CHAPTER I

INTRODUCTION

1. OVERVIEW

a. Purpose: The primary purpose of "Section I: Field Budget Process, Budget Formulation Handbook," is to outline the procedure established by DOE Order 130.1, BUDGET FORMULATION PROCESS, by which budget estimates are to be prepared, documented, and reviewed to ensure that budget requests are of high quality.

b. Guidance: This section of the instruction provides the guidance for the preparation and review of the Field Budget submissions:

(1) DOE Operations Offices are responsible to ensure that their contractors prepare accurate budget estimates to accomplish valid program requirements in the most cost-efficient manner.

(2) All budget requests, including indirect, should be reviewed each year by Operations Office staff and Management & Operating (M&O) contractor staff to ensure reasonableness, consistency with program guidance, and proper pricing.

(3) Operations Office staff should ensure that the M&O contractors subject all estimates to program and budget reviews by someone other than a program advocate to provide assurance that the requests are reasonable and are supported by appropriate documentation.

(4) In coordination with the Heads of Headquarters Organizations and the CFO, the Operations Office should conduct multi-disciplined reviews to validate the cost estimates and reasonableness of all new initiatives and changing programs. "Bottoms-up" reviews of all activities are to be conducted by the Operations Office staff not less than every five years.

(5) Unsupported budget estimates disclosed subsequent to the submission of the Field budget to Headquarters must be reported to the CFO and the funding program for adjustments during the budget process.

(6) M&O contractors' budget handbooks developed in concert with this document must clearly delineate the roles and responsibilities of the Operations Office budget staff and the contractor's central budget staff with regard to reviewing and recommending budget adjustments.

(7) As part of the validation process, the Operations Office should conduct reviews of the M&O contractor's budget formulation handbooks and related training

programs to determine the extent of compliance with and effectiveness of the budget formulation process.

(8) In addition, during the review process, detailed analyses should be conducted on the current financial status of each activity to include a review of the projected unobligated and uncosted balances.

c. References:

(1) DOE ORDER 130.1, **Budget Formulation Process**, establishes the unified field budget process and defines the roles & responsibilities of the Headquarters & Field Elements participating in the process and lists all of the key DOE orders and other references that may be useful.

(2) DOE ORDER 413.1, **Program and Project Management Policy For The Planning, Programming, Budgeting, And Acquisition of Capital Assets**, establishes DOE program and project management policy for the planning, programming, budgeting, and acquisition of capital assets consistent with Office of Management and Budget (OMB) circulars.

(3) DOE ORDER 413.3, **Program and Project Management For The Acquisition of Capital Assets**, provides DOE, including the National Nuclear Security Administration (NNSA), project management direction for the acquisition of capital assets that are delivered on schedule, within budget, and fully capable of meeting mission performance and environmental, safety, and health standards.

(4) DOE ORDER O 534.1, **Accounting**, prescribes the policies and general procedures for the accounting and financial management of DOE accounting operations.

(5) DOE ORDER 5700.7C, **Work Authorization System**, establishes a work authorization and control process for work performed by designated management and operating (M&O) contractors.

(6) **M&O Contractors' Budget Formulation Handbooks.**

(7) **Operations Office Cost Estimating Handbooks**, support preparation of cost estimates for construction projects.

(8) **Other Program and Budget Guidance Documents** may be provided annually.

(9) **Annual Field Budget Call** provides general guidance to the Field on the preparation of the budget.

d. Definitions:

(1) **Accrued costs.** Amounts owed for items received, services received, expenses incurred, assets acquired, construction performed, and amounts received for which a bill has not been received or approved. (Accrued costs are distinguished from budget outlays in that accrued costs record the accrual of a liability and budget outlays record the payment of the liability net of refunds and reimbursements.)

(2) **Baseline**. An estimate of spending, revenue, the deficit or surplus, and the public debt expected during future fiscal years under current laws and current policy. For the purposes of the Budget Enforcement Act, the baseline is defined as the projection of current-year levels of new budget authority, outlays, revenues, and the surplus or deficit into the budget year and outyears based on laws enacted through the applicable date. Section 257 of Gramm-Rudman-Hollings sets forth rules for calculation of the baseline.

(a) CBO Baseline. The Congressional Budget Office's (CBO) baseline for the upcoming fiscal year. This baseline shows the pattern of federal government revenues and expenditures for the next 5 years if current policies continues. It appears in the CBO's annual report for the Budget Committees on the economic and budget outlook for the upcoming year. The CBO baseline is revised, as necessary, once the President's budget is released. It is also modified, as necessary, to conform to new legislative requirements, such as those imposed by the Gramm-Rudman-Hollings Act and the Budget Enforcement Act.

(3) **Budget Authority (BA)**. Authority provided by law to enter into obligations that will result in immediate or future outlays involving Government funds, except for authority to assure or guarantee the repayment of indebtedness incurred by another person or government. The basic forms of budget authority are appropriations, contract authority, and borrowing authority.

(4) **Budget Outlays (BO)**. The amount of checks issued or funds electronically transferred., or other payments made (including advances to others), net of refunds and reimbursements. Federal outlays are recorded on the cash basis of accounting, with the exception of most interest on the public debt, for which the accrual basis of accounting is used.

(5) **Budget Year (BY)** is the fiscal year for which the budget is being considered, that is the fiscal year following the current year. The budget year is the fiscal year for which budget estimates are being developed.

(6) **Contractor Encumbrances** consist of amounts of contracts awarded by the M&Os and the Integrated and Management contractor (IMCs) consisting of (a) purchase orders issued; (b) contracts and subcontracts awarded including the full liability under lease purchases and capital leases; (c) termination cost for incrementally funded firm fixed price contracts, operating lease agreements, and multi-year service contracts that contain termination clauses; (d) other

agreements for the acquisition of goods and services related to other M&O/IMC liabilities, and (e) work orders or authorizations issued to M&O/IMC construction contractors.

(7) **Current Year (CY)** is the fiscal year immediately preceding the budget year. For the Field, CRB, and OMB budgets, it is the fiscal year of the budget currently being considered in Congress. However, for the Congressional cycle, the current year is the fiscal year in which the budget is currently being executed.

(8) **Decision Unit**. For the Department, decision units represent the major program elements of the approved budget structure, which are used for formulation and decision-making purposes. A decision unit is usually a subset of an appropriation. A decision unit must be organizationally exclusive (i.e., controlled exclusively by a single Departmental organization). It can encompass an entire appropriation (e.g., Inspector General), but cannot be composed of more than one appropriation. A decision unit can consist of operating expenses, or capital equipment, or construction type funding, or any combination thereof. It can be a single obligational control or a combination of many obligation controls. A decision unit can include a single budget and reporting (B&R) classification code or many B&Rs. Furthermore, a large funding amount does not automatically qualify a program entity as a decision unit; although with few exceptions, decision units are generally larger than $1 million, and can be in the hundreds of millions of dollars (as in the Environmental and Weapons programs). In summary, a decision unit is simply any major program element so designated in the decision unit listing maintained and distributed by the Office of Budget.

(9) **Direct Costs** are any costs that are (can be) identified with a particular program the first time the costs are charged. These costs are directly charged to a program since they are directly related to and are being incurred principally for the benefit of the program receiving the charges. These costs generally consist of direct labor, materials and supplies.

(10) **Fiscal Year (FY)** is any yearly accounting period, regardless of its relationship to a calendar year. The fiscal year for the federal government begins on October 1 and ends on September 30. The fiscal year is designated by the calendar year in which its ends (for example, fiscal year 2002 is the year beginning October 1, 2001 and ending September 30, 2002.)

(11) **Fully Loaded Costs** reflect the sum of the direct and allocated indirect costs. For budget formulation purposes fully loaded costs are used to prepare the DOE program estimates. When these costs are incurred they are reported to the Department's Management and Accounting System (MARS) using the budget and reporting (B&R) classification codes.

(12) **General Plant Projects (GPP)** are miscellaneous minor new construction projects of a general nature, the total estimated cost of which may not exceed the congressional authorization of $5 million per project. GPP are necessary to adapt facilities to new or improved production techniques, to effect economies of operations, and to reduce or eliminate health, fire, and security problems. These projects provide for design or construction (or both); other capital alterations and additions; and improvements to land, buildings, and utility systems, and they may include the construction of small new buildings, replacements or additions to roads, and general area improvements.

(13) **Indirect (Allocable) Costs** are costs that are not identified with a single, specific final cost objective. These costs, collected in cost pools, are distributed or allocated to a final cost objective based on a predetermined methodology. Site overhead costs, service centers, and organizational burden are examples of indirect costs.

(14) **Laboratory Directed Research and Development (LDRD)** represents the Department's independent research and development costs. These are indirect costs which are allocated to all direct programs at the laboratory for independent research and development activities in conformance with the guidelines contained in DOE Order 413.2.

(15) **Obligations**. Amounts of orders placed, contracts awarded, services received, and similar transactions during a given period that will require payments during the same or a future period. Such amounts include outlays for which obligations have not been previously recorded and reflect adjustments for differences between obligations previously recorded and actual outlays to liquidate those obligations. All obligations must be supported by written documentation or law.

(16) **Outyear** is any year (or years) beyond the budget year for which projections are made.

(17) **Prior Year (PY)** is the fiscal year immediately preceding the current year and two fiscal years preceding the budget year. For the Field, CRB, and OMB budgets, it is the fiscal year in which the budget is being executed. For the Congressional cycle, the prior year is the most recently completed fiscal year.

(18) **Recharge or user costs** are costs for a service such as the computer center or the engineering department, which are charged out to either direct programs or indirect programs on the basis of services provided at a predetermined rate, reflecting the costs for the services.

(19) **Reprogrammings** shift funds within an appropriation or fund account to use them for different purposes than those contemplated at the time of appropriation. While a transfer of funds involves shifting funds from one account to another, a reprogramming shifts funds within an account.

Reprogrammings are generally preceded by consultation between DOE and the appropriate congressional committees. This generally involves formal notification and opportunity for congressional committees to concur in the proposal.

(20) **Total Estimated Cost (TEC)**. The total estimated cost of a construction project is the gross cost of the project, including the cost of land and land rights; engineering, design, and inspection costs; direct and indirect construction costs; and the cost of initial equipment necessary to place the plant or installation in operation, whether funded as operating expense or construction. It should be noted that in recent years Congress has authorized amounts for construction projects exclusive of amounts for construction planning and design. In these cases the amount authorized is used as a base for total estimated costs, even though it does not include planning and design costs.

(21) **Total Project Cost (TPC)** consists of all the costs included in the TEC of a construction project plus the pre-construction costs such as conceptual design and R&D, as well as the costs associated with the pre-operational phase such as training and start-up costs.

(22) **Uncosted Obligations** are those legal obligations incurred for which goods and services have not yet been provided.

(23) **Validation** is an exercise involving the comprehensive examination of the contractor's documentation to evaluate the supporting documentation for the activity, verify the resources requested and their necessity, test the estimates developed, and verify the reasonableness of the contractor's scope requirements.

e. Submissions: Field Offices will submit budget justification materials to their respective Lead Program Secretarial Officers (LPSOs) Cognizant Secretarial Officer (CSO), and Program Secretarial Officers (PSOs).

f. Key Budget Concepts: The purpose of this section is to provide guidance on the proper use of the budget categories in formulating budgets. The Department's budget for most programs is divided into three funding categories: Operating Expenses, Capital Equipment (not related to a construction project), and Construction. Within the Energy and Water Development (EWD) appropriations, CE, GPP, and AIP funds have generally been merged with operating funds. The EWD Committee , however, expects to be kept informed of specific details related to GPP, CE, and AIP and other operating expense funded construction-related costs through the Department's annual budget justification. Additionally, the Department continues to account for obligations and costs at levels that identify GPP, CE, and AIP and other operating expense funded construction-related costs.

(1) **Operating Expenses**: Operating expenses are normally used to budget for operational activities and includes such expenses as labor, travel, training and

small dollar items that are not intended to be capitalized (i.e., less than $25,000 and a useful life of less than 2 years).

(a) There are some exceptions for those programs whose budget structure provides for operating expenses funding only, such as the Environmental Restoration Program, Strategic Petroleum Reserve and Naval Petroleum Reserves. These programs generally use operating expenses to fund capital equipment and construction projects. When operating expenses are used to budget for construction projects, a project data sheet is required for all projects in excess of the limitation on General Plant Projects (GPP), currently $5 million.

(b) Another exception is the lease purchase of telecommunications equipment, which is considered to be the provision of utility services and is funded annually using operating expenses.

(2) **Capital Equipment not Related to Construction**: This budget category provides for capital equipment not related to a specific construction project, including the costs for installing the equipment. Field budgets should contain a detailed listing of the equipment being requested, and indicate if it a new item of equipment and if is intended to replace existing equipment. The Congressional budget submission prepared by Headquarters will normally only identify major items of equipment over $2.0 million.

(3) **Differentiating Between Capital Equipment and Construction Projects**: In most cases, capital equipment can be installed with little or no significant installation costs or construction activities required. However, in some cases the equipment requires significant construction activities to function such as the provision of foundations, utilities, and structural modifications and additions to a building. As a general rule, construction funds should be used when these construction activities constitute more than 20 percent of the costs of the equipment, or when the construction activities exceed the GPP limitation.

(4) **Projects Funded Out of Construction Funds**: Normally, projects which result in the construction of a structure or facility having a useful life of 2 years or more are funded out of capital funds in either a line-item project, or in a GPP project if under the Congressional limitation for GPP projects (currently $5 million). These are identified under the construction funding category and a construction project data sheet is prepared for the submission with the budget.

(a) Refer to Chapter 2, section 4, for a complete description of the procedures to be followed to prepare project data sheets. Note that Item 4 of the project data sheet contains the TEC portion of the project. These costs consist of all the costs necessary to design, construct and outfit a facility or structure. Generally, these costs are comprised of the capital costs plus the initial complement of low value (less than $25,000) furnishings, which

while not meeting the capitalization criteria, are necessary to provide a complete and useable facility.

(b) Item 6 of the data sheet contains the Total Project Cost (TPC) portion of the project. TPC consists of all the costs in the TEC plus the pre-construction costs such as conceptual design and R&D, as well as the costs associated with the pre-operational phase such as training and start up costs.

(5) **Projects Funded Out of Operating Expenses**:

(a) Operating expenses are used to fund construction projects that have an expected life of less than two years since these projects will not be capitalized on the books. An example is experimental facilities that are expected to be used for less than two years. It is important that project data sheets be prepared for all projects with a TEC in excess of the GPP limitation, which is currently $5 million.

(b) Similarly, programs that only have operating expense funding such as the Environmental Restoration Program, and the Strategic Petroleum Reserve, should prepare project data sheets for all construction-type projects with a TEC of $5 million or more.

(c) The project data sheets for projects funded out of operating expenses are prepared in exactly the same way as the data sheets funded from construction funds, except that item 1 of the project data sheet is changed to reflect operating expenses as the source of funds. Item 5 of the data sheet encompasses those costs that are directly associated with the construction phase of the project (TEC), and Item 6 contains all the costs from conceptual design through start-up (TPC).

(6) **Grouping of Construction Projects**: In the interest of minimizing the number of individual data sheets, smaller projects can be grouped together to form a larger single data sheet whenever the activities are site-wide and constitute a theme, such as the construction of utilities. In these cases, separate sub-projects should be described in paragraphs 3 and 4 of the data sheet along with the TEC, funding profile, and start and completion dates of each subproject.

(7) **Environmental Restoration Projects**: The EM Environmental Restoration Program (EM-40) is funded entirely by Operating Expenses, and this funding is utilized for traditional operating-type expenses, capital equipment, and construction-type efforts. The focus of these activities is the cleanup of contaminated facilities and sites, which is largely under the Federal and State regulatory control and which involves far more uncertainty than traditional construction-type activities.

2. BUDGET VALIDATION PROCESS.

a. Purpose: The Department helps ensure the quality of its budgets, in terms of both requested program and related cost estimates, by oversight of contractor budget formulation and through budget review/validation. Success in achieving quality budgets is captured in a performance measure that is part of the Department's Performance-Based Oversight Process. This goal is "To validate 100 percent of Major Operating Contractors (MOCs - M&O, M&IE, etc.) Field budget requests over a five year period (a minimum of 20 percent per fiscal year) through 'bottoms-up' validation reviews."

b. Type of Reviews: A budget validation consists of two types of budget reviews--program reviews and pricing reviews. Program reviews are conducted to ensure that the program guidance has been followed and to validate the reasonableness of resources and the programmatic assumptions upon which the estimates are based. Pricing reviews are conducted to validate the reasonableness of cost estimates. These pricing reviews should verify that adequate reviews have been conducted by the MOC contractor staff, and that adequate backup documentation is maintained in support of the estimates. Ideally, both the pricing reviews and the program reviews should be conducted at the same time to ensure the highest quality of the budgets and to minimize the impact on the MOC staff.

c. Team-Based Approach:

(1) As part of their contractor oversight role, Field Chief Financial Officers (CFOs) are responsible for ensuring the validation of annual MOC budget requests. Field CFOs need to coordinate their effort with Program Offices (POs) and the Headquarters CFO.

(2) To successfully meet this performance goal, it is imperative that the PO actively participate in the validation process. POs conduct many on-going evaluations and validations of current and planned programmatic activities. Many of these evaluations are in essence budget validations. Similarly, some reviews by the FM, IG, GAO, or special reviews such as those performed by Tiger Teams, may also involve budget validation. To the extent feasible, Field CFOs can include these evaluations as part of their annual field validation process in scoring the 20 percent validation goal. The scoring period for validation of a given fiscal year begins on October 1 and ends on the following September 30. For example, for the FY 2000 budget, which was submitted to the HQ CFO on June 3, 1998, validations from October 1, 1997, through September 30, 1998, could be counted against the 20% target. To ensure that the Secretary of Energy has the best possible information for use in making decisions in the Corporate Review Budget process, validations should ideally be conducted by mid-June although validation efforts can occur at any time of the year. Field CFOs should contact POs to determine the content, timing, and results (or expected results) of specific evaluations being conducted by the POs.

d. Validation Process: Exhibit A provides a description of the primary process steps for validating field budgets and reporting performance results.

e. Key Term and Concepts:

(1) Bottoms-up Review: Bottoms-up reviews means dividing a budget into its logical sub-component pieces and selectively validating the lowest individual pieces.

(2) Implementation Flexibility: Field Offices and MOCs may tailor this guidance to meet their specific needs upon coordination with the HQ CFO.

(3) Prerogative to Choose and Set Annual Validation Priorities: This concept recognizes the Department's changing work environment that impact its contractors' operations. Accordingly, Field CFOs, while keeping program vulnerability in mind, have the prerogative to annually choose the budget areas to be validated and to set validation priorities.

(4) Validation Approach: The Field CFOs will prepare an annual validation approach which describes their process to ensure validation of at least 20 percent of the MOC budget(s). A validation approach must include:

(a) Background information

(b) Explanation of validation priorities (i.e., why certain budget areas have been selected)

(c) Description of which ongoing evaluations will be credited, the basis for using these evaluations, and how much they contribute towards the 20 percent goal

(d) Explanation of how the validation will be accomplished

(e) Description of expected results

(f) Other documents utilized in the evaluation as determined by Field CFOs and MOCs.

f. Varied Scope and Type of Creditable Validation Activities. Some efforts that are not a part of the formal field budget process, per se, may contribute to field budget validation activities. To be counted against the 20 percent validation goal, these efforts must be clearly linked to the FYBY budget and must have been completed by September 30 (as explained in paragraph 2.c.(2) above). Exhibit B provides a list (not all inclusive) of ongoing evaluations which may qualify as creditable towards the budget validation goal of 20 percent.

g. Roles and Responsibilities:

(1) Office of Management, Budget, and Evaluation/CFO (also referred to as Headquarters CFO):

(a) Issue guidance for the budget process, budget validation, and oversight. (ME-30 and 100)

(b) Evaluate field budget validation results and consolidate them for the annual Departmental performance report. (ME-100)

(c) Provide assistance and participate in field budget validation activities. Promote active participation and sharing of ongoing evaluations by POs with Field CFOs. Review and assess field budget validation documentation. (ME-30)

(2) Headquarters' and Field Program Officers (PO):

(a) Issue program guidance via the CFO Field Budget Call.

(b) POs have programmatic oversight of MOCs, and they and their delegates perform programmatic validation of the budget requests consistent with guidance to field offices listed in paragraphs 2.(e)(3) and 2.(g)(3)b and c.

(c) Provide results, as requested, of validations to Field CFOs.

(d) Provide a brief summary of validation through a designated POC to the Field CFO.

(3) Field CFOs (Field Offices):

(a) Develop additional guidance as needed.

(b) Ensure validation of at least 20 percent of the annual budget submissions of the MOCs such that 100 percent is validated every five years.

(c) Prepare annual validation approach, document the pricing validation process, and maintain supporting records.

(d) Obtain brief summary description of the POs ongoing programmatic evaluations and provide independent assessment of results and applicability to the 20% goal.

(e) Report total budget validation results to Headquarters CFO (see Exhibit C) and provide other information if requested.

(4) Major Operating Contractors:

(a) Develop annual field budget requests.

(b) If requested by the Field CFOs, provide detailed budget data and other records.

(c) If requested by the Field CFOs, update field budget based on budget validation results.

h. Documentation.

(1) Related Guidance: this guidance assumes that any necessary additional related guidance (e.g., PO program guidance or Field guidance) has been or will promptly be published.

(2) Annual Validation Approach: Field CFOs will develop a validation approach (as defined in paragraph e.(4) above) and issue guidance to their MOCs that is consistent with HQ CFO validation guidance.

(3) Supporting Records: Field CFOs and their MOCs will maintain detailed supporting records of budget validation activities and results, including progress towards meeting the 100 percent goal every five years.

i. Reporting.

(1) Exhibit C provides the format for reporting Field CFO summary budget validation performance results to the Headquarters CFO. Annually, the Headquarters CFO will consolidate the field results and include them in the CFO's Departmental performance report.

(2) The following are explanations for elements in Exhibit C: The bar graph contains: (a) the total dollar amount of the combined budget requests of their MOCs; (b) the level validated, if higher than 20 percent (expressed in dollars and percent of total budget requests); and (c) the target goal of 20 percent.

(3) For comparative purposes, Field CFOs should, when available, display more than one fiscal year. Show the budget year validated to the far right of other fiscal years.

(4) The report header includes the budget year of the report. If more than one fiscal year is displayed, each fiscal year must be within the perimeter of the bar.

(5) Include comments that summarize amount, type, and results of budget validation effort. Document outside reviews used in terms of what was covered and the results.

j. Conducting the Budget Validation/Assessing Performance. Some field offices may have extensive procedures in place for conducting budget validations. Others may be in the formative stages of developing processes. Exhibit D provides some suggestions for developing validation work plans. It contains some general areas of focus and some questions that an experienced budget analyst/program analyst might

ask in conducting a budget validation. While it is good place to start, it is not offered here as an all inclusive work plan. There may be many questions and analytical techniques used that differ from site to site. As the validation process continues Exhibit D may be revised to reflect additional techniques and questions as experience increases. This Exhibit will be used by the HQ CFO as a starting point in assessing Field CFO success in ensuring budget validation.

