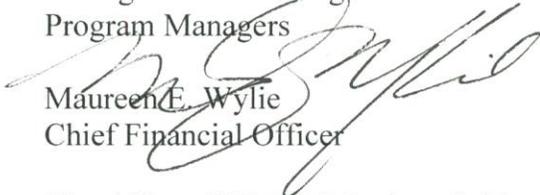




UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration  
CHIEF FINANCIAL OFFICER

MAR 24 2009

MEMORANDUM FOR: Assistant Administrators  
Deputy Assistant Administrators  
Program Analysis & Evaluation Office  
Goal Team Leads  
Chief Financial Officers  
Management and Budget Chiefs  
Program Managers

FROM:   
Maureen E. Wylie  
Chief Financial Officer

SUBJECT: Fiscal Year (FY) 2011 Budget Guidance Memorandum for Budget  
Formulation Process for the Secretarial Submission

**1. Purpose:** The purpose of this Budget Guidance Memorandum is to provide overarching guidance and preliminary schedule information for the FY 2011 Secretarial Budget Formulation phase of the Planning Programming Budgeting and Execution System (PPBES). The schedule may be revised to accommodate the FY 2010 President's Budget schedule as it evolves.

**2. Introduction:** NOAA conducts the budget process to determine final resource requirements to meet FY 2011 Program intent and policy guidance in the FY 2010 President's Budget development. The NOAA Budget Office will further develop and justify the requirements for FY 2011, determine the impact of revised resource levels and executability of programs at the approved funding level, and capture information unavailable during the programming phase.

The NOAA Budget Office will examine the financial requirements of the program plans as cited in the Program Decision Memorandum (PDM) and provide budgetary recommendations, including possible adjustments to the programming decisions. The NOAA Budget Office will then work with the Line Office Chief Financial Officers and Staff Offices, in coordination with the Goal Team Leads, to formulate and produce the NOAA budget submissions.

**3. Discussion:** The budgeting phase for the Secretarial submission will consist of five distinct activities:



**Budget Phase 1 – Preparation of Line Office Budgets.** The FY 2011 submission will be built from the 2010 President’s Budget submission. Since NOAA has not received a Final Passback from the Office of Management and Budget (OMB), development of the FY11 Secretarial Submission will begin with the FY 10 OMB Submission as the baseline. Line Offices will submit a list of the all program changes being developed with a one sentence characterization of each initiative to the NOAA Budget Office along with an exceptions list for each of the following:

- a. OMB changes,
- b. Funding changed in FY 2010 budget but not in FY 2011 PIRS,
- c. Legislative changes,
- d. Emerging requirements or
- e. Technical corrections.

Line Offices will provide guidance to and work closely with and the Goal Teams/Program Managers in preparing “Program Change Summary” two-pagers to develop a strong justification and ensure the description is consistent with the PDM decision. The Line Offices will prepare full technical budget justification including base and change narratives and supporting exhibits. Attachment 2 provides a listing of required documents for the FY 2011 submission.

**Budget Phase 2 – Analyze the FY 2011 NOAA Program.** Upon receipt of the draft program changes from the Line Offices, the NOAA Budget Office will analyze the viability, executibility and consistency of the proposed increases and decreases. The NOAA Budget Office will work with PA&E, the Line Offices and Goal and Program staffs to update the FY 2011 program by incorporating those changes which occurred between the OMB submission and the final FY 2010 President’s Budget, if accepted, as appropriate. Additional analysis will focus on areas outlined in the PDM for further work during the budget process. Line Offices with outstanding PDM tasks should coordinate with the affected Goal Team Lead(s) and Program Manager(s) to submit required justifications, offsets and impacts.

