


NATIONAL CENTER ON
Early Childhood
National Centers

Program Management and Fiscal Operations





Bridging the Gap between Fiscal and Program Operations

— It's All About Communication

Objectives

- Understand the importance of communication
- Review relationships between fiscal and program staff
 - Discuss steps to improve budget planning
 - Examine key elements of budget development





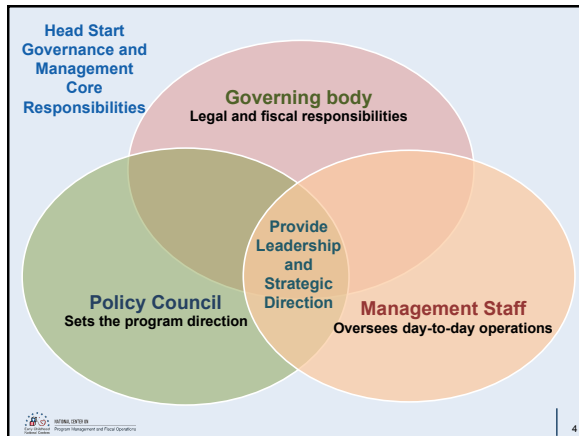
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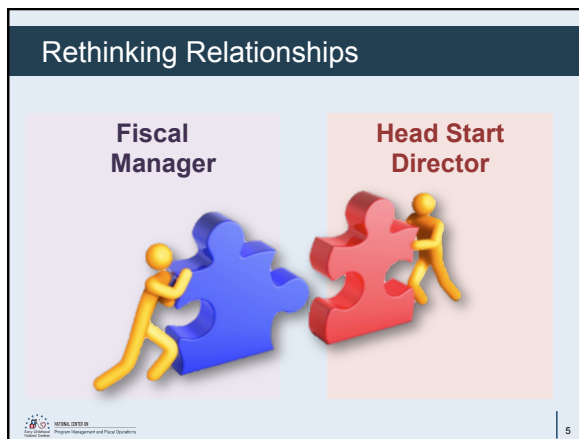
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2

It's All About Communication







IN the silos...

Fiscal and program staff:

- Function separately
- Don't consider planning or budgeting a collaborative event
- Use regulation and jargon-laden language
- Attend trainings separately
- May view each other as obstacles — "Dr. NO!"

6

OUT of the silos...



Fiscal and program staff:

- Work together to plan and budget, including non-federal match
- Promote understanding through precise language
- Support each other's learning
- Jointly make financial decisions
- Respect each other as resources – "Dr. KNOW!"

Consider the following



How does your program build relationships between fiscal and program staff?

What is a budget?

A budget is a:

"Numerical expression of an organization's dreams that serves as a guide or measure of acceptable financial performance."


– Financial Management for Non-Profit Organizations



Budget Period

The interval of time, into which a multi-year period of assistance (project period) is divided for budgetary and funding purposes.



— Head Start Program Performance Standards
Part 1305.2 Definitions



10

Budget Planning

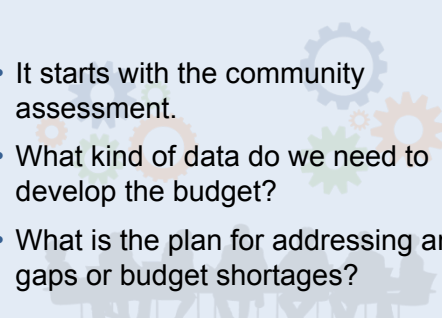

- Who to include? (staff, governing body, Policy Council, stakeholders)
- Determine timelines and deadlines
- Schedule budget meeting(s)
- Define expectations and responsibilities

11


The Importance of Data in Budget Planning

- It starts with the community assessment.
- What kind of data do we need to develop the budget?
- What is the plan for addressing any gaps or budget shortages?





12

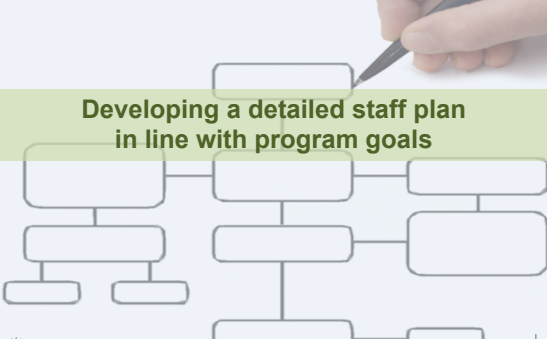
Data-Informed Budgeting




- Analyze historical expense data
- Project changes, increases, and additions
- Align with program goals