Exhibits:

A. Primary Process Events
B. Acceptable Budget-Validation Activities
C. Budget Validation Performance Results
D. Some Suggestions for Conducting a Budget Validation

Primary Process Events

Presented below, in chronological order, are the primary events that take place with validating field budgets and the ensuing reporting of performance results:

	Action
Ongoing	Program Budget briefings and reviews conducted
Sep	For the upcoming new fiscal year, issuance of performance based oversight process and related performance-measure guidance, goals, and requirements
Oct 1	Begin validation year
Fall	Preliminary field budget formulation activities begin
	Field elements and contractors prepare a preliminary validation approach
Jan/Feb	Issuance by Headquarters CFO of the annual field budget call (which includes program guidance)
	Field budget validation approaches completed and implemented
Feb	Formulation of field budgets continue
Mid/Late Apr	Field budget submissions to Headquarters
Late Apr	Field CFOs conduct pricing validations of MOCs and determine additional
Mid June	validation steps required after late-April
April-Sep	Headquarters and cognizant field program organizations' conduct budget reviews (which may support the validation performance measure)
Mid-Jun	POs submit corporate budget to HQ CFO
Sep	Issuance of performance-based oversight process and reporting guidance for year ending
Sep 30	End of validation year
Jan	Field submits performance results to Headquarters
Feb	CFO consolidates performance result
Mar	CFO submits performance to ME-100
Mar	CR submits Departmental performance reports to S-1

Exhibit B

Acceptable Budget/Validation Activities

The related budget-validation activities listed below are currently performed and should be considered by Field Offices as ways to conduct program reviews as part of the budget-validation process. This list is by no means exhaustive and should only serve as a guide to Field Offices.

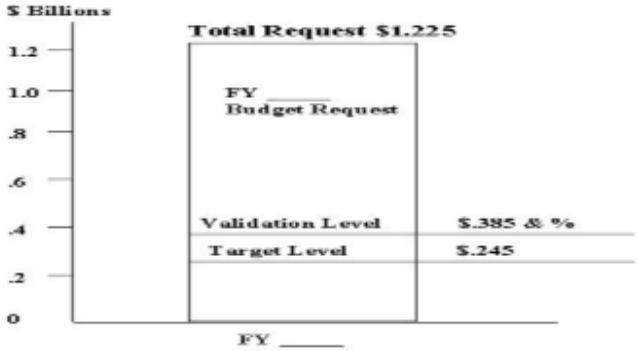
- NNSA's' Planning, Program, Budget and PPBE Process.
- Technical program and peer reviews conducted by Environmental Management, Energy Research, and Energy Efficiency
- On-site reviews of institutional plans
- Line Item Construction Project Validation Reviews (In accordance with DOE 413.3, Program and Project Management for the Acquisition of Capital Assets)
- On-site Performance-Based Oversight Process Reviews
- External reviews, such as those conducted by the U.S. Army Corps of Engineers
- Audit-related reviews, evaluations, and studies conducted by the DOE Office of Inspector General and the U.S. General Accounting Office
- Mid-year program/budget-execution reviews conducted by DOE POs and Operations/Field Offices
- Science and Technology Reviews conducted under the auspices of DOE Contractors' Annual Award Fee Performance Reviews
- Indirect budget and functional cost reviews
- DOE LDRD project reviews

Exhibit C

D-R-A-F-T

Budget Validation Performance Results

(Name of Reporting Field Element)
Budget Validation Performance Results
for FY



Comments:

- Brief description of budget validation self-assessment findings
- Denote budget areas validated
- Reason for selection
- Types/forms of validations performed
- How was percentage of budget validated/
- What is overall confidence in total budget submission
- Any reportable problems or budget validation concerns

Exhibit D

Conducting a Budget Validation

Preparation for the Reviews: Before conducting the reviews it is important that all members of the review team understand how the contractor's budget formulation system works. This information must be documented in the contractor's budget handbook and will be maintained in Chapter 8 of the Field Section of the Budget Formulation Handbook as a reference document. This subject should also be covered in the Operations Office Training program for budget and program analysts.

Establishing a Baseline: It is important that when validating the resources requested that the current financial status of a program be understood and considered. This means that the reviewers should analyze the current and projected costing rate, the planned obligational schedule and develop projections of year-end unobligated and uncosted balances to determine if excess funds are expected to be available to offset the requirements for new budget authority.

Minimum Requirements for Conducting a Field Budget Validation: The following budget validation objectives provide the minimum questions which you must consider when performing a budget validation.

Objective #1: Conduct a pricing review in order to validate the reasonableness of cost estimates. In order to accomplish this objective, the following questions must be posed:

a. What is your validation process (e.g., committee reviews, management reviews, site office reviews)?

b. What is your budget process (training, guidance, systems, roles and responsibilities)?

c. Does the submission follow established guidance (OMB A-11, DOE Orders, Treasury direction, etc.)?

d. How was the cost estimate developed (e.g., trends, bottoms-up incremental change in work scope, logical progression)?

e. Does back-up documentation (e.g., spreadsheets, databases) exist in support of your cost estimate with respect to labor, materials, escalation and overhead?

f. Is your cost estimate based on forward pricing rates and /or institutionally approved rates and rules with respect to your direct support and indirect costs (e.g., overhead, burdens, recharges)?

g. Identify the number of FTEs and type(s) of personnel (e.g., engineers) required to execute the requested program.

h. Have uncosted and/or unobligated balances been taken into account as potential funding offsets in developing your cost estimates?

Objective #2: Conduct a program review in order to ensure that the program guidance has been followed and to validate the reasonableness of resources and the programmatic assumptions upon which the cost estimates are based. In order to accomplish this objective, the following questions must be answered:

a. What is your validation process (i.e., committee reviews, management reviews, site office reviews)?

b. What is your budget process (training, guidance, systems, roles and responsibilities)?

c. Is the work scope consistent with the institutional plan and strategic plan? If not, document the reasons why.

d. What form of program guidance was provided in order to develop the cost estimate?

e. Is the work scope appropriate and consistent with the program guidance provided?

f. If a programmatic activity is either growing or declining significantly from one year to the next, is the ramp-up or ramp-down reasonable and achievable with the resources requested?

g. Have all known environmental, safety, and health needs, as well as other regulatory/statutory requirements, been identified and included in preparing the cost estimate?

3. **REQUIREMENTS FOR GOOD BUDGET JUSTIFICATION**: The purpose of this section is to describe the minimum kinds of information that is necessary for well justified budget requests, whether Field Work Proposals (FWPs), Field Planning Proposals (FPP), EM Long-Term Plan or approved baseline, or other documents are used. These documents should contain the following types of information:

   a. The overall objectives of the program and specific Headquarters organization guidance.

   b. Discrete milestones and associated funding.

   c. The accomplishments planned for the current year as well as the scope of the work planned for the budget year. The scope should clearly describe what will be done with the funds being requested in the budget year and how the work will be accomplished.

   d. The need for the proposed level of effort. (While a continuing activity normally requires less justification than a new activity, there is still a need to justify on-going activities.)

   e. The basis for the estimates including the key assumptions that drive the resource requirements.

   f. If different funding levels are requested, clearly describe what will be bought for the additional funds above the target or guidance level and justify why the additional funds are warranted.

   g. If capital equipment is requested, identify all large items of equipment, specifying whether or not the equipment is for replacement and why it is required.

   h. If construction projects are required, indicate in the operating expense portion of the justification the importance of the facility to the program objectives, focusing on the timing of the facility requirement.

   i. If a structure or facility is being proposed to be funded out of operating expenses, indicate the basis for not using construction funds.

   j. Based on validation reviews, an assessment of the level of confidence for the budget estimate should be assigned (i.e., low, medium or high confidence).

4. **REQUIREMENTS FOR GOOD BUDGET DOCUMENTATION**: This section describes what constitutes good backup documentation. Good documentation should explain in detail how the estimates were developed unless the basis is fully explained in the primary budget justification document. The level of documentation depends upon the nature of the work. For example, if the work involves continuation of on going basic research at the same level of effort as the previous year then extensive backup documentation may not be necessary. However, if new initiatives or changing programs are requested, detailed documentation which will allow the reviewer to fully understand how the estimates were developed should be provided.

5. **PERFORMANCE MEASUREMENT**: (To be provided under separate cover.)

6. **FEDERAL STAFFING**: The Workforce Analysis and Planning Division is responsible for developing and implementing policies and procedures for budgeting, allocating and monitoring the utilization of Federal Full-Time Equivalents (FTEs). In carrying out its staffing budgeting responsibilities, MA prepares and issues separate staffing data calls, analyzes staffing requests and provides recommendations to the Secretary on the deployment of FTEs to carry out the Department's programs and missions.

CHAPTER II

PRIMARY SUBMISSION MATERIALS

1. Introduction.

a. Primary Submission Materials comprises three basic budget exhibits that generally summarize the total budget request of a laboratory, facility, or contractor. Each request package submitted shall contain the three basic exhibits, which are: (a) summary of estimates tables; (b) project data sheets; and (c) field work proposals (FWP's), Activity Data Sheets (ADS) for Environment, Safety and Health only, or EM's Project Baseline Summaries. Other submission requirements are discussed in Chapters 3 and 4 of this Instruction. Each of the three primary submission exhibits is discussed below.

b. Typing Guidelines (EWD Programs Only). Field budget materials that survive the Corporate and OMB review process and are ultimately included in the Congressional Budget justifications, such as project data sheets, are required to be in portrait format. The specific typing guidelines for the primary justification are provided at paragraph 2. A "Budget Justification Style Guide" and "Tips for Creating Robust Budget Documents in WordPerfect" is available for downloading on the CFO Homepage at http://www.mbe.doe.gov/budget/. This file provides suggestions and guidelines on how to develop consistent formats for the budget justification materials.

Typing Guidelines

EWD Programs

Page Layout: 8½ x 11 inches, portrait, single column

Margins: ¾ inch on all sides (including page footers)

Justification**:**
First- and second-level headings, table titles: center
Third- and fourth-level headings, text body, footnotes: left
Page footer: full

Font Styles:
Text body, headings, table titles, page footers: Times New Roman
Table headers/content, footnotes: Arial

Font Sizes:
First-level headings: 16 pt.

Second- and third-level headings, table titles: 14 pt.
Fourth-level headings, text body: 12 pt.
Table headers/content, page footers, footnotes: 10 pt.

Bullet Styles:
First-level: small square
Second-level: small circle
Third-level: small triangle

Page Numbers: for CRB only; otherwise, none

Page Footers:
Placed on every page
Left side: appropriation title/major program/subprogram
Right side: use relevant label (FY BY Corporate Review Budget, FY BY OMB Budget, or FY BY Congressional Budget)

Footnotes:
Placement: bottom of page
Separate from text body with 2-inch solid line
First-line indent: ½ inch (subsequent lines flush with left margin)
Identifier: lower case letter (restart from beginning of alphabet on each page)

Format questions should be directed to the Budget Formulation Team (ME-32), Office of Budget.

2. **<u>Program Direction Guideline (EWD)</u>**. Congress requires that each organization have one program direction account for each appropriation account to provide funding for all federal employee salaries, benefits, and related costs. All support services contracts must be included in the program direction account regardless of whether the contracts support the program mission or federal full-time equivalents.

   a. **Program Performance Summary**. A separate Program Performance Summary should be prepared for program direction funding for each organization within a given appropriation. In addition, Field Offices such as Y-12, Lawrence Berkley, Carlsbad, etc., reporting directly to Headquarters should forward information separately to Headquarters Program Offices and the Chief Financial Officer.

      (1) **Mission Supporting Goals and Objectives** – describe purpose of program direction funding as it applies to salaries and benefits, travel, support services, and other related expenses.

   b. **Funding Schedule** (table) Program direction funding must be reported in obligations by site (Operations, Area, Support and Project Office), by appropriation (e.g., Science/Program Direction, Nuclear Energy/Program Direction etc.) by the four categories: Salaries and Benefits, Travel, Support Services, and Other Related Services) for PY, CY, BY. Also, report BY+1 through BY + 4 as shown in Figure 2.1A. The FTEs associated with the program must also be reported.

   c. **Detailed Program Justification** – describe activities that justify federal staffing levels and resources supporting these levels; describe oversight/management activities performed and programmatic impact if these activities are eliminated; describe change in staffing levels, support service contracts, or working capital activities; identify funding of severance and voluntary incentive payments; include number of full-time equivalents and estimated cost.

   d. **Explanation of Funding Changes** – explain changes in terms of total category levels (salaries and benefits, travel, support services, and other related expenses) for the organization as a whole; break out net changes in categories of subordinate activities. Show explanation of changes for CY to BY, BY to BY +1, BY + 1 to BY +2, BY + 2 to BY + 3, and BY + 3 to BY + BY + 4 as shown at Figure 2.1B.

e. **Support Services** – prepare a detailed breakout of funding for support services as defined below; all support service contracts must be funded in the program direction account regardless of whether they support a program mission line or a federal FTE.

f. **Other Related Expenses**– prepare a detailed breakout of funding for other related expenses as defined below.

g. **Object Class Summary (Figure II-2.1C)** A separate Object Class Summary must be prepared for program direction funding for appropriation account. Object Class categories that are not used for all three fiscal years may be deleted to simplify the schedule. Adjustment lines shall be used to reflect deobligations, start and/or end of year unobligated balances in any of the fiscal years. These amounts are then subtracted from (or added to) the organization's total obligations to calculate Budget Authority (BA).

h. **Definitions** of program direction funding are as follows:

(1) **Salaries and Benefits** (Object Class 11.1 – 13.0)

(a) ***Salaries*** – includes compensation for regular salaries and wages paid directly to civilian full-time permanent and other than full-time permanent employees, geographic differentials and nationwide pay raises, and other personnel compensation such as overtime and awards.

(b) ***Benefits*** – includes cash allowances for job relocation expenses, retirement costs, health and life insurance costs, accident compensation, employee transportation subsidies, unemployment fund, and benefits for former employees (severance pay).

(2) **Travel** (Object Class 21.0, 22.0) – includes transportation costs and per diem allowances for federal employees while on authorized travel status and transportation of things.

(3) **Support Services** (Object Class 25.1); two categories, as follows:

(a) ***Technical*** – includes, but not limited to, determining feasibility of design considerations; development of specifications, system definition, system review and reliability analyses; trade-off analyses; economic and environmental analyses used to prepare environmental impact statements; test and evaluation; and surveys or reviews to improve the effectiveness, efficiency, and economy of technical operations.

(b) ***Management*** – includes, but not limited to, analyses of workload and work flow; directives management studies; automated data processing;

manpower systems analyses; assistance in the preparation of program plans; training and education; analyses of DOE management processes; and other reports and analyses directed toward improving effectiveness, efficiency, and economy of management and general administrative services.

(4) **Other Related Expenses** – all program direction costs not reported in categories above, as follows:

(a) Rental payments to General Services Administration (Object Class 23.1)
(b) Rental payments to others (Object Class 23.2)
(c) Communications, utilities, and miscellaneous charges (Object Class 23.3)
(d) Printing and reproduction (Object Class 24.0)
(e) Other services (Object Class 25.2)
(f) Purchases of goods and services from Government accounts (Object Class 25.3)
(g) Operation and maintenance of equipment (Object Class 25.7)
(h) Supplies and materials (Object Class 26.0)
(i) Equipment (Object Class 31.0)

Science Program Direction

Mission Supporting Goals and Objectives

Program Direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of Office of Science program and advisory responsibilities. Science Program Direction supports staff in the High Energy Physics, Nuclear Physics, Basic Energy Sciences, Biological and Environmental Research, Computational and Technology Research, Multiprogram Energy Laboratories-Facilities Support, and Energy Research Analyses programs, including management and technical support staff. This program also supports staff at the Chicago, Oakland, and Oak Ridge Operations Offices directly involved in program execution. The staff includes scientific and technical personnel as well as program support personnel in the areas of budget and finance, general administration, grants and contracts, information resource management, policy review and coordination, infrastructure management, construction management, and environment, safety and health.

Funding Schedule

(dollars in thousands, whole FTEs)

	FY PY	FY CY	FY BY	$ Change	% Change
Chicago Operations Office					
Salaries and Benefits	1,949	2,000	2,200	+200	+10.0%
Travel	93	30	40	+10	+33.3%
Support Services	5	100	150	+50	+50.0%
Other Related Expenses	84	10	15	+5	+50.0%
Total, Chicago Operations Office	2,131	2,140	2,405	+265	+12.4%
Full Time Equivalents	21	21	21	0	0%
Princeton Area Office					
Salaries and Benefits	695	700	750	+50	+7.1%
Travel	20	10	10	0	+0%
Support Services	0	10	10	0	+0%
Other Related Expenses	35	45	45	0	+0%
Total, Princeton Area Office	750	765	815	+50	+6.5%
Full-Time Equivalents	8	8	8	0	0%
Brookhaven Area Office					
Salaries and Benefits	633	600	650	+50	+8.3%
Travel	35	35	40	+5	+14.3%
Support Services	0	0	0	0	0%
Other Related Expenses	32	80	90	+10	+12.5%
Total, Brookhaven Area Office	700	715	780	+65	+9.1%
Full-Time Equivalents	7	7	7	0	0%
Chicago Support Office					
Salaries and Benefits	620	690	640	+50	7.2%

	(dollars in thousands, whole FTEs)				
	FY PY	FY CY	FY BY	$ Change	% Change
Travel	20	20	30	+10	+33%
Support Services	0	0	0	0	0%
Other Related Expenses	22	70	80	+10	+12.5%
Total, Chicago Support Office	67	780	750	+70	+9.3%
Full-Time Equivalents	5	5	5	0	0%
Total Energy Research					
Salaries and Benefits	27,240	28,490	29,240	+750	+2.9%
Travel	1,183	1,095	1,170	+75	+6.4%
Support Services	4,695	5,210	5,260	+50	+0.9%
Other Related Expenses	5,144	5,430	5,430	+0	+0.%
Subtotal, Program Direction	38,262	40,225	41,100	+875	+2.1%
Use of Prior-Year Balances	-100	0	0	0	0
Total, Program Direction	38,162	40,225	41,100	+930	+2.1%
Full-Time Equivalents	297	293	293	0	0%

Funding Schedule

	(dollars in thousands, whole FTEs)			
	FYBY + 1	FYBY + 2	FYBY + 3	FYBY + 4
Chicago Operations Office				
Salaries and Benefits	xxx	xxx	xxx	xxx
Travel	xxx	xxx	xxx	xxx
Support Services	xxx	xxx	xxx	xxx
Other Related Expenses	xxx	xxx	xxx	xxx
Total, Chicago Operations Office	xxx	xxx	xxx	xxx
Full Time Equivalents	xxx	xxx	xxx	xxx
Princeton Area Office				
Salaries and Benefits	xxx	xxx	xxx	xxx
Travel	xxx	xxx	xxx	xxx
Support Services	xxx	xxx	xxx	xxx
Other Related Expenses	xxx	xxx	xxx	xxx
Total, Princeton Area Office	xxx	xxx	xxx	xxx
Full-Time Equivalents	xxx	xxx	xxx	xxx
Brookhaven Area Office				
Salaries and Benefits	xxx	xxx	xxx	xxx
Travel	xxx	xxx	xxx	xxx
Support Services	xxx	xxx	xxx	xxx
Other Related Expenses	xxx	xxx	xxx	xxx
Total, Brookhaven Area Office	xxx	xxx	xxx	xxx
Full-Time Equivalents	xxx	xxx	xxx	xxx
Chicago Support Office				
Salaries and Benefits	xxx	xxx	xxx	xxx
Travel	xxx	xxx	xxx	xxx
Support Services	xxx	xxx	xxx	xxx

Figure II-2.1A

	(dollars in thousands, whole FTEs)			
	FYBY + 1	FYBY + 2	FYBY + 3	FYBY + 4
Other Related Expenses.....				
Total, Chicago Support Office	xxx	xxx	xxx	xxx
Full-Time Equivalents.....	xxx	xxx	xxx	xxx
Total Energy Research				
Salaries and Benefits.....	xxx	xxx	xxx	xxx
Travel.....	xxx	xxx	xxx	xxx
Support Services.....	xxx	xxx	xxx	xxx
Other Related Expenses.....	xxx	xxx	xxx	xxx
Subtotal, Program Direction	xxx	xxx	xxx	xxx
Use of Prior-Year Balances	xxx	xxx	xxx	xxx
Total, Program Direction	xxx	xxx	xxx	xxx
Full-Time Equivalents.....	xxx	xxx	xxx	xxx

Figure II-2.1A

Detailed Program Justification

	(dollars in thousands)		
	FY PY	FY CY	FY BY
Salaries and Benefits	**00,000**	**00,000**	**00,000**

Explanations of major changes should be in italics for emphasis xxxx xxxxxx xxxxx xxxxx xxxxx xxxxxxxxxx xxxxx xxxxx xxxxx xxxxxx xxxxx xxxxx xxxx xxx xxxx xxxxxxx xxxxxxx xxxxxx xxxx xxxx.
Xxxxxxxxx xxxxxxxxx xxxx xxxxxxx xxxx xxxxxx xxxx xxxxxxx xxxx xxxxx xxxxxx xxx xxxxxxx.

Travel	**00,000**	**00,000**	**00,000**

Explanations of major changes should be in italics for emphasis xxxx xxxxxx xxxxx xxxxx xxxxx xxxxxxxxxx xxxxx xxxxx xxxxx xxxxxx xxxxx xxxxx xxxx xxx xxxx xxxxxxx xxxxxxx xxxxxx xxxx xxxx.
Xxxxxxxxx xxxxxxxxx xxxx xxxxxxx xxxx xxxxxx xxxx xxxxxxx xxxx xxxxx xxxxxx xxx xxxxxxx.

Support Services	**00,000**	**00,000**	**00,000**

Explanations of major changes should be in italics for emphasis xxxx xxxxxx xxxxx xxxxx xxxxx xxxxxxxxxx xxxxx xxxxx xxxxx xxxxxx xxxxx xxxxx xxxx xxx xxxx xxxxxxx xxxxxxx xxxxxx xxxx xxxx.
Xxxxxxxxx xxxxxxxxx xxxx xxxxxxx xxxx xxxxxx xxxx xxxxxxx xxxx xxxxx xxxxxx xxx xxxxxxx.

Other Related Expenses	**00,000**	**00,000**	**00,000**

Explanations of major changes should be in italics for emphasis xxxx xxxxxx xxxxx xxxxx xxxxx xxxxxxxxxx xxxxx xxxxx xxxxx xxxxxx xxxxx xxxxx xxxx xxx xxxx xxxxxxx xxxxxxx xxxxxx xxxx xxxx.
Xxxxxxxxx xxxxxxxxx xxxx xxxxxxx xxxx xxxxxx xxxx xxxxxxx xxxx xxxxx xxxxxx xxx xxxxxxx.