**Budget Phase 3 – Analyze the FY 2011 Line Office Budget Submissions.** The NOAA Budget Office will review the adequacy of the materials and collaborate with the Line Offices on revisions. Line Offices may be asked to provide additional information to aid in analysis. NOAA Budget Office will conduct formal budget reviews with each Line Office. For NOAA Information Technology (IT) projects and initiatives, the NOAA Review Board (NITRB) will conduct reviews on all FY 2011 IT increases. No IT initiatives will be considered without NITRB review. No capital investments will be submitted to DOC without a completed Exhibit 300. Additionally, all draft Exhibit 300s, IT and non-IT are required to be entered into eCPIC in order to be considered as part of the overall budget review.

**Budget Phase 4 – Budget Recommendations and Final Decisions.** Based on their analysis of the PDM and the line office submissions, the NOAA Budget Office will develop FY 2011 budgetary recommendations. The recommendations will be presented to the NOAA NEP/NEC (see Attachment 1 for additional information. Upon receipt of comments, the Undersecretary will make final decisions for the FY 2011 Secretarial Submission. Those decisions will be documented in a Budget Decision Memorandum as needed.

**Budget Phase 5 – Budget Production.** The NOAA Budget Office, working with Line Offices, will produce the FY 2011 Secretarial Budget. NOAA Budget Office will provide an updated control table after final decisions are made. The Line Offices will need to update their base narratives, program changes and other exhibits based on the final decisions.

If you have any questions regarding the process, please contact Jennifer Werner, NOAA Budget Formulation Chief on (202) 482-4482. An updated FY 2010 Secretarial Budget Submission schedule can be found at Attachment 1. Technical questions may be directed to the appropriate NOAA Budget Formulation Analyst (see Attachment 3).

Attachments

**FY 2011 Secretarial Submission Schedule**

<b><u>Date 2009</u></b>	<b><u>Event</u></b>
Apr 13	Line Offices provide prioritized budget change/exception list and Program Change summary (two pagers) to NBO
Apr 14 - 16	Line Office Briefings to the Budget Director
Apr 30	Line Offices provide NBO Unique Adjustments-to-Base (ATBs) Documentation
May 21	CFO finalizes FY 2011 funding decisions
May 28	CFO briefs CFO Council and Goal Team Leads
Jun 10	CFO briefs NEP/NEC
Jun 11	Final Lock of control table
Jun 12	Final Base and Program Change Narratives, Exhibit 14 & 15, and Exhibit 300s due to NBO
Jun 30	NOAA FY 2011 Secretarial Budget due to DOC

**Fiscal Year (FY) 2011 Secretarial Submission  
Documents Required**

1. FY 2011 Program Change/Exception List
2. FY 2011 Program Change Narrative Summary (two-pager)
3. Exhibits:
  - a. Exhibit 14, Program Change Personnel Detail, for any change in positions or FTE.
  - b. Exhibit 15 Four-Digit Object Class information is required for each program change.
  - c. Exhibit 300, Capital Asset Plan and Business Case, is required for all capital assets: land, structures, equipment, intellectual property (software) and information technology. All existing 300s must be updated, and new 300s must be prepared for all new IT and non-IT investments, and entered into the eCPIC system no later than date shown on Attachment 1. Both existing and new 300s must have the approval of the NITRB before being entered into eCPIC. Otherwise they will not be considered as part of the FY 2011 Budget Submission to the Department. Materials should be in final form and cleared by all appropriate officials prior to submission into eCPIC.
  - e. Unique Adjustments-to-Base (ATBs) using the Manual for Unique ATBs
4. Performance Measure Updates, if applicable. Any changes to existing performance measures, or the addition of new measures, must be coordinated with PA&E and the appropriate Goal Team, and approved by the respective Assistant Administrator, PPI and the NOAA Budget Office.
5. All major purchases contained in the FY 2011 budget must be presented to the Acquisition Review Board (ARB) during the FY 2011 Department of Commerce process.

<b>Staff</b>	<b>Line Office</b>	<b>Goal Team</b>	<b>Phone</b>
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Jennifer Werner	OMAO	Mission Support – Fleet Services	(202) 482-4482