

Oak Ridge Operations Office Budget Process

Oak Ridge Operations Office (ORO) is a multisite, multiprogram operations office with a fiscal year (FY) 2004 budget of \$1.8 billion excluding the National Nuclear Security Administration's budget of \$.8 billion. Our budgeting process accommodates all major programs and their unique requirements.

The budgeting process begins with the formulation of the budget, which occurs over the winter months. It starts with budget calls to the ORO contractors and ends with our submission to Headquarters in the spring. The budget we submit represents an estimate of our requirements for the budget year.

Headquarters then analyzes and makes adjustments to the Operation offices' budgets during the spring and summer months. A Department of Energy (DOE) budget request is then submitted to the Office of Management and Budget (OMB) in September. OMB then spends the fall analyzing and adjusting the entire Federal budget to arrive at the President's Budget which is submitted to Congress in February.

The budgeting process then enters the enactment phase. Congressional committees and subcommittees review and discuss the Federal budget during the winter, spring, and summer months. The DOE budget is finalized with the passage of the Energy and Water and Interior Authorization and Appropriation Bills. The following Congressional committees and subcommittees have jurisdiction over these Authorization and Appropriation Bills. These same committees and subcommittees are involved when we request a reprogramming of funding.

Authorization Committees

Senate Energy and Natural Resources
Senate Armed Services
House Science Subcommittee on Energy
House Energy and Commerce Subcommittee on Energy and Air Quality
House Armed Services Subcommittee on Military Procurement

Appropriation Committees

Energy and Water Development Subcommittee (House and Senate)
Interior and Related Agencies Subcommittee (House and Senate)

If Congress is unable to enact the Appropriation and Authorization Bills by the start of the new fiscal year, then a Continuing Resolution is passed which enables us to continue operating status quo. The Continuing Resolution or series of Continuing Resolutions will last until the Bills are passed.

The budgeting process moves onto the execution phase. OMB apportions the enacted funding to Headquarters who allots funding to the operations offices. We then obligate the funding to contractors who execute the work. We have funds control responsibilities for over 270 Congressional control points. These are levels of funding that would be subject to the Anti-Deficiency Act, therefore, we cannot spend or commit more than we have received for each control point.

Because the budgeting process for one year spans three fiscal years, budget activity on three separate years occurs simultaneously. The attached timeline graphically portrays, by season, the budget activity for FY 2004, FY 2005, and FY 2006.

ORO's budgeting process is more complex and challenging than most operation and field offices because we are multisite and multiprogram office. For instance:

- We must manage four Appropriations within the Environmental Management program while most offices have one.
- We have more Congressional control points to manage than most offices.
- We have different landlords at each of our major sites.
- Some of our budget (Congressional control points) are unique to ORO, such as the Spallation Neutron Source (SNS) funding and the Environmental Management decontamination and decommissioning fund. Headquarters and Congressional actions on these budgets are monitored closely. Because they are unique to ORO, reductions in these budgets usually cause ORO to realize a disproportionate share of total Departmental reductions.

As a result of these complexities, our budgeting process is required to have a broader range of controls than most offices, which reduces the flexibility and increases our need to coordinate among competing programmatic issues.

Federal Budget Cycle

	FY 2004				FY 2005			
	2003 Fall	2004 Winter	2004 Spring	2004 Summer	2004 Fall	2005 Winter	2005 Spring	2005 Summer
Execution Year FY 2004	Receive HQ Allocation and Execute Work							
Enactment Year FY 2005	OMB Passback	President's Budget to Congress		Appropriation Bill or Continuing Resolution	Receive HQ Allocation and Execute Work			
Formulation Year FY 2006		Receive HQ Budget Guidance	Submit Requirements Budget to HQ	HQ Submits DOE Budget to OMB	OMB Passback	President's Budget to Congress		Appropriation Bill or Continuing Resolution