

**PPBE
REPROGRAMMING/APPROPRIATION
TRANSFER/NOTIFICATION PROCESS**



**NATIONAL NUCLEAR SECURITY ADMINISTRATION
Office of Financial Management**

PPBE REPROGRAMMING/APPROPRIATION TRANSFER/NOTIFICATION PROCESS

1. PURPOSE. To establish roles and responsibilities for reprogramming actions, appropriation transfers, and notifications, as needed, using the PPBE process for the execution of the National Nuclear Security Administration (NNSA) budget.
2. CANCELLATIONS. None.
3. APPLICABILITY. The provisions of this policy apply to all NNSA organizational elements.
4. BACKGROUND. During the budget execution phase, unforeseen events or conditions may necessitate changes to the program baselines that formed the basis for funding appropriated by Congress. These changes must be communicated to the cognizant Congressional committees as they occur. Processes designed to address these changes include reprogrammings, appropriation transfers, and notifications. Overall guidance for these actions is included in reports from the cognizant Congressional appropriations and authorization committees. The DOE process is owned by the DOE and codified in DOE Order 135.1A, Budget Execution Funds Distribution and Control.
5. REQUIREMENTS.
 - a. A reprogramming is required for any departure from a program, project, or activity described in the agency's budget justification as presented to and approved by the Congress. This includes, but is not limited to, the utilization of funds for purposes other than those considered by the Congress during appropriation action such as:
 - (1) Any change to the obligational control levels in the Congressional reports accompanying the authorization or appropriation (as reflected in the DOE Base Table);
 - (2) Any significant programmatic change to the narrative in the President's Budget Request, Congressional testimony (including questions and answers submitted for the record), and areas known to be of Congressional interest.

Reprogrammings are to be pursued only after all other options have been considered. Single site/source reprogrammings are encouraged. Multi-site and/or multi-program solutions are to be pursued only after explicit concurrence by the NNSA Principal Deputy Administrator, as to need, programmatic priority, or emergent requirement.

- b. The NNSA currently has two processes for handling reprogramming actions; one for external Congressional actions that require approval from the cognizant committees before execution, and one for limited/internal reprogramming which are accomplished via the authority provided in the appropriations report, executed through the financial system, and for which Congressional notification are provided after the fact. The process flow for limited/internal reprogrammings is depicted in Attachment 1; for external reprogrammings in Attachment 2.
- (1) Currently, limited/internal reprogramming authority has been provided for selected activities within the Weapons Activities Appropriation. This authority is delineated in the appropriations reports accompanying the annual appropriations act.
 - (a) Limited reprogramming authority allows for funding to be moved between activities within a reprogramming threshold without submitting a reprogramming request for advance approval from the House and Senate Committees on Appropriations.
 - (b) Internal reprogramming authority allows for a transfer of up to \$5,000,000 between reprogramming thresholds subject to the following limitations: only one transfer may be made to or from any program or project; the transfer must be necessary to address a risk to health, safety or the environment; and funds may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.
 - (2) Congressional notification within 15 days of the use of the limited/internal reprogramming authority is required.
 - (3) Both external and limited/internal reprogramming packages must contain the following:
 - (a) A cover letter from the Associate Administrator for Management and Budget (NA-MB-1) to the NNSA Principal Deputy Administrator summarizing the action;

- (b) A cover letter from the NNSA Principal Deputy Administrator to the DOE Chief Financial Officer (CFO) summarizing the action and requesting that the letters be signed and transmitted to Congress;
- (c) Letters to appropriate authorization and appropriation committees;
- (d) An attachment showing the proposed dollar changes by reprogramming threshold;
- (e) An attachment providing additional details on the proposed reprogramming action; and
- (f) NNSA must also provide the Office of Budget certifications of funds availability, and format 5160 (Attachment 4).

NOTE: External reprogramming packages must also contain a cover letter from the DOE CFO to the Secretary of Energy summarizing the action and requesting approval and signature of the letters to Congress. Attachment 3 includes a template for reprogramming packages.

- c. An appropriation transfer is the permanent withdrawal of budget authority or balances from one appropriation account for credit to another appropriation account. An appropriation transfer can be made only when authority to do so is specifically provided in an appropriation or other act. Currently, there is a 5 percent transfer authority limitation for DOE accounts. Like external reprogrammings, appropriation transfers require approval from the cognizant Congressional committees before execution.
- d. Notification can be used when a change to the approved budget would not require an external reprogramming, limited/internal reprogramming, or an appropriation transfer, but may be of known Congressional interest. To keep the appropriate committees promptly and fully informed, NNSA would notify the appropriate committees through either formal written correspondence or informal discussions with the committee. Notifications normally do not require approval prior to execution.

