

Responsible Office: CFO Resources Analysis Division
Subject: Budget and Performance Plan Formulation



Office of the Chief Financial Officer

Office Work Instruction

Budget & Performance Plan Formulation

Approved by:
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Deputy Chief Financial Officer

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DOCUMENT HISTORY LOG

<u>Status</u> <u>(Baseline/ Revision/ Canceled)</u>	<u>Document</u> <u>Revision</u>	<u>Effective</u> <u>Date</u>	<u>Description</u>
Baseline		1/7/00	
Revision	A	3/20/00	Incorporation of Pre-Assessment Audit comment on flowchart (6.7 & 6.8). Minor text and punctuation corrections (1.0, 2.0, 3.0, 6.0 & 7.0). Added word to follow process (6.1).
Revision	B	February 8, 2002	Minor corrections to (a) clarify Enterprise as Enterprise Associate Administrator and Functional Office as Functional Office and Crosscut Stewards and (b) improve punctuation for consistency. Update of Section 7. Quality Records, to reflect more accurately the Schedule & Item Number and Retention/Disposition language and to include reference to General Records Schedule 5 for Budget Preparation, Presentation and Apportionment Records.

1. Purpose: Establish and define the steps to be followed by the Office of the Chief Financial Officer (CFO) for formulating the Agency's OMB budget submission, Performance Plan, and the President's budget to Congress.

2. Scope and Applicability

2.1 Scope: The budget formulation process applies to the development of Budget Year (BY) through BY +4 budget requirements for all NASA appropriated funds and anticipated reimbursements. This documents the processes followed at the Agency-level for formulation, review, and disposition of budget requirements for all programmatic and institutional activities. In addition, this is the process utilized to formulate the annual Performance Plan that is associated with the execution of the budget.

2.2 Applicability: This OWI outlines the activities and steps which are performed by the staff of the Resources Analysis Division in the Office of the Chief Financial Officer to work with the Enterprise Associate Administrators (EAAs), Functional Offices (FOs) and Crosscut Stewards to develop the Agency's budget and performance plan.

3. Definitions:

CFO	Chief Financial Officer
B	Comptroller
BR	Resources Analysis Division
POP	Program Operating Plan
OMB	Office of Management and Budget
FOs	Functional Office
EAAs	Enterprise Associate Administrators
Crosscut Stewards	Crosscutting Process Management Major Four Activities: Manage Strategically; Provide Aerospace Products and Capabilities; Generate Knowledge and Communicate Knowledge
CIC	Capital Investment Council
SMC	Senior Management Council
OMB/MAX	OMB's budget database
Passback	OMB's markup of the Agency's budget

