Exercise

# Budget Baseline

Consider each of the following statements and determine for which of the types of baselines it applies. Mark an X in the column if it applies. The statement may only apply to one type of baseline or it may apply to several.

|  |  |  |  |
| --- | --- | --- | --- |
| Statement | Op Plan | Dept Budget | Project Budget |
| The baseline may be separated into multiple sub-accounts. |  |  |  |
| The baseline is primarily used at the business level. |  |  |  |
| This baseline shows all expenses and investments for a project. |  |  |  |
| This baseline is normally meant to span one fiscal year. |  |  |  |
| The baseline is primarily used at the functional department level. |  |  |  |
| This baseline is used to communicate a plan and track progress towards a financial goal. |  |  |  |
| This baseline is often used with investors. |  |  |  |
| The baseline is primarily used by project managers. |  |  |  |
| This baseline includes expenses and investments that are part of implementing the business strategy and tactics. |  |  |  |
| This baseline is used to help measure the business unit’s management team’s ability to lead the organization. |  |  |  |
| This baseline is often expressed in the form of a Balance Sheet, Earnings Statement and Cash Flow Statement. |  |  |  |
| This baseline shows expenses and investments for only one function or department. |  |  |  |