

# ORO CONTROL FORM - 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, Change 2, BUDGET FORMULATION

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

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

No (all contractors)

Yes If yes, whom?  Bechtel Jacobs Co.  ORAU  UT-Battelle

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 ORO Chapter is part of the ORO sunset set review process. No changes were made except to set a new sunset review date.

5. **CONTACT POINT:** Deborah Walker Planning and Budget Division, FM-72 576-0659  
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>
ORO Control Form	07/17/2001	ORO Control Form	09/18/2003
ORO O 130, Chapter I, Chg. 1, Pages I-1 thru I-3	07/17/2001	ORO O 130, Chapter I, Chg. 2, Pages I-1 thru I-3	09/18/2003

*ORO Directives are available on the ORO Directives Management Home Page at [http://www.ornl.gov/doe\\_oro\\_dmg/oro\\_dir.htm](http://www.ornl.gov/doe_oro_dmg/oro_dir.htm). The ORO Directives 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*  
Wayne H. Albaugh 09/18/2003  
Signature: DMG Team Leader, AD-440 Date

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

Rev. 08/22/2003

## NNSA/YSO CONTROL FORM – FINAL DIRECTIVE

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

DIRECTIVE NUMBER, TITLE, AND DATE:

**ORO O 130, Chapter I, Change 2, BUDGET FORMULATION, dated 09/18/2003**

PURPOSE OF TRANSMITTAL:  New Directive  Revised Directive

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

This Directive cancels ORO O 130, Chapter I, Change 1, BUDGET FORMULATION, dated 07/17/2001.

The attached Directive is forwarded for review and action. Complete Part B and forward this form to ORO DMG, AD-440, by **10/03/2003**.

### PART B (To be completed by the NNSA Y-12 SITE OFFICE, Y12-01):

CONTRACTOR APPLICABILITY:

Does this Directive affect the work performed by BWXT Y-12, L.L.C.?  Yes  No

Does this Directive affect the work performed by BWXT Y-12, L.L.C., subcontractors?  Yes  No

If "Yes," list the subcontractors:

*Many 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.*

SIGNIFICANT PROVISIONS: Are there any significant changes or impact?  Yes  No

List summary of Directive changes and, if "Yes" above, describe the significant changes or impact:

IMPLEMENTATION: Does the Directive contain special implementation requirements and/or dates?  Yes  No

If "Yes," describe:

FOR DOE DIRECTIVE – SUPPLEMENTAL DIRECTIVE REQUIRED?

Is a new or revised supplemental Directive required?  Yes  No

If "Yes," target date for submission of YSO Directive is \_\_\_\_\_.

IDENTIFY CONTACT POINT: James Martin 576-0868  
Name Telephone

APPROVED BY PERFORMANCE ASSURANCE MANAGER: Diane McCarten 09/26/2003 576-9330  
Signature Date Telephone

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

*DOE Directives are available on the DOE Directives, Regulations, Policies, and Standards Portal at <http://www.directives.doe.gov/>.  
ORO Directives are available on the ORO Directives Management Group Home Page at [http://www.ornl.gov/doe\\_oro\\_dmg/oro\\_dir.htm](http://www.ornl.gov/doe_oro_dmg/oro_dir.htm).  
Directives will no longer be mailed in printed copy unless you do not have Internet capabilities.*

APPROVED FOR DISTRIBUTION IN ACCORDANCE WITH OFFICIAL DIRECTIVE DISTRIBUTION LIST:

Wayne H. Albaugh, AD-440 10/01/2003  
Original Signed By Name Date

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

(Revised 01/10/2003)

# U.S. Department of Energy

Oak Ridge Operations

ORO O 130  
Chapter I  
Change 2

**DATE: 09/18/2003**

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**SUBJECT: BUDGET FORMULATION**

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1. PURPOSE. This Chapter correlates to DOE O 130.1, BUDGET FORMULATION PROCESS, dated September 29, 1995, by assigning responsibility and accountability and providing administrative and/or contractual guidance to Oak Ridge Operations (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 1, BUDGET FORMULATION, dated July 17, 2001.
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) 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.
- (10) 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.

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 in mid to late February.
- 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	February 20XX+1
ORO Internal Review	February-March 20XX+1
ORO Budget to DOE HQ	April 15, 20XX+1
Department=s Internal Review	May-July 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, APreparation 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.