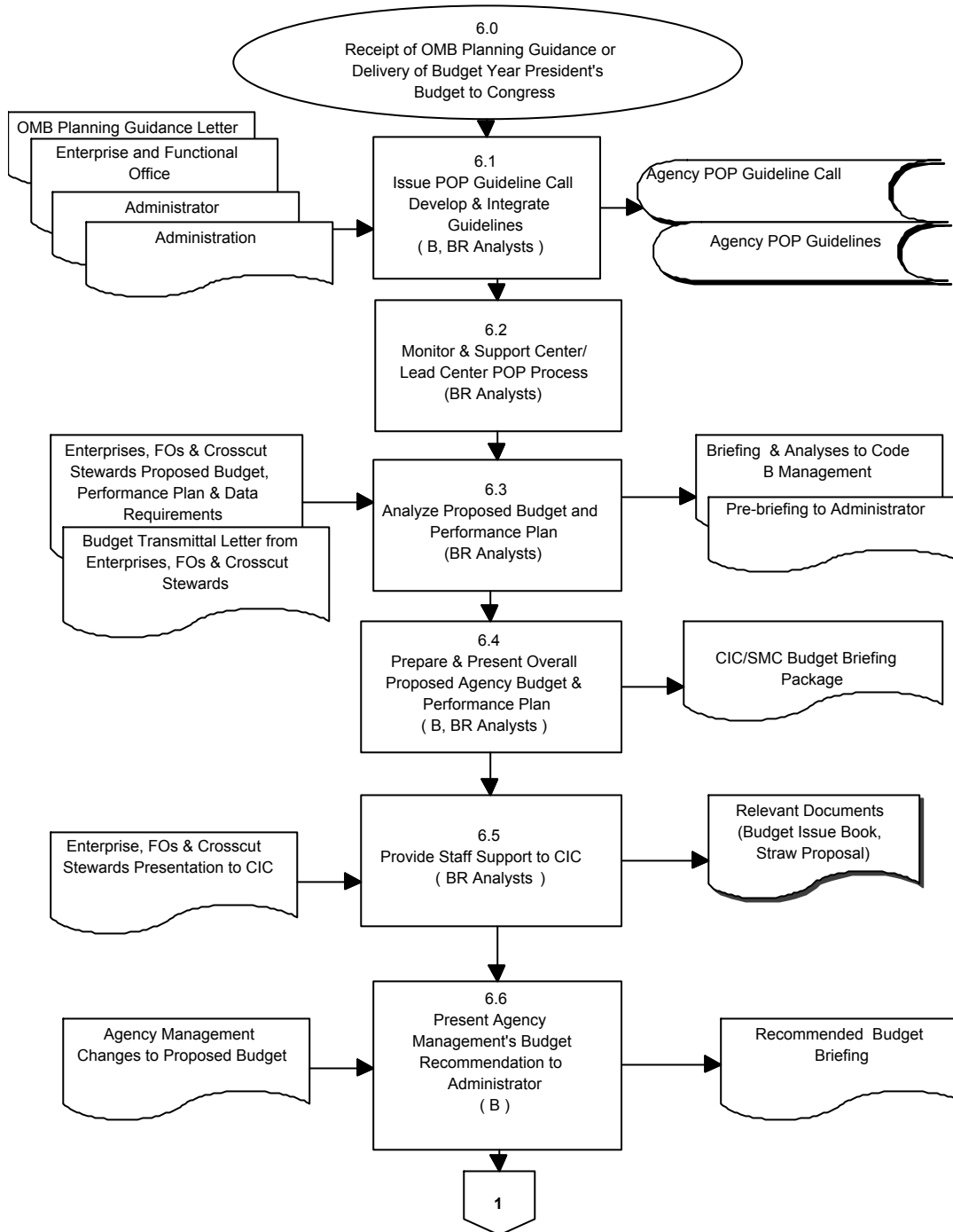
4. References

NPD 1000.1	NASA Strategic Plan
NPD 1000.2	NASA Strategic Management Handbook
OMB Circular A-11	

