
DIVISION OF BUDGET

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1. Functional Statement.

The Division of Budget performs staff supervision and provides assistance and guidance to Bureau management in the formulation, presentation, and execution of the annual and supplemental budgets; develops and presents to the Department, Bureau of the Budget, Congressional Appropriation Committees detailed information and justifications to support the budgets; and implements appropriations in terms of availability of funds and approved program objectives. The Division of Budget maintains close and effective coordination and relationship with the Office of Program Coordination and other Program Directors in all phases of Planning, Programming, and Budgeting.

Bureau Budget Officer. Supervises the operation of the Budget activities within the Bureau and the Division of Budget.

Education and welfare services staff. Responsible for the formulation, presentation, and execution of budget programs for Education and Welfare Services appropriation; Office of Economic Opportunity, Job Corps and Department of Health, Education, and Welfare, Elementary and Secondary Education Act and related activities.

Resources management staff. Responsible for the formulation, presentation, and execution of budget programs for Resources Management appropriation; Forest Pest Control, Watershed Protection, Operation and Maintenance of Indian Irrigation Systems, and all related activities.

Construction staff. Responsible for the formulation, presentation, and execution of budget programs for Construction and Road Construction appropriations; Power Systems, Indian Irrigation Projects; Indian Moneys, Proceeds of Labor, agencies, schools, etc.; allocation accounts to and from Division of Indian Health (HEW), Federal Highway Administration (DOT), and Bureau of Reclamation; and all other related activities.

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Administrative support staff. Responsible for the formulation, presentation, and execution of budget programs for General Administration, Claims and Treaties, Acquisition of Lands and Loans and other miscellaneous appropriations. Responsible for statistical data such as appropriation history, geographic distribution of activity expenditures; position and employment distribution by appropriation and activity; Bureau position control and reporting Bureau receipts and expenditures and all other related activities.

Tribal funds staff. Responsible for the formulation, presentation, and execution of budget programs for approximately 450 separate fund accounts, involving separate Congressional Acts and Annual Authorization Acts, research of Indian Claims Awards, and collaboration with Tribal Operations officials in implementing policies for use of funds awarded various Indian tribes.

Planning-programming-budgeting staff. Responsible for coordinating all phases of Planning and Programming as it pertains to budgeting with the other budget analysts, Office of Program Coordination, and other Program Directors; prepares and places on proper format the required documentations and reports of PFB.

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2. Objectives.

- .1 General Objective. The objective of the Federal Budget Process is to apply available resources within the limits of authority granted so as to implement Presidential, Congressional, Departmental, and Bureau intent and to obtain economy and efficiency in carrying out programs with the proper measure of control. The Budget Process consists of (1) formulation of the budget estimates, (2) presentation of the budget estimates, and (3) execution of the budget plan after approval by the Congress. The objective of "budget formulation" is to prepare and adopt a plan for activities related to established programs for a specific time period stating their cost in terms of personnel, material, etc., as well as money. The objective of "budget presentation" is to submit to the Department and the Bureau of the Budget the budget estimates and justifications for preparation of the President's Budget and its submission to Congress. The objective of "budget execution" is the management of resources (personnel, material, and money) to carry out the approved plan of activities according to a time schedule within the limits of total available resources, economy, and efficiency.
- .2 Specific Objective. The more specific objective of these instructions is to secure budget data to reflect clear and convincing exposition of future programs in the budget formulation process for the purpose of securing the appropriation of funds therefor and as a basis for carrying out the budget execution process in accordance with the Bureau's Budget policy.

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3. Authority.

- .1 Under the Constitution of the United States, no funds may be withdrawn from the United States Treasury except upon appropriation by the Congress. Because of the very size and complexity of the Federal Government, each unit of which requests one or more appropriations, various procedures and organizations have been established necessarily to facilitate this appropriation work of the Congress. Such systematic treatment of appropriation requests is based principally on the Budget and Accounting Act of 1921, as amended, (31 U.S.C. 1) which vested in the President for the first time the legal authority to prepare and submit a single, Governmentwide budget to the Congress. Under the Act, the President is required to transmit to Congress during the first fifteen days of each regular session the Budget, which shall set forth his budget message, summary data and text, and supporting detail. This so-called Executive Budget is supported before the Congress by officials of the Executive Branch. The Act also established the Bureau of the Budget and the General Accounting Office.

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4. Policy.

- .1 General. In preparing budget estimates and in executing the approved budget plans pursuant to Congressional appropriations, it is the Bureau policy to balance carefully the costs involved and the values to be received from proposed programs. Therefore, the recommended budget for a field office, area, or the Bureau should provide the best balance possible between the relative needs and values of the programs considered. Bureau policy also requires that budgetary plans and operations provide for only proper and legal activities, that operations be planned at a volume or rate that will permit continuity and smoothness and assure completion of given programs within the time limits allowed, and accomplishment of the program objectives in the most efficient and economical manner possible.
- .2 Estimates. Budget estimates shall be formulated in accordance with programs approved by means of program procedures and documents and stated policies contained in Calls for Budget Estimates and other Bureau documents.
- .3 Tribal Participation. Tribal representatives will be encouraged to participate in the development of programs of Federal projects for the benefit of the tribe.
 - A. Area directors or, at their direction, officials in charge of field offices, shall advise Indian tribes or tribal councils of all appropriation estimates or Federal projects for the benefit of the tribe.
 - B. Interpretation. The provisions of the Act of June 18, 1934 (48 Stat. 987, 25 U.S.C. 476) to the effect that organized Indian tribes shall be advised of appropriation estimates prior to their submission to the Bureau of the Budget and the Congress must be interpreted and considered in relation to (1) other law governing the preparation and submission of appropriation estimates, and (2) the ability and willingness of the tribes to cooperate to a degree necessary to make it possible to carry out the intent of the law. The provisions of this Act are not interpreted to require the submission of detailed budget estimates to organized tribal groups for approval or revision.

