB tenure, I was able to make recommendations that really assisted better operations. For instance, for one project I recommended that the designers reverse the functions of two floors of giant garage/sewer yard. By moving the manager's office to floor two and the locker rooms to floor one, the workers who would need to hit the showers after a tough day repairing the sewers could keep the filth isolated in a smaller segment of the building—while the managers could have a better view of the entire garage bay from floor two.

Through the assistance of another service unit, I was able to negotiate forgoing a purchase of an Internet server for an agency project. Instead we agreed on a better alternative to use the existing servers and software from New York City's technology agency to create a better, cheaper, and more durable Intranet for its employees.

New York City is extremely fortunate to have these service units within OMB. Outside technical reviews benefited a lot of projects, including many that I analyzed.

LESSON FOUR: I'M NOT A BAD PERSON, BUT TO A LOT OF PEOPLE IN A CITY AGENCY, I'M TARGET NUMBER ONE

I had no idea that at age 23 I was a bean-counter for life, that I was someone who only cared about saving money, that I relished creating bureaucracy, and that I got kicks from micromanagement. Getting personnel to respond to my questions about programs, spending, and so on, was a time-consuming feat at first. After all, there was nothing in their labor contracts stipulating bonuses for timely responses, and certainly nothing stipulating termination if they did not provide them.

Overcoming this virtually predetermined reputation required a lot of patience. More importantly, it required a lot of face time. Attending numerous site visits was the best thing I could do. They provided face time with personnel. When I was on their turf, it meant they had the home-court, so my questioning of their programs was greeted in a more relaxed setting and I was able to receive better-quality answers. I was able to ask not only questions about expenses, but also questions about the general operations of the bureau, facility, program, and on so on. In addition, the observations I had while there also led to better questions, and in that environment, less-threatening questions.

In addition, in all of my site visits, I asked a lot of questions one might classify under "general interest, curiosity." I showed a definite curiosity about what the person was working on and aiming to accomplish. And while I said earlier that many people viewed their jobs as roads to good pensions, everyone likes explaining what they do. And to me, what they do is interesting and rewarding work.

Last, site visits and face time helped when I did need to pick up the phone and get an answer in a hurry. People would recognize who I was, remember me visiting their work, and be more responsive than they would have been otherwise. Also, better rapport makes for more fun work and better co-workers.

THE FIFTH LESSON

Are these the only four lessons that made it work for me? No, they were not. But I look back on these four lessons again and again and how they improved my ability to work harder, be more productive, and become a better public servant. In all of this, I believe the greatest lesson for government to learn is how to retain talented officials, and ensure that these lessons I learned are easier to learn for future employees. The more we can focus on the work that needs to get done, the better the government becomes in providing the necessary public services.

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GAME. SET. BUDGET.

Jennifer M. Forshey

It is like standing at the baseline at center court facing off against an automatic ball machine—it fires red balls, blue balls, and yellow balls. For the most part it fires the balls right at you. Every once in a while, it misfires a ball that you need to chase down. They teach you in your first week, that when you step onto the court, you can let the yellows go by as long as you see where they land, you need to keep a good volley going with the blues, and you need to smack the red ones right out of the court. Your odds of serving are rare, so your best offense is a good defense. They send you to the center court and you think you are prepared and the machine starts firing and it's then that you realize that all the balls are black and white and shades of gray and that you won't be seeing things in color for at least a year

In a 1988 speech delivered to the Office of Management and Budget (OMB) staff, Paul O'Neill, formerly OMB's Deputy Director, said that OMB is "unexplainable to everyone who lives outside the Beltway and misunderstood by nearly everyone who lives inside the Beltway." Predominantly, OMB's mission is to serve the President by overseeing the formulation of the Federal Budget and to ensure its implementation by the Executive Branch agencies. This annual process requires OMB to evaluate the effectiveness of agency programs, policies, and procedures; assess competing funding demands among agencies; and set funding priorities. OMB staff also assist the President in creating and shaping policy; provide high-quality analysis and advice; oversee and coordinate the administration's procurement, financial management, information, and regulatory policies; and, ensure that agency reports, rules, testimony, and proposed legislation are consistent with the President's Budget and with administration policies.