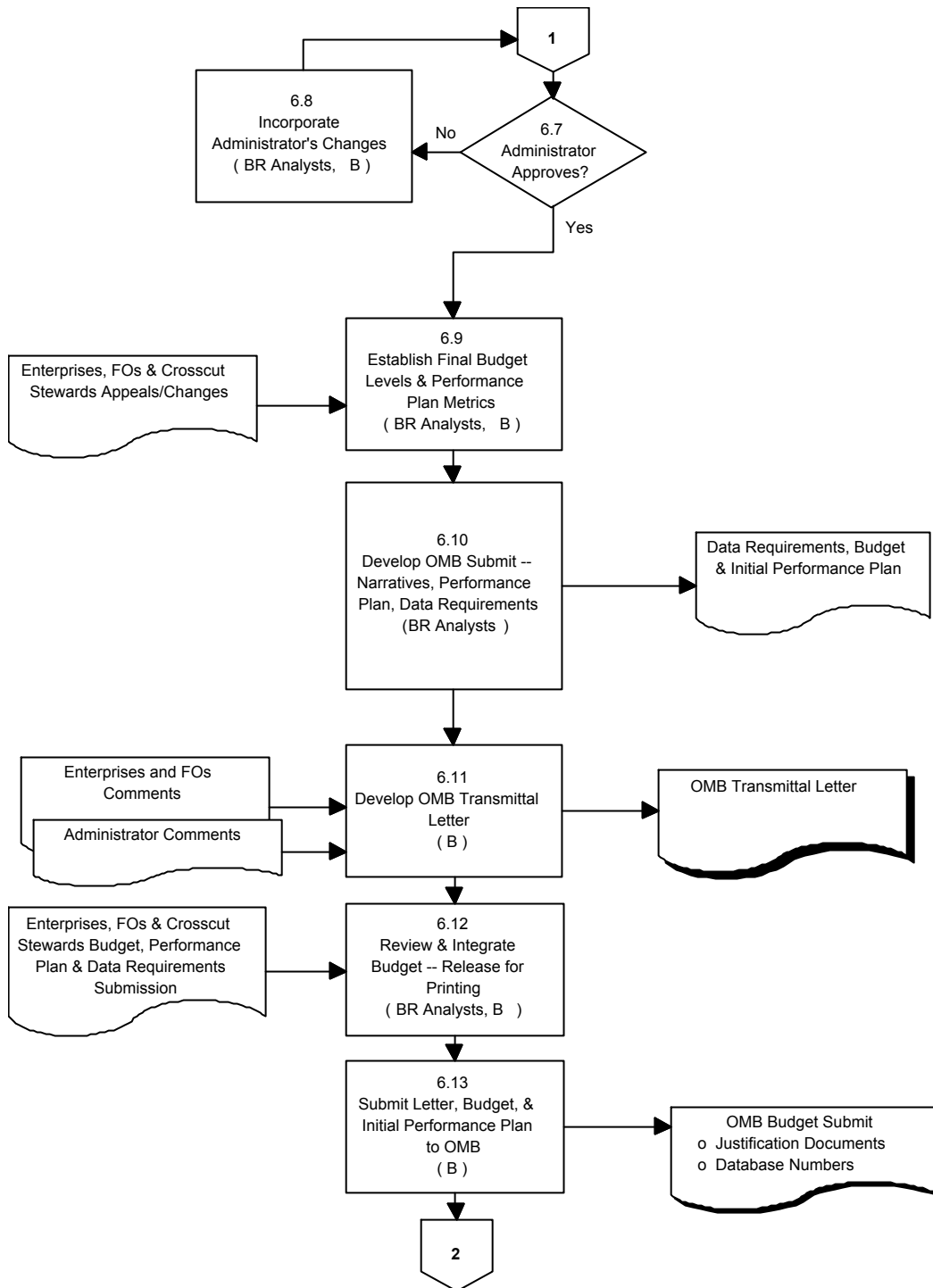
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Integrated Financial Management System (Budget Module) Annual NASA Performance Plan