Congressional Notification may also be required to comply with requirements specified in Congressional language. For example, 50 U.S.C. § 2746 addresses notification requirements for conceptual design and construction design above certain dollar thresholds. In addition, House Report 108-554 accompanying the Energy and Water Development Appropriations Act, 2005, directs the Department

to notify, in writing, the House and Senate Appropriations Committee immediately when there is a projected increase of 10 percent or more in the total estimated cost (TEC) for all line-item construction projects with a TEC in excess of \$20 million.

6. RESPONSIBILITIES.

a. The Principal Deputy Administrator, NNSA, is responsible for:

- (1) Approving and transmitting all reprogramming and appropriation transfer requests, and notification letters to the CFO;
- (2) Generating discussion at monthly management council meetings on upcoming reprogramming needs and status of packages in process, and
- (3) Reviewing the effectiveness of the reprogramming processes and programs (along with lessons-learned) will be a regular agenda item twice per year, in February and August.

b. The Director, Office of Financial Management (NA-MB-30) is responsible for:

- (1) Managing the overall PPBE Budget Execution process, which includes any reprogramming, appropriation transfer, or notifications;
- (2) Interpreting Congressional reports to understand reprogramming thresholds and notification requirements, and transmitting that information to Program and Site Offices;
- (3) Assessing reprogramming/appropriation transfer or notification requirements identified by line managers to assure they are executable within available resources and are consistent with Congressional guidelines; ensures that reprogramming actions is an appropriate use of funds and a higher priority than other unfunded requirements;
- (4) Serving as staff to the Administrator in analyzing optimum strategy, including those that span more than one NNSA organization;
- (5) Working with program offices to identify funding sources;
- (6) Working with CFO to make appropriate Approved Financial Plan (AFP) changes, including moving funding sources to DOE reserve for external reprogrammings;

- (7) Preparing and processing of all documents including reprogramming or appropriation transfer letters, notification letters, emergency allotment requests, and related work authorizations;
- (8) Coordinating reprogramming/appropriation transfer/notifications within NNSA, and with the DOE CFO;
- (9) Preparing and updating the Reprogramming status report; tracks reprogramming actions through OMB and Congressional approvals; and
- (10) Keeping this reprogramming/appropriation transfer/notification process Business Operating Policy (BOP) and other process instructions current, and maintaining them on the NNSA PPBE intranet at <http://hq.na.gov/ppbe>.

c. Headquarters Elements (Defense Programs, Defense Nuclear Nonproliferation, Naval Reactors, Nuclear Counterterrorism Incident Response, Defense Nuclear Security, Cyber Security, and Management and Budget) are responsible for:

- (1) Identifying need for reprogramming or appropriation transfer or notification to support a change to a program's approved baseline;
- (2) Formally transmitting complete reprogramming request to NA-MB-30 under the program manager's signature;
- (3) Working with NA-MB-30 to identify funding sources and develop reprogramming/ appropriation transfer package;
- (4) Briefing Congressional staff, if required; and the Office of PPBE and NNSA Congressional Affairs; and
- (5) Providing input to NA-MB-30 for work authorizations for reprogrammed/transferred funds.

d. Other NNSA Entities.

- (1) Site Offices are responsible for working with program offices to identify and justify needs for reprogramming/appropriation transfer and to formally submit complete reprogramming requests under the site manager's signature.

- (2) Albuquerque Complex is responsible for certifying reprogramming/appropriation transfer source funds available for withdrawal to DOE reserve as directed by NA-MB-30.
 - (3) Office of Congressional Affairs hand carries reprogramming/appropriation transfer/notification letters to cognizant Congressional committees; arranges briefings with Congressional staff, if required; receives official approval letters from Congress and advises NA-MB-30 when all approvals have been received.
7. REFERENCES. Department of Energy (DOE) Order 135.1A, Budget Execution Funds Distribution and Control; DOE M 135.1-1A, Budget Execution-Funds Distribution and Control Manual; Atomic Energy Defense Act (50 U.S.C. 2745).
 8. CONTACT. The NNSA, Office of Financial Management, NA-MB-30, 202-586-1087.

