An Introduction to Budget at the Federal and NSF Levels
Federal Budget & Process
The president’s budget is not binding and is considered the administration’s proposal and request. With it comes volumes of information, including budget justifications from each agency that help Congress complete its own budget. The president’s budget generally is submitted by the first Monday in February.

House Budget Committee formulates budget resolution

Senate Budget Committee formulates budget resolution

The House and Senate budget committees develop their own versions of a budget resolution. If the traditional schedule holds, both are developed by early April, and the leading budget committee members from both chambers develop a consensus agreement called a conference report that is typically adopted in April/May.

February

March

April

May

June through September

Budget conference committee reports out the concurrent resolution of the budget.

Concurrent budget resolution reached.

House floor votes

Senate floor votes

House floor votes

Senate floor votes

House authorizing committees report changes in law to comply with budget resolution.

House Appropriations Committees report spending measures to comply with budget resolution.

Senate Appropriations Committees report spending measures to comply with budget resolution.

House votes on reconciliation.

House votes on conference report.

House votes on 10 separate appropriations bills.

Senate votes on 12 separate appropriations bills.

10 plus conference committees (No complete alignment)

Senate votes on conference report.

Senate votes on 12 separate appropriations bills.

Senate votes on conference report.

President signs or vetoes appropriation s bills.

Budget reconciliation conference committees.

If all 13 appropriations bills aren’t signed by Oct. 1, the start of the new fiscal year, Congress may pass a continuing resolution to fill the gap. If Congress fails to pass the resolution or the president vetoes it, nonessential activities in government are shut down until appropriations for them are enacted.

Appropriations bills cover the discretionary portion of the budget and don’t affect mandated benefit programs such as Social Security and Medicare. Two or more of the appropriations measures can be lumped into a single omnibus appropriations bill. All of the bills must be signed by the president to become law.

The two chambers arrive at a concurrent budget resolution, which is not formally a law and does not require the president’s signature. However, the House and Senate have enforcement procedures to ensure directives are met. The budget resolution sets in motion legislation that, when enacted, has the force of law.

If the traditional schedule holds, both are developed by early April, and the leading budget committee members from both chambers develop a consensus agreement called a conference report that is typically adopted in April/May.
Showing Fields of Science and Executive and Legislative Decision Units
Connecting lines indicate location of agency budget decisions, but not decision sequences.
Spending America’s Income

Broad revenue and spending categories in President Obama’s fiscal 2010 budget:

Where it comes from (receipts)

$2.3 Trillion

- Individual income tax: $1,051 billion
- Corporate income tax: $179 billion
- Payroll tax: $940 billion
- Excise tax: $75 billion
- Estate and gift tax: $20 billion
- Customs duties: $24 billion
- Other: $44 billion
- Deficit: $1,258 billion

How it would be spent (outlays)

$3.6 Trillion

- $707 billion: Defense (discretionary)
- $687 billion: Discretionary (non-defense)
- $696 billion: Social Security
- $452 billion: Medicare
- $136 billion: Interest on debt
- $290 billion: Medicaid
- $623 billion: Other
President's Request for Non-Defense Discretionary Budget Authority
By Major Agency -- FY 2008

Total = $448.4 Billion
NSF’s Budget
Recent and Outyear NSF Funding

$ in Billions

Fiscal Year

- NSF Appropriations
- ARRA Appropriations
- American Competitiveness Initiative
- America COMPETES Act
# FY 2009 Appropriation

<table>
<thead>
<tr>
<th>Appropriations Account</th>
<th>FY 2009 Appropriation</th>
<th>FY 2009 Recovery Act</th>
<th>Total FY 2009 Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research &amp; Related Activities</td>
<td>$5,183</td>
<td>$2,500</td>
<td>$7,683</td>
</tr>
<tr>
<td>Education &amp; Human Resources</td>
<td>$845</td>
<td>$100</td>
<td>$945</td>
</tr>
<tr>
<td>Major Research Equipment &amp; Facilities Construction</td>
<td>$152</td>
<td>$400</td>
<td>$552</td>
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<tr>
<td>Agency Operations &amp; Award Management</td>
<td>$294</td>
<td>-</td>
<td>$294</td>
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<tr>
<td>National Science Board</td>
<td>$4</td>
<td>-</td>
<td>$4</td>
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<tr>
<td>Inspector General</td>
<td>$12</td>
<td>$2</td>
<td>$14</td>
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<tr>
<td>TOTAL</td>
<td>$6,490</td>
<td>$3,002</td>
<td>$9,492</td>
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President’s Plan for Science & Innovation

