

DIRECTIVES CONTROL FORM - ORO O FINAL DIRECTIVE

PART A (To be completed by the Division of Primary Interest (DPI))

1. **NUMBER AND TITLE OF DIRECTIVE:** **ORO O 130, Chapter I, BUDGET FORMULATION**

2. **PURPOSE OF TRANSMITTAL:** New Directive Revised Directive Page Change

3. **THIS DOCUMENT MAY AFFECT THE WORK PERFORMED BY THE FOLLOWING CONTRACTORS:** (Check appropriate boxes)

No (all contractors) Although the Contractor Requirements Document (CRD) attached to the correlating DOE Order (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.

Yes If yes, whom? LMES LMER ORAU SURA

Bechtel Jacobs Company

Other contractors (list by type)

Many ORO contractors have approved S/RIDs or WSS sets that may affect applicability of contractor requirements from this directive. Applicability of contractor requirements must take into account the approved standards set for each particular contract.

4. **SIGNIFICANT PROVISIONS:** Are there any significant changes or impact?

No Yes If yes, describe: This new ORO O Chapter correlates to DOE O 130.1 and delegates local authority and ORO responsibilities.

5. **CONTACT POINT:** Julie Ramsey Planning and Budget Division, FM-72 576-0687
Name Organization Telephone

PART B (To be completed by the Directives Management Group (DMG)):

6. **FILING INSTRUCTIONS:**

<u>Remove</u>	<u>Dated</u>	<u>Insert</u>	<u>Dated</u>
N/A		ORO O Control Form	12/30/1998
		ORO O 130, Chapter I	12/30/1998
		Pages I-1 through I-3	

ORO Orders are available on the ORO Directives Management Home Page [http://www.ornl.gov/doe_oro_dmg/orchklst.htm] within 5-10 working days after receipt of this Control Form. The ORO Orders will no longer be mailed in printed copy unless you do not have Internet capabilities.

7. **APPROVED FOR DISTRIBUTION IN ACCORDANCE WITH THE OFFICIAL DIRECTIVES DISTRIBUTION LIST:**

Original signed by

Jennifer H. Cusick, AD-440
Signature Management Analyst, AD-440

12/30/1998
Date

INSTRUCTIONS TO ADDRESSEES: THIS FORM IS TO BE FILED WITH THE DIRECTIVE AND RETAINED

Rev. 08/04/1998

U.S. Department of Energy

Oak Ridge Operations

ORO O 130
Chapter I

DATE: 12/30/1998

SUBJECT: BUDGET FORMULATION

1. PURPOSE. This Chapter correlates to DOE O 130.1 (formerly DOE 5100.3, DOE 5100.4, DOE 5100.5, and DOE 5100.6A) BUDGET FORMULATION PROCESS, dated September 29, 1995, by assigning responsibility and accountability and providing administrative and/or contractual guidance to Oak Ridge Operations (ORO) and its contractors. Nothing in this issuance changes any requirements contained in any DOE Order.
2. CANCELLATION. None.
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 Headquarters 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. Coordinates with the ORO Human Resources Division to ensure that full time equivalent guidance is appropriately integrated into the budget formulation process.
 7. Reviews budgets to ensure compliance with guidance and reporting requirements issued in the applicable budget calls, General Assumptions, and Budget Formulation Handbook.

- 8. Conducts budget validation reviews to ensure that the data provided to Headquarters organizations for use in developing budgets has been reviewed and is deemed reasonable. Provides appropriate documentation to Headquarters, reporting any relevant findings and actions to address such findings.
- 9. Notifies and provides the Office of Budget with any requests for budget data received directly from Headquarters 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.

5. REQUIREMENTS AND PROCEDURES.

- a. Field Offices are 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 Headquarters guidance in mid to late February.
- b. The schedule for each year's budget formulation is consistent from one year to the next. As an example of that schedule, the FY 2001 Budget Formulation Schedule is:

Issuance of Contractor Budget Calls	November 1998
Receipt of Contractor's Budgets	February 1999
ORO Internal Review	February-March 1999
ORO Budget to Headquarters	April 15, 1999
Department's Internal Review	May-July 1999
DOE Budget Submission to OMB	September 1999
OMB Review of DOE Budgets	October 1999-January 2000
President's Budget Message/Package to Congress	February 2000
Congressional Budget Review	March-September 2000
Passage of Appropriations Bill or Continuing Resolution	No later than October 1, 2000

6. REFERENCES.

- a. DOE Budget Formulation Handbook, issued annually, which provides consolidated instructions for all programs and outlines all budget requirements.
- b. OMB Circular A-11, "Preparation and Submission of Budget Estimates."
- c. Supplemental guidance issued by the Headquarters Chief Financial Officer.

- 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 (M&O) and Management and Integration (M&I) contractors, and other contractors as applicable.
7. DEFINITIONS. None.
8. CONTRACTOR REQUIREMENTS DOCUMENT. None.
9. ATTACHMENTS. None