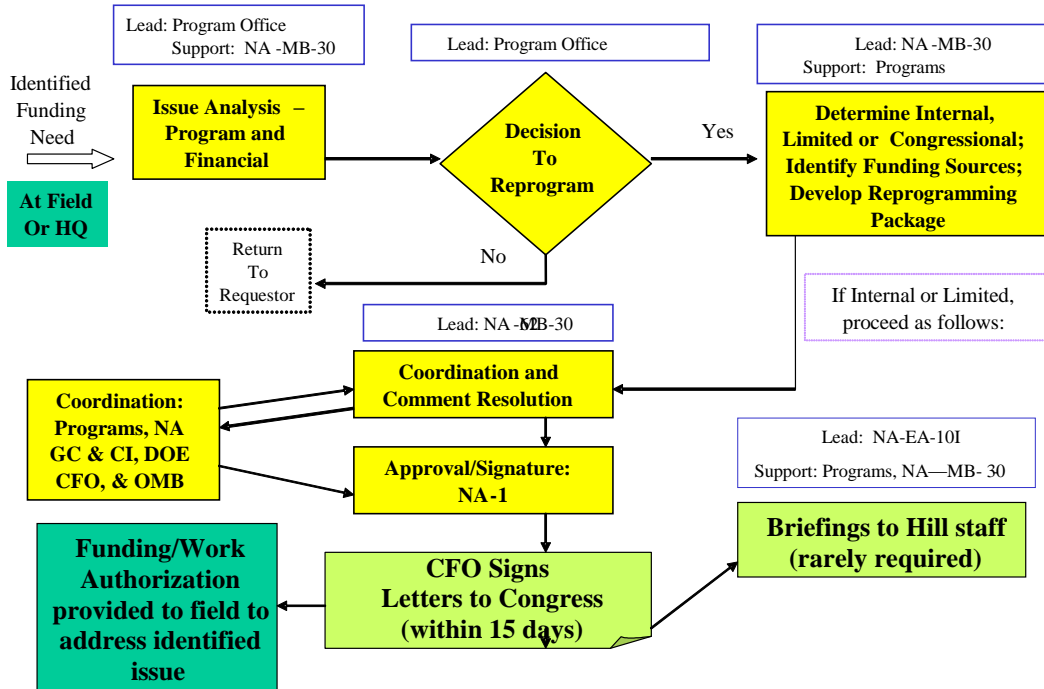


KENNETH W. POWERS
Associate Administrator
for Management and Budget

- Attachment 1. NNSA Reprogramming Flow – Limited/Internal
- Attachment 2. NNSA Reprogramming Flow – Congressional
- Attachment 3. Sample Memos Required For External Reprogrammings
- Attachment 4. Proposed Reprogrammings, Restructurings, and Appropriation Transfers