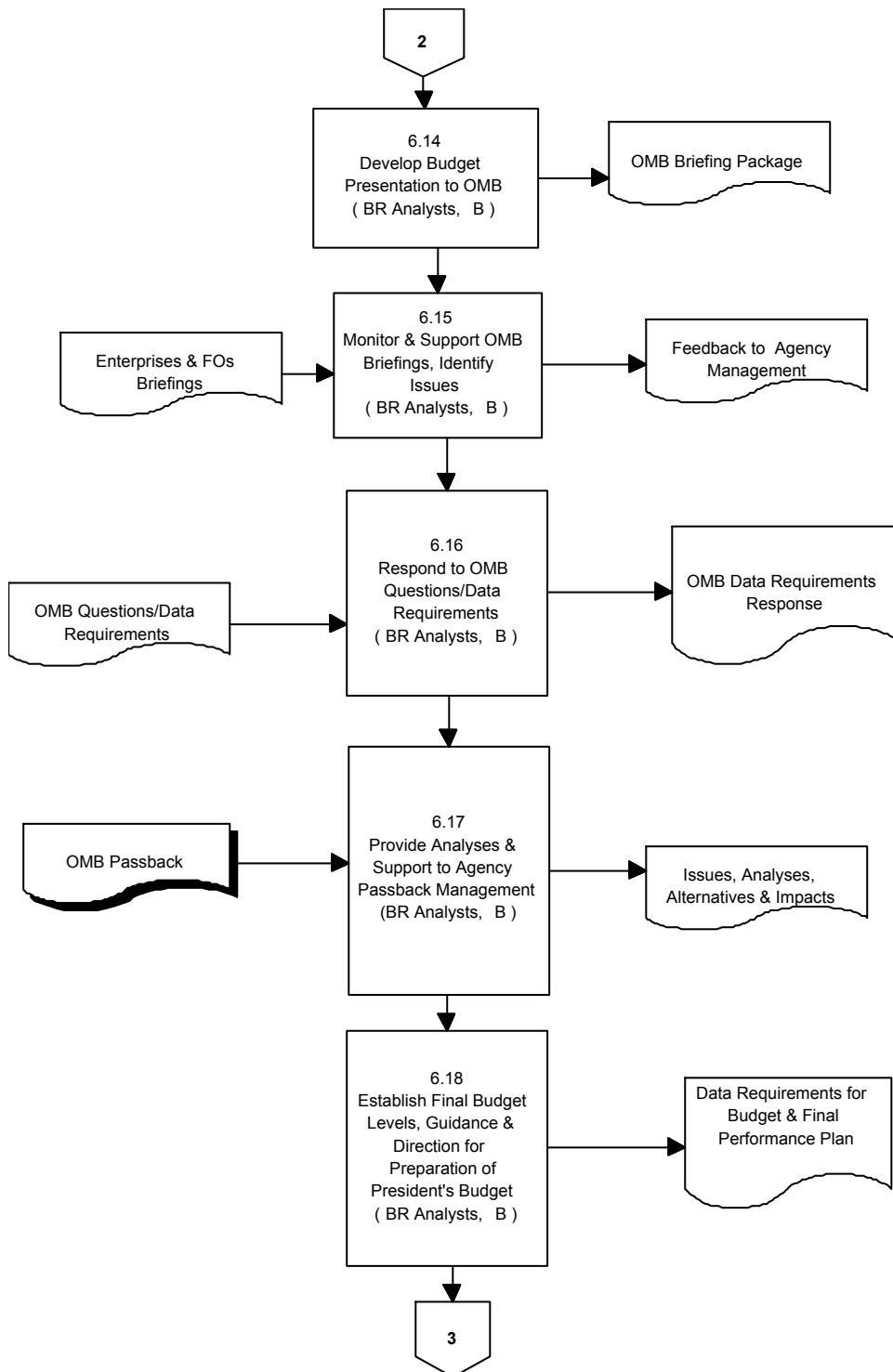
5. FLOWCHART



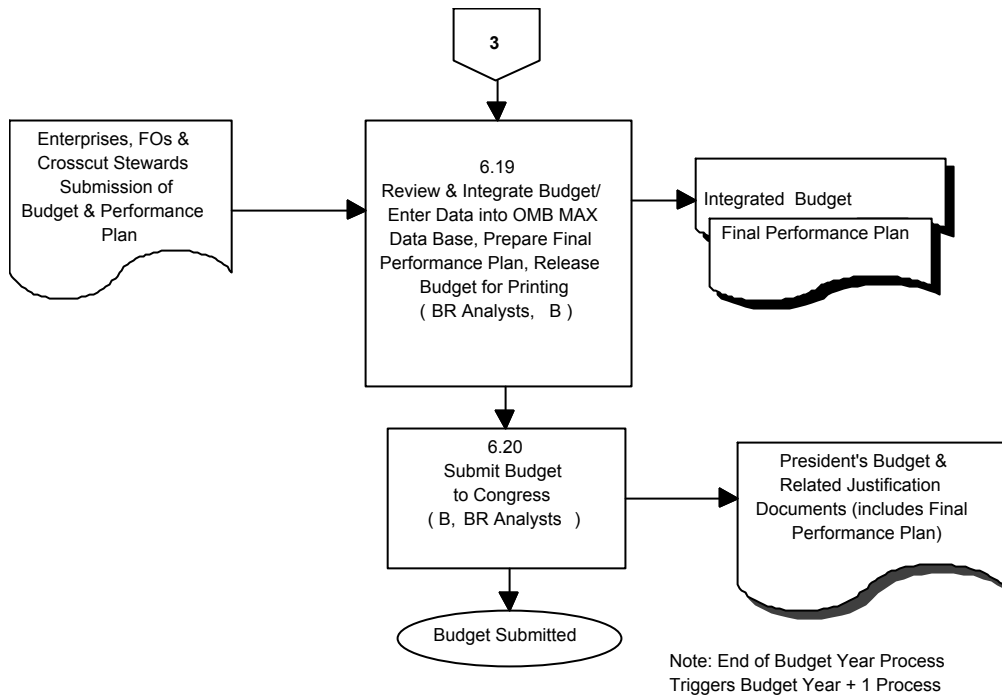
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6. Procedure

