

2. The capital budget should be resisted as a completely inappropriate application of business practice to federal financial administration.

3. The lead-off tabulation in the budget document should be a one-page budget summary setting forth the major element comprising total gross expenditures classified by function and total gross revenues classified by source. The effect of the surplus or deficit on the public debt should be clearly brought out together with the total obligational authority proposed to be available for the year, including carry-over authority already available.

4. The budget document should clearly summarize the proposals for that portion of revenues projected in the budget which will require legislation. The estimated revenues under proposed legislation should also be shown.

5. The Administration should continue to seek agreement with the Congress to eliminate nonessential detail from the budget documents. Schedules such as those for personnel compensation could be submitted directly to the Appropriations Committees of the Congress, and this would significantly reduce the bulk of the budget document.

6. Graphic presentations in the budget should be improved by greater reliance on presentations showing comparable information over a period of five or more years. Bar charts would display trends in clearer fashion than the present "pie charts" which are limited to a single year.

7. The format of the budget should be more flexible. Small, relatively routine programs should receive less attention than large complex ones.

8. Every attempt should be made to reduce the size of the *Budget in Brief*, now 64 pages long. This document offers the best opportunity for wide dissemination of budgetary information. Public acceptance and understanding will improve in direct relation to reductions in its size and complexity.

IV. RECOMMENDATIONS FOR FURTHER STUDY

As was requested, our recommendations are limited to matters of budgetary presentation. It became apparent during the Committee's deliberations, however, that desirable changes in the form and presentation of necessary budgetary information depend on fundamental improvements in the budget process. Such improvements are particularly required in the techniques for preparing, reviewing, and authorizing individual government spending programs.

Areas for further study as well as potential accomplishments seems to be indicated in the following:

1. The detailed budget justifications should be strengthened by identification of meaningful workload data and the calculation of unit or program costs. The would provide an improved basis for determining and reviewing appropriation requests for desirable programs.

2. The frequent, almost annual, changes in the concept of what is "in" or "out" of the budget should be replaced by a comprehensive, consistent long-term concept of the budget totals, developed from a firm, logical framework (such as a comprehensive cash budget proposed in this report).

3. The present budget practice reflects only funds to be received and paid during the budget year; but the public should know also the amount of costs related to the current year but not to be expended until future years, as well as the impact on future years of both existing programs and proposed new programs. Efforts to display the long-range consequences of budget policies and programs should be continued and enlarged.

4. A study should be made looking toward the development of a comprehensive concept and statement of federal debt, including holdings by the public, government trust funds, and other government agencies. This should include issues of all federal agencies whether or not they are technically designated as "full faith and credit" obligations.

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