TITLE: Application of PPBE Process for activities funded by the Office of the Administrator Appropriation

I. **OBJECTIVE:** To assure the National Nuclear Security Administration (NNSA) Planning, Programming, Budgeting, and Evaluation (PPBE) processes for program direction activities.

II. **APPLICABILITY:** All NNSA elements funded from the Office of the Administrator Appropriation. Program Direction resources for Naval Reactors and the Secure Transportation Asset are budgeted separately and not subject to this policy.

III. **REQUIREMENTS:**

1. **Planning** to ensure that all current policies, requirements, external conditions, and emerging issues are identified and considered. See Business Operating Procedure (BOP)-001.1.

   Planning will cascade from Headquarters (HQ) to all NNSA elements to assure clear leadership and direction. Long-term performance goals are established and validated during the Planning Phase and linked in a performance cascade to annual targets and detailed milestones. The Planning phase will begin in the November time frame and end in February. By February, the Department of Energy Secretarial Planning Guidance should be in place and the NNSA Baseline Program reflected in the Government Performance and Results Act (GPRA) Unit/Multi-Year Program Plans (updated to reflect the current appropriation and the President's Budget Request).

   • The Office of Planning, Programming, Budgeting, and Evaluation (NA-62) issues a Planning Call to get input for Program and Fiscal Guidance.

   • The Leadership Coalition and the Management Council determine new initiatives and priorities.

   • The Immediate Office of the Administration (NA-1) issues the Strategic Planning Guidance and the Program and Fiscal Guidance to initiate the Programming phase.

2. **Programming** to facilitate analysis and prioritization of requirements and provide recommendations to the Administrator on proper resource allocations. See BOP-001.2.

   During the Programming phase, programmatic requirements are considered from a fiscally conscious perspective. The process is centered around the current Baseline Program, considering changes and input from Headquarters program offices and the field. Budget and resource trade-offs and decisions are evaluated based on the impact to annual and long-term performance measures.

   - NA-62 as Program Manager develops and issues data call for programs funded by the Office of the Administrator, with programming guidance for input to execution and requirements analysis to NNSA organizational elements (Program Offices, Site Offices and the Service Center).

   - NNSA organizational elements prepare respective data submissions in accordance with NA-62 data call and Program and Fiscal Guidance.

   - NNSA Principal Deputy Administrator (NA-2) conducts review of consolidated requirements and makes preliminary decisions on requirements (input from Leadership Coalition and Management Council).

   - The Associate Administrator for Management and Administration (NA-60) briefs NA-1 and the Program Review Council on the Programming request.

   - NA-1, in consultation with the Program Review Council, makes decisions on the Office of the Administrator Programming request, including both funding and staffing levels.

   - NA-1 issues NNSA Program Decision Memorandum (PDM) to document NNSA's program and budget formulation assumptions and initiate the Budgeting phase.

3. **Budgeting** to integrate planning and programming resource estimates into the "fiscally constrained" environment. (BOP in preparation).

   NNSA decisions are documented and used to develop the Office of Management and Budget (OMB) Budget Request and the President's Budget Request. Following the PDM, a PPBE budget call requests information needed to develop the OMB and Congressional budget submissions. The budgeting phase concludes with the submission of the President's Budget Request to Congress.

- NA-62 issues the Call for Budget Information to all NNSA programs including the Immediate Office of the Administrator.

- NNSA organizational elements prepare respective budget requests in accordance with NA-62 Budget Guidance.

- NA-62 completes validation requirements (BOP in preparation).

- NA-62 submits OMB Request to the Department of Energy (DOE) Chief Financial Officer (CFO).

- NA-62 serves as NNSA point of contact (POC) for coordination with DOE CFO, OMB Passback, Appeals, and any other major decisions and/or milestones.

- NA-62 submits Congressional Request to the DOE CFO.

- NA-62 updates the GPRA Unit/Multi-Year Program Plans to reflect the current appropriation and the President's Budget Request.

4. **Execution and Evaluation** to execute programs and to regularly review program and financial performance ensuring program resources are allocated consistent with NNSA priorities. See BOP-001.4.