This laundry list of responsibilities is daunting to a new examiner, who—by virtue of the organization—is expected to hit the ground running. However, since the Budget season runs in a cycle, repeated experience allows the examiner to become more adept and more confident with each passing Budget. This report from the trenches is more of a year in the life of the Budget examiner—the skills, the trials, the frustrations, the exaltations, and the pride that comes with serving your government.

I began my tenure at OMB in the summer of 1998 after finishing my graduate degree in Public Policy at the University of Maryland's School of Public Affairs. The majority of OMB's roughly 500-member career staff works in Resource Management

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Offices (RMO) that generally mirror the Executive Branch agencies. I accepted a position in the Health Division's Public Health Branch, which oversees the Department of Health and Human Services (HHS) public health agencies. Over the last six years, my portfolio has included the local and community-based health care programs funded by the Health Resources and Services Administration (HRSA) and the $28 billion biomedical research enterprise, the National Institutes of Health (NIH).

VERIFY AND VALIDATE

The budget season starts in September with the delivery of agency budget justification submissions. However, prior to September, it is the examiner's responsibility to learn all aspects of an issue, including the economic and political realities of his or her agency, its mission, its programs, and its Federal role. In addition, the examiner is responsible for knowing the Administration's priorities and understanding how his or her programs fit into the broader context of the Administration's policy agenda.

Prior to my arrival at OMB, my background in health policy consisted of two graduate-level courses. My first account covered a broad spectrum of health policy issues from large programs like the roughly one-billion-dollar Community Health Center budget to smaller activities like the over 40 different grants that comprise the health professions budgets. There were politically sensitive issues, such as the Family Planning budget, and the surprising issues like the millions we spend to finance research and healthcare provision for those who were quarantined in the mid-twentieth century with Hansen's disease, more commonly known as leprosy.

To quickly come up to speed on these issues, I spent most of August reading and collecting data from agency submissions, professional journals, government reports, think tank publications, and other reputable sources. I also had to become familiar with the governing statutes and regulations. An examiner's ability to read and interpret statute is critical because in addition to serving the presidency, and even *above* serving the presidency, we are sworn to uphold the law.

The sheer volume of resources is overwhelming, as is determining a source's credibility. The examiner relies on econometrics training and statistical analysis to determine the validity of the data as it relates to a program's effectiveness, efficiency, and performance. Successfully combing through this information and data is only the first step, and likely the easiest. The more challenging responsibility is determining budget allocations in the context of competing demands, limited resources, and administration priorities. Therefore, all of this information needs to be organized, filed, and stand readily available when the moment comes to make funding decisions.

ASK GOOD QUESTIONS

While early fall is dedicated to reading and data collection, mid-fall is devoted to asking good questions. Due to the flat hierarchy of OMB and the responsibility that comes from solely managing an agency budget, the budget examiner is often the person asking questions of the agency head about funding priorities and program performance. Finding the middleground between good analysis and professional deference to expertise is challenging, especially when sitting across from those who are considered the leading experts in their field.

Being on the end of both productive and nonproductive relationships, you learn quickly that candor and respect yield helpful information and that adversarial relationships yield nothing and are hard to repair. By its very nature, the examiner's relationship with the agency is adversarial. More often than not, the agency is requesting funding beyond what is available and the examiner is requesting the agency to prioritize its budget request. The ability to craft acceptable compromises or identify new creative paths to resolution is crucial. In turn, being able to accept that your policy objective was abandoned for another more critical objective is essential for survival.

In the past six years, the most positive and fruitful interactions were the result of exhaustive front-end analysis that illustrated that you, the examiner, were aware of the difficult choices confronting your department or agency. Furthermore, mastery of the data makes you less dependent on your agency for answers and puts you in a better negotiating position. Lastly, an examiner must also recognize when an issue is not open for negotiation and be able to convey that message to the agency.