Total, Program Direction	**000,000**	**000,000**	**000,000**

Explanation of Funding Changes from FY CY to FY BY

	FY BY vs FY CY ($000)
Salaries and Benefits	
▪ Increase in salaries and benefits is due to general pay increases, promotions, and within-grade increases.	+800
Travel	
▪ Escalating airfare and lodging costs are offset by increased use of alternatives to travel.	+65
Support Services	
▪ Increase results from the inclusion in program direction of support service contracts previously included in program budgets, as directed by Congress.	+50
Other Related Expenses	
▪ Increased costs of computer workstations and network infrastructure technology upgrades needed to improve operational efficiencies and for the inclusion of field office printing costs.	+15
Total Funding Change, Program Direction.	+930

Explanation of Funding Changes from FYBY to FYBY +1

	FY BY + 1 vs FY BY ($000)
Salaries and Benefits	
▪ (Narrative)xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	
▪ **Travel**	
▪ (Narrative))xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx.....	+xxx
Support Services	
▪ (Narrative))xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx.....	+xxx
Other Related Expenses	
▪ (Narrative))xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx.....	-xxx
Total Funding Change, Program Direction.	+xxx

Figure II-2.1B

Explanation of Funding Changes from FY BY + 1 to FY BY +2

	FY BY + 2 vs FY BY + 1 ($000)
Salaries and Benefits	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	
▪ **Travel**	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	-xxx
Support Services	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	+xxx
Other Related Expenses	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	-xxx
Total Funding Change, Program Direction.	-xxx

Explanation of Funding Changes from FY BY +2 to FY BY +3

	FY BY + 3 vs FY BY + 2 ($000)
Salaries and Benefits	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	
▪ **Travel**	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	-xxx
Support Services	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	-xxx
Other Related Expenses	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	-xxx
Total Funding Change, Program Direction.	-xxx

Figure II-2.1B

Explanation of Funding Changes from FYBY + 3 to FYBY +4

	FY BY +4 vs FY BY + 3 ($000)
Salaries and Benefits	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	
▪ **Travel**	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	-xxx
Support Services	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	-xxx
Other Related Expenses	
▪ (Narrative) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	-xxx
Total Funding Change, Program Direction.	-xxx

Figure II-2.1B

Support Services

(dollars in thousands)

	FY PY	FY CY	FY BY	$ Change	% Change
Technical Support Services					
Economic and Environmental Analysis....	1,488	1,488	1,488	0	0%
Test and Evaluation Studies	0	160	160	0	0%
Total, Technical Support Services.....	1,488	1,648	1,648	0	0%
Management Support Services					
Management Studies	207	207	207	0	0%
Training and Education	58	58	58	0	0%
ADP Support	2,282	2,627	2,627	0	0%
Administrative Support Services	660	670	720	+50	+7.5%
Total, Management Support Services	3,207	3,562	3,612	+50	+1.4%
Subtotal, Support Services	4,695	5,210	5,260	+50	+1.0%
Use of Prior Year Balances.....	-5	0	0	0	0%
Total, Support Services	4,690	5,210	5,260	+50	+1.0%

Figure II-2.1B

Other Related Expenses

(dollars in thousands)

	FY PY	FY CY	FY BY	$ Change	% Change
Training	60	60	60	0	0%
Printing and Reproduction	0	24	24	0	0%
Rental Space	500	500	500	0	0%
Software Procurement/Maintenance Activities/Capital Acquisitions	2,383	2,381	2,396	0	0%
Other	100	0	0	0	0%
Subtotal, Other Related Expenses	5,122	5,335	5,350	+15	+0.3%
Use of Prior Year Balances	-2	0	0	0	0%
Total, Other Related Expenses	5,120	5,335	5,350	+15	+0.3%

Figure II-2.1B

Figure II-2.1B

Object Class Summary

	(dollars in thousands)		
	FYPY	FYCY	FYBY
Direct Obligations:			
11.1 Full-time permanent			
11.3 Other than full-time permanent			
11.5 Other personnel compensation			
11.8 Special personnel services payments			
11.9 Total Personnel Compensation			
12.1 Civilian personnel benefits			
13.0 Benefits for former personnel			
21.0 Travel and transportation of personnel			
22.0 Transportation of things			
23.1 Rental payments to GSA			
23.2 Rental payments to others			
23.3 Communications, utilities, and miscellaneous charges			
24.0 Printing and reproduction			
25.1 Advisory and assistance services			
25.2 Other services			
25.3 Purchases of goods & services from Gov't accounts			
25.7 Operation and maintenance of equipment			
26.0 Supplies and materials			
31.0 Equipment			
99.0 Subtotal, Direct Obligations			
Reimbursable Program			
99.9 Total, Obligations			
Recovery of prior year obligations (-)			
Unobligated balances available, start of year (-)			
Unobligated balances available, end of year			
Budget Authority			

Figure II-2.1C

Figure II-2.1C

3. **Field Work Proposals or Activity Data Sheets**.

a. Most work proposed for funding in FYBY is described in Field Work Proposals (FWPs), Field Planning Proposals (FPPs), Project Baseline Summaries, Activity Data Sheets, or other such documents. DOE 412.1, WORK AUTHORIZATION SYSTEM, establishes a formal process for authorizing and controlling work performed by management and operating contractors. The Order applies to all work financed from operating funds, including capital equipment not related to construction, but exempts line item construction projects (paragraph 4 of Chapter), materials regularly produced for sale (cost of work for other section 5 of Chapter 3) and major system acquisitions or major projects (DOE 4700.1). DOE 5700.7C contains the FWP format which is to be used for all activities requesting funding in FYBY. It should be referenced for guidance in preparing these documents.

b. Project Baseline Summaries are used in lieu of FWP's for EM activities regardless of funding source, i.e., operating expense, or plant and capital equipment. Project data sheets must also be submitted for construction activities whether operating expense or line item funded

4. **Project Data Sheet (PDS) (EWD)**.

a. Overview.

(1) Project data sheets (PDS) justify real property capital improvement projects exceeding $5 million regardless of the funding source. They are the primary documents used to defend funding for capital projects throughout the budget formulation process. Also, data from the PDS are used to develop the OMB Circular A-11 Project Status Report to meet performance reporting requirements of the Federal Acquisition Streamlining Act (FASA) and A-11, Section 300, Planning, Budgeting, Acquisition, and Management of Capital Assets. Submit a PDS for new project efforts and for ongoing projects that require Congressional authorization and/or appropriation in the BY. Data sheets and conceptual design reports are required prior to project validation. Only validated projects are considered for funding during the budget review process.

(2) The PDS contains cost and schedule baseline data that support the project, including a Preliminary Baseline Estimate, Title I Baseline, and Current Baseline Estimate. These baseline estimates are established based upon the project Total Estimated Cost (TEC). A Preliminary Baseline is established when project funds are requested based on the conceptual design report and is reported throughout the life of the project. The Current Baseline represents the latest approved baseline.

(3) Include in the capital project TEC all costs related to adding and/or retiring the following:

(a) Plant and equipment (including transferred equipment and materials).

(b) Land and improvements to land; buildings (including permanently attached equipment).

1 Utilities.

2 Initial movable equipment (machine tools, laboratory, office furniture).

3 Equipment necessary to outfit a building or group of buildings for operation.

(c) Exclude initial stocks of spare parts or other materials and supplies initially chargeable to inventories. Each project is assigned to the appropriate organizational component.

b. Project Accounting Requirements.

(1) All new projects must proportionately share site overhead/landlord costs. It is important that project cost estimates include and reflect this full proportionate share of these indirect costs. The following guidance applies to capital projects initiated after FY 1994: Cost Accounting Standards require that indirect costs be allocated to cost objectives in reasonable proportion to the causal and beneficial relationship of these costs to cost objectives. For purposes of allocating indirect costs to capital projects, this means that (in addition to fringe and organizational burden) an equitable share of all general, administrative, and other site-wide common support activities would be charged to all cost objectives, regardless of the type of funding. In most, if not all, instances, this would result in the application of the same overhead/indirect rate to both operating and capital projects. However, this does not preclude the use of a different rate if there are cost centers/costs which are material and do not have a causal and beneficial relationship to capital projects.

(2) The budgets for operating expenses (OE), plant acquisition and execution (PL), and capital equipment not related to execution (CE) must be consistent with the accounting treatment prescribed in DOE Order 534.1A, Accounting, and the DOE Accounting Handbook, Chapter 10, "Plant and Capital Equipment," Section 1. Introduction, "Capitalization Criteria." DOE capitalization criteria requires that all property, plant and equipment with an initial acquisition cost of $25,000 or more and an estimated service life of 2 years or greater be capitalized and reported in the financial statement. Use the following guidelines to determine where to budget the acquisition of land, facilities, or equipment:

(a) **Capital Equipment Not Related to Execution** – capital equipment for which DOE will retain title, which cost $25,000 or more, have an expected service life of 2 years or more, and are not required to complete a project.

(b) **Operating Expense** – capital equipment not related to project execution required for experimental projects if the equipment will be destroyed during the experiment or will have no further value other than scrap upon completion of the experiment.

(c) **Plant and Capital Equipment Funds**:

1 All land acquisition (fee or easement).

2 All facilities and capital equipment necessary to complete and operate the project.

3 *Exception*: facilities or equipment that meet the definition of R&D and that normally have an estimated life of less than 2 years may be budgeted for as operating expenses; regardless of the budget source or classification of funds, capitalize R&D facilities and equipment that meet the capitalization criteria.

(3) Facilities and equipment leasing are permissible if it is in the best interest of the government. The following are the types of leases available:

(a) Lease With Option to Purchase – when a lease contains an option to purchase, the lease payments may have to be capitalized.

(b) Lease Purchase Agreements – agreements that provide for transfer of title at the end of the lease term or for the transfer of title by exercise of an option at a nominal sum unrelated to the value of the property at the time the option is exercised are considered installment purchases; capitalize these installment purchases.

c. General Instructions.

(1) Submit a PDS for all capital projects requiring Congressional authorization or appropriation in the BY. A PDS should be an objective document written from the standpoint of DOE as a whole instead of one segment. Do not use personal pronouns, building and area numbers, identification of staff personnel, and unsubstantiated value judgments.

(2) A PDS should be self-sufficient. Avoid using technical terms that have a special connotation in industry or science and require that the reader have access to other documents. Provide sufficient detail on the scope of the project to permit a careful review and evaluation of the project. However, do not provide so much detail that it precludes latitude by the manager after authorization and appropriation of the funds.

(3) Submit a PDS for each new project and for each addition that is estimated to cost $5 million or more. Also prepare a PDS for "Operating Expense Funded" projects with a total estimated cost of $5 million or more. Capital projects costing less than $5 million are funded as a General Plant Project (GPP). Submit a PDS for the multi-program, general-purpose facilities program for projects selected by the multi-program general-purpose facilities review committees.

(4) Within a specific program, execution of a number of similar or related units may be submitted on a consolidated basis as a single project. Identify consolidated PDS subprojects as follows:

(a) Use separate subprojects to identify items that are not at a single location.

(b) Identify separate subprojects for items at the same location that require separate preliminary design work, for which initial funding will be requested in different fiscal years, when funding will be the responsibility of different decision units, or if execution start or end dates are in different fiscal years.

(c) For a consolidated project, identify as subprojects items that would have required designation as a subproject based on the criteria above when required due to changes in the funding, schedule, or actual performance.

(5) If projects in the previous Congressional budget have changed data or text, add the following text below the title and use a vertical line indicator to highlight changes: "Changes from the previous Congressional budget request are denoted with a vertical line [|] in the left margin".

(6) Information for Major Systems projects must agree with the project plan baseline document. Only identify changes approved by Congress or the Energy Systems Acquisition Advisory Board (ESAAB).

d. Specific Instructions.

(1) Reference the following to indicate the project number, title, and location in the header for the PDS; do not abbreviate text:

(a) Project Number – programs are responsible for numbers for new projects in each budget year, showing the year, organization, and sequential number of the project that also indicates appropriation for organizations with multi-appropriations; project numbers are assigned soon after receipt of data sheets at headquarters; only properly assigned numbers can be used to identify projects.

(b) Project Title – project titles must be unclassified and should be sufficiently short and descriptive to permit ready reference and cannot be changed after a project number has been assigned.

(c) Project Location – include location of the project in the title; for consolidated projects at more than one location, use the term "Various Locations".

(d) Decision Unit – identify in the footer if the decision unit is subordinate to a program; include program name before the decision unit.

(2) Significant Changes – use this section only if there are major changes to a PDS (project/subproject TEC, TPC, execution end date, or scope adjustments); summarize changes between the present PDS and the PDS submitted in the previous Congressional Budget; place more extensive explanations of the changes in "Item 3".

(3) Item 1. Construction Schedule History.

(a) Include one line for every year a PDS was submitted to Congress where the execution schedule (start/completion), TEC, or TPC varied from the previous year's submission. Indicate parenthetically "Preliminary Baseline Estimate," "Acquisition Performance Baseline," and "Current Baseline Estimate" next to the first fiscal year in which the respective milestone was reached. There should not be more than 1 year indicated as the date of any of the milestones:

1 Preliminary Baseline Estimate – TEC based on the conceptual design report; generally, this would be the first year a PDS is submitted.

2 Title I Baseline – if preliminary design is complete, show the TEC for the Title I Baseline and Current Baseline; Title I date will not change; TEC baseline (not the TPC) is used for FASA performance reporting to OMB and Congress.

3 Current Baseline Estimate – show all approved changes in this line that reflects the latest TEC baseline.

(b) Design Initiated and Completed. Include planned and completed decision milestones, as well as other significant project milestones.

(c) Total Estimated Cost. For projects that contain subprojects, the TEC is the sum of the TEC for all subprojects less non-federal contributions. Identify escalation factors when estimating project costs.

(d) Total Project Cost. Insert the current federal total project cost (TPC).

(4) Item 2. Financial Schedule. After the title "Financial Schedule," if applicable, indicate in parentheses "Operating Expense Funded." Obligations in the BY and outyears reflect an incremental funding policy.

(a) For projects that are phase funded, display funding by design and execution phases. Use the Preliminary Baseline TEC until completion of the preliminary design. Afterwards, change the Financial Schedule to reflect the Acquisition Performance Baseline TEC, or Current Baseline TEC if it is different.

(b) The data in this section must match the Current Baseline Estimate project schedule dates in "Item 1." The total appropriations, obligations, and costs must agree with the Current Baseline TEC in "Item 1." The financial schedule reflects all federal funding for the project from its inception and is reconciled to the Plant History Report and Financial Data System (FDS). Do not break out funds between design and execution for projects prior to FY 2002; the Congressional appropriations committee

staff does not want the funds split. Show only the total funds in each fiscal year for a design and execution funded project data sheet. Use footnotes to explain significant scope, schedule, and funding changes from prior-year budget submissions:

1 The "Appropriation" column for all prior years and the execution year (PY) is identical to the Office of Budget FDS Base Table amounts.

2 The "Obligations" and "Costs" columns for all prior years match Plant History Report amounts; the obligations column for the execution year (PY) is identical to the latest FDS Approved Funding Program (AFP) amount.

3 The execution year obligations and costs must agree with the approved baseline for strategic and major systems projects.

4 Whenever the current appropriation does not equal the original appropriation, explain the change in a footnote; include the original appropriation and the amount of the adjustment in the footnote.

(5) Item 3. Project Description, Justification, and Scope. State clearly and concisely the essential features of the project and, if it is new, a modification, or an addition to an existing project. Describe how this project ties to the Strategic Plan or a specific program; discuss alternatives and the risks and uncertainties of meeting cost/schedule goals. Explain unusual technical terms and describe the following physical aspects if applicable. Write the description in "Item 3" so that it can be easily linked to the cost estimate in "Item 4." If the project contains subprojects, describe each subproject using the same format after a general introduction of the overall project:

(a) If the Current Baseline Estimate differs from the previous year's Baseline Estimate in the TEC and TPC of "Item 1," explain the factors used to determine the revised estimate; this should be consistent with summarized changes described in "Significant Changes" section.

(b) Describe improvements to land and, where it constitutes a major portion of the project, include data such as the approximate length, width, and types of roadways, approximate capacities of parking areas, and proposed drainage structures and fencing.

(c) Describe each building or building addition, including approximate floor plan dimensions, gross area, number of stories, story heights, basement (if provided); types of construction and reason for using such if not obvious; types of heating and air-conditioning; capacities of cranes; and design, fabrication, or construction features which are unusual or specialized and have a significant impact on the cost estimate (shielding, protective

construction, hot cells, special ventilation systems, environmental protection systems, and fire protection systems).

(d) Describe other structures, such as pits, tunnels, towers, bunkers, stacks, and other enclosures not included above.

(e) Describe types of utilities (water, sewer, and power) and, if this item constitutes a major portion of the project, include data such as the length and size of the utility lines.

(f) Describe special facilities or equipment such as accelerator components, movable shielding, vacuum systems, processing piping, power or controls, reactor vessels, inert gas, hydrogen or purging systems, and cryogenic systems.

(g) Describe standard equipment such as office and laboratory furniture and equipment, hoists, and machine tools.

(h) Describe computer system or component of a computer system that have a total estimated purchase cost of $2 million or more; provide a brief justification and explanation of the rationale for funding.

(i) For projects not receiving the full appropriation in the BY, provide a brief description of that portion of the scope which will be accomplished with the BY appropriation.

(j) For projects that contain subprojects:

1 Provide a two-digit subproject number (01-03) preceding the subproject title and location; subproject number is used to provide Obligational Authority in the AFP and to report obligations and costs.

2 Subproject numbers cannot be reused or changed during the life of the project.

3 Subproject titles cannot be changed

4 For each subproject description, provide the subproject TEC; cumulative appropriation for all previous years; PY, CY, and BY appropriations; cumulative outyear appropriation to complete the subproject; and execution activity start and end dates; underline and use a vertical line indicator in the left margin to identify funding profile and execution schedule changes from the previous Congressional budget request; explain changes in the text description of the subproject.

Subproject 05 — Storm Drain, Sanitary Sewer and Domestic Water System Moderation, SNLA, Albuquerque, New Mexico

TEC	Previous FYPY	FYCY	FYBY	Outyear	Construction. Start — Completion Dates
$xx,xxx	$xx,xxx	$xx,xxx	$xx,xxx	0	1st Qtr PY-2 — 2nd Qtr BY+3

5 Provide the date subproject execution activity begins and ends; if any date has changed from the date previously transmitted to Congress, use a footnote to explain change.

6 Subproject amounts must sum to total project data.

a Sum of TEC for all subprojects equals "Total Line Item Cost " in "Item 4" and "Line Item TEC" in "Item 6".

b Sum of the appropriation for each fiscal year for all subprojects equals sum of the appropriation in "Item 2" for the fiscal year; sum of appropriation for previous fiscal years for all subprojects equals sum of the appropriation in "Item 2" for all fiscal years previous to the PY.

7 Dates in "Physical Execution Start/Complete" column is the earliest execution start date and the latest completion date for all subprojects.

8 Completed subprojects remain in the PDS with its funding profile; to conserve space, remove the description the year following the year it was reported completed to Congress.

9 Describe the R&D or production program that is ongoing or planned including the relationship of the proposed facility (both as to need and timing) to the program objectives and schedules:

a State criteria that determined the size or scope of the project, such as volume of production, storage capacity, number of persons to be housed, and space requirements for research.

b To maximum extent feasible within security limitations for projects involving production increases, indicate the present production rate or capacity and the change proposed; if project is an intermediate phase of a long-range program, indicate its relationship to foreseeable planned capacity; if it is a production facility, state annual capacity and basis (1-shift, 2-shift operation, 5-day week, 6-day week); if capacity involves

"Top Secret" data, indices shall be used when practicable, or if not practicable, submit data separately.

c If project replaces existing facilities, explain circumstances that necessitate replacement and disposition to be made of the replaced facilities.

d Indicate that existing facilities have been reviewed to determine that the need cannot be met by modification of existing facilities; this is important for radioactive contaminated facilities where decontamination and decommissioning costs are factors.

e State reasons for proposed timing of completion of the project and the effect on the program if the project is deferred or not authorized.

f If practicable, provide data on the economics of the project including the basis for calculating savings and payout; in computing savings, comparative cost estimates include the cost of depreciation of the facility; justifications can often be strengthened by reference to alternatives and the consequences of disapproval.

g If costs include overhead of an off-site contract laboratory operated by a university or other institution, state the reasons for including overhead and the method used to determine the overhead.

h Identify the estimated gross annual facility operating cost (excluding depreciation) upon completion, less applicable offsetting reductions; for replacement facilities, include comparative data for the facilities being replaced:

i. Production facilities and power-producing facilities – state first full-year's operating costs, maintenance costs, and annual costs at equilibrium; show gross annual costs, revenues, other offsetting reductions, and new annual costs.

ii. Research and development facilities (including new research machines) – show separately, operating costs, maintenance costs, total cost of R&D program, and incremental program cost related to occupying the new building.

iii. In all cases – include basis for these estimates of annual cost for operations and maintenance.

10 Include two items of performance measurement data at appropriate level (project or subproject):

a Indicate what program planning objectives the project or subproject benefits/supports.

b Indicate type and amount of project or project work to be completed during the BY in quantifiable terms.

(6) Item 4. Details of Cost Estimate.

(a) This section shows the estimate for each of the account classifications listed below. Within each classification, give a breakdown of the costs, indicating significant units and costs wherever possible.

(b) Present all costs in current year dollars, escalated to the midpoint of execution. Include a cost category only if there are costs; for example, if there are no costs for "Improvements to Land," do not include this category. The "Previous Estimate" shows the previous submission to Congress. The basis for percentages is TEC. Do not show general administrative and other indirect costs that are charged to the project; instead, prorate these costs among the various cost elements. Also, prorate the costs of management services by private firms during execution among the various execution costs:

1 If project will be administered by an "off-site" contract with a university or other institution that will be reimbursed for administrative overhead, include a memorandum entry indicating estimated overhead; budget costs for preparing system design descriptions or comparable technical documentation to operating expense or execution consistent with the treatment of related expenditures (for example, documents prepared for conceptual design are charged to operating cost, while those performed for preliminary and final design are charged to execution; costs for preparing environmental documentation should be budgeted to operating expenses).

2 Compute unit cost per square foot or cubic foot for buildings or other construction on the basis of gross areas; exclude the amount included in the estimate for contingencies; unit costs should not be more precise than warranted by the status of design.

3 Items should include pertinent data on quantities and unit costs; explain unusual unit costs, engineering design, and inspection or contingency rates.

4 Include a statement at the end of the estimate which explains the basis for the estimate (for example, "conceptual design is complete, preliminary design is 25 percent complete").

5 Explain why certain unit costs may be out of the normal range such as cost for special isolation requirements, costs related to speedup of execution showing hours per week on which estimate is based, and factors affecting the contingent amount.

6 Identify escalation rates.

(c) The following account classifications are categorized by design or construction:

1 Design Phase:

a Preliminary and Final Design costs (Design Drawings and Specifications) – enter total cost of preliminary and final design; additionally, in parentheses provide the cost of the design drawings and specifications; DOE Guide 430.1, Chapter 25, Guidelines for Engineering, Design, and Inspection Costs, lists design activities that can be included.

b Design Management Costs as a Percentage of TEC – identify costs for services provided by the organization managing the execution effort during preliminary and final design as a percentage of TEC; management services are further defined in DOE Order 430.1A, Life Cycle Asset Management.

c Project Management Costs as a Percent of TEC – report costs for a specific project during preliminary and final design for planning, organizing, directing, controlling, and project status reports; in parentheses identify the percentage of TEC.

2 Execution Phase (not required in a design-only PDS):

a Land and Land Rights – provide a breakdown identifying each site acquired, acreage or square miles involved, unit cost, and total cost or cost of each land right acquired; see DOE Order 430.1A, Life Cycle Asset Management, for regulations on the acquisition of real property.

b Improvements to Land – indicate the types of improvements that will be made and total cost; if this sub-item constitutes a major portion of the project, express it in terms of units, unit costs, and total cost, such as miles of road at dollar per mile.

c Buildings – identify planned building construction or building additions and/or existing building modifications; include gross square feet, unit cost, and total cost; if unit cost is unusually high, provide an explanatory note.

d Special Equipment – identify major engineered equipment, and special systems/ facilities (accelerator components, movable shielding, vacuum systems, processing piping, power or controls, reactor vessels, inert gas, hydrogen or purging systems, and cryogenic systems which are also described in "Item 3;" provide an explanation if major equipment components appear to be standard in nature but are special due to unusual criteria (special engineering and/or fabrication needed to meet requirements).

e Other Structures – provide costs for major other structures described in "Item 3," (pits, tunnels, towers, bunkers, stacks, and other enclosures not included in "Item 3").

f Utilities – list types of utilities (water, sewer, and power), which are also described in "Item 3," and total cost; if this item constitutes a major portion of the project, include data such as units, unit costs, and total costs.

g Standard Equipment – list costs for major items of "off-the-shelf" equipment and furnishings that require a nominal engineering effort (office and laboratory furniture and equipment, hoists, and machine tools), which are also described in "Item 3;" include engineering effort required.

h Major Computer Items – list and provide costs for each major computer item or component that have a total estimated purchase cost of $2 million or more (also described in "Item 3").

i Removal Cost Less Salvage – include removal costs less salvage incident to the replacement of plant and equipment applicable to the project; separate projects will be established to budget and account for removal costs and salvage incident to the retirement of plant equipment that will not be replaced.

j Inspection, Design and Project Liaison, Testing, Checkout, and Acceptance – include design support costs coincident with execution activities (such as field drawings, management services, acceptance, testing, and checkout).

k Construction Management Cost – identify services provided by the organization responsible for managing the execution

effort after preliminary and final design and continuing through completion of execution; management services are further defined in DOE Order 430.1A, Life Cycle Asset Management; compute the percentage of TEC.

l Project Management – report services provided for a specific project after the design phase and starting with the construction phase through completion, for planning, organizing, directing, controlling, and project status reports; compute the percentage of TEC.

