



FEB 13 2009

MEMORANDUM FOR: Goal and Sub-goal Team Leads
Program Managers

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Planning and Integration

SUBJECT: Planning Guidance Memorandum 1: FY 2012-2016 Planning Phase

This memorandum and its attachment provide information for the FY 2012-2016 Planning phase of PPBES. In the Planning phase, NOAA leadership reviews and adjusts corporate programmatic and organizational priorities in response to changes in internal NOAA capabilities, external trends in partner and customer demand, social and economic conditions, scientific and technological developments, and the state of the environment. Through extensive coordination, Planning ensures that corporate agreement is reached on the annual priorities required to achieve NOAA's mission.

This year's Planning phase will be considerably different for a number of reasons:

- NOAA is entering the FY 2012-2016 Planning phase as it transitions to a new administration, with the nominated NOAA administrator yet to be confirmed;
- An FY 2009 appropriation bill is still to be passed by Congress;
- On-going negotiations over a fiscal stimulus package will have implications for the FY 2010 and FY 2011 budget processes, which are delayed relative to their usual schedules; and
- NOAA is currently engaged in the development of the Next Generation Strategic Plan (NGSP), led by the NOAA Office of Program Planning and Integration (PPI).

These circumstances warrant an approach to the FY 2012-2016 Planning phase that focuses on accommodating the dynamics of the transition. While flexibility will be necessary, NOAA does have an established process for making critical planning decisions for the agency in light of broad fiscal trends, stakeholder demands, and evolving NOAA capabilities. The major products of these planning decisions include the Annual Guidance Memorandum (AGM), Goal/Sub-Goal guidance to Programs, the Program Operating Plan (POP), and the Strategic Portfolio Analysis (SPA).

The attachment to this memorandum includes an overview of the FY 2012-2016 Planning phase. During this Planning phase, PPI will provide additional guidance documents detailing the following:

- Instructions for updating the content of the POP, including access for CasaNOSA (the Web-based system used to develop POPs) and other supporting data calls; and
- Instructions for development of the Goal SPA.

Attachment

cc: Assistant Administrators
Deputy Assistant Administrators
Staff Office Directors
Line Office Chief Financial Officers
Council Chairs
Regional Team Leads

ATTACHMENT TO PLANNING GUIDANCE MEMORANDUM I: OVERVIEW OF FY 2012-2016 PLANNING PHASE

I. INTRODUCTION

This guidance provides an overview of the FY 2012-2016 Planning phase of the NOAA Planning, Programming, Budgeting and Execution System (PPBES). This year's Planning phase will be considerably different for a number of reasons:

- NOAA is entering the FY 2012-2016 Planning phase as it transitions to a new administration, with the nominated NOAA administrator yet to be confirmed;
- An FY 2009 appropriation bill is still to be passed by Congress;
- On-going negotiations over a fiscal stimulus package will have implications for the FY 2010 and FY 2011 budget processes, which are delayed relative to their usual schedules; and
- NOAA is currently engaged in the development of the Next Generation Strategic Plan (NGSP), led by the NOAA Office of Program Planning and Integration (PPI).

These circumstances warrant an approach to Planning that focuses on accommodating "fact-of-life" changes and updating strategies developed in previous planning cycles to fiscal realities.

Based on the FY 2011-2015 Planning and Programming, the agency is well positioned to incorporate changes required by the transition to the new administration and the uncertainty of the current period. Considerable flexibility will be required, however, to respond effectively to the rapid development of and adjustments to the FY 2010 and FY 2011 budgets. While flexibility will be necessary during the FY 2012-2016 Planning phase, NOAA does have an established process for making critical planning decisions for the agency in light of broad fiscal trends, stakeholder demands, and evolving NOAA capabilities. The major products of these planning decisions include the Annual Guidance Memorandum (AGM), Goal/Sub-Goal guidance to Programs, the Program Operating Plan (POP), and the Strategic Portfolio Analysis (SPA).

