

CONTROL FORM FOR DOE/ORO DIRECTIVE

PART A (To be completed by the ORO DIRECTIVES MANAGEMENT GROUP, AD-440):

1. DIRECTIVE NUMBER, TITLE, AND DATE:

ORO O 130, CHAPTER I, CHANGE 4, BUDGET FORMULATION, dated 08/13/2007

2. PURPOSE OF TRANSMITTAL: ___ New Directive Revised Directive ___ Revised Control Form

3. DOES THIS DIRECTIVE CANCEL OR EXTEND ANY OTHER DIRECTIVES? Yes ___ No
If "Yes," list what action (cancel or extend) and list the Directive(s) number(s), title(s), and date(s):

This Directive cancels and replaces ORO O 130, Chapter I, Change 3, BUDGET FORMULATION, dated 08/03/2005.

The attached Directive is forwarded for review and action. Complete Part B and forward a completed hard copy of this form to ORO DMG, AD-440, by **08/27/2007**.

PART B (To be completed by the DIVISION OF PRIMARY INTEREST [DPI]):

COMPLETE FOR DOE DIRECTIVES ONLY:

4. SUPPLEMENTAL ORO DIRECTIVE REQUIRED?

Is a new or revised supplemental ORO Directive required? ___ Yes ___ No

If "Yes," target date for submission of supplemental ORO Directive is _____.

COMPLETE FOR BOTH DOE AND ORO DIRECTIVES:

5. CONTRACTOR APPLICABILITY.

Does this Directive affect the work performed by ORO Contractors? ___ Yes No

If "Yes," whom? ___ Bechtel Jacobs Company LLC ___ ORAU

___ UT-Battelle, LLC ___ ISOTEK (Bldg. 3019, ORNL)

___ Foster Wheeler (FWENC)

___ Other Contractors (list by name)

6. SUBJECT MATTER EXPERT: Steven W. Morrell Planning and Budget Div., FM-72
Name Organization

Original Signed By Steven Morrell for

7. APPROVED BY: Jenifer Hackett, Dir. Planning and Budget Div., FM-72 08/14/2007
Signature Organization Date

PART C (To be completed by the ORO DIRECTIVES MANAGEMENT GROUP, AD-440):

APPROVED FOR DISTRIBUTION IN ACCORDANCE WITH OFFICIAL DIRECTIVE DISTRIBUTION LIST:

Original Signed By
Wayne H. Albaugh 08/14/2007
DMG Team Leader, AD-440 Date

INSTRUCTIONS TO ADDRESSEES: THIS FORM IS TO BE FILED WITH THE DIRECTIVE AND RETAINED. (Revised 02/10/2006)

U.S. Department of Energy

Oak Ridge Office

ORO O 130
Chapter I
Change 4

DATE: 08/13/2007

SUBJECT: BUDGET FORMULATION

1. PURPOSE. This Chapter correlates to DOE O 130.1, BUDGET FORMULATION, dated September 29, 1995, by assigning responsibility and accountability and providing administrative and/or contractual guidance to Oak Ridge Office (ORO). Nothing in this issuance changes any requirements contained in any Department of Energy (DOE) Directive.
2. CANCELLATION. This Chapter cancels and replaces ORO O 130, Chapter I, Change 3, BUDGET FORMULATION, dated August 3, 2005.
3. APPLICABILITY. The provisions of this Chapter apply to ORO Principal Staff. Although the Contractor Requirements Document (CRD) attached to DOE O 130.1 is applicable to contractors to the extent set forth in their contract, no additional requirements intended for contractors are imposed in this Chapter.
4. RESPONSIBILITIES.
 - a. Assistant Managers provide global insight and oversight for the budget formulation process including setting priorities and directing the paths forward.
 - b. Program Managers provide the more specific, programmatic guidance used to facilitate the completion of the missions established by ORO Senior Management.
 - c. Director, Planning and Budget Division.
 - (1) Oversees and directs ORO's annual budget formulation process.
 - (2) Develops and issues budget requirements and guidance through budget calls and other formal or supplemental requests.
 - (3) Develops, issues, and maintains the ORO Budget Formulation Handbook, published annually and revised as necessary.
 - (4) Designates a central point-of-contact with the DOE Headquarters (HQ) Office of Budget to follow the budget formulation process and its effects on ORO.
 - (5) Designates a principal point-of-contact for the budget formulation process.

- (6) Oversees automated system development and deployment used to collect budget data.
 - (7) Coordinates with the ORO Human Resources Division to ensure that full time equivalent guidance is appropriately integrated into the budget formulation process.
 - (8) Reviews budgets to ensure compliance with guidance and reporting requirements issued in the applicable budget calls, General Assumptions, and Budget Formulation Handbook.
 - (9) Notifies and provides the Office of Budget with any requests for budget data received directly from DOE HQ elements not contained or referenced in the field budget call nor contained in supplementary field budget guidance issued by the Chief Financial Officer (CFO). Such notification is essential in determining whether the direct request is duplicative of or adversely impacts the Department's field budget process.
- d. Financial Evaluation and Accountability Division conducts budget validation reviews to ensure that the data provided to DOE HQ organizations for use in developing budgets has been reviewed and is deemed reasonable. Provides appropriate documentation to DOE HQ, reporting any relevant findings and actions to address such findings.

5. REQUIREMENTS AND PROCEDURES.

- a. Field Offices are normally required to submit an annual budget request to the DOE CFO by April 15 of each year. Guidance is provided to the contractors in the form of a Contractor Budget Call, which includes the ORO General Assumptions, the ORO Budget Formulation Handbook, and the site-specific program guidance. These documents are provided to the contractors in late November, with subsequent updates providing the DOE HQ guidance as received.
- b. The schedule for each year's budget formulation is normally consistent from 1 year to the next. An example of that schedule is:

Issuance of Contractor Budget Calls	November 20XX
Receipt of Contractor's Budgets	January 20XX+1
ORO Internal Review	February-March 20XX+1
ORO Budget to DOE HQ	March 15, 20XX+1
Department's Internal Review & Preparation of OMB Budget	May-September 20XX+1
DOE Budget Submission to OMB	September 20XX+1
OMB Review of DOE Budgets	October 20XX+1-January 20XX+2
President's Budget Message/Package to Congress	February 20XX+2
Congressional Budget Review	March-September 20XX+2
Passage of Appropriations Bill or Continuing Resolution	No later than October 1, 20XX+2

6. REFERENCES.

- a. DOE Budget Formulation Handbook, issued annually, which provides consolidated instructions for all programs and outlines all budget requirements.
- b. Office of Management and Budget (OMB) Circular A-11, "Preparation and Submission of Budget Estimates."

- c. Supplemental guidance issued by the DOE HQ CFO.
 - d. ORO Budget Formulation Handbook, issued annually and revised as necessary, which provides ORO's interpretation of the DOE Budget Formulation Handbook and provides instructions on how to submit and present the data for each required element.
 - e. ORO General Assumptions, issued annually and revised as necessary, which provides broad assumptions regarding items that are pertinent to all programs.
 - f. ORO Contractor Budget Calls, issued annually, which provides site-specific guidance to management and operating and management and integration contractors, and other contractors as applicable.
7. DEFINITIONS. None.
8. CONTRACTOR REQUIREMENTS DOCUMENT. None.
9. ATTACHMENTS. None.