3 Contingencies: Provide a total (design and execution phase) contingency as a percentage of TEC; this contingency covers unforeseen, unpredictable situations and does not provide for increasing the scope of the project; amount of contingency depends on the status of design and complexity of the project:

a Design Phase – show design phase contingencies as a subtotal of total contingencies.

b Execution Phase – show execution phase contingencies as a subtotal of total contingencies (not used in a design-only PDS).

4 Total Line Item Cost: add contingencies to subtotal

5 Less Non-Agency Contribution: non-federal funds from other sources that are considered capital funds and are included in "Total line item cost;" use only if there are non-federal funds; this funding must be subtracted to show the TEC.

6 Total Line Item Cost (TEC): Net federal TEC; this is the TEC shown in "Item 1," which is the federal cost net of non-federal contribution; us e only if there are non-federal funds.

(7) Item 5. Method of Performance. Indicate the type of contracting arrangements being considered, using the following as a guide:

(a) Design and inspection are performed under a negotiated contract; execution and procurement are accomplished by fixed-price contracts awarded on the basis of competitive bidding.

(b) Design and inspection are performed by the operating contractor; if feasible, execution and procurement will be accomplished by fixed-price contracts and subcontracts awarded on the basis of competitive bidding.

(8) Item 6. Schedule of Project Funding.

(a) If the project includes subprojects, attach a separate page for each. Provide aggregated data in this section.

(b) Use the following definitions to develop the Total Project Cost estimates. The narrative should include a brief description of each line, its cost, basis for operating expense funding, and a schedule. Include the project start/completion dates and relevant interface dates. Include a specific cost category only if it has a cost; if there are no costs for "NEPA Documentation," omit this category:

(c) Total Project Costs – all costs directly related to execution of the project

1 Design – the cost for preparing the conceptual design.

2 Execution – not used in a design-only PDS.

3 Project Engineering and Design (PED) – operating expense engineering and design costs, exclusive of the conceptual design costs.

4 Operating Expense Funded Equipment – equipment, system, component, or other item funded from operating expenses for direct use of the project or is required to make the project complete and operable; include justification and examples.

5 Inventories – inventories needed to begin operation of the project.

(d) Other Project Costs – escalate all estimated costs to the year of planned expenditure; show actual costs when incurred (not used in a design-only PDS):

1 R&D Necessary to Complete Execution – show by fiscal year R&D costs for projects which require an R&D program as a prerequisite to specific design and execution and for which R&D funds are included in the operating expenses appropriation request.

2 Conceptual Design Costs – costs of conceptual design and report.

3 Decontamination and Decommissioning (D&D) – costs of removing hazardous material (typically radioactive or chemical material) from facilities, soils, or equipment by washing, chemical action, mechanical cleaning, or other remediation techniques; also includes costs associated with decommissioning (demolition, dismantling, and removal); see DOE Accounting Handbook, Chapter 10, "Plant and Capital Equipment".

4 NEPA Documentation Costs – NEPA 1969 compliance costs including EA, EIS, permitting actions, and site characterization.

5 Other ES&H Costs – costs associated with environmental, safety, and health activities exclusive of NEPA documentation costs included above.

6 Other Project Related Costs – other costs directly related to the project that occur on a one-time basis, such as start-up costs and training; include a narrative explanation and justification.

7 Non-Agency Contribution – non-federal funds from other sources that are considered capital funds and are included in the "Total line item cost".

(e) Item 7. Related Annual Funding Requirements. This section shows the lifecycle costs for the operation and maintenance of the project. It includes annual operating costs and a narrative explanation. There are two funding columns: "Current Estimate" and "Previous Estimate." The latter shows the estimate from the previous Congressional budget request. Include the fiscal year for the funding costs. (Not used in a design-only PDS.) The following are the reporting guidelines:

1 Total Related Annual Funding – show in parentheses when the annual cost will begin and end; escalate the annual cost, which will represent average per year over the useful life to the first year in which the cost will be incurred.

2 One-Time Costs versus Annual Costs – explain significant variances in the annual cost estimates year to year in a footnote (for example, a planned purchase of a major item of equipment could substantially change the annual costing or significantly change the mode of operation); in addition, use a footnote to explain significant variations in the annual costing rates (for example, procuring a new nuclear reactor core on a very infrequent basis would greatly increase the annual capital equipment cost rate for a facility).

3 Types of Costs – show a specific cost category (such as "Maintenance and Repair Costs") only if it has a cost; if the item has no cost, omit this cost category:

a Annual Operating Costs – annual cost to operate the project, including cost of labor and materials; footnote staff years required; state whether it replaces another project; if a replacement, provide total, not incremental, costs.

b Maintenance and Repair Costs – include all maintenance and repair costs; footnote staff years required.

c Programmatic Operating Expenses Directly Related to the Project – include programmatic effort that relies on the direct

and primary use of the project; provide a yearly estimate and brief justification in a footnote.

d Capital Equipment Related to Programmatic Effort – annual capital equipment requirements related to the programmatic effort included above; footnote expected installations of new capital equipment.

e GPP or Other Project Related to Programmatic Effort – annual cost and justification of General Plant Project or other related projects included above.

f Utility Costs – all annual utility costs required to operate the project.

g Other Costs – other expected costs not included above; explain in footnotes.

(f) Item 8. Design and Construction of Federal Facilities. Use the following statements for Corporate Review and OMB budget justifications; do not include this section in the Congressional budget request:

1 "All DOE facilities are designed and constructed in accordance with applicable Public Laws, Executive Orders, OMB Circulars, Federal Property Management Regulations, and DOE Orders. The total estimated cost of the project includes the cost of measures necessary to assure compliance with Executive Order 12088, "Federal Compliance with Pollution Control Standards," section 19 of the Occupational Safety and Health Act of 1970, the provisions of Executive Order 12196, and the related Safety and Health provisions for Federal Employees (CFR Title 29, Chapter XVII, Part 1960); and the Architectural Barriers Act, Public Law 90-480, and implementing instructions in 41 CFR 101-19.6.".

2 Include statement a or b:

a a)"The project will be located in an area not subject to flooding determined in accordance with Executive Order 11988.".

b b)"The project location in an area subject to flooding has been evaluated and the findings, determined in accordance with Executive Order 11988, are that ... (include the appropriate material from the finding).".

3 Include statement a or b:

a a)"DOE has reviewed the GSA inventory of Federal Scientific laboratories and found insufficient space available, as reported by the GSA inventory."

b b) Other appropriate statement in lieu of the above.

e. Questions concerning Project Data Sheets. Question on the preparation of project data sheets should be directed to the Office of Budget, Budget Operations Division, Budget Formulation Team (ME-31).

f. Format Example. The pages that follow provide a format example for the Project Data Sheet.

98-G-304 Neutrinos at the Main Injector (NuMI), Fermi National Accelerator Laboratory, Batavia, Illinois

(Changes from FY 2001 Congressional Budget Request are denoted with a vertical line [|] in the left margin.)

Significant Changes

Total Project Cost and the Completion Date have been adjusted due to changes in the MINOS detector profile.

1. Construction Schedule History

	Fiscal Quarter				Total Estimated Cost ($000)	Total Project Cost ($000)
	A-E Work Initiated	A-E Work Completed	Physical Construction Start	Physical Construction Complete		
FY 1998 Budget Request *(A-E and technical design only)*	1Q '98	4Q '98	NA	NA	5,500	6,300
FY 1999 Budget Request (Preliminary Estimate).....	--	3Q '99	1Q '99	4Q '02	75,800	135,300
FY 2000 Budget Request.....	3Q '98	2Q '00	3Q '99	2Q '03	76,200	136,100
FY 2001 Budget Request.....	3Q '98	2Q '00	3Q '99	2Q '04	76,200	138,600
FY 2002 Budget Request.....	3Q '98	4Q '00	3Q '99	4Q '03	76,149	139,390

2. Financial Schedule

(dollars in thousands)

Fiscal Year	Appropriations	Obligations	Costs
Design & Construction			
1998	5,500	5,500	1,140
1999	14,300	14,300	5,846
2000	22,000	22,000	15,089
2001	22,949	22,949	26,949
2002	11,400	11,400	14,900
2003	0	0	12,225

3. Project Description, Justification, and Scope

The project provides for the design, engineering and construction of new experimental facilities at Fermi National Accelerator Laboratory in Batavia, Illinois and at the Soudan Underground Laboratory at Soudan, Minnesota. The project is called NuMI which stands for Neutrinos at the Main Injector. The purpose of the project is to provide facilities that will be used by particle physicists to study the properties of neutrinos, which are fundamental elementary particles. In the Standard Model of elementary particle physics there are three types of neutrinos that are postulated to be massless and to date, no direct experimental observation of neutrino mass has been made. However, there are compelling hints from experiments that study neutrinos produced in the sun and in the earth's atmosphere that indicate that if neutrinos were capable of changing their type it could provide a credible explanation for observed neutrino deficits in these experiments.The primary element of the project is a high flux beam of neutrinos in the energy range of 1 to 40 GeV. The technical components required to produce such a beam will be located on the southwest side of the Fermilab site, tangent to the new Main Injector accelerator at the MI-60 extraction region. The beam components will be installed in a tunnel of approximately 1.5 km in length and 6.5 m diameter. The beam is aimed at two detectors (MINOS) which will be constructed in experimental halls located along the trajectory of the neutrino beam. One such detector will be located on the Fermilab site, while a second will be located in the Soudan Underground Laboratory. Two similar detectors in the same neutrino beam and separated by a large distance are an essential feature of the experimental plan.The experiments that are being designed to use these facilities will be able to search for neutrino oscillations occurring in an accelerator produced neutrino beam and hence determine if neutrinos do have mass. Fermilab is the only operational high energy physics facility in the U.S. with sufficiently high energy to produce neutrinos which have enough energy to produce tau leptons. This gives Fermilab the unique opportunity to search for neutrino oscillations occurring between the muon and the tau neutrino. Additionally, the NuMI facility is designed to accommodate future enhancements to the physics program that could push the search for neutrino mass well beyond the initial goals established for this project.

4. Details of Cost Estimate[1]

	(dollars in thousands)	
	Current Estimate	Previous Estimate
Design Phase		
Preliminary and Final Design Costs	7,150	7,150
Design Management Costs (0.0% of TEC)	10	10
Project Management Costs (0.0% of TEC)	20	20
Total, Engineering Design Inspection and Administration of Construction Costs (9.4% of TEC)	7,180	7,180
Construction Phase		
Buildings	8,320	8,320
Special Equipment	10,120	10,120
Other Structures	30,960	30,960
Construction Management (6.0% of TEC)	4,590	4,590
Project Management (2.8% of TEC)	2,170	2,170
Total, Construction Costs	56,160	56,160
Contingencies		
Design Phase (2.8% of TEC)	2,172	2,172
Construction Phase (14.0% of TEC)	10,637	10,688
Total, Contingencies (16.8% of TEC)	12,809	12,860
Total, Line Item Cost (TEC)	76,149	76,200

5. Method of Performance

Design of the facilities will be by the operating contractor and subcontractor as appropriate. To the extent feasible, construction and procurement will be accomplished by fixed-price contracts awarded on the basis of competitive bids.

[1] The annual escalation rates assumed for FY 1996 through FY 2002 are 2.5, 2.8, 3.0, 3.1, 3.3, 3.4, and 3.4 percent respectively.

6. Schedule of Project Funding

(dollars in thousands)

	Prior Years	FY 2000	FY 2001	FY 2002	Outyears	Total
Project Cost						
Facility Cost						
Total, Line Item TEC	6,986	15,089	26,949	14,900	12,225	76,149
Other Project Costs						
Capital Equipment [2]	2,560	5,067	11,974	15,950	11,567	47,118
R&D Necessary to Complete Construction [3]	1,300	0	0	0	0	1,300
Conceptual Design Cost [4]	830	0	0	0	0	830
Other Project-Related Costs [5]	3,480	5,062	3,000	2,050	401	13,993
Total, Other Project Costs	8,170	10,129	14,1800	18,000	11,968	63,241
Total Project Cost (TPC)	15,156	25,218	41,923	32,900	24,193	139,390

[2] Costs to fabricate the near detector at Fermilab and the far detector at Soudan. Includes systems and structures for both near detector and far detector, active detector elements, electronics, data acquisition, and passive detector material.

[3] This provides for project conceptual design activities, for design and development of new components, and for the fabrication and testing of prototypes. R&D on all elements of the project to optimize performance and minimize costs will continue through early stages of the project. Specifically included are development of active detectors and engineering design of the passive detector material. Both small and large scale prototypes will be fabricated and tested using R&D operating funds.

[4] Includes operating costs for development of conceptual design and scope definition for the NuMI facility. Also includes costs for NEPA documentation, to develop an Environmental Assessment, including field tests and measurements at the proposed construction location.

[5] Include funding required to complete the construction and outfitting of the Soudan Laboratory for the new far detector by the University of Minnesota.

7. Related Annual Funding Requirements

(FY 2003 dollars in thousands)

	Current Estimate	Previous Estimate
Annual Facility Operating Costs [6]	500	500
Utility Costs (estimate based on FY 1997 rate structure) [7]	500	500
Total Related Annual Funding	1,000	1,000
Total Operating Costs *(operating from FY 2003 through FY 2007)*	5,000	5,000

8. Design and Construction of Federal Facilities

All DOE facilities are designed and constructed in accordance with applicable Public Laws, Executive Orders, OMB Circulars, Federal Property Management Regulations, and DOE Orders. The total estimated cost of the project includes the costs of measures necessary to assure compliance with Executive Order 12088, "Federal Compliance with Pollution Control Standards"; section 19 of the Occupational Safety and Health Act of 1970, the provision of Executive Order 12196, and the related Safety and Health provisions for Federal Employees (CFR Title 29, Chapter XVII, Part 1960, and the Architectural Barriers Act, Public Law 90-480, and implementing instructions in 41 CFR 101-19.6.

The project will be located in an area not subject to flooding determined in accordance with Executive Order 11988.

[6] Including personnel and M&S costs (exclusive of utility costs), for operation, maintenance, and repair of the NuMI facility.

[7] Including incremental power costs for delivering 120 GeV protons to the NuMI facility during Tevatron collider operations, and utility costs for operation of the NuMI facilities, which will begin beyond FY 2002.

5. General Plant and Accelerator Improvement Projects.

a. The Subcommittee on Energy and Water Development Appropriations has merged capital equipment, general plant projects (GPP), and most accelerator improvement projects (AIP) with operating funding. Construction activity that is less than $5,000,000 per project will be included in the operation and maintenance accounts. However, the Committee directed the Department, in implementing these changes, to continue to reflect capital equipment, general plant projects, and accelerator improvement projects in financial and accounting reports. Also, the committee directed that specific details for planned capital equipment and general plant projects be included in the annual budget justifications.

b. Program specific GPP or AIP are to be funded by the benefiting program. The site landlord should insure that sufficient support is provided for non-program specific GPP or AIP consistent with all other operational and maintenance funded landlord activities. GPP or AIP projects may not be funded from overhead or other indirect functional accounts.

c. While some information concerning GPP and AIP are requested for use by Headquarters Program Offices in preparing the FYBY budget request to OMB and the Congress, Field and Operations Offices are responsible for monitoring the details of GPP and AIP activities of sites under their jurisdiction. Field and Operations Offices will be required to provide necessary details of GPP and AIP activities of their sites on request.

d. The format for the Field Budget submission for reporting and requesting funding for General Plant Projects and Accelerator Improvement Projects by site is provided in Figure II-5.1, and consists of two parts.

(1) Part I Summary is a tabulation of the GPP or AIP by Headquarters Organization and Budget and Reporting (B&R) code. For each B&R, the obligations and costs for the FYPY, the FYCY, and the FYBY and BY + 1 through BY + 4 are required. The total obligations and costs for each year by the site should also be shown. The financial data from Part II Project Listings should be reconciled with Part I.

(2) Part II Project Listing is a brief description of the GPP or AIP accomplishments expected in the PY with available funds, currently anticipated for the FYCY and the FYBY if the FYCY and FYBY funding requests are approved. At the time of submission of the Field Budget Request, the PY is roughly one-half complete. The anticipated GPP or AIP activities for the FYCY are in the budget request being considered by the Congress. If the anticipated GPP or AIP activities for the CY are now expected to be different than those submitted to the Congress, explain the reason and impact.

(3) Each FYPY project shall be described on a separate section of the project listing form. Individual FYCY projects, if known, should be described on a separate section also. Generic FYCY andFYBY projects may be grouped on a single section of the project listing form.

(a) The data elements for Part I are as follows:

1 Site Name - the name assigned by DOE Headquarters.

2 Landlord - the funding Headquarters Program designated to oversee multi-program and facility infrastructure requirements.

3 Contact Person -The name, phone number, fax number, and e-mail address of the person to be contacted concerning project information provided.

4 Field Office - the Operations, field, or project office, or other non-Headquarters element responsible for the site.

5 Budget & Reporting Classification Code (B&R) that provides funding for the GPP or AIP. If a single B&R provides the GPP or AIP funding at the site, a total line is not required.

(b) Data elements for Part II are:

1 Site Name - the name assigned by DOE Headquarters.

2 Landlord - the funding Headquarters Program designated to oversee multi-program and facility infrastructure requirements.

3 Narrative Description - for BYPY and known BYCY projects, describe the problem severity and mission importance of the project, the project scope in terms of capacity or other shortcomings remediated, and other justification for the project.

(c) For generic FYCY and FYBY projects, describe the backlog of unfilled requirements and substandard assets by use category name, summarize findings of any condition assessment surveys, and provide any other justification for use GPP or AIP funds.

1 Funding B&R - enter the program B&R that will fund the GPP or AIP activity.

2 Obligation Profile - summarize the amount in thousands for the activities anticipated in each fiscal year.

3 Cost Profile - summarize the amount in thousands for the activities anticipated in each fiscal year.

(d) For BY + 1 through BY + 4 describe future mission needs.

(e) Questions concerning the GPP or AIP reporting should be addressed to the Budget Operations Division, Budget Formulation Team, (202)-586-4016.

Site Name:(Laboratory, Plant, or other Installation) Landlord Program:

Contact Person:_____Phone:_____FAX:_____E-mail:

Field Office: XYZ Operations Office

FY 19BY FIELD BUDGET REQUEST

GENERAL PLANT (or ACCELERATOR IMPROVEMENT) PROJECTS

I. Summary

	FYPY		FYCY		FYBY		FYBY+1		FYBY+2		FYBY+3		FYBY+4	
HQ Program Office B&R	Obligations	Costs	Obligations	Costs	Obligations	Costs	Obligations	Costs	Obligations	Cost	Obligations	Costs	Obligations	Costs
B&R # 1														
B&R # 2														
Subtotal HQ Program Office # 1														
B&R #n														
Subtotal HQ Program Office #n														
Landlord funded GPP B&R														
Total Site														

Figure II-5.1

II. Narrative Description of GPPs (or AIPs) by fiscal year and funding B&R.

Site Name_____ Landlord_____

FY__ Description of GPP (or AIP)	Funding B&R	Obligation Profile for B&R	Cost Profile for B&R
1.	B& R #1	PY_____	PY_____
2.		CY_____	CY_____
3.		BY_____	BY_____
n.		BY+1_____	BY+1_____
		BY+2_____	BY+2_____
		BY+3_____	BY+3_____
		BY+4_____	BY+4_____
		BY+5_____	BY+5_____
FY__ Description of GPP (or AIP)	Funding B&R	Obligation Profile for B&R	Cost Profile for B&R
1.	B&R #2	PY_____	PY_____
		CY_____	CY_____
		BY_____	BY_____
		BY+1_____	BY+1_____
		BY+2_____	BY+2_____
		BY+3_____	BY+3_____
		BY+4_____	BY+4_____
		BY+5_____	BY+5_____

Figure II-5.1

Figure II-5.1

CHAPTER III

1. **INTRODUCTION**. In addition to the primary justification in Chapter II, each laboratory, facility and contractor shall prepare and submit the supplementary justification material exhibits described in this chapter, as appropriate. Copies of this material shall be provided to the Headquarters Organizations as indicated in Attachment D of the Field Budget Call guidance. Questions on supplementary requirements should be directed to the point of contacts specified below:

SUPPLEMENTAL JUSTIFICATION MATERIALS	SUBMITTED BY:		POINT OF CONTACT	
	M&O	Field Element	NAME	PHONE
Uncosted Obligations	X	X	Dean Childs	301-903-2560
Reimbursable Work	X	X	Patricia Lach	301-903-2906
Cost of Work for Others	X	X	Jayne Faith	202-586-2983
Aviation Services	X	X	Robert Jenkins	202-586-5532
Excess Facilities Management	X	X	Andy Szilagyi	301-903-4278
Isotopes Inventory Transactions	X	X	John Pantaleo	301-903-2525
Planned Acquisition of Capital Assets	X	X	David Treacy John Prysucha (IT)	202-586-3151 202-586-8836
Financial Management Activities		X	Lori King	301-903-5265
Landlord	X	X	Janis Greene	202-586-7916
Indirect Costs			Janis Greene	202-586-7916
Minority Educational Institutions, including Historically Black Colleges and Universities	X	X	Annie Whatley	202-586-0281

2. **UNCOSTED OBLIGATIONS** reporting shall be performed at the close of each fiscal year. Guidance on reporting procedures is contained in the "Policy for Review of Uncosted Balances" which is updated and issued annually by the Office of Chief Financial Officer.

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3. REIMBURSABLE WORK - FEDERAL AND NON-FEDERAL

a. Reimbursable work is defined as any work or service performed by DOE and DOE contractors for either a Federal or non-Federal customer which is part of the customer's mission responsibility and for which the Department does not receive direct appropriated funds from Congress. Reimbursable work is financed through funds provided by Federal customers or from cash advances received from non-Federal customers.

b. Reimbursable Work for Other Federal Agencies.

(1) Figure III-3.1 provides additional information for limitation .93 reimbursements, Reimbursable Work for Other Federal Agencies, which is necessary to comply with OMB Circular No. A-11 requirements.

(2) This schedule should be formatted as shown in the figure. Estimates for total obligation authority should be provided on one schedule for FYPY, FYCY, and FYBY.

(3) Except for the power marketing appropriations, Reimbursable Work for Other Federal Agencies will be identified in two separate appropriations: 89X0240, Weapons Activities, for work with Department of Defense agencies; and 89X0224, Energy Supply Research and Development Activities, for work with all agencies other than the Department of Defense.

(4) Reimbursable work for the power marketing appropriations will be identified against the appropriate power marketing account.

(5) Budget and Reporting Classification 40 has been designated for Reimbursable Work for Other Federal Agencies. For each B&R line on the reimbursable schedule, a brief narrative should be added which describes the nature of work along with associated funding levels for each of the three years provided in the budget. Separate statements should be provided when more than one major work activity is performed under a single B&R line.

(6) Unobligated budget authority for Reimbursable Work for Other Federal Agencies normally expires at the end of each fiscal year. When determining obligation requirements for each fiscal year, care should be taken to assure that sufficient budget authority is requested to fund all obligations expected to be incurred in that fiscal year; i.e., if the terms of any unobligated reimbursable agreements at year-end are such that they will still be available for obligation in the next fiscal year, requests for total obligation authority should include amounts for these carryover reimbursable agreements as well as for anticipated new agreements.

(7) In addition to providing contractor estimates by Budget and Reporting Classification, the grand total for each contractor must be provided for total program 40 at the end of the schedule for each appropriation.

c. Reimbursable Work for Non-Federal Entities (not including Third Party Receipts from Technology Transfer Activities included in d., below).