   NNSA execution activities include establishment and maintenance of site allocations. NNSA evaluation activities include a set of tiered performance reviews to examine everything from detailed technical progress to program management controls to corporate performance against long-term goals. The key elements of this phase are: The OMB Program Assessment Rating Tool (PART), NNSA Administrator Program Reviews, Quarterly reporting of progress through the Department's JOULE performance tracking system, the NNSA Administrators Annual Performance Report, and monthly financial analysis.

   - NA-62 provides analysis of Congressional action to the Leadership Coalition and Management Council.

   - NA-60 provides recommendations on final resource allocations by site and object class to the Leadership Coalition and Management Council.

   - Management Council, led by NA-60, makes final decisions on funding and staffing levels.

- NA-62 updates Implementation Plan per Management Council decisions, and prepares Approved Financial Plans (AFPs) to issue funding to the organizational elements.

- NA-60 leads the Administrator's program review for the account.

- NNSA organizational elements submit AFP change requests and any reprogramming requests to NA-62; NA-60 is the HQ advocate for those changes.

- NA-62 develops and Management Council approves any formal requests for changes to the funding allocations (Congressional reprogrammings or notifications).

- NA-62 provides monthly analysis of obligation and cost data to all HQ program elements.

IV. RESPONSIBILITIES:

Immediate Office of the Administrator (NA-1), NNSA, is responsible for:
- Issuing Program and Fiscal Guidance
- Making final program and resource decisions, in consultation with the Program Review Council, during the programming phase
- Participating in the Administrator's program reviews

Associate Administrator for Management and Administration (NA-60) is responsible for:
- Managing the corporate PPBE process for the Office of the Administrator's Program Direction requirements
- Briefing NA-1/Program Review Council on Programming request
- Leading Management Council discussions on resource adjustments
- Providing direction on detailed allocations by object class for NA-1 and NA-60 resources (including support service funding by task)
- Leading Administrator's program review
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Program Review Council is responsible for:
- Evaluation of programming inputs

Management Council is responsible for:
- Making recommendations for Programming estimates to NA-60
- Assessing final resource allocations and requesting adjustments to NA-60
- Making final funding and staffing level decisions
- Approving any formal requests for changes to the funding allocations

Leadership Coalition is responsible for:
- Presenting new initiatives and priorities and making recommendations to Management Council
- Making recommendations for Programming estimates to NA-60
- Assessing final resource allocations and requesting adjustments to NA-60

Office of Planning, Programming, Budgeting and Evaluation (NA-62) is responsible for:
- Issuing guidance for Planning, Programming, Budgeting and Evaluation
- Consolidating programming data and preparing required deliverables
- Facilitating corporate budget coordination (formulation and execution)
- Preparing budget submissions and deliverables to OMB and Congress
- Updating semi-annual performance measurement data, annual PART self assessment and quarterly JOULE updates
- Providing analysis of Congressional action
- Providing recommendations for resource allocations
- Updating Implementation Plan and GPRA Unit/Multi-year Program Plans
- Providing monthly AFP changes to CFO
- Developing formal requests for changes to funding allocations
- Providing monthly financial execution status and support service tables to HQ organizations
- Providing briefings for NA-1 reviews, OMB and Congressional staff

NNSA Organizational Elements are responsible for:
- Generating products to meet the PPBE process requirements
- Managing organizational resource allocations
- Providing direction on detailed allocations by object class (travel, training, support services, and other related expenses)
- Preparing budget request in accordance with NA-62 Budget Call Guidance
- Submitting AFP change requests or reprogramming requests to NA-62

- Organizational Elements include:
  - Immediate Office of the Administrator, NA-1
  - Defense Programs, NA-10
  - Defense Nuclear Nonproliferation, NA-20
  - Emergency Operations, NA-40
  - Infrastructure and Environment, NA-50
  - Management and Administration, NA-60
    - Human Resources, NA-64
    - Information Technology, NA-65
  - Defense Nuclear Security, NA-70
  - NNSA Service Center
  - Livermore Site Office
  - Los Alamos Site Office
  - Sandia Site Office

- Nevada Site Office
- Kansas City Site Office
- Pantex Site Office
- Y-12 Site Office
- Savannah River Site Office
- Other Federal Offices created as part of NNSA

V.   RELATED NNSA POLICIES AND COORDINATION

Human Resources
- Intern Program
- Corporate Training Approach
- Managed Staffing Plans
- Retention, Recruitment, and Relocation Bonus Policy
- Performance Award Policies

Information Technology

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Distribution:

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