

The use that will be made of the Budget Report is roughly similar for recipients at each level of management. A quick inspection of the variance (amount over or under budget) will highlight problem areas requiring action by the manager and will clearly identify the accountable subordinate manager in each case. By inspecting the actual amounts of expenditures made and expenditures planned against the budget in his Report and in the detailed supporting reports, he can assess the effect of any new spending plans he may have and the progress being made by his various subordinates. The column at the extreme right headed "Firm Commitments" is expected to be completed only in the final four months of the fiscal year. During that period, the manager would want to compare the amount committed to the amount shown as "planned expenditure" in order to evaluate the validity of the spending plan and the danger of lapsing balances.

The accounting records required to produce information in this form will not differ in any major way from those now in use. The details of expenditures made by headquarters divisions will be accumulated by the Computer Division of the Comptroller of the Treasury in the normal course of its invoice processing and cheque issue function. At the end of the quarter, and monthly during the second half, the Division will detail its expenditure plans for the balance of the year and these will be fed into the computer before the Budget Report is printed.

For posts abroad, the mechanical considerations are somewhat more difficult because of the mailing time to and from Ottawa. In order to be useful, the Budget Report must be in the hands of the manager very soon after the close of the period. Moreover, he must immediately analyze any areas of his operation that show significant variance and forward his comments and explanations to his superior. Headquarters divisions will receive their report from the Computer Centre,