(1) Figure III-3.2 provides additional information for limitation .92 reimbursements, Reimbursable Work for Non-Federal Entities, which is necessary to comply with OMB Circular A-11 requirements.

(2) This schedule should be formatted as shown in the exhibit. Estimates for total obligation authority should be provided on one schedule for FYPY, FYCY, and FYBY.

(3) Except for the power marketing appropriations, Reimbursable Work for Non-Federal Entities will be identified in two separate appropriations: 89X0240, Weapons Activities, for work with Department of Defense agencies; and 89X0224, Energy Supply Research and Development Activities, for work with agencies other than the Department of Defense. Non-Federal reimbursable work for the power marketing appropriations will be identified against the appropriate power marketing account.

(4) Cash advances are required for all non-Federal reimbursable work except as indicated in DOE Accounting Handbook Chapter 13, "Reimbursable Work, Revenues, and Other Collections."

(5) Budget and Reporting Classification 60 has been designated for Reimbursable Work for Non-Federal Entities. For any anticipated Non-Federal reimbursable work, the schedule should provide the name of the Non-Federal entity, a description of the work to be performed, and a related dollar amount for each of the three years provided in the budget.

(6) In addition to providing contractor estimates by Budget and Reporting Classification, the grand total for each contractor must be provided for total program 60 at the end of the schedule for each appropriation.

d. Third-Party Receipts from Technology Transfer Activities.

(1) Figure III-3.3 provides additional information for limitation .95 reimbursements, Third-Party Receipts from Technology Transfer Activities, which is necessary to comply with OMB Circular A-11 requirements.

(2) This schedule should be formatted as shown in the figure. Estimates for total obligation authority should be provided on one schedule for FYPY, FYCY, and FYBY.

(3) Third-Party Receipts from Technology Transfer Activities are identified in two separate appropriations: 89X0240, Weapons Activities, for work with Department of Defense agencies; and 89X0224, Energy Supply Research and Development Activities, for work with all agencies other than the Department of Defense.

(4) Cash advances are required except as indicated in DOE Accounting Handbook Chapter 13, "Reimbursable Work, Revenues, and Other Collections."

(5) Budget and Reporting Classification 65 has been designated for Third-Party Receipts from Technology Transfer Activities. The schedule should provide the name of the other party, a description of the work to be performed, and the related dollar amount for each of the three years provided in the budget.

(6) In addition to providing contractor estimates by Budget and Reporting Classification, the grand total for each contractor must be provided for total program 65 at the end of the schedule for each appropriation.

e. The amounts included for the FYCY estimates will be used as the basis for issuing the initial FYCY approved funding program for reimbursable work. These estimates should not exceed the approved overall level for non-DOE funded work at a particular facility that has been established by the cognizant program at Headquarters as provided for in DOE 4300.2C.

DEPARTMENT OF ENERGY
FYBY FIELD BUDGET
REIMBURSABLE WORK FOR OTHER FEDERAL AGENCIES
(in thousands of dollars)

(Appropriation Symbol and Title)

(Organizational Component)

B&R Contractor Designation and Description	FYPY Estimate		FYCY Estimate		FYBY Estimate	
	Direct Cost[2]	Indirect[1] Added Factor[3]	Direct Cost	Indirect Added Factor	Direct Cost	Indirect Added Factor
40-04 Research and Development:						
01 **Department of Agriculture**						
Jones National Laboratory – (for design and construction of new spectrometer to conduct electron spin echo experiments).	$600	$19	$700	$22	$800	$26
Smith National Laboratory – (to conduct studies on structure and assembly of reaction center of photosystem 2)	1,000	32	1,000	32	1,000	32
Total 40-04-01	1,600	51	1,700	54	1,800	58
02 Department of Commerce						

[1] All waivers are to be specifically identified and added factor rates appropriately footnoted.
[2] Direct Cost is equal to Reimbursable Work Authority.
[3] Added Factor is to be based on the Departmental Rate, plus any office variable, taken against the direct costs to be incurred within the fiscal year.

	FYPY Estimate		FYCY Estimate		FYBY Estimate	
		Indirect[1]		Indirect		Indirect
Jones National Laboratory – (for tracer experiment to validate long-range atmospheric transports)	250	8	400	13	500	16
Total 40-04-02	250	8	400	13	500	16
XX List all appropriate B&Rs by contractor with description						
TOTAL by B&R	**1,850**	**59**	**2,100**	**67**	**2,300**	**74**
Contractor Totals						
Jones National Laboratory	850	27	1,100	35	1,300	42
Smith National Laboratory	1,000	32	1,000	32	1,000	32
TOTAL by Contractor	**1,850**	**59**	**2,100**	**67**	**2,300**	**74**

DEPARTMENT OF ENERGY

FYBY FIELD BUDGET

REIMBURSABLE WORK FOR NON-FEDERAL ENTITIES

(in thousands of dollars)

(Appropriation Symbol and Title)

(Organizational Component)

	FYPY Estimate			FYCY Estimate			FYBY Estimate		
		Indirect Cost[1]			Indirect Cost			Indirect Cost	
B&R Contractor Designation and Description	Direct Cost[2]	Added Factor[3]	Depreciation[4]	Direct Cost	Added Factor	Depreciation	Direct Cost	Added Factor	Depreciation
60-00									
Jones National Laboratory									
State of California – to analyze test results related to clean air studies	$4,000	$680	$260	$5,000	$850	$325	$5,000	$850	$325
Smith National Laboratory	500	85	33	0	0	0	0	0	0
XYZ Corporation – to conduct an aerial survey of corporation's oil refineries									
XX-xx									

[1] All waivers are to be specifically identified and added factor and depreciation rates appropriately footnoted.
[2] Direct Cost is equal to Reimbursable Work Authority.
[3] Added Factor is to be based on the Departmental Rate, plus any operations/field office rate, applied to the direct costs to be incurred within the fiscal year.
[4] Depreciated rates are site specific and applied to the direct costs.

B&R Contractor Designation and Description	FYPY Estimate			FYCY Estimate			FYBY Estimate		
		Indirect Cost[1]			Indirect Cost			Indirect Cost	
	Direct Cost[2]	Added Factor[3]	Depreciation[4]	Direct Cost	Added Factor	Depreciation	Direct Cost	Added Factor	Depreciation
List all appropriate B&Rs by contractor with description									
TOTAL by B&R	**4,500**	**765**	**293**	**5,000**	**850**	**325**	**5,000**	**850**	**325**
Contractor Totals									
Jones National Laboratory	4,000	680	260	5,000	850	325	5,000	850	325
Smith National Laboratory	500	85	33	0	0	0	0	0	0
TOTAL by Contractor	**4,500**	**765**	**293**	**5,000**	**850**	**325**	**5,000**	**850**	**325**

DEPARTMENT OF ENERGY

FYBY FIELD BUDGET

THIRD-PARTY RECEIPTS FROM TECHNOLOGY TRANSFER ACTIVITIES

(in thousands of dollars)

(Appropriation Symbol and Title)

(Organizational Component)

B&R Contractor Designation and Description	FYPY Estimate			FYCY Estimate			FYBY Estimate		
		Indirect Cost[1]			Indirect Cost			Indirect Cost	
	Direct Cost[2]	Added Factor[3]	Depreciation[4]	Direct Cost	Added Factor	Depreciation	Direct Cost	Added Factor	Depreciation
65-00									
Smith National Laboratory									
Customer X – Description of activity	$4,000	$680	$260	$5,000	$850	$325	$5,000	$850	$325
Jones National Laboratory									
Customer Y -	500	85	33	0	0	0	0	0	0
Jones National Laboratory									

[1] Activities for which the Departmental added factor and depreciation charges are considered part of DOE's contribution to agreements pursuant to the National Competitiveness Technology Transfer Act of 1989 are to be specifically identified and added factor and depreciation rates appropriately footnoted.
[2] Direct Cost is equal to Reimbursable Work Authority.
[3] Added Factor is to be based on the Departmental Rate, plus any operations/field office rate, applied to the direct costs to be incurred within the fiscal year.
[4] Depreciated rates are site specific and applied to the direct costs.

	FYPY Estimate			FYCY Estimate			FYBY Estimate		
		Indirect Cost[1]			Indirect Cost			Indirect Cost	
Customer Z -	200	34	13	300	51	20	400	68	26
XX-xx List of all appropriate B&Rs by contractor with description									
TOTAL Third Party Receipts from Technology Transfer Activities	**4,500**	**799**	**306**	**5,300**	**901**	**345**	**5,400**	**918**	**351**
Contractor Totals									
Smith National Laboratory	4,000	680	260	5,000	850	325	5,000	850	325
Jones National Laboratory	700	119	46	300	51	20	400	68	26
TOTAL by Contractor	4,700	799	306	5,300	901	345	5,400	918	351

4. COST OF WORK FOR OTHERS AND REVENUES

a. These schedules (see Figures III-5.1, III-5.2 and III-5.3) provide the basic input data required to formulate the FYBY budget submission for the Cost of Work for Others and Revenue Programs. **These programs differ from the Reimbursable program to the extent that participants in the Cost of Work for Others program are prohibited by law from making advance payments. For this reason the Department seeks appropriated funds from Congress.** Charges to this program are for products sold or services performed for non-DOE users that will ultimately reimburse DOE for all appropriate costs incurred. These charges are not to exceed the associated revenues to be received over the life of the project or activity. All costs should be in compliance with DOE Order 2110.1A, Pricing of Departmental Materials and Services. A separate schedule should be prepared for Cost of Work and Revenues. Additionally, schedules should be submitted by individual DOE Operations Offices and M&O contractors, as appropriate. **A copy of all budget submissions for this program should be forwarded to the Conservation, Administration and Regulation Team, ME-31 point of contact.**

(1) Column (1) should show the Budget and Reporting (B&R) classification.

(2) Column (2) should identify all Cost of Work for Others, or Revenues, as appropriate, to the lowest possible B&R classification and contractors involved.

(3) Column (3) should show the FYPY latest estimate.

(4) Column (4) should show the FYCY President's request as show in the current Congressional budget request before Congress.

(a) Column (4a) should show the latest revised FYCY budget estimates.

(5) Column (5) should show the FYBY budget request. This request is to be fully explained and justified (in bullet format) in the Narrative Justification.

(6) The summary of changes from FYCY President's Budget to the FYBY estimates should be explained in concise bullet form and describe what is changing, the amount of change and the reason for the change. **To be useful, the reference for these changes should not be Estimate but the President's Budget as submitted to Congress.**

(7) For the Revenue schedule, the sub-headings below columns 3 thru 5 should reflect revenues collected (revenues expected to be collected and deposited in the special fund). If any collections should carry forth into the next fiscal year this should be explained in the Narrative Justification.

(8) For the Revenue schedule, show separately amounts for added factor and depreciation for each line item. For budget estimating purposes, the rate

used to calculate added factor should be the most current rate issued by the CFO, (CR-1) at the time field estimates are prepared. The rate used should be indicated on submission schedules. Exceptions to the collection of the added factor and/or depreciation require the prior approval of the CFO.

(9) The narrative justification should be a concise justification for the activities and/or work to be performed as opposed to a lengthy program description. It should describe how the funding level for the BY year was derived and why it is the correct amount.

DEPARTMENT OF ENERGY
FYBY FIELD BUDGET REQUEST
COST OF WORK FOR OTHERS
(in thousands of dollars)

Budget Contact: _____

DOE Field Office: Kansas City DOE Field Office

Lab/Facility: Lawrence Livermore National Laboratory

(1)		(2)	(3)	(4)	(4a)	(5)
B&R		Activity	FYPY Latest Estimate	FYCY President's Budget	FYCY Revised Est. Budget	FYBY Request (Direct) Cost
WE-01		Products Sold:				
	0102	Nuclear Reactor Material:	$3,033	0	0	0
		- Heavy Water	4,773	$5,367	$5,367	$5,367
	0103	Radioisotopes	2,694	2,682	2,682	1,685
	0104	Stable Isotopes				
	0105	Handling Charges:				
		- Radioisotopes	208	230	230	230
		- Stable Isotopes	76	83	83	83
	0119	Miscellaneous Products:				
		- United Kingdom	3,600	2,000	2,000	1,000
Subtotal, Products Sold			14,384	10,362	10,362	8,365

Figure III-4.1Cost of Work

DEPARTMENT OF ENERGY
FYBY FIELD BUDGET REQUEST
COST OF WORK FOR OTHERS
(in thousands of dollars)

Budget Contact: _____

DOE Field Office: Kansas City DOE Field Office

Lab/Facility: Lawrence Livermore National Laboratory

(1)		(2)	(3)	(4)	(4a)	(5)
B&R		Activity	FYPY Latest Estimate	FYCY President's Budget	FYCY Revised Est. Budget	FYBY Request (Direct) Cost
WE-02		Services Performed:				
	0202	Use of DOE-owned Facilities and Equipment:				
		- SERI	0	$1,404	$1,404	$2,000
		- University of California	$3,000	3,200	3,200	3,200
	0203	Irradiation Services and Test Reactor Experiments:				
		- General Electric	1,010	1,200	1,200	1,200
		- Ontario Hydro	290	0	0	0
	0205	Security Investigations	6	6	6	6
	0206	Special Services and Fabrication:				
		- EPRI	500	600	600	600

Figure III-4.1Cost of Work

(1) B&R	(2) Activity	(3) FYPY Latest Estimate	(4) FYCY President's Budget	(4a) FYCY Revised Est. Budget	(5) FYBY Request (Direct) Cost
	- Gas Research Institute	485	176	176	478
0207	Research for Production of Public Health and Safety:				
0219	Miscellaneous Services:				
	- REECO	2,037	1,129	1,129	2,200
	- Hot Dry Rock				
	--Germany	2,500	2,500	2,500	2,286
	- University of Tokyo	600	900	900	900
Subtotal, Services Performed		10,428	11,115	11,115	12,870
TOTAL, COST OF WORK FOR OTHERS		24,812	21,477	21,477	21,235

WN-01

0102 Heavy Water -

0103 Radioisotopes -

NARRATIVE JUSTIFICATION

Summary of Changes from FYCY President's Budget to FYBY Request

Figure III-4.1Cost of Work

DEPARTMENT OF ENERGY
FYBY FIELD BUDGET
REVENUES COLLECTED
(in thousands of dollars)

DOE FIELD OFFICE: Kansas City DOE Field Office

Lab/Facility: Lawrence Livermore National Laboratory

(1)	(2)	(3)			(4)			(5)		
		FYPY Estimates Indirect Cost			FYCY President's Budget Indirect Cost			FYBY Indirect Cost		
B&R	Activity	Direct Cost	Added Factor	Depreciation	Direct Cost	Added Factor	Depreciation	Direct Cost	Added Factor	Depreciation
Revenues Associated with Costs of Work:										
ZN-01	Products Sold:									
0102	Nuclear Reactor Material:									
	- Heavy Water	$3,033	$21	$485	0	0	0	0	0	0
0103	Radioisotopes	4,733	334	764	$5,367	$376	$859	$5,175	$362	$828
0105	Stable Isotopes	2,694	189	431	2,682	188	429	1,685	118	270
	Handling Charges:									
	- Radioisotopes	208	15	33	230	16	37	210	15	34
0119	- Stable Isotopes	76	5	12	83	6	13	38	1	6
	Miscellaneous Products:									

Figure III-4.2 Revenues Not Associated with Cost of Work

(1)	(2)	(3)			(4)			(5)		
		FYPY Estimates Indirect Cost			FYCY President's Budget Indirect Cost			FYBY Indirect Cost		
B&R	Activity	Direct Cost	Added Factor	Depreciation	Direct Cost	Added Factor	Depreciation	Direct Cost	Added Factor	Depreciation
	- United Kingdom									
CE-XX										
Subtotal, Products Sold:		10,744	564	1,725	8,362	586	1,338	7,108	496	1,138
ZN-02	Services Performed:									
0202	- SERI				1,404	98	225	2,000	140	320
	- University of California	3,000	210	480	3,200	224	512	3,200	224	512
0203	Irradiation Services and Test Reactors experiments:	1,010	71	162	1,200	84	192	1,200	84	192
	- General Electric	6	1	1	6	1	1	6	1	1
0205	Security Investigations									
0206	Special Services and Fabrication:	500	35	80	600	42	96	600	42	96
0207	-EPRI									
	Research for Public Health and Safety:	485	34	78	176	12	28	478	33	76
0219	- Gas Research Institute									
	Miscellaneous Services:	2,037	143	326	1,129	79	181	2,200	154	352
	- REECO									

Figure III-4.2 Revenues Not Associated with Cost of Work

(1)	(2)	(3)			(4)			(5)		
		FYPY Estimates Indirect Cost			FYCY President's Budget Indirect Cost			FYBY Indirect Cost		
B&R	Activity	Direct Cost	Added Factor	Depreciation	Direct Cost	Added Factor	Depreciation	Direct Cost	Added Factor	Depreciation
	- Hot Rock	2,500	175	400	2,500	175	400	2,275	159	364
	-- Germany	600	42	96	900	63	144	900	63	144
Subtotal, Services Performed:		10,138	711	1,623	11,115	778	1,779	12,859	900	2,057
Total Revenues Assoc. with Cost of Work:		20,882	1,275	3,348	19,477	1,364	3,117	19,967	1,396	3,195

Figure III-4.2 Revenues Not Associated with Cost of Work

DEPARTMENT OF ENERGY
FYBY FIELD BUDGET
REVENUES COLLECTED
(in thousands of dollars)

NARRATIVE JUSTIFICATION

Summary of Changes from FYCY President's Budget to the FYBY Request

- ZN-0202 Increase at SERI for research related to Renewable Energy (+$596)

Explanation of the FYBY Estimates:

- Brief explanation of activities describing type of work being performed, research services, products sold, contractors to whom work is being provided (foreign and domestic), etc.
- Any new or cancellation of projects or contracts expected should be included in explanation.

Figure III-4.2 Revenues Not Associated with Cost of Work

5. **AVIATION SERVICES**

a. Each aircraft acquisition whether by purchase, lease, transfer or forfeiture, with or without monetary cost, shall be justified by a cost comparison study conducted and documented in accordance with the requirements of OMB Circulars A-76 and A-126. This study shall be approved by the Senior Aviation Management Official, Office of Aviation Management (ME-2.4), prior to budget submission.

b. Each contract for Commercial Aviation Services (such as charter aircraft, maintenance services, aviation services, etc.) for 90 or more days, through an exclusive use contract, shall be justified by an approved cost comparison conducted and documented in accordance with the requirements of OMB Circular A-126 and OMB Circular A-76, as applicable. The cost comparison documentation and recommendations shall be approved by the field element's Contracting Officer and Aviation Manager. A copy of the cost comparison documentation and recommendations shall be forwarded to the Senior Aviation Management Official, Office of Aviation Management (ME-2.4), prior to budget submission.

c. Replacement of a current fleet aircraft shall be treated as an acquisition and the provisions of (a) above, applied.

d. The format for providing funding estimates related to aircraft acquisitions (purchase or lease) follows..

Department of Energy

FYBY Field Budget Request

(Dollars in Thousands)

Aviation Services

Operations Office:_____

Point of Contact:_____ Phone:_____

FYPY	FYCY	FYBY	FYBY +1	FYBY + 2	FYBY + 3	FYBY + 4

Facility/Site:

Program B&R Code:

Purchase

1.

2.

Lease

1.

2.

6. EXCESS FACILITIES MANAGEMENT

a. General. One of the objectives of the Department of Energy National Security Strategic Plan is to continuously and safely manage our facilities throughout their entire life cycle including the period they are declared excess, prior to their deactivation and throughout the disposition phase, consistent with DOE Order 430.1A (Life Cycle Asset Management). As you are aware, your site was involved in the identification of excess facilities through participation in the Surplus Facility Inventory and Assessment (SFIA) Project managed by EM-60 in 1992, and throughout participation in the Excess Facility Special Project managed by EM-20 in 1997.

b. In order to plan for and facilitate appropriate management and potential transfer of excess facilities, we need to identify the costs associated with surveillance and maintenance (S&M) required to assure safety, security, and environmental protection.

c. Reporting Requirements. Information indicated in Figure III-6 is to be submitted for each excess facility. Excess facilities already transferred to the Office of Environmental Management capture this required information and supports the Project Baseline Summary (PBS). Information indicated in Figure III-7 and as described below should be submitted for all excess facilities, or as so stated to become excess during the current reporting period in all other DOE Program Offices (Defense Programs, Science, Nuclear Energy, etc.).

(1) Funding requirements for S&M need to be provided for all excess facilities. These facilities may be identified in the SFIA, Excess Facilities Special Project, more up-to-date databases, and/or other information sources maintained at each site. S&M funding (direct and indirect/overhead) requirements include those activities and related processes (i.e., technical support and management) necessary to ensure that the facility remains in a safe condition. This includes, but is not limited to, inspection and monitoring of the facility and maintenance of barriers controlling radioactive and hazardous materials. Categories of activities include those related to direct and indirect support programs, such as emergency preparedness, projected building maintenance and repair, safeguards and security, safety and health, environmental compliance, radioactive and hazardous material and/or waste monitoring, custodial fees, utilities, leases, and property taxes (or payments in lieu of taxes).

(2) Funding requirements for "Facility Assessment" need to be provided for excess facilities where condition/hazard characterization in not sufficient to provide clear understanding of facility condition to allow safe initiation of S&M and deactivation.

(3) Cost estimates should be developed by site area for fiscal years FYBY through FYBY+4. A primary facility and its ancillary (support) facilities should be grouped together. Clear identification of all facilities involved in an area grouping is necessary to ensure all funding requirements are addressed. Please use the format in Figure III-6 to report your requirements. Be sure to include the Budget and Reporting (B&R) code for each primary facility. A brief narrative justification of what is included in your S&M and facility assessment costs is also required. On the last page of your requirements, include a TOTAL for all excess facilities on the entire site.

(4) Submission Requirements. Please provide a copy of this schedule to the funding (owner) Headquarters Program Office and to the Office of Technical Program Integration (EM-20), Office of Nuclear Material and Facility Stabilization (EM-60). Questions relating to this request can be directed to EM-20.

Department of Energy

FYBY Field Budget Request

(Dollars in Thousands)

Excess Facilities Management Funding Requirements

Operations Office:_____

Point of Contact:_____ **Phone:**_____

Facility:

B&R Code:

	FYBY	FYBY +1	FYBY + 2	FYBY + 3	FYBY + 4
Management Function					
1. Surveillance & Maintenance					
2. Routine Monitoring (e.g., health physics and security)					
3. Facility Characterization					

*Narrative Justifications should be prepared for Fiscal Years PY-1 through BY

Figure III-6
Excess Facilities

7. **Office of Isotopes for Medicine and Science**.

a. Isotope Programs within the U.S. Department of Energy (the Department) provides a reliable supply of isotope products and services to serve the needs of the United States medical, industrial, and research communities.

b. The charter of the Department's Isotope Programs covers the production and sale of isotope products and related services to the user community utilizing government-owned facilities. Isotope Programs is the conduit to sell the Department's isotope products and services. The isotopes are sold at their market value or at a price determined to be in the best interest of the government for use in medical diagnosis and therapy, medical and scientific research, and industrial applications.

c. The program's charter covers the production and sale of radioactive and stable isotopes, associated byproducts, surplus materials such as lithium and helium, and related isotope services. Services include, but are not limited to, irradiation services, target preparation and processing, source encapsulation and other special preparations, analyses, chemical separations, and the lease of stable isotopes for research purposes.

d. On the attached table, list those products or services you anticipate to sell from inventory or to process in anticipation of sale and the associated expense. It is important that Isotope Programs have at least two months notification for any intended DOE sales, so marketing and distribution arrangements can be coordinated.

e. It should be noted that those sites that are currently producing and selling isotope products and services on a routine basis need not provide the attached table.