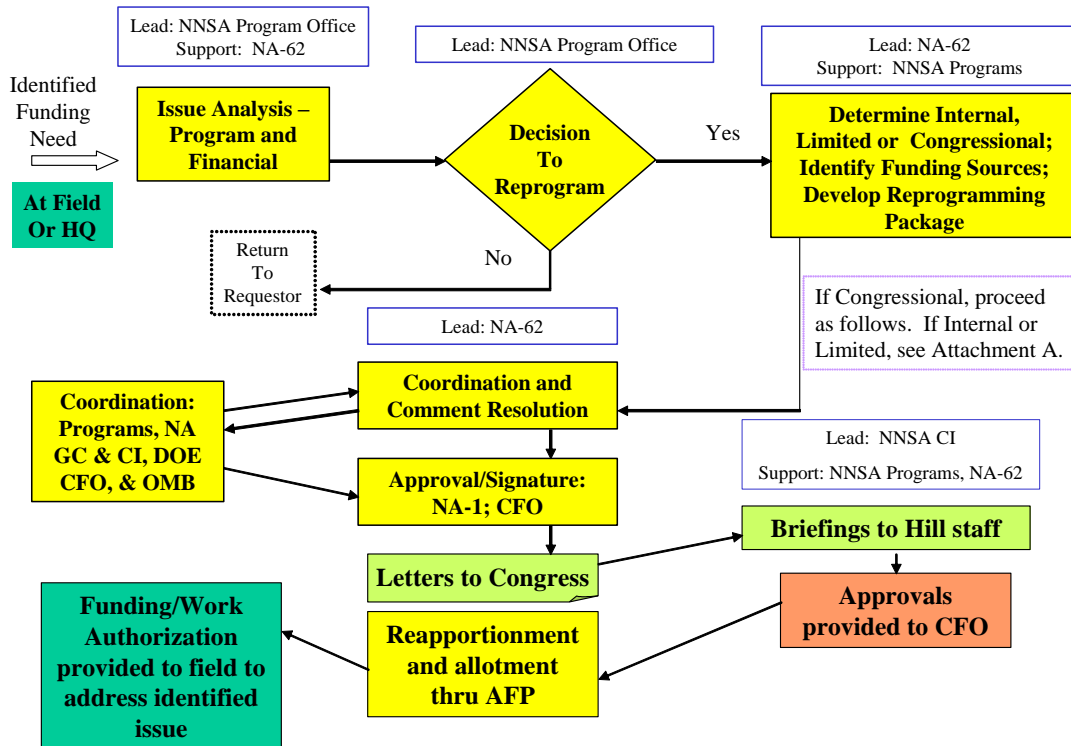


NNSA Reprogramming Flow – Limited/Internal





NNSA Reprogramming Flow - Congressional



Required for External Reprogrammings/Appropriation Transfers Only

MEMORANDUM FOR THE SECRETARY

FROM: CHIEF FINANCIAL OFFICER

SUBJECT: ACTION: Approve Transmittal of Letters to Congress Notifying them of the National Nuclear Security Administration's (NNSA) Intent to Reprogram \$XXX within the _____ Appropriation

ISSUE: The attached letters notify Congress of the National Nuclear Security Administration's intent to reprogram \$XXX with the _____ appropriation to...

The action is necessary to...

Funding sources for this action is available...impact or lack of impact should be discussed.

SENSITIVITIES: List any political sensitivity

RECOMMENDATION: Approve Congressional Reprogramming letters.

CONCURRENCES: Congressional and Intergovernmental Affairs
General Counsel
Office of Management and Budget

Approve: _____

Disapprove: _____

Date: _____

Attachments

MEMORANDUM FOR: CHIEF FINANCIAL OFFICER

FROM: NNSA ADMINISTRATOR

SUBJECT: ACTION: Letters to Congress Notifying Them of the National Nuclear Security Administration's Intent to Reprogram \$XXX within the _____Appropriation

The attached letters have been drafted to notify Congress of the National Nuclear Security Administration's intent to reprogram \$XXX within the _____appropriation to...

This reprogramming is necessary to support...

Funding sources for this action is available...impact or lack of impact should be discussed.

SENSITIVITIES: List any political sensitivities

RECOMMENDATION: It is requested that you sign and transmit the Congressional Notification letters.

Attachments

MEMORANDUM FOR: NNSA PRINCIPAL DEPUTY ADMINISTRATOR

FROM: ASSOCIATE ADMINISTRATOR
FOR MANAGEMENT AND BUDGET

SUBJECT: ACTION: Letters to Congress Notifying Them of the National Nuclear Security Administration's Intent to Reprogram \$XXX within the _____ Appropriation

The attached letters have been drafted to notify Congress of the National Nuclear Security Administration's intent to reprogram \$XXX within the _____ appropriation to...

This reprogramming is necessary to support...

Funding sources for this action is available...impact or lack of impact should be discussed.

SENSITIVITIES: List any political sensitivity

RECOMMENDATION: Your concurrence is requested on this package

Attachments

The Honorable (name)
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

For regular reprogramming requests:

The purpose of this letter is to notify you of the National Nuclear Security Administration intent to reprogram \$XXX within the _____ appropriation from program X to program Y for...

For internal or limited reprogramming actions:

This letter is to notify you of the National Nuclear Security Administration's use of internal reprogramming authority as provided by Conference Report XXX accompanying the Energy and Water Development Appropriation Act, FY XXXX (P.L. XXXX). Within the Weapons Activities appropriation, \$ was realigned from X program to program Y for...

For appropriation transfer requests:

The purpose of this letter is to transmit, pursuant to (insert applicable P.L. citation), a Department of energy proposal for an appropriation transfer of \$ from Appropriation X to Appropriation Y.

This reprogramming is necessary to support...

Funding sources are available...Further details on this transaction, including a summary of changes and justification on the requirements and sources, are included in Enclosure 1.

Should you have any questions or need additional information concerning this reprogramming, please have your staff contact list contact in the Office of Congressional and Intergovernmental Affairs at phone number, or list contact of the External Coordination Staff in the Office of the Chief Financial Officer at phone number.

Sincerely,

Chief Financial Officer

Enclosures

cc: The Honorable
Ranking Member

The Honorable (name)
Chairman, Committee on Armed Services
U. S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Note: All four letters are the same with the exception of the last paragraph, which provides contact information. This contact information varies between the Committees on Armed Services and the Committees on Appropriations.