This overview of the FY 2012-2016 Planning phase outlines how the planning calendar, as well as the scope and level of effort to develop these deliverables, will adjust to the context of this transitional year. Subsequent guidance documents for this Planning phase will detail the following:

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| Guidance II | Instructions for updating the content of the POP, including access for CasaNOSA (the Web-based system used to develop POPs) and other supporting data calls; and |
| Guidance III | Instructions for development of the Goal/Sub-Goal SPAs. |

The calendar for the FY 2012-2016 Planning phase is provided in Appendix A.

II. PURPOSE AND OVERVIEW: NOAA'S PLANNING PHASE FOR FY 2012-2016

The Planning phase provides an opportunity to identify, discuss and efficiently plan for what should be done within the NOAA Program to achieve NOAA's strategic Goals, Outcomes, Objectives, and Annual Priorities before the imposition of budget constraints in the Programming phase. The Planning phase is highly collaborative, involving extensive input from and interaction among Line Offices and Staff Offices (LOs and SOs), Goal/Sub-Goal Teams, Programs, Councils, Regional Teams, and stakeholders. Planning helps to ensure corporate agreement is reached on the Goal-specific strategic priorities required to achieve NOAA's mission.

Each year NOAA senior leadership reviews and adjusts its programmatic and organizational priorities in the context of changes to internal NOAA capabilities and external trends in partner and customer demand, social and economic conditions, scientific and technological developments, and the state of the environment. As NOAA develops its NGSP, the FY 2012-2016 Planning phase will focus on strengthening program and goal strategies to best accomplish existing corporate priorities, while accommodating events that accompany the transition to a new administration.

To these ends, the FY 2012-2016 Planning phase will:

- Provide the new administration with the opportunity to inform the FY 2012-2016 AGM, which will otherwise extend the strategies developed during FY 2011-2015 Planning, with a review of key trends, drivers, and planning priorities limited to fact-of-life changes;
- Adjust the Planning calendar to allow for the FY10 President's Budget data point to inform the planning baseline;
- Focus the update of the POPs on revisiting the FY 2011-2015 alternatives to accommodate "fact-of-life" changes or to strengthen business cases developed during previous planning cycles;
- Enable a smooth transition to the Programming phase with the POP alternative fields being reorganized to more clearly map to the Program Change Summaries for the Program Plans;
- Require a SPA that looks at the entire portfolio of each Goal/Sub-Goal and that informs corporate strategic decisions (in subsequent PPBES phases) by projecting onto the planning horizon the impact of specific investment options and by reporting on related risks;

Fact-of-life change: updates to budgetary profiles as a result of NOAA Program decisions and modification in mission requirements triggered by recent events such as passage of new legislative drivers

- Require the Goals/Sub-Goals to provide guidance to Programs for development of POPs, to guarantee a coordinated effort that feeds into the development of the SPAs; and
- Focus senior leadership and PPI resources on the development of the NGSP.

The following sections review the major elements of the FY 2012-2016 Planning phase.

IV. NEXT GENERATION STRATEGIC PLAN

An effective strategic plan is a tool that guides all agency activity; it is the foundation for organizational alignment and productivity and is a basis for engagement and cultivation of stakeholder pull. The NGSP will be the next step in NOAA's continued progress toward the twin objectives of improved performance management and improved stakeholder engagement.

The NGSP will incorporate the priorities of the incoming administration, the priorities of a wide variety of stakeholders internal and external to the agency, and an assessment of agency progress with respect to NOAA's current strategic goals. Development of the NGSP will occur over the next year and will resolve in renewed guidance for the next FY2013-2017 PPBES cycle. An overview schedule for the NGSP development is included in Appendix B.

V. ANNUAL GUIDANCE MEMORANDUM

The AGM is NOAA's principal annual planning guidance document. All other planning documents cascade from the AGM and support the annual priorities identified in it. The FY 2012-2016 AGM will build on the set of strategies produced during FY 2011-2015 Planning, updating them as necessary through an active dialogue with the new Administrator.

The AGM is developed collaboratively with Line and Staff Offices, Goal/Sub-Goal Teams, Councils, and Regional Teams. PPI will capture the input from these bodies during an open review period in March to adjust key trends, drivers and strategies for fact-of-life changes. PPI plans to present the FY 2012-2016 AGM to the NEP and NEC for review at the end of April. The approved AGM will inform the remainder of FY 2012-2016 Planning.