The Isotope Product and Service Estimated Expense Statement (Figure III-7.1) details the cost by isotope product or service to be provided.

Additional product information can be found online at www.ornl.gov/isotopes/catalog.htm.

ISOTOPE PRODUCT OR SERVICE
ESTIMATED EXPENSE

Isotope	**Current Book Value** (If None, Mark one)	**Processing Cost**	**Packaging Cost**	**Total Cost**	**Processing Location** (Site/Building)
RELATED SERVICES *					
TOTALS					

Notes: All isotopes should be separated by radioisotopes and stable isotopes.

* Services may include but are not limited to the following: chemical processing, target and source irradiations, research, development and testing capabilities, chemical form conversions, and source encapsulations.

Figure III-7

8. **PLANNED ACQUISITION OF CAPITAL ASSETS**.

a. Background. The Office of Management and Budget (OMB) Circular A-11 Part 3, Planning, Budgeting, Acquisition, and Management of Capital Assets requires all agencies to provide information related to the acquisition of capital assets as part of their initial budget submissions. This information includes a summary of spending for project stages; justification and other information; and cost, schedule, and performance goals.

b. The Department is required to submit a performance report with the September OMB budget submission in the Exhibit 300 format prescribed in OMB Circular A-11, Part 3 for all capital assets. The instructions are found in OMB Circular A-11 at http://www.whitehouse.gov/omb/circulars/index.html. The format is provided at Figure III-8. The reporting threshold is all capital asset projects with a total estimated cost (TEC) of $20,000,000 or more. Capital Asset Plans are required regardless of type (color) of funds and irrespective of whether the asset will be capitalized.

c. For Information Technology the threshold is $2,000,000 or more in one year. Also, all financial systems that cost $500,000 or more require an Exhibit 300 report. (See Chapter IV, paragraph 2).

d. A guide to capital asset plans (Exhibit 300s) for IT has been published as is available at http://cio.doe.gov/ITReform/Planning/Exhibits/2004.htm. The guide for the acquisition of all other capital assets is in preparation and will be available at http://oecm.energy.gov/policies_guides/policies_index.html in the near future.

PART I: CAPITAL ASSET PLAN AND BUSINESS CASE (All Assets)

Agency

Bureau

Account Title

Account Identification Code

Program Activity

Name of Project

Unique Project Identifier: (IT only)(See section 53)

Project Initiation Date

This Project is: Initial Concept ____ Planning ____ Full Acquisition ____ Steady State ____

Mixed Life Cycle ____

Project/useful segment is funded: Incrementally __ Fully ___

Was this project approved by OMB for previous Year Budget Cycle? Yes ___ No ___

Did the Executive/Investment Review Committee approve funding for this project this year? Yes ___ No ___

Did the CFO review the cost goal? Yes ___ No ___

Did the Procurement Executive review the acquisition strategy? Yes ___ No ___

Is this investment included in your agency's annual performance plan or multiple agency annual performance plans? Yes ___ No ___

Does the project support homeland security goals and objectives, i.e., 1) improve border and transportation security, 2) combat bio-terrorism, 3) enhance first responder programs; 4) improve information sharing to decrease response times for actions and improve the quality of decision making? Yes ___ No ___

Is this project information technology? (See section 300.4 for definition) Yes ___ No ___

For information technology projects only:

a. Is this Project a Financial Management System? (see section 53.3 for a definition) Yes ___ No ___

If so, does this project address a FFMIA compliance area? Yes ___ No ___

If yes, which compliance area? _____

b. Does this project implement electronic transactions or record keeping that is covered by the Government Paperwork Elimination Act (GPEA)? Yes ___ No ___

If so, is it included in your GPEA plan (and does not yet provide an electronic option)? Yes ___ No ___

Does the project already provide an electronic option? Yes ___ No ___

c. Was a privacy impact assessment performed for this project? Yes ___ No ___

d. Was this project reviewed as part of the FY 2002 Government Information Security Reform Act review process? Yes ___ No ___

d.1 If yes, were any weaknesses found? Yes ___ No ___

d.2. Have the weaknesses been incorporated into the agency's corrective action plans? Yes ___ No ___

e. Has this project been identified as a national critical operation or asset by a Project Matrix review or other agency determination? Yes ___ No ___

e.1 If no, is this an agency mission critical or essential service, system, operation, or asset (such as those documented in the agency's COOP Plan), other than those identified above as national critical infrastructures? Yes ___ No ___

SUMMARY OF SPENDING FOR PROJECT STAGES
(In Millions)
(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

Figure III-8
OMB Exhibit 300

	PY-1 and Earlier	PY 2002	CY 2003	BY 2004	BY+1 2005	BY+2 2006	BY+3 2007	BY+4& Beyond	Total
Planning:									
Budgetary Resources									
Outlays									
Acquisition :									
Budgetary Resources									
Outlays									
Total, sum of stages:									
Budgetary Resources									
Outlays									
Maintenance:									
Budgetary Resources									
Outlays									
Total, All Stages:									
Budgetary Resources									
Outlays									

I. A. Project Description

1. Provide a brief description of this project and its status through your capital planning and investment control (CPIC) or capital programming "control" review for the current cycle.

2. What assumptions are made about this project and why?

3. Provide any other supporting information derived from research, interviews, and other documentation.

I.B. Justification (All Assets)

1. How does this investment support your agency's mission and strategic goals and objectives?

2. How does it support the strategic goals from the President's Management Agenda?

3. Are there any alternative sources in the public or private sectors that could perform this function?

4. If so, explain why your agency did not select one of these alternatives.

5. Who are the customers for this project?

6. Who are the stakeholders of this project?

Figure III-8
OMB Exhibit 300

7. If this is a multi-agency initiative, identify the agencies and organizations affected by this initiative.

8. How will this investment reduce costs or improve efficiencies?

9. List all other assets that interface with this asset_____. Have these assets been reenigineered as part of this project? Yes____, No____.

I.C. Performance Goals and Measures (All Assets)

Fiscal Year	Strategic Goal(s) Supported	Existing Baseline	Planned Performance Improvement Goal	Actual Performance Improvement Results	Planned Performance Metric	Actual Performance Metric Results
2002						
2003						
2004						
2005						
2006						
2007						

I.D. Program Management [All Assets]

1. Is there a program manager assigned to the project? If so, what is his/her name? Yes _____ No _____

2. Is there a contracting officer assigned to the project? If so, what is his/her name? Yes _____ No _____

3. Is there an Integrated Project Team? Yes _____ No _____

3.A. If so, list the skill set represented.

4. Is there a sponsor/owner? Yes _____ No _____

I.E. Alternatives Analysis [All Assets]

Figure III-8
OMB Exhibit 300

1. Describe the alternative solutions you considered for accomplishing the agency strategic goals that this project was expected to address. Describe the results of the feasibility/performance/benefits analysis. Provide comparisons of the returns (financial and other) for each alternative.

Alternative	Description
Alternative 1 –	
Alternative 2 –	
Alternative 3 –	

2. Summarize the results of your life-cycle cost analysis performed for each investment and the underlying assumptions.

Cost Elements	Alternative 1	Alternative 2	Alternative 3
Element 1			
Element 2			
Element 3			
Element 4			
Element 5			
Total			

3. Which alternative was chosen and why? Define the Return on Investment (ROI).

3. A. Are there any quantitative benefits that will be achieved through this investment (e.g., systems savings, cost avoidance, stakeholder benefits, etc)?

Figure III-8
OMB Exhibit 300

3. B. For alternative selected, provide financial summary, including Net Present Value by Year and Payback Period Calculations:

YEAR =	**FY**	**FY**	**FY**	**FY**	**FY**	**FY**	**FY**	**FY**	**FY**

4. What is the date of your cost benefit analysis?

I. F. Risk Inventory and Assessment (All Assets)

In this section, describe the results of your risk assessment for this project and discuss your plans to eliminate, mitigate, or manage identified risks. Risk assessments should be performed at the initial concept stage and then monitored and controlled throughout the life-cycle of the project, and should include risk information from all stakeholders. Risk assessments for all projects must include schedule, costs (both initial and life cycle), technical Obsolescence, feasibility, reliability of systems, dependencies and interoperability between this project and others, surety (asset protection) considerations, risk of creating a monopoly for future procurements, capability of agency to manage the project, and overall risk of project failure.

In addition, for IT projects risk must be discussed in the following categories 1) Organizational and Change Management, 2) Business, 3) Data/Info, 4) Technology, 5) Strategic, 6) Security, 7) Privacy, and 8) Project Resources. (Agencies may include others for IT, and may define the core set for other assets). For security risks, identify under the description column the level of risk as high, medium, or basic. What aspect of security determines the level of risk, i.e., the need for confidentiality of information, availability of information or the system, reliability of the information or system?

Figure III-8
OMB Exhibit 300

Date Identified	Area of Risk	Description	Probability of Occurrence	Strategy for Mitigation	Current Status as of the date of this exhibit

1. What is the date of your risk management plan?

I.G. Acquisition Strategy

1. Will you use a single contract or several contracts to accomplish this project?

1.A. If multiple contracts are planned, explain how they are related to each other, and how each supports the project performance goals.

2. What type(s) of contract(s) will you use (e.g. cost reimbursement, fixed-price, etc.)?

2.A. For cost reimbursement contracts, define risk not sufficiently covered by the risk mitigation plan to require this type of contract.

3. Will you use financial incentives to motivate contractor performance (e.g. incentive fee, award fee, etc.)?

4. Will you use competition to select suppliers?

5. Will you use commercially available or COTS products, or custom-designed products?

6. What is the date of your acquisition plan?

7. How will you ensure Section 508 compliance?

I.H. Project and Funding Plan

The information required by this section will be provided by your earned value management system (EVMS) and the EVMS software program you use that meets the ANSI/EIA Standard 748 (see section 300.4 (earned value management)). Information on earned value management systems is available at http://www.acq.osd.mil/pw.

Figure III-8
OMB Exhibit 300

I.H.1. Description of performance-based management system (PBMS):

Name the software program that meets ANSI/EIA Standard 748 that you will use, or are using, to monitor and manage contract and project performance. If the project is operational (steady state), define the operational analysis system that will be used. If this is a mixed life-cycle project with both operational and development/modernization/ enhancement (DME) system improvement aspects, EVMS must be used on the system improvement aspects of the contract and operational analysis on the operations aspects. Using information consistent with the work breakdown structure (WBS), provide the information requested in all parts of this section.

I.H.2. Original baseline (OMB-approved at project outset):

What are the cost and schedule goals for this phase or segment/module of the project (e.g., what are the major project milestones or events; when will each occur; and what is the estimated cost to accomplish each one)? Also identify the funding agency for each milestone or event if this is a multi-agency project. If this is a multi-agency project or one of the President's E-Gov initiatives, use the detailed project plan with milestones on the critical path, to identify agency funding for each module or milestone. (This baseline must be included in all subsequent reports, even when there are OMB-approved baseline changes shown in I.H.3).

Cost and Schedule Goals: Original Baseline for a Phase/Segment/Module of Project					
	Schedule				
Description of Milestone	**Start Date**	**End Date**	**Duration (in days)**	**Planned Cost**	**Funding Agency**
1.					
2.					
3.					
Completion date:				Total cost estimate at completion:	

Figure III-8
OMB Exhibit 300

I.H.3. Proposed baseline/current baseline (applicable *only* if OMBapproved the changes):
Identify in this section a proposed change to the original or current baseline or an OMB-approved baseline change. What are the new cost and schedule goals for the project (e.g., what are the major project milestones or events; when will each occur; and what is the estimated cost to accomplish each one)? Also identify the funding agency for each milestone or event if this is a multi-agency project. If this is a new project in the FY 2004 budget year, this section will be blank for your initial submission.

Cost and Schedule Goals: Proposed_____ or Current (OMB-Approved)_____ Baseline for a Phase/Segment/Module of Project					
	Schedule				
Description of Milestone	**Start Date**	**End Date**	**Duration (in days)**	**Planned Cost**	**Funding Agency**
1.					
2.					
3.					
Completion date:				Total cost estimate at completion:	

I.H.4 Actual performance and variance from OMB-approved baseline (original or current):

A. Show for each major project the milestones or events you planned (scheduled) to accomplish and the cost and what work was actually done and the cost. If this is a new project in the FY 2004 budget year, this section will be blank for your initial submission. OMB may ask for the latest information during the budget review process.

Figure III-8
OMB Exhibit 300

Comparison of OMB-Approved Baseline and Actual Outcome for Phase/Segment/Module of a Project									
	OMB-Approved Baseline					Actual Outcome			
	Schedule					Schedule			
Description of Milestone	Start Date	End Date	Duration (in days)	Planned Cost	Funding Agency	Start Date	End Date	Percent Complete	Actual Cost
1.									
2.									
3.									
Completion date: OMB-approved baseline:						Estimated completion date:			
Total cost: OMB-approved baseline:						Estimate at completion:			

B. Provide the following project summary information from your EVMS software: As of : (date)

B.1. Show the budgeted (planned) cost of work scheduled (BCWS): $ _____

B.2. Show budgeted (planned) cost of work performed (BCWP): $ _____

B.3. Show the actual cost of work performed (ACWP): $ _____

B.4. Provide a cost curve graph plotting BCWS, BCWP and ACWP on a monthly basis from inception of this phase or segment/module through the latest report. In addition, plot the ACWP curve to the estimated cost at completion (EAC) value, and provide the following EVMS variance analysis.

Figure III-8
OMB Exhibit 300

PROJECT SUMMARY (CUMULATIVE)	
	Value
Cost Variance = (BCWP-ACWP) =	
Cost Variance % = (CV/BCWP) x 100% =	
Cost Performance Index (CPI) = (BCWP/ACWP) =	
Schedule Variance = (BCWP-BCWS) =	
Schedule Variance % = (SV/BCWS) x 100% =	
Schedule Performance Index (SPI) = (BCWP/BCWS) =	
Two independent Estimates at Completion (EAC) = (ACWPcum + Performance Factor (PF) X(BAC B BCWPcum) where PF_1 = 1/CPI, and PF_2 = 1/CPI x SPI =	
Variance at Completion (VAC) = (BAC B EAC) for both EACs above =	
Variance at Completion % = (VAC/BAC) x 100% for both EACs above =	
Expected Funds to Completion (ETC) =	
Expected Completion Date =	

Definitions for Earned Value Management System:

ACWP – Actual Cost for Work Performed – What you paid.

BAC – Budget At Completion – The baseline (planned) budget for the project.

BCWP – Budgeted Cost for Work Performed – The earned value.

BCWS – Budgeted Cost for Work Scheduled – The planned costs.

CPI – Cost Performance Index – The ratio of the budgeted to actual cost of work performed.

CV – Cost Variance – The difference between planned and actual cost of work performed.

EAC – Estimate At Completion – The latest estimated cost at completion.

ETC – Estimate to Completion – Funds needed to complete the project.

PF – Performance Factor – The cost to earn a dollar of value, or ACWP/BCWP, or 1/CPI.

SPI – Schedule Performance Index – The percent of the project that has been completed.

SV – Schedule Variance – The variance between the actual and planned schedules.

Figure III-8
OMB Exhibit 300

VAC – Variance at Completion – The variance between the baseline and actual budget at completion.

C. If cost and/or schedule variance are a negative 10 percent or more, explain the reason(s) for the variance(s):

D. Provide performance variance. Explain whether, based on work accomplished to date, you still expect to achieve your performance goals. If not, explain the reasons for the variance.

E. Discuss the contractor, government, and at least the two EAC index formulas in I.H.4.B, current estimates at completion. Explain the differences and the IPTs selected EAC for budgeting purposes.

F. Discuss the corrective actions that will be taken to correct the variances, the risk associated with the actions, and how close the planned actions will bring the project to the original baseline. Define proposed baseline changes, if necessary.

G. Has the Agency Head concurred in the need to continue the program at the new baseline?

Yes____ No____

Part II: Additional Business Case Criteria for Information Technology

II. A. Enterprise Architecture

II.A.1 Business

A. Is this project identified in your agency's enterprise architecture? If not, why?

B. Explain how this project conforms to your departmental (entire agency) enterprise architecture.

C. Identify the Lines of Business and Sub-Functions within the Federal Enterprise Architecture Business Reference Model that will be supported by this initiative.

D. Briefly describe how this initiative supports the identified Lines of Business and Sub-Functions of the Federal Business Architecture.

E. Was this project approved through the EA Review committee at your agency?

F. What are the major process simplification/reengineering/design projects that are required as part of this initiative?

G. What are the major organization restructuring, training, and change management projects that are required?

H. What are the Agency lines of business involved in this project?

I. What are the implications for the agency business architecture?

II.A.2 Data

A. What types of data will be used in this project?

B. Does the data needed for this project already exist at the Federal, State, or Local level? If so, what are your plans to gain access to that data?

C. Are there legal reasons why this data cannot be transferred? If so, what are they and did you address them in the barriers and risk sections above?

C. If this initiative processes spatial data, identify planned investments for spatial data and demonstrate how the agency ensures compliance with the Federal Geographic Data Committee standards required by OMB Circular A–16.

II.A.3 Application and Technology

A. Discuss this initiative/project in relationship to the application and technology layers of the EA.

Include a discussion of hardware, applications, infrastructure, etc.

B. Are all of the hardware, applications, and infrastructure requirements for this project included in the EA Technical Reference Model? If not, please explain.

II. B. Security and Privacy

NOTE: Each category below must be addressed at the project (system/application) level, not at a program or agency level. Referring to security plans or other documents is not an acceptable response.

II.B.1. How is security provided and funded for this project (e.g., by program office or by the CIO through the general support system/network)?

A. What is the total dollar amount allocated to security for this project in FY 2004?

II.B.2 Does the project (system/application) meet the following security requirements of the Government Information Security Reform Act, OMB policy, and NIST guidance?

A. Does the project (system/application) have an up-to-date security plan that meets the requirements of OMB policy and NIST guidance? What is the date of the plan?

B. Has the project undergone an approved certification and accreditation process? Specify the C&A methodology used (e.g., NIST guidance) and the date of the last review.

Figure III-8
OMB Exhibit 300

C. Have the management, operational, and technical security controls been tested for effectiveness? When were most recent tests performed?

D. Have all system users been appropriately trained in the past year, including rules of behavior and consequences for violating the rules?

E. How has incident handling capability been incorporated into the system, including intrusion detection monitoring and audit log reviews? Are incidents reported to GSA's FedCIRC?

F. Is the system operated by contractors either on-site or at a contractor facility? If yes, does any such contract include specific security requirements required by law and policy? How are contractor security procedures monitored, verified, and validated by the agency?

II.B.3 How does the agency ensure the effective use of security controls and authentication tools to protect privacy for those systems that promote or permit public access?

II.B.4 How does the agency ensure that the handling of personal information is consistent with relevant government-wide and agency policies.

II.B.5 If a Privacy Impact Assessment was conducted, please provide a copy to OMB.

II. C. Government Paperwork Elimination Act (GPEA)

II.C.1 If this project supports electronic transactions or record-keeping that is covered by GPEA, briefly describe the transaction or record-keeping functions and how this investment relates to your agency's GPEA plan.

II.C.2 What is the date of your GPEA plan?

II.C.3 Identify any OMB Paperwork Reduction Act (PRA) control numbers from information collections that are tied to this investment.

Figure III-8
OMB Exhibit 300

9. **FINANCIAL MANAGEMENT ACTIVITIES**.

a. General Reporting Requirements

(1) Reporting Field Entities are responsible for reporting required Financial Management data using the **"Report on Resources for Financial Management Activities" (Exhibit 52, Figure III-9.1)** to the Office of Financial Control and Reporting (ME-12.2) and the responsible Program/Secretarial Officer by the date specified in the Field Budget Call. Figure III.9.2 will be prepared by the Inspector General's office.

(2) All questions and submissions should be directed to the following figure-specific contact points within the Office of the Chief Financial Office and the Office of Inspector General:

(a) Figure III-9.1, Report on Resources for Financial Management Activities (Exhibit 52)
Contact: Lori King ME-12.2
PHONE: (301)903-5265 FAX: (301)903-0273
INTERNET ADDRESS: Lori.King@hq.doe.gov
ADDRESS: U.S. Department of Energy
Office of Financial Control and Reporting
Room E-169, Germantown Building
19901 Germantown Road

(b) Figure III-9.2, Audits of Financial Statements
Contact: IG-33
Phone: (202) 586-5703 Fax: (202)-586-0099
Address: U.S. Department of Energy
Office of Inspector General
Room 5A-193, Forrestal Building
1000 Independence Ave, S.W.
Washington, DC 20585

b. Background

(1) The necessary submissions require data from both the Finance/Accounting and Budget offices of Field and Headquarters elements. Therefore, **coordination is vital**.

c. Figure III-9.1, Report on Resources for Financial Management Activities

(1) **Reporting Structure and Definitions.** All DOE Field CFO Organizations and other DOE Field locations which have **Federal Employees** dedicated to performing financial management activities are to provide the information requested. In completing this Figure, each Reporting Entity will detail its budget by the following functional categories:

(a) **Accounting and Reporting**: Includes resources for processing, recording and reporting of revenues, receipts, appropriations, apportionments, allotments, obligations, outlays, expenditures, assets, liabilities, and other financial transactions; reconciliation of asset and liability accounts, such as accounts or loans receivable, with subsidiary records and with external data, such as Treasury cash records; funds control and preparation of financial statements.

(b) **Audits of Financial Statements**: Includes resources for performing audits of financial statements, with separate identification for contract and in-house costs, as detailed in Exhibit 52. Do not include resources for preparation of financial statements.

(c) **Financial Management Systems**: Includes resources for financial management systems, which consist of financial systems and financial portions of mixed systems necessary to support financial management.

(2) **Reporting Requirements**. Your completed "Report on Resources for Financial Management Activities" is intended to report the total Federal staffing (FTEs) and dollars required to carry out the **Federal** financial management function in the field. (Western Area Power Administration is exempt from this reporting requirement.) This includes all of the resources required for field CFO organizations and other field locations which have Federal FTEs performing financial management activities. All direct costs to support DOE's financial management function are to be reported, excluding those resources dedicated to the procurement function and those resources required principally for program management and having only secondary responsibilities for financial management.

(3) Complete line items 2001 through 7002 that are applicable to your organization and complete line items 9998 and 9999. The remainder (line items 8102 through 9402) will be completed by the Office of Financial Control and Reporting. (4) FTE's should be reported for each of the two years (CY and BY) and should reflect total FTE's required to perform financial management activities for each year.

(5) **Explanation of Changes.** In completing the "Report on Resources for Financial Management Activities," please provide explanations for significant changes from CY to BY.

EXHIBIT 52A

DEPARTMENT OF ENERGY FIELD OFFICE:

(In thousands of dollars)

REPORT ON RESOURCES FOR FINANCIAL MANAGEMENT ACTIVITIES

		PY	CY	BY
	Accounting and Reporting			
2001	No. of FTE			
2002	Budgetary Resources			
	Contractor Accounting and Reporting			
2102	Obligations/Budgetary Resources			
	Audits of Financial Statements			
3001	No. of FTE			
3002	Obligations/Budgetary Resources			
	Financial Management Systems			
4001	No. of FTE			
4002	Obligations/Budgetary Resources			
	Subtotal			
5001	No. of FTE			
5002	Obligations/Budgetary Resources			
	Adjustments			
6001	No. of FTE			
6002	Obligations/Budgetary Resources			
	Total, net			
7001	No. of FTE			
7002	Obligations/Budgetary Resources			

	Audits of Financial Statements	
	Contract	
8102	Budget Authority	
	In-house costs	
8201	No. of FTE	LINE ITEMS 8102 THROUGH 9402 TO BE
8202	Budget Authority	COMPLETED BY THE OFFICE OF FINANCIAL
	Org-wide Financial Statements	CONTROL AND REPORTING
	Contract	
9102	Budget Authority	
	In-house costs	
9201	No. of FTE	
9202	Budget Authority	
	Total, all reporting entities	
9401	No. of FTE	
9402	Budget Authority	

9998 Agency Contact:
9999 Telephone Number

DEPARTMENT OF ENERGY
FYBY FIELD BUDGET
AUDIT OF FINANCIAL STATEMENTS
(Dollars in Thousands)

Organization:
Contact
Phone:

	FYCY Estimate		FYBY Estimate	
	FTE	BA	FTE	BA
Working Capital Fund				
Contract				
In-house cost				
Subtotal, Working Capital				
Organization-wide Financial Statement				
Contract				
In-house costs				
Subtotal, Organization-wide				

10. **LANDLORD FUNDING**.

a. Introduction:

(1) The funding responsibility or funding methods for landlord cost will be in accordance with The Secretary's memorandum dated April 22, 1999, subject: Changes to the Departmental Management Structure, and the Deputy Secretary's memorandum dated August 19, 1999, subject: Roles and Responsibilities Guiding Principles.