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13

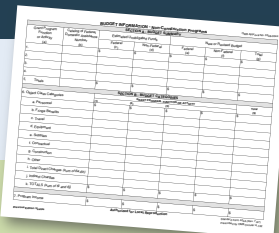
Staffing Plan Is Key Element to the Budget



**Developing a detailed staff plan
in line with program goals**



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14

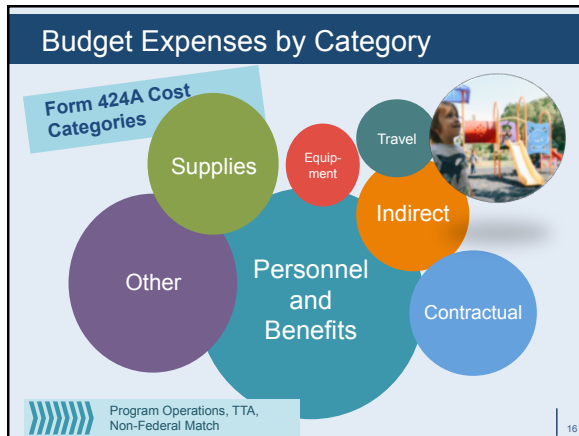
Budget Form 424A

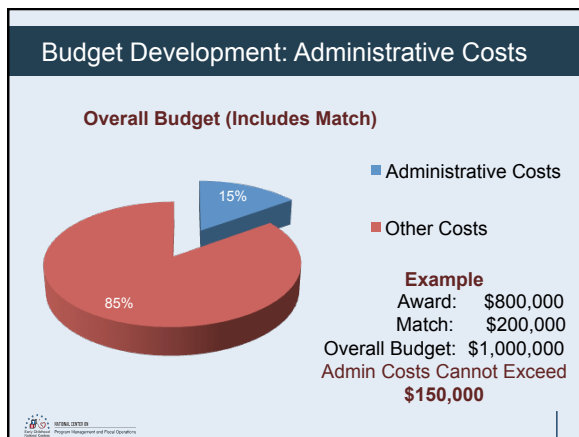


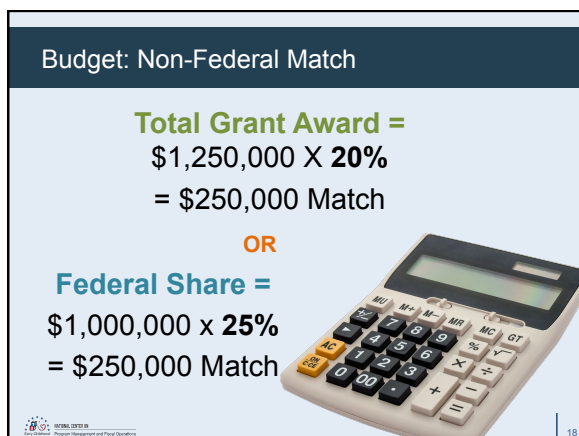
Complete this form in its entirety, giving special attention to the following:

- ❖ **Section A** - columns a, b, e, f, g
- ❖ **Section B** - columns 1 (Federal), 2 (Non-Federal), and 5 (Total)


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15

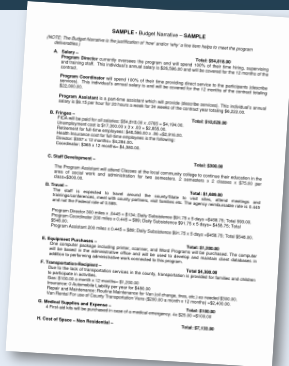






Budget Development: Narrative

Budget narrative is the justification of "how" and "why" a line item helps to meet the program deliverables.



Grant Budget and the Operating Budget

- a. Personnel
- b. Fringe Benefits
- c. Travel
- d. Equipment
- e. Supplies
- f. Contractual
- g. Construction
- h. Other
- i. Total Direct Charges (sum of 6a-6h)
- j. Indirect Charges
- k. TOTALS

Position	RIVER Cost for Program Operations	RIVER Cost for Training and Technical Assistance	Non-Federal Share (cash and in-kind)
6. SUPPLIES (Other Class 6e)			
1. Office Supplies			
2. Child and Family Services Supplies			
3. Food Services Supplies			
4. Other Supplies			
TOTAL SUPPLIES (6e)			
7. CONTRACTUAL (Other Class 7d)			
1. Administrative Services (e.g., Legal, Accounting)			
2. Health/Child Welfare Services			
3. Food Services			
4. Child Transportation Services			
5. Training & Technical Assistance			
6. Family Child Care			
7. Delegate Agency Costs			
8. Other Contracts			
TOTAL CONTRACTUAL (7d)			

TIME FOR REVIEW



Multiple levels of budget review:

- Fiscal staff
- Program staff
- Management staff
- Finance committee
- Governing body/ Policy Council approval