VI. PRE-POP ACTIVITIES

The activities necessary to prepare the Programs and Goals for developing POPs and SPAs are as follows:

Annual Program Charter Review: New legislative and/or DOC/NOAA leadership decisions may affect a Program's charter by influencing the Requirement Drivers and mission requirements. The PPBES Web site provides the necessary guidance for this review as well as the charter template (see "Mission Requirements Validation Process" under Requirements Management - Program Charters). Program managers should review their charters and forward any changes to PPI by March 20, 2009, so that new Program charters may be approved by April 3, 2009. Changes should be coordinated with and approved by respective Line Offices and Goal/Sub-Goal Team leads prior to submission.

Goal/Sub-Goal Guidance to Programs: It will be the responsibility of the Goals/Sub-Goals to provide guidance to the Programs that articulates the Goal /Sub-Goal Team strategy for addressing AGM priorities and the FY 2011-2015 Program Decision Memorandum. Through this guidance the Goal/Sub-Goal will ensure that the development of POPs will directly support the Goal/Sub-Goal SPAs. Goal/Sub-Goal guidance will also foster collaboration among Programs.

VII. INFRASTRUCTURE MASTER PLANS

In the past few years the Mission Support Sub-Goal leads and Mission Support Program managers made significant advancements in documenting future infrastructure requirements for Facilities, Fleet, Aircraft, Information Technology and Satellites. In the FY 2012-2016 Planning phase, these infrastructure master plans will continue to be an integral part of infrastructure planning. The emphasis for this Planning phase will be to update the infrastructure master plans by refining existing requirements and analyzing new or changing requirements, updating project and funding baselines with the current appropriation and NOAA Program decisions, reprioritizing requirements with appropriate oversight Councils, initiating updates to and creation of OMB 300 material as needed, and updating the POPs. The POPs will serve as the basis for the Mission Support Sub-Goal SPAs.

VIII. PROGRAM OPERATING PLANS

The POPs will be updated during this cycle to reflect fact-of-life changes as well as to reflect any advances made in the programs during the FY 2010-2014 and FY 2011-2015 cycles. The CasaNOSA POP system has been updated to reflect data fields similar to those required during the Program Plan development and to more clearly communicate the business case of each alternative. The changes to the CasaNOSA system will be tested by members of the Goal and Sub-Goal teams to ensure a smooth

transition to the updated system. The POPs will be developed between June and July.

IX. STRATEGIC PORTFOLIO ANALYSES

The FY 2012-2016 Planning phase will again provide for development of Goal/Sub-Goal SPAs. The SPA is a total Goal /Sub-Goal view that communicates Goal/Sub-Goal strategic imperatives and outlines the scope and scale of the Goal's/Sub-Goal's response to NOAA's corporate strategic imperatives. It also provides an initial opportunity to address Program Decision Memorandum requirements. By projecting onto the planning horizon the impact of alternative investment decisions and related risks, Goal/Sub-Goal SPAs will inform the Programming phase. PPI will issue additional guidance (Guidance III) that provides specific instructions to the Goal/Sub-Goal Teams for development of the SPAs.

X. ROLES AND RESPONSIBILITIES

NEP and NEC: At the beginning of the FY 2012-2016 Planning phase, the NEP and NEC will jointly review, comment on and approve the AGM. During the remainder of the Planning phase, the focus of senior leadership will be directed to development of the NGSP.

Goal/Sub-Goal Teams: Goal/Sub-Goal Teams participate in the AGM review. The Goal/Sub-Goal Team leads, in conjunction with the LOs and SOs, will approve any updates to the Program charters. Based on the AGM, Goal/Sub-Goal Teams will provide additional guidance to Programs for development of POPs, to guarantee a coordinated effort that feeds into the development of their SPAs and responds to the FY 2011-2015 Program Decision Memorandum. Goals/Sub-Goals will use their SPAs to inform development of FY 2012 Program Plans.