(2) For this cycle, previously named Lead PSOs retain indicated landlord funding responsibilities at designated Operations Offices and Site Offices. Previously named PSOs that were designated as the landlord for a contractor plant site shall continue their indicated landlord funding responsibilities for those sites.

(3) Issues or concerns regarding landlord cost funding responsibility should be promptly raised to the Lead PSO, Field Management Council, and to the Office of the Chief Financial Officer (ME-1) for clarification/resolution.

b. Operations Offices:

(1) The funding requirements associated with Operations Offices can be viewed in two discreet categories. The first category is landlord, and the second is program direction.

(a) Landlord - In accordance with provisions of the April 21, 1999, the lead PSO is responsible for funding the landlord requirements for designated Operations Offices. This includes any infrastructure requirements (such as a telephone switch that serves the entire reservation) that are not within the plant fences, as well as any other institutional support requirements that are not program or site specific.

1 Examples of institutional support requirements are:

a roads and grounds outside the plant fences

b site planning for other than a plant site

c Operations Offices security guards

d operation of the Operations Office Emergency Operations Center

e operation of any museums that are not operated by an M&O (in which case the M&O's overhead would fund the operation)

(b) Program Direction - Previously indicated lead PSOs are responsible for funding the salaries, benefits, travel and contractual services of the FTE's assigned to them. In addition, the PSO is to provide program direction funds for the general support that cannot be easily identified with any particular FTE.

1 Examples of general Operations Offices support costs are:

2 rent

3 communications

4 utilities

5 printing and reproduction

6 janitorial

7 maintenance of motor pool

8 general administrative support services

9 other contractual support service costs which are generally not easily identified with an individual FTE

c. Site Offices:

(1) Site Offices are DOE offices located at contractor facilities. The funding requirements associated with DOE Site Offices can generally be viewed in two categories. These are: 1) M&O provided services, and 2) program direction.

(a) M&O Provided Services - Any Site Office support costs that cannot be easily split out or identified to the Site Office due to co-location with an M&O should be absorbed by that M&O. These are usually insignificant in amount.

1 Examples of M&O provided services are:

2 janitorial

3 utilities

(b) Program Direction

1 In all cases Site Office costs are to follow FTEs assigned to these offices. Program-sponsored FTEs are to be funded by that program. General FTEs (i.e., not associated with a particular program) assigned to a site by an Operations Office are to be funded by the Operations Office's previously indicated lead PSO. Programs are responsible for providing funding for the following costs associated with program:

- salaries
- benefits

- travel
- contractual services
- equipment

2 Contractual services should cover all costs that are in support of program FTEs. These support costs include, such items as physical security or training that can easily be attributed to a particular FTE, are therefore to be appropriately funded by the associated program.

3 Any expansion of DOE Site Office costs that is directly attributable to a particular program shall be funded by that program. Examples of this would be relocation costs associated with moving program-dedicated FTEs or lease of additional space required for additional program FTEs.

d. Contractors:

(1) Landlord requirements associated with contractor plant sites (i.e., inside the plant fence) can be split into two categories. These are: 1) operating, and 2) capital requirements.

(a) Operating - Landlord operating costs are general costs that are allocated to benefiting programs. For instance, if a multi-program facility roof is repaired, the costs should be allocated to the various programs that use the facility. If, however, a single-program facility roof is repaired, that program should bear the cost.

(b) Capital - Capital expenditures cannot be split-funded. Therefore, the PSO that was previously designated as the landlord has site-wide responsibility to fund general capital requirements involving multi-program utilization. A capital requirement associated with a single-program facility, however, must be borne by the program.

11. **INDIRECT COSTS**.

a. Indirect Cost Review Process

(1) This guidance describes the process to be used by the Department of Energy (DOE) for review and oversight of accumulation and distribution practices and monitoring of contractor execution of Management and Operating (M&O) contractor and other contractor indirect costs. Indirect costs covered by this process include Site Overhead, Organizational Burden, Distributed Cost and Service Centers. Laboratory Directed Research and Development (LDRD) is currently excluded from substantive review. This process does not replace or limit review of indirect costs by any field office, but merely describes a minimum review for such offices to perform.

(2) **Definitions**: The following are definitions related to indirect costs. The first five definitions represent the standard types of indirect costs that are subject to review. All indirect costs of an M&O contractor will fit into one of these five categories.

(a) **Site Overhead Costs**. A component of indirect costs that are distributed to benefiting final cost objectives based upon a predetermined allocation methodology.

(b) **Organizational Burden**. Those costs associated with managing direct organizations (i.e., organizations whose labor is charged to and whose primary purpose is to support final cost objectives). Examples include the cost of managers, clerical support, supplies, and contractual services. These costs are generally distributed based on actual direct labor charged by that organization to specific final cost objectives, or to other organizations within the contractor's operation.

(c) **Distributed Cost**. Homogenous costs accumulated and allocated on a basis that is representative of the resources used. Includes allocated costs that do not fit in any other category.

(d) **Service Center Pools**. Costs associated with providing a specific service or group of services where the costs are accumulated and then charged to the user on a standard rate representative of the services used. This method is often referred to as a “recharge” or “buy by the drink”. Depending on the nature of the services to be provided, costs may be charged to other indirect cost pools or to final cost objectives.

(e) **Laboratory Directed Research and Development (LDRD)**. Costs incurred in accordance with DOE Order 413.2 for the purpose of pursuing new and innovative scientific concepts of benefit to the Department of Energy. Costs are assessed to all or most of the program efforts of the contractor. LDRD is covered

by a separate review process embodied in DOE Order 413.2 and is excluded from substantive review at this time.

(f) **Indirect Cost (IC) Office**. Includes the Operations Offices and all other HQ and Field Offices that manage M&O contractors at which there are overhead and organizational burden costs, as defined in paragraphs (1) above.

(3) **Timeline**: DOE's Oversight and Review of Contractor Indirect Costs consists of several major elements to be completed on the following timeline:

(a) **Accumulation and Distribution Practices**. IC offices are to create, execute and annually update a five-year plan for the ongoing review of the contractor's accumulation and distribution practices.

(b) **Monitoring of Contractor execution of indirect costs**. M&O Contractors are to submit an annual execution plan to the appropriate IC Office **no later than October 1**.

(4) Elements of Review and Oversight

(a) **Ongoing Review and Verification of Contractors Cost Accumulation and Distribution Practices**. The IC Office is to perform an ongoing review and verification of the contractor's cost accumulation and distribution practices, as well as significant changes to these policies or practices. The policies and practices, as approved by DOE, should be in the form of a Cost Accounting Standards (CAS) disclosure statement. DOE will approve all practices that materially impact the outcome of cost allocations including description and definition of cost pools, content of the pools and the basis for allocation. (Any changes that would impact the current cost accounting disclosure statement or its equivalent are considered to be significant.) The IC Office may use a risk-based approach in deciding which pools are to be reviewed and their sequence. In addition, the IC Office will develop a Five Year Plan for this ongoing review and update the plan on an annual basis.

1 The reviews conducted by the IC Office, at a minimum, will include the following:

a Examine the budgeted and actual composition of the pool(s) to determine that the costs charged to pools are appropriate. The examination will include a review of transactions.

b Verify that cost was accumulated and allocated in accordance with CAS disclosure statements or some other approved policy/practice.

c Validate the appropriateness of the allocation base.

d Evaluate the reasonableness of costs budgeted and incurred.

e Determine that the cost belongs in the pool/cost center/organization and would not be more appropriately charged direct or allocated via another pool/cost center/organization.

f Determine that circumstances still warrant the need for the pool, and that the cost should not be accumulated and allocated in some other manner.

g Review may include a consideration of allowability of cost.

2 The product of this review is an internal report prepared by the IC Office for use in resolving issues with the contractor. Any significant problems or issues arising from the reviews will be reported to the DOE CFO.

(b) **Monitoring of Contractor Execution of Indirect Costs**.

1 Using the contractor's normal reporting format, IC Offices are to monitor each contractor's indirect costs against the amounts budgeted. **This is to be done at least semi-annually.**

2 At the beginning of the fiscal year, the contractor shall provide a time-phased indirect cost plan as specified by the IC Office.

3 The contractor shall provide variance analyses based upon criteria determined by the IC Office. The IC Office will ensure that significant variances and budget issues which may arise are resolved to DOE's satisfaction.

4 Problems and issues will be reported by the IC Offices to the DOE HQ CFO.

b. **List of IC Offices**. **As a minimum**, the following offices are to review and oversee accumulation and distribution practices and monitor contractor execution of indirect costs according to the guidance provided:

NNSA Service Center

Chicago Operations Office

Ohio Field Office

Golden Field Office

Idaho Operations Office

Oak Ridge Operations Office

Richland Operations Office

Rocky Flats Field Office

Savannah River Operations Office

Naval Petroleum Reserves-CA

Naval Petroleum and Oil Shale Reserves-CO, UT, and WY

12. **HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND MINORITY EDUCATIONAL INSTITUTIONS**. Executive Order 12677 requires that Federal agencies submit an estimate of funding (Figure III-13) to Historically Black Colleges and Universities (HBCU). In addition, estimates are requested for funding provided to all minority educational institutions. All organizations must complete this schedule; negative responses are required if there is no applicable funding in any of the three fiscal years. Submit this exhibit and provide a point of contact to the Office of Economic Impact and Diversity (ED-1) and to the Office of Budget with other Budget materials. ED will prepare a consolidated estimate for the Department. Direct questions to the contact listed in the POC Matrix.

DEPARTMENT OF ENERGY

FYBY FIELD BUDGET REQUEST

ESTIMATES FOR HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND MINORITY EDUCATIONAL INSTITUTION

Field Office

(dollars in thousands)

Appropriation/Decision Unit	Name of HBCU or educational institution (if known)	FYPY	FYCY	FYBY
Appropriation				
1. Decision Unit #1	College X	25	25	25
2. Decision Unit #2	College Y	10	15	15
3. Decision Unit #2	To be Determined	3	3	3
Subtotal Decision Unit #2		13	18	18
Total Appropriation		38	43	43

Comments:

Program Contact:

Name:_____

Telephone:_____

CHAPTER IV

CROSSCUTS

INTRODUCTION. Crosscuts are exhibits used by Headquarters Organizations to consolidate the total amount being budgeted for a functional cost that is funded by numerous programs. Copies of these crosscuts shall be simultaneously submitted to cognizant PSOs and Headquarters organizations with oversight responsibilities as indicated below:

CROSSCUTS	Completed by:		Point of Contact	Phone
	M&O	Ops/FO		
Environmental, Safety and Health	X	X	Robert Myers (ME-11)	202-586-8609
Information Technology	X	X	John Przysucha (IM-20)	202-586-8836
Facilities and Infrastructure	X	X	Andrew Duran (ME-90)	202-586-4548

1. **ENVIRONMENT, SAFETY AND HEALTH: Supplementary Budget Submission Guidance**. Because compliance activities are considered ES&H liabilities under the Government Management Reform Act of 1994 (GMRA), the Department is required to report its ES&H liability in the Department's financial statements. Therefore, in the June timeframe, the Office of Financial Policy will send out separate guidance from the CFO that will ask sites to record their ES&H liability in the accounting system. Questions about the ES&H input to the financial statements may be directed to ME-11 (Robert Myers, 202-586-8609).

2. INFORMATION TECHNOLOGY (Agency IT Investment Portfolio)

For data on IT investments, projects, and activities supporting DOE programs and planned IT investments for cross-cutting infrastructure, office automation, architecture and planning IT activities. IT investments for reporting purposes include IT projects to develop new systems or capabilities; maintenance and operation of existing capabilities or infrastructure; and generalized IT management investments such as the development of enterprise architectures. Reported IT investments include all expenditures of Departmental funds throughout the DOE complex, including laboratory and contractor facilities. No IT investment funded by the Department shall be considered "incidental to the contract" and exempted from reporting.

- Contractor and Laboratory sites are to submit their IT planned data to their respective Federal field offices.

- Federal field sites are to submit IT planned data, including information from sites under their cognizance, directly to the responsible Headquarters program organizations.

DOE is required to collect and report information on planned Information Technology (IT) investments for investment management and external reporting purposes. The Office of Management and Budget (OMB) Circular A-11, Exhibit 53, "Agency IT Investment Portfolio" highlights as individual line items, major and significant systems in all categories, and Corporate Financial Systems as an individual mission area. Any IT investment reported as a major investment in Exhibit 53 (Parts 1, 2, 3, and 4) must also be reported on Exhibit 300, "Capital Asset Plan." Funding data reported on Exhibits 53 and 300 must be consistent.

Each Federal Program Office, Staff Office, Field Office, Contractor, and Laboratory is to report FY 2004 IT cost estimates, on an investment-by-investment basis, in Exhibit 53 in four areas: mission area systems, infrastructure, architecture and planning, and grants management. Specific instructions and worksheets for execution of Exhibit 53 are located on the DOE CIO Home Page: http://cio.doe.gov/implan/Calls/Exhibit53/2004.htm.

Lead Program Secretarial Officers (LPSOs) may provide specific guidance to Field Elements under their cognizance on the mechanism to be used to provide data. The Office of the CIO will provide a summary listing of baseline investments (from the FY 2003 Exhibit 53 Budget submission) for each cognizant organization. Submitters are to update, add, and delete investments, as necessary, to develop their FY 2004 Exhibit 53 submission. Footnotes are to be provided citing additions, deletions, and any investment modification that would make it difficult for OMB to track across submissions (such as an investment name change). The baseline provides only a list of major and significant investments reported for the FY 2003 budget. Submitters are to update the baseline and continue to report small/other totals in all appropriate mission areas and report parts. The Office of the CIO will prepare the DOEwide IT planning data for submission to the CFO and OMB.

IT is a significant part of the Departmental budget and a primary enabler for accomplishing DOE missions more effectively and efficiently. The Department has fiscal responsibility for seeing that IT resources, which consume a significant portion of the DOE budget, are managed effectively as

an asset by the programs they support. The specific information requirements will identify IT planning estimates in a consistent manner across diverse programs and organizations for the Prior Year (PY), Current Year (CY), and Budget Year (BY). These should capture resource estimates for all IT-related activities.

The **Agency IT Investment Portfolio, Exhibit 53**, consists of four parts: (1) Data on IT Systems by Mission Area, (2) Data on IT Infrastructure and Office Automation, (3) Data on IT Architecture and Planning, and (4) Data on Grants Management. The dollar threshold for identifying Major IT investments is determined by the Department CIO and has changed significantly from the FY 2003 budget cycle. For FY 2004 the threshold is $2 million or more in one year including costs for hardware, software, and support services. In addition, those investments requiring special management attention because of their (1) importance to the mission; (2) high development, operating, or maintenance costs; (3) high risk; (4) high return, or (5) their significant role in the administration of programs, finances, property, or other resources are to be identified as major. [See Circular A-11, section 300.9 (2001).] In addition, OMB has added new data elements to the reporting requirements for major IT investments for FY 2004 including linkages to Agency strategic goals and performance measures. The Office of the CIO will provide specific guidance on the new data required.

Part 1: **Data on IT Systems by Mission Area** reports funding for information technology investments that directly support the Department's mission areas as described in the DOE Strategic Plan. Each mission area must include all major IT investments on DOE "Capital Asset Plans," Exhibit 300. Separate entries for development/modernization/enhancement and steady state are required for major systems only. IT investments by mission area should be itemized as major or significant by name, limiting the amount of IT estimates reported in aggregate as small/other. OMB has indicated that agencies should target having no more than 24% of the IT costs in a mission area included in the small/all other category. All major or significant investments listed must identify the percentage of funding attributable to IT Security activities and the percentage of funding attributable to financial activities for the budget year.

Part 2: **Data on IT Infrastructure and Office Automation** reports amounts for IT investments that are common user systems, communications, and computing infrastructure, but are not directly related to singular program support (e.g., general LAN/WAN, desktops, data centers, telecommunications). Each major IT infrastructure investment is reported separately. Major IT infrastructure investments must be consistent with those reported on this year's Exhibit 300 submission. Separate entries for development/modernization/ enhancement and steady state are required for major investments only. IT investments should be itemized as major or significant by name, limiting the amount of IT estimates reported in aggregate as small/other. OMB has indicated that agencies should target having no more than 24% of the IT costs in a report part included in the small/all other category. All major or significant investments listed must identify the percentage of funding attributable to IT Security activities and the percentage of funding attributable to financial activities for the budget year. Report IT Security investments not directly tied to a mission area separately, with a fully descriptive title for what it includes.

Part 3: **Data on IT Architecture and Planning** reports amounts for IT investments that support strategic management of IT operations (e.g., architecture development, interoperability, planning, procurement management, and IT policy). Each major IT architecture and planning investment is

reported separately. Major IT architecture investments must be consistent with those reported on this year's Exhibit 300. Separate entries for development/ modernization/enhancement and steady state are required for major investments only. IT investments should be itemized as major or significant by name, limiting the amount of IT estimates reported in aggregate as small/other. OMB has indicated that agencies should target having no more than 24% of the IT costs in a report part included in the small/all other category. All major or significant investments listed must identify the percentage of funding attributable to IT Security activities and the percentage of funding attributable to financial activities for the budget year.

Part 4: **Data on Grants Management** reports amounts for IT investments that represent planning, developing, enhancing, or implementing a grants management system or portion thereof. The intent of this section is to highlight any grants systems initiatives as defined by this section. To highlight a system, which is not defined as a major IT investment, organizations should consider identifying the grants system investment as significant. Major IT investments in grants systems must also be reported on this year's Exhibit 300. Separate entries for development/modernization/enhancement and steady state are required for major investments only. IT investments should be itemized as major or significant by name, limiting the amount of IT estimates reported in aggregate as small/other. OMB has indicated that agencies should target having no more than 24% of the IT costs in a mission area included in the small/all other category. All major or significant investments in grants systems must identify the percentage of funding attributable to IT security activities and the percentage of funding attributable to financial activities for the budget year.

As part of the FY 2004 CRB Call, as required by OMB Circular A-11, Exhibit 53 will be submitted along with OMB A-11, Exhibit 300, Capital Asset Plan as described below.

Capital Asset Plan, Exhibit 300 covers major acquisitions, specifically, those requiring special management attention because of their (1) importance to the mission; (2) high development, operating, or maintenance costs; (3) high risk; (4) high return; or (5) their significant role in the administration of programs, finances, property, or other resources [OMB Circular A-11, section 300.9 (2001)], and has been revised to collect information on large financial management systems; integrate more fully the OMB investment decision criteria for IT acquisitions to include mapping to the DOE IT architecture and technical infrastructure; clarify investment, project, and contract cost, schedule, and performance baselines; and emphasize acquisition strategy. In addition to the definition above, the Department has established a dollar threshold for IT investments of $2 million or more in one year. All financial systems that round to $ 1 million (i.e., costing more that $500,000) are major and therefore require an Exhibit 300 report. As mentioned previously, OMB has developed new reporting requirements for major IT investments in FY 2004. Exhibit 300 reports must now include references to Agency strategic goals supported by the IT investment and SMART (S=Specific, M=Measurable, A=Achieveable, R=Repeatable, and T=Timely) performance goals for CY and BY for each major IT investment.

Specific instructions and the template file for completion of an Exhibit 300 are located on the DOE CIO Home Page: http://cio.doe.gov/implan/Calls/Exhibit53/2004.htm. Full details on Exhibit 300 reporting can be found in Part III of A-11 on the OMB homepage, http://www.whitehouse.gov/omb/circulars/a11.

3. **Instructions for FY 2005 Integrated Facility and Infrastructure (IFI) Crosscut Budget for the Field Budget Submittal**

a. Background:

(1) The senior leadership of the Department of Energy (DOE) has directed that the Department take steps to remedy the deteriorating condition of our buildings and facilities. Congress has also requested in Conference Committee Report 107-258 that the Department provide, as part of each year's Congressional Budget submittal, an integrated facilities and infrastructure budget exhibit that identifies proposed Facility and Infrastructure funding, by DOE HQ program PSO, by site. The IFI crosscut budget is the collection and reporting mechanism for this purpose.

b. Use of the Data:

(1) The data provided by this call will be used for several Departmental purposes. The cost data from Blocks 1 through 6 (Tab A) will ultimately be used to report an Integrated Facilities and Infrastructure (IFI) budget included as an exhibit in the Congressional Budget. This exhibit will show summary for the Department and each PSO supported by a site level summary detail (FY PY-BY). There may be as many as 15 site level summary sheets for one PSO. There may also be more than one PSO mission supported at a site. Support does not mean that the PSO is an "owner" of a facility. Programs may just be paying a space charge for facility maintenance.

(2) Tab B shows a sample completed data sheet for a fictitious laboratory with one PSO. If there were another PSO at this laboratory, then that PSO would also need its F&I budget numbers identified on a data sheet.

(3) IFI data will be used during the Headquarters budget processes to ensure that adequate resources are being provided, as trending data, and for the review of data target levels identified earlier in some programs' Program Budget Decisions (PBDs). This data will also form the basis for monitoring during budget execution.

(4) The new gross building area identified in Blocks 1, 2, and 3, and excess area eliminated by projects in Blocks 4 and 6 will be used to support the preparation of the annual report to Congress on the elimination of excess property (FY PY-BY). The cost data for excess elimination will also be used in this report. As such, it is important that the information be as complete and as accurate as possible.

(5) The site data provided for this call is to be at a project level through at least BY+1 so that the composition of the near-term site budget level for each program is understood. This requirement can be satisfied by the Ten-Year Site

Plan (TYSP) provided that the required IFI detail is included and TYSPs are provided to ME-90 in accordance with the reporting schedule, i.e., data is endorsed by programs and is available in accordance with the CRB schedule.

(6) The budget and funding levels will be compared to those established by the National Academy of Science's National Research Council's (NRC) industry standard levels. To accommodate the comparison, the data will be regrouped to better align with the NRC's functional divisions for types of work. Several NRC publications were used to develop the functional categories[1 2] in the current IFI data input sheet.

(7) Reporting Process:

(a) The budget amounts for each PSO supported at a site are to be developed and reported on separate input sheets. The sites are to provide the appropriate IFI data sheet to the corresponding headquarters program budget office.

(b) Program Budget Offices will review/revise and collate the site reported data and forward the program package to the Office of Engineering and Construction Management (ME-90) at least two weeks prior to the start of the DOE Corporate Review Budget process.

(c) If budget decisions during the CRB or OMB reviews modify any data element's value, a revised submittal for each program's affected sites is to be transmitted to ME-90.

(d) DOE Field Offices will:

1 Complete a set of data sheets for each PSO supported at the site.

2 Send IFI data sheet for each program supported to the appropriate PSObudget office.

(e) PSOs will:

1 Review the field submittals,

2 Revise the figures as necessary, and

---

1 Committing to the Cost of Ownership; Maintenance and Repair of Public Buildings, National Academy Press 1990.

2 Stewardship of Federal Facilities; A Proactive Strategy for Managing the Nation's Public Assets, National Academy Press 1998.