CLEAR, CONCISE, AND CONVINCING

By late fall, the RMOs have crafted budget proposals that will be organized into a comprehensive recommendation for the next fiscal year and presented to the OMB leadership during the Director's Review. Since time is both valuable and short, budget proposals are boiled down to the most important details. Volumes of information need to be crystallized into several bullets. The ability to write clear and concise background information, policy objectives, ramifications, and recommendations is the most important fundamental skill the examiner possesses. If warranted, the broader context for the proposal will be discussed during the review. It is essential for the examiner to confidently and concisely communicate the crux of the issue. Months of work culminate in a two-hour decisionmaking session at which policy objectives are approved, denied, or shelved. As an examiner, this also serves as your one guaranteed moment to work collaboratively with the Administration's leadership. No matter how many years you serve, the professional satisfaction that accompanies the opportunity to communicate directly with a cabinet official never grows stale. Rather, it reinforces the belief that it is both a privilege and an honor to serve the presidency.

SOLO ARTIST TURNS TEAM PLAYER

During the fall budget process, the examiner works independently with the agency but also collaboratively with his or her peers and the larger OMB organization to ensure that the individual pieces of the Budget are coalescing. There is a lot of give-and-take in the policymaking process, which forces the examiner to be flexible. Examiners need to make changes quickly and verify that the changes do not compromise the underlying policy objectives. For example, if the administration has committed to funding a certain level of grants or serving a specified population, it is incumbent upon the examiner to determine whether proposed budget changes will alter policy goals or objectives. The fluidity of the process requires the examiner to maintain his or her objectiveness and remain emotionally detached from their policy issues. Weeks of work can be shelved in a matter of minutes for higher priority issues.

Once final budget decisions are made by the OMB leadership, the agencies receive a Budget passback from OMB detailing funding and management decisions for the next fiscal year. The examiner is responsible for drafting the passback text, which includes the policy decisions and corresponding appropriations language.

Since passback is the first formal communication from OMB to the agencies, the examiner must ensure the passback materials are clear, not open to interpretation, and thorough. Most often, agencies do not agree with the policy and funding decisions and, therefore, choose to appeal the passback. The examiner has to work closely with the agency to understand the nature of the passback appeal and then summarize it for the leadership, who may elect to revise the passback.

Once final budget decisions are made and agreed to, the OMB works as a single unit to prepare the budget database. Government-wide funding decisions are entered into OMB's mainframe computer budget data system. The examiner is responsible for verifying each number entered into the system. Checks-and-balances reports are run nightly so that each morning examiners arrive to find error reports that indicate an account is out of balance or that reimbursements between accounts are not in accord. The examiner plays detective to find each error and correct it. It is the most time-consuming, frustrating, and mechanical part of the job. It is also one of the most important because the database eventually becomes the printed President 's Budget, which is sent to Congress to inaugurate the next fiscal year appropriations season.

BUDGET MARKETING 101

The President's Budget, by law, is released the first Monday in February. Prior to this date, examiners compile background briefing materials that assist the OMB and White House leadership in preparing the defense of the Budget. These materials also serve as resources for the drafting of the President's State of the Union address. Again, the examiner's focus is on clear and concise writing that gets to the heart of the issue and provides a thorough and reasoned response.

Once the President's Budget is sent to Congress, the Appropriations Committees and Subcommittees schedule hearings with the Executive Agencies to discuss the President's proposals. OMB serves as the clearinghouse of the Federal government, and examiners are charged with ensuring that all agency testimony and other policy materials are consistent with the Administration's agenda. OMB examiners attend congressional hearings to ensure the agency's message is clear and to report back the concerns of the congressional representatives. Due to the volume of paper produced by the administration and its agencies, examiners must learn how to triage and prioritize assignments. Examiners also need to know what to listen for and to identify issues that are critically important.