Program Managers: Program managers will review their Charters and make necessary updates and receive approval for these updates from the Goal/Sub-Goal Team leads and the appropriate LOs and SOs. Following Goal/Sub-Goal guidance, the Program manager will use CasaNOSA to update the FY 2012-2016 POP and prepare analyses of alternatives for key Program gaps to reflect fact-of-life changes. Program managers will respond to the directions given by the FY 2011-2015 Program Decision Memorandum.

Line Offices and Staff Offices: LOs and SOs will participate in the update of the AGM. They will also review and comment on the Program charters to ensure applicable legislative drivers and NEP and NEC decisions have been incorporated. The LOs and SOs will participate as members of the NEP and NEC, as described above. In addition, they are responsible for complying with applicable Planning guidance and for providing expertise throughout the Planning process.

Councils: Councils participate in the AGM review. The Councils will work with the Goal/Sub-Goal Team leads and Program managers on specific fact-of-life changes and data requirements collected in CasaNOSA. The Councils may also contribute to the development of the POPs and SPAs, as relevant to the functional domains of individual Councils. Councils will participate in the development of the NGSP.

Regional Team Leads: Regional Team leads will participate in the AGM review. The Regional Team leads will also work with the Program managers and the Goal/Sub-Goal Team leads during the Planning phase.

NOAA Budget Office: The NOAA Budget Office is responsible for working with the mission goals to determine the correct Budget levels for the Program Information Reporting System (PIRS) and providing the information to Goal/Sub-Goal Team leads, Program managers and PA&E.

Program Analysis & Evaluation (PA&E): PA&E will assist the Goals/Sub-Goals and Programs in the development of the POPs and SPAs. PA&E manages PIRS and provides current Program information for input into CasaNOSA.

Office of Program Planning and Integration (PPI): PPI will prepare the guidance documents and calendar for the FY12-16 Planning Phase and assist the Goals/Sub-Goals and Programs in the development of the POPs and SPAs. The updates to the CasaNOSA POP system are coordinated by PPI. PPI is responsible for the preparation of the Annual Guidance Memorandum and the approval of the updated program charters. The development of the NGSP is also led by PPI, which has the responsibility to communicate the NGSP progress to the NEP and NEC.

Appendix A**FY 2012-2016 Planning Calendar**

2009 Date	Event
February 13	FY12-16 Planning Guidance I released
March 2	NGSP/FY12-16 Planning overview; SSMC3-4527 from 2:00 - 4:00 pm
March 9-20	Updated AGM released for review and comment to Goal/Sub-Goal Team leads and Program managers, Line Offices, Councils, and Regional Team leads
March 20	Program charters updated as needed and due to PPI
April 20	CasaNOSA POPs open for non-financial updates
April 29	Decisional AGM briefing and review of NGSP development at Joint NEP/NEC
May 18	Goal/Sub-Goal guidance to Programs updated as needed
May 26	Enacted FY09 budget and FY10 President's Budget data reflected in CasaNOSA POPs
June 1	POP development formally starts
June 19	Draft Mission Goal POPs due (with particular emphasis on alternatives requiring Mission Sub-Goal support)
June 22-26	PPI Review and comment on draft Mission Goal POPs
July 17	Mission Goal and Mission Support Sub-Goal POPs due
August 3	POP data released to PA&E for Program Review
August 21	Goal SPAs due to PPI
August 28	Mission Support Sub-Goal SPAs due to PPI

Appendix B

NGSP Schedule of Activities

October 2008 - January 2009	In Phase 1, high-impact, high-uncertainty forces are identified then developed into scenarios.
February 2009 - May 2009	In Phase 2, scenarios are used by multiple parties to revisit NOAA's mission, vision, goals, objectives, and strategies.
June 2009 - July 2009	In Phase 3, the opinions of these stakeholders are analyzed and synthesized into possible options for restated mission, vision, goals, objectives, and strategies.
August 2009- October 2009	In Phase 4, NOAA leadership assesses, modifies, and chooses among these strategy options.
November 2009 - March 2010	In Phase 5, the NGSP is written, reviewed by key stakeholders and by the public, then revised accordingly.