Total NSF Funding: President's Plan for Science and Innovation
FY 2006-FY 2016 (dollars in billions)

<table>
<thead>
<tr>
<th>Fiscal Year (FY)</th>
<th>Funding (Billions)</th>
<th>% Over Previous FY</th>
<th>% Over FY 2006</th>
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<tbody>
<tr>
<td>2006</td>
<td>5.6</td>
<td></td>
<td></td>
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<tr>
<td>2007</td>
<td>5.9</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>6.1</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>6.5</td>
<td>16%</td>
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<tr>
<td>2010</td>
<td>7.0</td>
<td>26%</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>7.2</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>8.5</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>9.1</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>9.7</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>10.4</td>
<td>74%</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>11.2</td>
<td>100%</td>
<td></td>
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## FY 2010 Appropriations: Marks

<table>
<thead>
<tr>
<th>FY 2010 Request</th>
<th>House Mark</th>
<th>Senate Mark</th>
<th>Conference Mark</th>
<th>Conf. Less FY 2010 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,733</td>
<td>$5,642</td>
<td>$5,618</td>
<td>$5,618</td>
<td>-$115</td>
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<tr>
<td>$858</td>
<td>$863</td>
<td>$858</td>
<td>$873</td>
<td>$15</td>
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<tr>
<td>$117</td>
<td>$114</td>
<td>$122</td>
<td>$117</td>
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<tr>
<td>$318</td>
<td>$300</td>
<td>$300</td>
<td>$300</td>
<td>-$18</td>
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<tr>
<td>$4</td>
<td>$4</td>
<td>$4</td>
<td>$5</td>
<td>$0.2</td>
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<tr>
<td>$14</td>
<td>$13</td>
<td>$14</td>
<td>$14</td>
<td>-</td>
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<tr>
<td>$7,045</td>
<td>$6,937</td>
<td>$6,917</td>
<td>$6,927</td>
<td>-$118</td>
</tr>
</tbody>
</table>

6.70%
FY 2010: Major Themes and Priorities

• Potentially Transformative Research
  – $92 million to leverage activities

• Examples:
  – EAGER
  – Sandpit process
FY 2010: Major Themes and Priorities

• New Faculty and Young Investigators
  – CAREER - $204 million

• Workforce development
  – Advanced Technological Education (ATE) - $64 million

• Climate Change
  – Climate Change Education program - $10 million

• Clean Energy
  – RE-ENERGYSE - joint NSF/DOE activity
FY 2010: Major Themes and Priorities

- Graduate Research Fellowships
- Triple the number of new fellowships by 2013
GRF Funding by Account

- FY 2007 Actual: $94M
- FY 2008 Actual: $96M
- FY 2009 Total: $161M
- FY 2010 Request: $122M

*Total Program Funding Listed*
FY 2010: Major Themes and Priorities

• Cyber-enabled Discovery and Innovation (CDI)  
  $103 million - +$32 million over ‘09
• Science & Engineering Beyond Moore's Law (SEBML)  
  $47 million - +$31 million over ‘09
• Climate Research (CR)  
  $197 million – builds on existing NSF activities
FY 2010: Major Themes and Priorities

- Major Research Instrumentation**: $100 million
- EPSCoR: $147 million
- Cybersecurity: $127 million
FY 2010: Major Themes and Priorities

- Science and Technology Centers
  - New cohort of STCs planned
- Networking and Information Technology Research and Development (NITRD)
  - $1.1 billion, +$107 million
- National Nanotechnology Initiative (NNI)
  - $423 million, +$26 million
- Total includes $30 million for EHS
EHR Programs

- Education and Human Resources: $857.76, +1.5%

  - Graduate Fellowships (GRF, IGERT, GK-12): $245.19M, + $9.57M, +4.1%.
  - HBCU-UP: $32M, +$500K, +1.6%
  - LSAMP: $44.75M, + $2.25M, +5.3%
  - TCUP: $13.35M, -$150K, -1.1%
  - MSP: $58.22M, -$2.78M, -4.6%
  - Noyce: $55M, flat with FY09 Current Plan
## Major Research Equipment and Facilities Construction

