

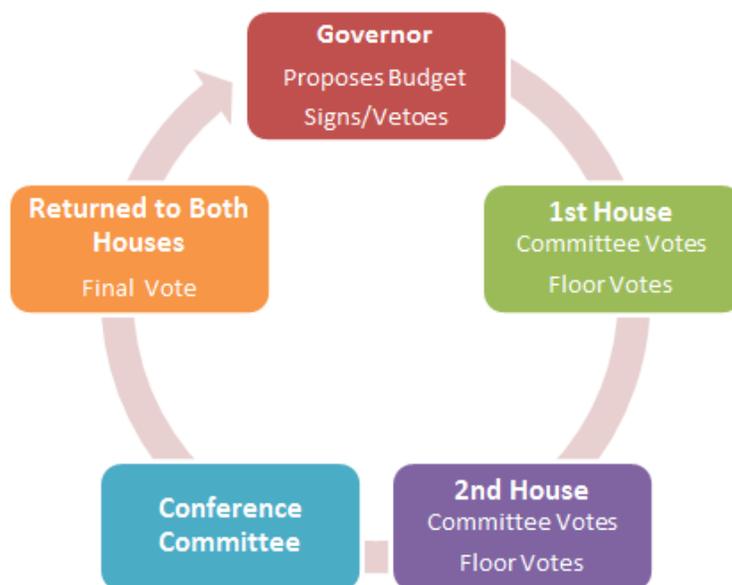
State budget overview: Critical information on priorities and funding for vendors

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As spring progresses, news from most states is centered on legislative actions (some controversial) passed before the annual sine die adjournment of the state legislature. With that backdrop, many state legislatures will approve budgets for the coming fiscal year or biennium. Beyond the headlines about the growth of government and funding cuts to pet projects, or the spin promulgated by lawmakers' press releases and governor budget addresses, vendors can find essential information on state priorities.

A state's budget and how it passed into law is important information for a vendor to have when deciding in which states or localities to compete for business. For most states, the budget process follows the same approval path by the full legislature and the governor's signature. The first step in this process generally comes from the state agencies themselves. In most cases, these agencies report to the governor as part of the executive branch. The agencies conduct their own planning and budgeting process and submit a request to the governor's budget team or office. The governor and his or her team then decide which priorities and funding to include and compile a document of the governor's recommendations for submittal to the state legislature.



At Deltek, we spend quite a bit of time compiling and analyzing the [state governors' recommended budgets](#). The budgets, along with other compiled data, are contained in [Deltek's State Government Profiles](#). The profiles provide essential and in-depth reference and research on state budgets, procurement, and organizational details to assist contractors in building important state buyer relationships and quickly ramping up new government sales professionals.

A governor's proposed budget is by no means the final budget that makes it out of a state legislature, though it provides valuable insight about the executive priorities and the fiscal condition of the state. These documents also provide us with historical expenditure data, which allows for a more in-depth analysis of budget trends and fiscal realities.

Following the governor's lead, the state legislature begins work on their own version of the budget. Sometimes they use the governor's recommendations as a starting point, but this is not always the case in adversarial political environments. Both houses of the legislature (for every state but Nebraska) weigh in on the budget as it goes through the normal process of committee and floor votes, and then conference committees work to reconcile any differences. The legislature submits the budget to the governor and he or she decides to approve it or not.

For vendors, both the governor's proposed budget and the final version are important documents. They can

help to understand both the priorities of an administration and the reality of the political system and/or fiscal climate. Of course, they also offer insight into exactly where state funding is flowing and which departments will be looking for vendor support.

In the coming months, look for the compilation of state budget data, including IT line items and detailed Deltek analysis of this data. In addition, vendors in the architecture, engineering and construction (AEC) space should watch for more budget data specific to state investment in AEC as outlined in state capital budgets.

You can learn more about state budgets in [Deltek's State Government Profiles](#). Not a Deltek subscriber? Click [here](#) to learn more about Deltek's GovWin IQ service and gain access to a [free trial](#).