Version Control

The budget development is controlled through the Integrated Financial Management System (IFMS) budget formulation database. Access to the database is controlled within Code BR by a Functional Administrator, and is open to authorized users at HQS and field Centers, using access accounts and passwords. Access, inquiry and update privileges are under the control of the Functional Administrator. Different processes representing separate “stages” of the budget are opened and closed at scheduled intervals based on the budget schedule contained in the annual POP guidelines. Configuration control is maintained by “freezing” the previous budget process prior to opening the next process, and allowing update of the data only within the new (opened) process. Previous processes remain active for viewing and/or comparison purposes in separate segments of the database.

<u>Step</u>	<u>Actionee</u>	<u>Action</u>
6.0	B	OMB Planning Guidance or delivery of the President’s budget to Congress (whichever occurs first) is the activity that signals the beginning of the next year’s budget formulation process.
6.1	B, BR Analysts	Issue POP guideline call and develop and integrate guidelines. EAAs, FOs and Crosscut Stewards are required to submit their POP guidelines via an electronic guideline call. Collect all program guidance from EAAs, FOs and Crosscut Stewards. Also, collect all related policy guidance including Strategic Plan, Performance Plan, Administration direction, applicable policies, and NASA Administrator’s direction. Integrate all budget guidance received into consolidated document, which consist of, electronic documents, or files on a shared computer drive or internet site. Provide formats, schedule, and consolidated guidance to the EAAs, FOs, Crosscut Stewards and Centers electronically. Content and formats are based on Enterprise/FO/Crosscut Steward/Agency data requirements and/or needs and OMB-specific guidance.
6.2	BR Analysts	Monitor and support Center/ Lead Center POP process. Participate in budget formulation activities, both at Performing Centers and Lead Centers. Offer guidance, assessment and other assistance based on unique knowledge and experience.
6.3	BR Analysts	Review Enterprise and FO budget submissions and Enterprise, FO and Crosscut Steward Performance Plan data against the financial and policy guidance (Step 6.1). Prepare analysis, issues, and recommendations for briefing to Code B Management for preparation of pre-brief to Administrator.

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<u>Step</u>	<u>Actionee</u>	<u>Action</u>
6.4	BR Analysts, B	Prepare & present overall proposed Agency budget & Performance plan. Prepare consolidated picture of Agency budget and performance plan for Comptroller to present to Agency Management (CIC and SMC). Highlight issues for discussion based on adherence/non-adherence to guidance and other unique factors. Provide schedule detail and agenda for upcoming budget meetings.
6.5	BR Analysts	Provide staff support to CIC. Per CIC direction, prepare consolidated issues, recommendations, and Straw Budget Proposal for review. Modify budget proposal as directed by CIC.
6.6	B	Based on CIC direction, Comptroller presents CIC Budget Recommendation to Administrator.
6.7		Administrator approves? If Administrator approves, proceed to Step 6.9. If Administrator directs changes, proceed to 6.8
6.8	BR Analysts, B	Incorporate Administrator's Changes. Comptroller will revise proposed budget to reflect the Administrator's changes. Provide control numbers to Enterprises and FOs.
6.9	BR Analysts, B	Establish Final Budget Levels & Performance Plan metrics consistent with Administrator's direction. B will provide assistance/recommendations to Administrator/Deputy Administrator to resolve any outstanding issues. Establish final control numbers for Agency budget to OMB and Performance Plan. Performance Plan is based on Enterprise, FO and Crosscut Steward input (Step 6.3) updated from direction/approval received throughout the budget process milestones.
6.10	BR Analysts	Develop OMB Submit – Justification Documents, Performance Plan, and data requirements. BR will provide directions, formats and schedule to the Enterprises, FOs and Crosscut Stewards for development of the OMB budget submit and Performance Plan. Format and content are dictated by data requirements detailed in the OMB guidance letter and the previous year financial detail.
6.11	BR Analysts	Develop OMB transmittal letter to accompany the budget submission. Prepare draft OMB transmittal letter that will outline the Agency's budget content and issues for review and concurrence by the Administrator, EAAs, FOs and Crosscut Stewards. Incorporate suggested changes and prepare final letter for Administrator's signature.
6.12	BR Analysts, B	Review and integrate Budget and release for printing. BR and B review budget narratives for accuracy against approved recommendations and submission requirements; integrate budget into consolidated document and release for