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced LIGO</td>
<td>$51</td>
<td>-</td>
<td>$46</td>
</tr>
<tr>
<td>Atacama Large Millimeter Array</td>
<td>82</td>
<td>-</td>
<td>43</td>
</tr>
<tr>
<td>Alaska Region Research Vessel</td>
<td>-</td>
<td>$148</td>
<td>-</td>
</tr>
<tr>
<td>Advanced Technology Solar Telescope</td>
<td>7</td>
<td>146</td>
<td>10</td>
</tr>
<tr>
<td>IceCube</td>
<td>11</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Ocean Observatories Initiative</td>
<td>-</td>
<td>106</td>
<td>14</td>
</tr>
<tr>
<td>Judgment Fund</td>
<td>-</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td><strong>MREFC Total</strong></td>
<td><strong>$152</strong></td>
<td><strong>$400</strong></td>
<td><strong>$117</strong></td>
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</tbody>
</table>

Totals may not add due to rounding.
NSF’s Budget Process
Budget Formulation and Planning Cycle

NSF Activities
- Complete FY+1 Budget

Assistant Director Retreat;
- Major Research Equipment Review;
- Examining Priorities

Scenario Planning for FY+2
- Develop FY+2 Budget
- Submit FY+2 Budget to OMB

NSB Activities
- Planning Environment
- Issues Analysis;
  Guidance on Establishing Priorities
- Principles Governing FY+2 Budget
- NSB Attention to FY+2 Budget
- NSB Approve FY+2 Budget

Federal Fiscal Year (Reference Year = 0)
February 2010

February – FY 2011 Budget to Congress

March/April – Hearings on FY 2011

March - June Planning for FY 2012

May 2010 NSB: Budget Discussion on FY 2012

May/June Budget Calls for FY 2012

August NSB: FY 2012 OMB Budget Approved

September - OMB Submission of FY 2012

September - Close Out of FY 2010

October 1 - FY 2011 Current Plan

October/November - OMB Hearings on FY 2012

December 1 - OMB Passback/Appeal

February 2011
August 2009

August – Develop initial interim operating plans for FY 2010
September – Make interim operating plans available

October 1 – Enactment of Appropriations (December 18)

November 1 – Submit Current Plan to Congress (January/February)

December 1 – Congress Approves Current Plan (February/March)

December – Finalize Operating Plans (February/March)

December thru August – SPEND!

August – Deadline for Processing Actions
September – Close-out

September 2010
APPROPRIATIONS DRIFT
NSF Appropriations Dates versus Start of Federal Fiscal Year Oct. 1
How the Money Flows to Your Office

Congress → OMB/Treasury

Appropriations → Apportionment (Days)

NSF BFA (BD/DFM) → NSF Accounts

Allotment (Hours)

Current Plan

Directorates/Offices

Divisions

Programs

Operating Budget (Days)

R&RA
EHR
MREFC
S&E
NSB
OIG
Where to find budget information.
Budget References

• Congress:  www.nsf.gov/od/lpa/congress/
  www.thomas.loc.gov/home/thomas2.html

White House:  www.omb.gov
  www.ostp.gov

NSF:  www.nsf.gov/bfa/bud/start.htm
  http://dellweb.bfa.nsf.gov/
  www.inside.nsf.gov/bfa/budget_primer/index.cfm

• Other:  www.aaas.org/spp/rd/
NSF Budget Division: Major Responsibilities

- Annual Budget Submissions to OMB and Congress
- Annual Performance and Accountability Report
- Materials for Congressional Hearings
- Long-Range Planning Materials for NSB, O/D
- Special Analysis for COVs, NSF-wide activities
- Review of major documents (Clearance)
- Budget Execution (with DFM)
- Enterprise Information System (EIS)
- Budget Internet Information System (BIIS)
- Input to OMB budget database (MAX)
- Advisory Committee for GPRA Performance Assessment (AC/GPA)
- APIC GPRA Working Group
- Verification & Validation of GPRA/PART Goals
We are here

**Calendar yr**
- **07**
- **08**
- **09**
- **10**
- **11**
- **12**

**FY Budget**
- **12**
- **11**
- **10**
- **09**

- NSF
- OMB/NSF
- Congress
- Execution

**FY10 Appropriation bill signed**
(or CR)

**FY11 Submit to OMB**

**FY11 Budget to Congress**