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Appropriation estimate submission dates are fixed by law. The appropriation process is a large undertaking to be done in a relatively short time and necessitates rigid rules and time schedules. These rules and time schedules are governed by law or regulatory and administrative authority delegated pursuant to law. Tribal business is conducted according to patterns and time schedules determined by each tribal group. The various patterns of tribal organizations, and in many instances the absence of organizations together with the varying procedures and time schedules under which organized Indian groups conduct tribal business, pose many real problems in the coordination and timing of Federal and tribal business. A delay in the submission of budget estimates beyond the deadlines required for inclusion in the regular budget submission would not be in the best interest of the tribe. The following application of interpretation shall apply as a matter of Bureau policy to unorganized as well as organized tribes.

C. Application of Interpretation. It is necessary to consider the foregoing factors as they apply to each tribal group in determining which, if any, of the following methods can be used for advising tribal groups or tribal representatives of appropriation estimates or Federal projects included in budget estimates for their benefit.

- (1) By consultation with tribal representatives at the planning stage--prior to the preparation of budget estimates.
- (2) By annual presentation of oral or written summaries of program activities highlighting major changes proposed in budget estimates.
- (3) Through the contacts of operating officials with members of unorganized or dispersed groups in day to day operations.

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5. Budget Process

- .1 Budget Formulation. Budget policy for the projected fiscal year is developed by the Bureau of the Budget and is issued some 12 to 18 months earlier in the form of basic guidance for planning programs and developing financial requirements. These guidelines are issued annually by the Bureau of the Budget in a budget policy statement, a Call for Estimates, and Circular No. A-11, "Instructions for the Preparation and Submission of Annual Budget Estimates."

Additional instructions and supplemental policy statements are issued by the Department to include changes and updating of the PPB Handbook with respect to Circular A-11.

In accordance with approved Bureau's programs and objectives and in coordination with other staff elements, dollar and position allowances are established and issued to the respective budget activities.

Instructions and guidance including dollar and position allowances are issued to lower echelons.

Division of Budget participates in the preparation of the annual Program Memorandum and associated documents and requirements.

An intensive review is conducted of all data and justifications used in the budget formulation with respect to instructions issued and established policies and objectives.

- .2 Budget Presentation. Budget estimates and justifications are submitted to the Department of the Interior and the Bureau of the Budget on the format prescribed in BOB Circular A-11 and other supplemental instructions. Additional information is provided as required.

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Upon receipt of budget final approval and allowances, necessary changes are made and additional information as required are prepared for the printing of the President's Budget.

The Budget Officer and his staff are on call to prepare special requests in rapid order during the budget hearings and to attend these sessions if required.

The Division of Budget prepares budget summaries at the appropriation and activity level by State, Congressional districts, counties, and in some cases regions and cities. The summaries cover a three-year period; prior year, current year, and budget year, and are made available to members of Congress upon presentation of the President's annual budget.

- .3 Budget Execution. Budget execution provides the system of administrative control which will assure the most effective and economical expenditure of appropriated funds. One of the most important responsibilities of the Budget Officer and his staff in administering the execution phase is the prevention of deficiencies and at the same time assuring that sufficient funds are available to carry out budgeted programs.

The budget staff reviews and analyzes program and financial operations and adjusts and reprograms funds where required. Supervisors and higher authorities are kept informed of the status of funds.

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6. Anti-Deficiencies Violations.

- .1 Section 3679 of the Revised Statutes, as amended, requires administrative control over funds required to be apportioned to (1) restrict obligations or expenditures against each such appropriation or fund to the amount of apportionments or reapportionments made for each such appropriation or fund, and (2) enable the Agency head to fix responsibility for the creation of any obligations or the making of any expenditure in excess of an apportionment or reapportionment.

Penalties for violations of Section 3679 are:

"In addition to any penalty or liability under other law, any officer or employee of the United States who shall violate subsection * * * (h) of this section shall be subjected to appropriate administrative discipline, including, when circumstances warrant, suspension from duty without pay or removal from office; and any officer or employee of the United States who shall knowingly and willfully violate subsection * * * (h) of this section shall, upon conviction, be fined not more than \$5,000 or imprisoned for not more than two years, or both."

In any case where obligations are incurred or expenditures are made in excess of approved apportionments for an area the Area Director shall report to the Commissioner of Indian Affairs immediately after the violation becomes known. The report shall be in the form of a letter and shall set forth:

- (1) The name and position of the officer or employee responsible for the violation.
- (2) All the pertinent facts of the violation, including any statement of the responsible officer or employee with respect to any circumstances which he believes to be extenuating.

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- (3) A statement of the administrative discipline imposed or recommended and any further steps taken with respect to the officer or employee.
- (4) A statement of any action taken or recommended to prevent recurrence of violations.