



# STATE OF INDIANA

**Eric J. Holcomb**  
Governor

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## STATE BUDGET AGENCY

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**Jason D. Dudich**  
Director

DATE: September 1, 2018

TO: All Instrumentalities of State Government

FROM: Jason D. Dudich, Director  
State Budget Agency

SUBJECT: Financial Management Circular System

In 1986, State Budget Agency (SBA) Director Ken Kobe, under the direction of Governor Orr, created the Financial Management Circular (FMC) System to address financial management policies of State government. The practice of issuing FMCs has continued sporadically since then. As authorized under IC 4-3-22 and IC 4-12-1, it is my intention to continue using the FMC system to provide uniform direction to agencies (and other entities governed by state government policies) on the administration of appropriations and financial management issues of general concern.

As noted in Governor Holcomb's Fifth Pillar, there is a clear focus on delivering great government service. The FMC system allows the State Budget Agency to manage our state's finances through these circulars to insure tax dollars are being used responsibly and efficiently by state agencies. The current FMCs that remain in force can be found at <https://www.in.gov/sba/2512.htm>

Periodically, the SBA will review and update FMC's based on changes to state and federal law, policies adopted by the Governor or general updates necessary to keep the circulars up-to-date. We highly encourage state agencies to review the active and current FMCs to insure their practices and policies align with those in the circulars. SBA also welcomes feedback and thoughts on the FMCs and how they can be improved to better serve the agency and the taxpayers of Indiana.

All FMCs will contain the following:

1. A number reflecting the year in which they are signed and the number of the specific circular within that year;
2. An effective date;
3. A general subject;
4. The specific subject;
5. The statutory authority;
6. The application of the circular
7. A detailed explanation of the FMC;
8. The signature of the director and date signed (In cases where authority for management policy is shared by more than one agency, such circulars will be jointly issued and signed).

If you have any questions either about the circulars or about the circular system in general, please feel free to contact any Budget Agency staff member.