THE "M" IN OMB

Even before the 1993 Government Performance and Results Act, OMB has been at the forefront of budget and performance integration. This includes improving and approving the agency's performance plans and most recently evaluating program performance through the Program Assessment Rating Tool or PART.

Over the last two fiscal years, OMB has reviewed 40 percent of the Federal government's programs with the goal of evaluating all programs by FY 2008. The PART is a tool both developed and implemented by OMB staff that has four primary objectives:

1. *Program Purpose and Design.* Is the program's purpose clear and does it address a specific and existing problem?
2. *Strategic Planning.* Are resources allocated in accord with performance goals and measures?

3. *Program Management*. Are resources allocated for their intended purpose and does the agency collect timely data and performance information?
4. *Program Performance*. Has the program demonstrated progress in achieving its stated annual and long-term performance goals and objectives?

Implementing the PART requires the examiner to draw from the skills previously highlighted. Agencies typically are wary of new tools that will adjudicate their performance and possibly affect funding allocations. Examiners need to work closely with agency contacts to ensure there is a candid discourse and exchange of information. The relevant core skills are listening, asking good questions, compromising, and dedicated diligence.

Establishing professional respect is also critical, especially since as an examiner I am often younger, less credentialed, and less experienced than those with whom I am working. As a nonscientist, one of the most difficult aspects of my job as the NIH budget examiner was to understand the language of science and then to guide the agency to take its scientific objectives and translate them into performance measures. Science, by its very nature, is unpredictable and serendipitous, and, therefore, scientists are hesitant to commit to performance measures, especially if there are budgetary implications. Nonetheless, given the size of the NIH investment, it is the examiner's responsibility on behalf of the taxpayer to ensure the agency can translate its investment into goals, measures, and outcomes that enable taxpayers to see their return on the NIH investment.

FIRST AND FOREMOST: OBJECTIVITY

In the final months of the Clinton administration, the January 2001 Baseline Volume was prepared, with the knowledge that the succeeding President would take office and put his own stamp on the Budget. The time between the election and the Budget submission was going to be tight—and proved to be even tighter.

While serving one leadership, the entire organization prepares for its successor. It was incumbent on the examiner to become fully informed on the policy platforms of both candidates, which meant following the press, reading the policy papers, and listening to the candidates. The transition months from Clinton to Bush were the most dramatic, demanding, and inspiring I have spent working for OMB. A transition team was brought in to begin work on the first Bush Budget so that it would reflect his campaign platforms and promises. Examiners, while trying to engender the trust of their new leadership, also had to evaluate and provide OMB cost estimates for their policy proposals. A substantial effort is made to develop a symbiotic and trusting relationship while still providing objective analyses and constructive critiques.

READY TO PLAY

After almost seven years at OMB, I am no longer considered an apprentice, but a veteran, since the demands of the job result in higher-than-average turnover. When recruiting new examiners, we are careful to add that the learning curve is gradual and that true effectiveness comes only after substantial practice. The rewards, however, are worth the sacrifice. By way of example, OMB examiners have recently accomplished the following:

- Served on the transition planning team that established and designed the Department of Homeland Security;
- Drafted the Administration's proposed legislation authorizing the new "Millennium Challenge Account" foreign aid program;
- Developed the 2004 Wartime Supplemental for the reconstruction of Iraq and Afghanistan;
- Worked to enact the Medicare prescription drug and reform legislation, ensuring the legislation reflected the President's Principles for Medicare Reform; and
- Implemented the President's Management Agenda, including assessing the effectiveness of 40 percent of government programs.

Accomplishments such as these are the moments when examiners smack the red balls—those important policy initiatives or objectives—out of the court. Going to the baseline and preparing for the next service is not as daunting after you have experienced success. But no matter how prepared you try to be, you will always be standing on your toes.

This article reflects solely the personal view of the author and not the OMB nor the administration.

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