

DO's and DON'Ts

Financial Management for Newly Elected Officials

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- **DO** take the time to receive a monthly budget briefing. How are revenue collections doing against the projections, and are expenditures within predicted levels? If not, then what is being done about it?
- **DO** have your chief financial officer or Director of Finance brief you on the Comprehensive Annual Financial Report (CAFR) for the most recent fiscal year. This document is often referred to as the audit and reports on the financial status of the organization. You need to be aware of what is being reported, what the fund balances are, and what they mean.
- **DO** ask for and receive a monthly briefing on your government's investments. You should understand the investment vehicles the Finance Department is using; what the expected return is, and what the inherent risk is for each type of investment. Does your government have an investment policy and is it being followed?
- **DO** consult the series of booklets published by the GFOA for elected officials. The Government Financial Officers of American and Canada (GFOA) is the professional organization of governmental financial officers. They publish a series of booklets on financial issues that are designed to give you a broad overview on financial issues of interest to elected officials. The booklets are available at www.gfoa.org. Your Director of Finance is probably a member and can order these books at a reduced price. A recent publication is the: Elected Officials Guide to OPEB.
- **DON'T** be afraid to ask questions about things that you do not understand. The only dumb question is the one that you do not ask!