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<u>Step</u>	<u>Actionee</u>	<u>Action</u>
		printing to the Headquarters Printing & Design Branch.
6.13	B	Submit Letter, Budget & Initial Performance Plan to OMB. Deliver to OMB the consolidated Agency budget submit and Performance Plan.
6.14	BR Analysts, B	Develop Budget Presentation to OMB, reflecting the financial details, program content and performance metrics contained in the printed submission. Presentation reflecting overview of agency resource requirements and issues is provided to both management and staff members.
6.15	BR Analysts, B	Monitor & support OMB Briefings, Identify Issues. B and BR staff attends and supports Enterprises and FOs budget briefings to OMB. Identify issues discussed at briefings and prepare meeting notes for Code B and Agency management.
6.16	BR Analysts, B	Respond to OMB questions/data requirements. Prepare responses and provide additional information requested by OMB. Coordinate and review the EAAs, FOs and Crosscut Stewards response to OMB.
6.17	BR Analysts, B	Provide analyses & support to Agency passback management. Review OMB's markup of Agency budget. Analyze to identify issues and options to Code B and agency management for negotiations with OMB.
6.18	BR Analysts, B	Establish Final Budget Levels, Guidance & Direction for Preparation of President's Budget. Based on final negotiations with OMB, provide final control numbers, guidance, formats, and schedule to Enterprises, FOs and Crosscut Stewards for the preparation of the President's budget and Performance Plan.
6.19	BR Analysts, B	Review & Integrate budget; enter budget into OMB MAX database. Review for accuracy against final control numbers, and integrate EAA and FOs budget narrative, data requirements, and Performance Plan into consolidated document. Release Agency budget narrative and Performance Plan to Headquarters Printing & Design Branch for printing.
6.20	B, BR Analysts	Submit Budget to Congress. Arrange with Headquarters Transportation Branch to deliver Agency Budget to Congress.

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7. Quality Records

Record Identification	Owner	Location	Record Media: Electronic or Hard Copy	Schedule Number and Item Number (NPG 1441.1, GRS 5)	Retention/Disposition
Agency POP Guideline Call	Dir BR	BR BRIC & CNBS	Electronic	GRS 5.1	Destroy when two years old.
Agency POP Guidelines	Dir BR	BR BRIC & NBS	Electronic	GRS 5.1	Destroy when two years old.
Relevant Documents (Budget Issue Book, Straw Proposal)	Dir BR	BR Files	Hardcopy	GRS 5.2	Destroy one year after the close of the fiscal year covered by the budget.
Copy of OMB Transmittal Letter	Dir BR	BR Files	Hardcopy	GRS 5.1	Destroy when 2 years old.
OMB Budget Submit: (a.) Justification Documents; (b.) Database Numbers	Dir, BR	BR U/Drive NBS	Electronic	Sched 9, item 2A	Permanent. Transfer to NARA when 35 yrs old.
OMB Passback	OMB	Code BR Files	Hardcopy	GRS 5.1	Destroy when two years old.
Integrated Budget	BR	Code BR Files	Hardcopy	GRS 5.1	Destroy when two years old.
Final Performance Plan	Dir, BR	Code BR Files	Hardcopy	Sched 9, item 2A	Permanent. Transfer to NARA when 35 yrs old.
President's Budget	Dir, BR	Code BR Files	Hardcopy	Sched 9, item 2A	Permanent. Transfer to NARA when 35 yrs old.