3 Collate and provide all site data sheets to OMBE two weeks prior to the CRB.

4 Provide revised data sheets as necessary for the OMB and Congressional Budgets.

c. IFI Data Sheet Instructions and Definitions:

(1) General

(a) The data for the FY PY-1 and FY PY columns should be consistent with data that was provided for the FY CY Congressional Budget's IFI Crosscut Exhibit unless subsequent Congressional action has revised them. The data in FY BY column are to be consistent with program directed funding levels for the site. FY BY+1-BY+4 values are to be consistent with the Planning, Programming, Budget and Evaluation System (PPBES) or similar targets established by the program for the site.

(2) Block 1: Capital Line Items. Capital line items are separately identified project activities that are submitted for funding and are specifically reviewed and approved by Congress. (DOE O 430.1A)

(a) Block 1 Line 1.1: List those betterment projects that construct a **new or replacement** building, or **an addition** to an existing building to satisfy new mission requirements or expansion of existing mission requirements. Gross Building Area constructed in square feet is to be shown in the second column.

(b) Block 1 Line 1.2: List those betterment projects that **do not** result in the construction of a new building or an addition to an existing building. This reflects part of the projects reported in old block 1.0, from the earlier data calls. If a site's HQ program approved TYSP provides Line Item project listings, data is current with the FY BY field budget submittal, and ME-90 has a copy (printed or electronic), then only the subtotal cost of all Line Item construction projects for Block 1.1 and 1.2 must to be provided.

(c) Definitions for Block 1.

1 **Capital Line Items** (1.1) Those separately identified project activities that are submitted for funding, are greater than or equal to $5 million, and are specifically reviewed and approved by Congress. (Derived from DOE O 430.1A)

2 **Betterments** are improvements to Plant and Capital Equipment (P&CE) that result in better quality, higher capacity, or an

extended useful life, or work required to accommodate regulatory and other requirement changes. Betterments are capitalized. Determining when and to what extent an expenditure should be treated as a betterment requires judgment. When a minor item is replaced in each of a number of similar units, the effect of the replacement as related to each unit, rather than to the cumulative costs, is the proper basis for determining whether or not a betterment is effected. Although a particular project may meet the characteristic of a betterment, if the capitalization criteria are not met or the improvement added is insignificant, then the project should be expensed. Listed below are the various terms that are commonly used to describe various categories of betterments.

3 **Construction** is the erection, installation, or assembly of a new plant facility; the addition, expansion, improvement, or replacement of an existing facility (e.g. demolish existing facility & construct new); or the relocation of a facility. Construction includes equipment installed in and made part of the facility and related site preparation; excavation, filling and landscaping, or other land improvements; and the design of the facility. Examples of improvements of an existing facility include the following types of work:

Replacing standard walls with fireproof walls;

Installing a fire sprinkler system in a space that was previously not protected with a sprinkler system; and

Replacing utility system components with a significantly larger capacity components (such as replacing a 200-ton chiller with a 300-ton chiller) and converting the functional purpose of an office into a computer room).

4 **Conversion** is a major structural revision of a facility that changes the functional purpose for which the facility was originally designed or used.

5 **Replacement** is a complete reconstruction of a plant record unit that has deteriorated or has been damaged beyond the point where its individual parts can be economically repaired. If the item replaced is a retirement unit, its original costs (including installation cost) are removed from the P&CE accounts, and the cost of the newly installed item (including installation cost) is added to the P&CE accounts.

(3) Block 2: General Plant Projects.

(a) Block 2, Line 2.1: Fill in the dollar value of all other betterments **that result in an increase to building's area** such as additions or a new or replacement building.

(b) Block 2, Line 2.2: List those GPP projects that **do not result** in the construction of a new building or an addition to an existing building.

(c) If a site's PSO-approved TYSP provides a GPP project listing, data is current with the FY BYfield budget submittal, and ME-90 has a copy (printed or electronic) then only the subtotal cost of all GPP projects in blocks 2.1 and 2.2 must to be provided.

(d) Definitions for Block 2.

1 **General Plant Projects (GPP)** Miscellaneous minor new construction (betterment) projects of a general nature, the total estimated cost of which may not exceed the statutory limit of $5 million. GPP are necessary to adapt new facilities or improve production techniques, to effect economies of operations, and to reduce or eliminate health, fire, and security problems. These projects provide for design and/or construction, additions, improvements to land, buildings and utility systems, and they may include the construction of small new buildings, replacements or additions to roads, and general area improvements. *DOE Accounting Handbook, Chapter 10, 10-14, 2 h.*

2 **Betterments** are improvements to P&CE that result in better quality, higher capacity, or an extended useful life, or work required to accommodate regulatory and other requirement changes. Betterments are capitalized. Determining when and to what extent an expenditure should be treated as a betterment requires judgment. When a minor item is replaced in each of a number of similar units, the effect of the replacement as related to each unit, rather than to the cumulative costs, is the proper basis for determining whether or not a betterment is effected. Although a particular project may meet the characteristic of a betterment, if the capitalization criteria are not met or the improvement added is insignificant, then the project should be expensed. Listed below are the various terms that are commonly used to describe various categories of betterments. *Accounting Handbook, Chapter 10 Plant and Capital Equipment, paragraph 1.g.*

3 **Construction** is the erection, installation, or assembly of a new plant facility; the addition, expansion, improvement, or replacement of an existing facility (e.g. demolish existing facility & construct new); or the relocation of a facility. Construction

includes equipment installed in and made part of the facility and related site preparation; excavation, filling and landscaping, or other land improvements; and the design of the facility. Examples of improvements of an existing facility include the following types of work:

Replacing standard walls with fireproof walls;

Installing a fire sprinkler system in a space that was previously not protected with a sprinkler system; and

Replacing utility system components with significantly larger capacity components (such as replacing a 200-ton chiller with a 300-ton chiller) and converting the functional purpose of an office into a computer room).

4 **Conversion** is a major structural revision of a facility that changes the functional purpose for which the facility was originally designed or used.

5 **Replacement** is a complete reconstruction of a plant record unit that has deteriorated or has been damaged beyond the point where its individual parts can be economically repaired. If the item replaced is a retirement unit, its original costs (including installation cost) are removed from the P&CE accounts, and the cost of the newly installed item (including installation cost) is added to the P&CE accounts.

(4) Block 3: IGPP.

(a) Identify and provide the cost of IGPP construction project.

(b) Gross Building Area (needed only for new buildings and additions) that will be constructed is to be included in the second column.

(c) These are projects reported in old block 4.0 from the earlier IFI data calls.

(d) If a site's HQ program approved TYSP provides an IGPP project listing, data is current with the field budget submittal, and ME-90 has a copy (printed or electronic) then only the subtotal cost of all IGPP projects must be provided.

(e) Definitions for Block 3.

1 **Institutional General Plant Projects (IGPP)** are miscellaneous minor (i.e., less than $5M) new construction projects of a general

institutional nature benefiting multiple cost objectives and required for general purpose site-wide needs. IGPPs do not include projects whose benefit can directly be attributed to a specific or single program. Examples are multi-programmatic/inter-disciplinary scientific laboratory, institutional training facility, site-wide maintenance facilities and utilities, new roads, multi-programmatic office space, multi-programmatic facilities required for "quality of life" improvements**.** *CFO Memorandum, Institutional General Plant Project (IGPP) April 24, 2002*

(5) Block 4: Operating/Expense for Excess Elimination and Other.

(a) This block is to include work costs funded by operating/expense projects related to excess elimination and other non-maintenance projects. Dollar values are to be in thousands. Science SLI and NNSA FIRP excess elimination projects would be included in this block.

(b) All costs are to be properly burdened (e.g. direct funded activities include overhead).

(c) Excess elimination O&E projects are to be listed under block 4.1.

(d) Identify the total area eliminated by the project under the gross building area.

(e) All other operating/expense projects are to be grouped and reported under 4.2 "All Other"

(f) If a site's program approved TYSP provides project listings, data is current with the FY BY field budget submittal, and ME-90 has a copy (printed or electronic) then only the subtotal cost of all Operating/Expense projects in Block 4.1& 4.2 must be provided.

(g) Direct O&E maintenance and repair projects are to be included under 5.1.

(6) Block 5: Maintenance and Repair (M&R).

(a) This block is to include all maintenance and repair activities that are funded through indirect and direct means.

(b) All costs are to be properly burdened (e.g. direct funded activities include overhead).

(c) Include direct funded M&R costs on lines that correspond with the funding HQ program. See the example in Tab B.

(d) For the purposes of this process, replacement of an entire building system component in kind (for example; a roof or a Heating Ventilation Air Conditioning ductwork system that does not increase capacity) is considered a repair and shall be reported as such.

(e) Report maintenance and repairs only on real property assets such as buildings, other structures and facilities, utility systems, etc. That is, report maintenance or repairs on the building or structure that houses programmatic real property and equipment, but not maintenance or repairs performed on the programmatic real property or equipment.

(f) Direct Maintenance and Repair is funding that can be identified with a particular program operating funds (via one of two cases: maintenance directly funded by a program–that is identifiable in the B&R structure; or maintenance that is attributable to a site program activity but not directly identified in the B&R Structure) the first time the costs are charged. These funds are directly appropriated and charged to a program since they are directly related to and are being incurred principally for the benefit of the program receiving these maintenance activities. These are loaded costs that generally consist of direct labor, materials and supplies. Includes charge back maintenance and direct funded (M&R) operating or expense projects. *(Definition derived from Direct Costs in DOE Budget Formulation Handbook, dated March 2, 1998, Chapter 1, paragraph 1d (9), page 1-1.6)*

(g) Indirect Maintenance and Repair are costs that are not identified with a single, specific final cost objective. These costs, collected in cost pools, are distributed or allocated to a final cost objective based on a predetermined methodology. Site overhead costs, service centers, and organizational burden G&A pools, and Space charge pools are examples of indirect costs. Include indirect (M&R) operating or expense projects. *(DOE Budget Formulation Handbook, dated March 2, 1998, Chapter 1, paragraph 1d (13), page 1-1.7)*

(h) DOE HQ Programs may request, in supplemental direction to this call, a further division of the maintenance reported under 5.1 and 5.2.

(i) Definitions for Block 5.

1 **Maintenance** is the recurring day-to-day work that is required to maintain and preserve P&CE in a condition suitable for it to be utilized for its designated purpose. It differs from repair in that it is normally work to correct wear and tear before major repair is required, and it is usually less involved than repair work. Maintenance work is typically also charged to an operating expense account. Preventive maintenance is a specialized category

for the broader category of maintenance and is typically charged to an operating expense account. (A*ccounting Handbook, Chapter 10 Plant and Capital Equipment, paragraph 1.g.)*

Maintenance does **not** include the following:

Regularly scheduled janitorial work such as cleaning, and preserving facilities and equipment.

Work performed in relocating or installing partitions, office furniture, and other associated activities (*these are defined as alterations*).

Work usually associated with the removal, moving, and placement of equipment.

Work aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from or significantly greater than those originally intended.

Improvement work performed directly by in-house workers or in support of construction contractors accomplishing an improvement.

Work performed on special projects not directly in support of maintenance or construction.

Non-maintenance roads and grounds work, such as grass cutting and street sweeping (i.e. related to MARS Asset Code 460).

Report maintenance only on real property assets and not on programmatic real property or equipment such as accelerator beam line equipment. That is, report maintenance on the building or structure that houses the equipment, and its mechanical, electrical, communication, and structural systems but not maintenance performed on the programmatic equipment.

2 **Repair** is the restoration or replacement of a deteriorated item of P&CE, such that it may be utilized for its designated purpose. The cost of repair, which is normally charged to an operating expense account and includes amounts for labor and associated supervision and materials, as well as indirect and other costs incurred in such repairs, may include costs to replace items of P&CE designated as retirement units. (Power marketing administrations should refer to publications and studies on utility plant service lives.) *Accounting*

Handbook, Chapter 10 Plant and Capital Equipment, paragraph 1.g.

(7) Block 6: Indirect O&E Excess Elimination.

(a) Identify indirect O&E projects that eliminate excess buildings and structures.

(b) Identify in gross building area the square feet eliminated by indirect funded projects in the appropriate budget year (column) that reflects **when the building or building like structure is to be funded. Do not** include in the **area** non-facility demolition (e.g. storage tanks, sewage treatment lagoons, etc. or a MARS Asset Type 550, when its area is not measured in square feet in FIMS) or non-demolition (Disposition or clean-out) work.

(8) Block 7: Area of Excess Eliminated.

(a) Identify square footage that is anticipated to be eliminated in that fiscal year (demolished, sold, out-grant/leased, or transferred to another Federal Agency.

(b) Elimination of Excess term is used to identify facility disposal projects that will eliminate excess buildings and similar facilities through, demolition, sale, out grant (lease) and transfer to another federal agencies. Data will be used in tracking the annual elimination of excess facilities and in the preparation of the annual report to Congress as required in the FY 2002 Energy and Water Appropriation Bill Conference Report 107-285.

(c) Identify area eliminated by funding type and project in the appropriate year (column) that reflects when the building or building-like structure is eliminated (demolition completed). Do not include the area of non-facility demolition (e.g. storage tanks, sewage treatment lagoons, etc. or a MARS Asset Type 550, when its area is not measured in square feet in FIMS) or non-demolition (disposition or clean-out) work.

(d) Identify by project, the area added by construction of new or replacement facilities and additions in the appropriate year (column) to reflect the occupancy year (planned).

(e) Identify the building or facility area disposed of by sale or lease to private entities and the area transferred to another Federal agency (DO NOT include area transferred between DOE programs).

(f) This is the old block 7.0 from the earlier data call.

(g) If a site's program approved TYSP provides the same information, is current with the FY BY field budget submittal, and ME-90 has a copy (printed or electronic) then this block data does not need to be provided.

(9) Q&A for All Blocks:

(a) Where do you include a Mixed Project? When maintenance and repair work scope is combined with betterments, the resulting project is considered a betterment project.

(b) Can an existing building system (HVAC, lighting, electrical, roof, bridge crane, etc.) be replaced with block 5 (maintenance and repair) money? Yes if replacement does not significantly increase output or capacity of the system.

(c) Where is the block for GPE? The IFI is no longer collecting information on GPE. GPE is generally used to procure personal property and equipment such as bulldozers, mobile cranes, trucks, etc. Therefore, GPE is not seen as a significant source of investment for facilities and infrastructure.

(d) Do we report alterations? Alterations can be included in the "all others" line in blocks 2.0 or 4.0. Alterations, as defined in the reference, are treated as other operating expenses such as janitorial services, utility payments, etc. and not betterments per se.

(e) What is a project? For this data collection effort a project is in general, a unique effort that supports a program mission, having defined start and end points, undertaken to create a product, facility, or system, and containing interdependent activities planned to meet a common objective or mission. Examples of Project types include: line item, GPP, and IGPP construction, renovation, and modification; and direct and indirect O&E projects for maintenance, repair, and demolition.

(10) Reference: Accounting Handbook, Chapter 10 Plant and Capital Equipment, paragraph 1.g, "Accounting for Repair, Maintenance, Alterations, and Betterments."

FY 05 Facilities and Infrastructure Budget Crosscut Data Entry Sheet

3/24/2003

Integrated Facilities and Infrastructure Budget Data Sheet (IFI)	Project Number	Gross Building Area	FY PY Approp. ($000)	FY CY Approp ($000)	FY BY Budget ($000)	FYBY+1 Budget ($000)	FY BY+2 Budget ($000)	FY BY+3 Budget ($000)	FY BY+4 Budget ($000)
SITE NAME:									
PROGRAM									
1.0 Capital Line Item (Include project number & identify Funding Program)									
1.1 New Construction (facilities and additions)									
1.2 All Other Projects (recap)									
Subtotal Line Item Projects									
2.0 General Plant Project (GPP) (Include project number & identify Funding Program)									
2.1 New Construction (facilities and additions)									
2.2 All Other Projects (recap)									
Subtotal GPP:									
3.0 Institutional General Plant Project (IGPP)									
Subtotal IGPP Projects									
4.0 Operating/Expense for Excess Elimination and Other									
4.1 Excess Elimination (demolition, sale, lease, transfer) Show area eliminated in Gross Area column									
4.1 Subtotal									
4.2 All Other (List direct O&E maintenance under 5.1)									
4.2 Subtotal									
Subtotal Operating/Expense Projects									
TOTAL Capital & Operating Investment:									
TOTAL Overhead Investments (IGPP)									

TAB A

FY 05 Facilities and Infrastructure Budget Crosscut Data Entry Sheet

Integrated Facilities and Infrastructure Budget Data Sheet (IFI)	Project Number	Gross Building Area	FY PY Approp. ($000)	FY CY Approp ($000)	FY BY Budget ($000)	FYBY+1 Budget ($000)	FY BY+2 Budget ($000)	FY BY+3 Budget ($000)	FY BY+4 Budget ($000)
SITE NAME									
PROGRAM:									
5.0 Maintenance & Repair									
5.1 Direct Funded (by HQ or Site Program)									
List direct O/E maintenance projects									
Total Direct Maintenance & Repair									
5.2 Indirect (from Overhead or Space Charges)									
Include indirect O/E manitnenance projects in total									
Total Indirect Maintenance & Repair									
6.0 Indirect O&E Excess Elimination (demolition, sale, lease, transfer) Show area eliminated in Gross Area column									
Total Indirect Excess Elimination									

FY 05 Facilities and Infrastructure Budget Crosscut Data Entry Sheet

Integrated Facilities and Infrastructure Budget Data Sheet (IFI)	Project Number	FY PY Approp. ($000)	FY CY Approp ($000)	FY BY Budget ($000)	FYBY+1 Budget ($000)	FY BY+2 Budget ($000)	FY BY+3 Budget ($000)	FY BY+4 Budget ($000)
SITE NAME								
PROGRAM:								
7.0 Area of Excess Eliminated								
List of projects, by type of funding, with project number, and excess AREA eliminated by fiscal year accomplished.								
Line Item								
GPP								
IGPP								
Operations/Expense								
Indirect Operations/ Expense								
Transfer by sale or lease, or transfer to an outside federal agency								
Subtotal of Excess Facility Area Eliminated								
Total Area to be Eliminated Each Year (Demolition, Sale or Transfer Completion Year)								
Total Area to be Added by GPP, IGPP, and LI Construction (List Area Under Occupancy Year)								

SAMPLE FY 05 Facilities and Infrastructure Budget Crosscut

Integrated Facilities and Infrastructure Budget Data Sheet (IFI)	Project Number	Gross Building Area	FY 2003 Approp. ($000)	FY 2004 Budget ($000)	FY 2005 Target Budget ($000)	FY 2006 Target Budget ($000)	FY 2007 Target Budget ($000)	FY 2008 Target Budget ($000)	FY 2009 Target Budget ($000)
SITE NAME: Ze National Laboratory									
PROGRAM Science (HEP landlord)									
1.0 Capital Line Item (Include project number & identify Funding Program)									
1.1 New Construction (facilities and additions)									
Framastan Detector Facility HEP	04-E-29	6,800		3.5	9.2				
Mobius Accelerator HEP	06-E-32	25,000				2.3	17.8	12.3	
1.2 All Other Projects (recap)									
Upgrade Underground Utilities HEP	05-E-21				6.3	2.1	4.9	2.3	6.2
Subtotal Line Item Projects		38,600		3.5	15.5	4.4	22.7	14.6	6.2
2.0 General Plant Project (GPP) (Include project number & identify Funding Program)									
2.1 New Construction (facilities and additions)									
New Support Office	G-10	15,000			4.2				
Bldg 11 Addition	G-33	2,000					3.3		
2.2 All Other Projects (recap)									
Rehab Bldg 22	G-12					4.6			
Rehab Bldg 30	G-29								4.2
Subtotal GPP:		17,000	0	0	4.2	4.6	3.3	0	4.2
3.0 Institutional General Plant Project (IGPP)									
Cafiteria	I-230	15,000			4.3				
Training Center	I-231	8,500				3.7			
Subtotal IGPP Projects		23,500	0	0	4.3	3.7	0	0	0
4.0 Operating/Expense for Excess Elimination and Other									
4.1 Excess Elimination (demolition, sale, lease, transfer) Show area eliminated in Gross Area column									
Demolish Bldg 222	X-123	35000	3.1	0.4					
Demolish various bldgs	X-124	6000			0.9				
Demolish Bldg 290 & 230	X-127	45000				1	0.2		
D&D bldg 430	X-130	12000						3.6	2.8
4.1 Subtotal for Elimination of Excess		98000	3.1	0.4	0.9	1	0.2	3.6	2.8
4.2 All Other (List O&E maintenance under 5.1)									
Site Plan development	OE-23		0.2	0.2	0.3	0.31	0.35	0.32	0.34
4.2 Subtotal for all other			0.2	0.2	0.3	0.31	0.3	0.32	0.34
Subtotal Operating/Expense Projects			3.3	0.6	1.2	1.31	0.5	3.92	3.14
TOTAL Capital & Operating Investments:			3.3	4.1	20.9	10.31	26.5	18.52	13.54
Total Overhead Investments (IGPP):			0	0	4.3	3.7	0	0	0

TAB B

SAMPLE FY 05 Facilities and Infrastructure Budget Crosscut

Integrated Facilities and Infrastructure Budget Data Sheet (IFI)	Project Number	Gross Building Area	FY 2003 Approp. ($000)	FY 2004 Budget ($000)	FY 2005 Target Budget ($000)	FY 2006 Target Budget ($000)	FY 2007 Target Budget ($000)	FY 2008 Target Budget ($000)	FY 2009 Target Budget ($000)
SITE NAME: Ze National Laboratory									
PROGRAM Science (HEP landlord)									
5.0 Maintenance									
5.1 Direct Funded (by HQ or Site Program)									
HEP	N/A		14.2	15.4	15.4	16	16.1	17	17.2
LEP	N/A		2.3	2.4	2.5	2.8	2.9	2.9	3
O&E Maintenance Projects									
Utility Replacements	OE-22		0.9						
Bldg 27 Roof Replacement	OE-18				8.4				
Total Direct Maintenance			**17.4**	**17.8**	**26.3**	**18.8**	**19**	**19.9**	**20.2**
5.2 Indirect (from Overhead or Space Charges)*			13.2	13.4	14	15	16	18	18.2
Include indirect O/E manitnenance projects									
Total Indirect Maintenance			**13.2**	**13.4**	**14**	**15**	**16**	**18**	**18.2**
6.0 Indirect O&E Excess Elimination (demolition, sale, lease, transfer) Show area eliminated in Gross Area column									
Total Indirect Excess Elimination									

SAMPLE FY 05 Facilities and Infrastructure Budget Crosscut

Integrated Facilities and Infrastructure Budget Data Sheet (IFI)	Project Number	FY 2003 Approp. ($000)	FY 2004 Budget ($000)	FY 2005 Target Budget ($000)	FY 2006 Target Budget ($000)	FY 2007 Target Budget ($000)	FY 2008 Target Budget ($000)	FY 2009 Target Budget ($000)
SITE NAME: Ze National Laboratory								
PROGRAM Science (HEP landlord)								
7.0 Area of Excess Eliminated								
List of projects, by type of funding, with project number, and excess AREA eliminated by fiscal year accomplished.								
Line Item	06-E-32				1700			
GPP	G-33							
IGPP	I-230			600				
O&E	X-123		35000					
O&E	X-124			6,000				
O&E	X-127					45,000		
O&E	X-130							12000
Indirect O&E		200	450	270	1500	850	2700	220
Transfer by sale or lease, or transfer to an outside federal agency					2500			
Total Area to be Eliminated Each Year (Demolition, Sale or Transfer Year)		**200**	**35,450**	**6,870**	**5200**	**45,850**	**2700**	**12220**
Total Area to be Added by GPP, IGPP, and LI Construction (Occupancy Year)		**0**	**0**	**15000**	**21800**	**10500**	**25000**	**0**