Should you have any questions or need additional information concerning this reprogramming, please have your staff contact list contact in the Office of Congressional and Intergovernmental Affairs at phone number, or list contact of the External Coordination Staff in the Office of the Chief Financial Officer at phone number.

Sincerely,

Chief Financial Officer

Enclosures

cc: The Honorable
Ranking Member

The Honorable (name)
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Note: All four letters are the same with the exception of the last paragraph, which provides contact information. This contact information varies between the Committees on Armed Services and the Committees on Appropriations.

Should you have any questions or need additional information concerning this reprogramming, please contact list contact of the External Coordination Staff in the Office of the Chief Financial Officer at phone number.

Sincerely,

Chief Financial Officer

Enclosures

cc: The Honorable
Ranking Member

The Honorable (name)
Chairman, Committee on Appropriations
U. S. House of Representatives
Washington, D.C. 20515
Dear Mr. Chairman:

Note: All four letters are the same with the exception of the last paragraph, which provides contact information. This contact information varies between the Committees on Armed Services and the Committees on Appropriations.

Should you have any questions or need additional information concerning this reprogramming, please contact list contact of the External Coordination Staff in the Office of the Chief Financial Officer at phone number.

Sincerely,

Chief Financial Officer

Enclosures

cc: The Honorable
Ranking Member

**This letter is only applicable if it is an Appropriation Transfer.
This is not required for a Reprogramming or a Congressional Notification.**

The Honorable (name)
Chairman, Subcommittee on Energy
and Water Development, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Note: All four letters are the same with the exception of the last paragraph, which provides contact information. This contact information varies between the Committees on Armed Services and the Committees on Appropriations.

Should you have any questions or need additional information concerning this reprogramming, please have your staff contact list contact of the External Coordination Staff in the Office of the Chief Financial Officer at phone number.

Sincerely,

Chief Financial Officer

Enclosures

cc: The Honorable
Ranking Member

**This letter is only applicable if it is an Appropriation Transfer.
This is not required for a Reprogramming or a Congressional Notification.**

The Honorable (name)
Chairman, Subcommittee on Energy and Water Development
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Note: All four letters are the same with the exception of the last paragraph, which provides contact information. This contact information varies between the Committees on Armed Services and the Committees on Appropriations.

Should you have any questions or need additional information concerning this reprogramming, please contact list contact of the External Coordination Staff in the Office of the Chief Financial Officer at phone number.

Sincerely,

Chief Financial Officer

Enclosures

cc: The Honorable
Ranking Member

Distribution:

- 1bcc: Official File Copy (subject)
- 1bcc: Originator, NA-MB-30
- 1bcc: Cognizant Budget Execution Analyst, NA-MB-31

IDRMS #2008-

NA-MB-30 Correspondence Reviewer: _____

NA-MB-1 Correspondence Reviewer: _____

NA-MB-30 Originator

NA-MB-30 Initiator	NA-MB-31 Director, Defense Programs & Nuclear Nonproliferation	NA-MB-30 Director, PPBE & Office of Financial Management	NA-MB-1 Deputy Assoc. Admin. for M&B
-----------------------	--	---	--

_____	_____	_____	_____
Date	Date	Date	Date

NA-MB-1 Assoc. Admin. for M&B	NA-XX Program Principal	NA/CI	NNSA Principal Deputy Administrator
-------------------------------------	----------------------------	-------	---

_____	_____	_____	_____
Date	Date	Date	Date

NNSA
Administrator

Date

**PROPOSED REPROGRAMMINGS, RESTRUCTURINGS, AND
APPROPRIATION TRANSFERS**

Format 5160

(Internal DOE Document)

CHAPTER II. U.S. Department of Energy

**Detailed Reprogramming, Restructuring, and Appropriation Transfer Worksheet
(whole dollars)**

- | | |
|---|------------------------------------|
| 1. Date: | 2. DOE Serial Number: |
| 3. Type of Action: | 4. Program Point of Contact: |
| 5. Appropriation Title & Symbol: | 6. Budget Office Point of Contact: |
| 7. Budget Analysis Division Teal Lead Concurrence | Date: |

8. Program Title	9. AFP Recipient Code	10. B&R Code	11. Fund Type	12. Total Obligational Authority	Proposed Change		15. Revised Obligational Authority
					13. New Obligational Authority	14. Prior Year Balances	

Program Requirements:

1. TOTAL, PROGRAM REQUIREMENTS

Sources:

16. <u>Non-add PY balances detail</u> Appropriation Year

2. TOTAL, SOURCE OF FUNDS

17. Footnotes:

18. **Description of Proposed Action:**