

Presentation to the Commission to Review the Effectiveness of the National Energy Laboratories



Budget Atomization of DOE Funding

April 22, 2015



ENERGY.GOV

Summary of Atomization

- Summary of issue: Labs are concerned that the current practice of subdividing funding into small “buckets” complicates implementation, “atomizes” the funding.
- The next several slides:
 - Explain from a high level how funding gets broken out
 - Provides two account examples
 - Translates this into numbers
 - Shows how this affects labs, focusing on 2 Labs as examples



The Flow of Funds into “Buckets”

- Legal Control: Funding is already subdivided by law into many “buckets”
 - Appropriation and period of availability
 - For Department of Energy expenses necessary in carrying out the activities authorized by section 5012 of the America COMPETES Act (Public Law 110–69), \$280,000,000, to remain available until expended: *Provided*, That of such amount \$28,000,000 shall be available until September 30, 2017, for program direction.
 - Section 301(d) of the annual appropriations act: makes report details (like subdivisions of appropriations) legal controls. This establishes the Program, Project, Activity (PPA) level.
 - Apportionment: OMB action that makes funds available. OMB can:
 - Category A: Split funding by time period (e.g., quarterly funding)
 - Category B: Split (or prohibit) funding by project (e.g., no funds for Small Modular Reactors)
 - Category C: Make funding unavailable this year, pushing it to future years (e.g., NNSA Pension funds)
- Program Office: Program Offices, to track and manage what work is to be done and where they want it to be done, further subdivide funding.
 - 9 digit budget and reporting number: Programs can identify funding by these account codes to provide more specific direction, control, and reporting
 - Place: these 9 digit codes can then be divided by location, splitting funding for an activity by lab/site



Weapons Activities

		FY 2011	FY 2014
Legal Control	Appropriation	Weapons Activities, no year	Weapons Activities, no year *
	301(d) of the annual appropriation act	n/a <i>Note: Under a CR, Weapons could fund any one (or more) projects based on need, with the limited allotment provided</i>	PPA: 73 sub categories (e.g., Weapon systems, etc.) <i>Note: Under a CR, Programs are legal allotted funding under each of the 73 Congressional Controls, no flexibility</i>
	Apportionment	Category B or C that subdivides the PPA's into smaller pieces (Pensions)	Category C that subdivides the PPA's into smaller pieces (Pensions)
Program Office	Program Office	HQ AFP released at the Congressional Control Level (50 Congressional Controls)	HQ AFP released at the Congressional Control Level (66 Congressional Controls)
	By Site	35	34



Science

		FY 2011	FY 2014
Legal Control	Appropriation	Science, no year	Science, no year & time-limited
	301(d)	n/a <i>Note: Under a CR, Science could fund any one (or more) projects based on need, with the limited allotment provided</i>	PPA: 26 sub categories <i>Note: Under a CR, Programs are legally allotted funding under the 26 Congressional Controls, no flexibility</i>
	Apportionment	Quarterly Apportionment Restriction applied	Quarterly Apportionment Restriction applied
Program Office	Program Office	HQ AFP released at the Congressional Control Level (21 Congressional Controls)	Program Office Decision to release HQ AFP at the Lower B&R 9. (189)
	By Site	24	26



The Flow of Funds into “Buckets”

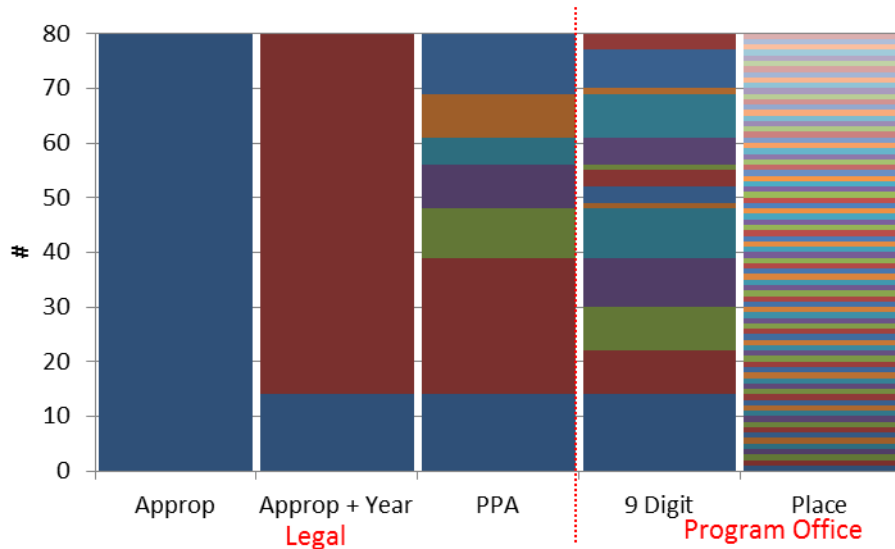
- Looking at Obligations for 5 Appropriations as examples
- The table below shows how these “buckets” proliferate as funding moves out to the field. The first 4 columns show the number of “buckets” for FY 2014 funding only. The last shows how many “buckets” an Office manages when all years of funding are considered.

		Legal Control			Program Office	
		FY 2014 Approps Only				All Years
	Appropriation (year & period of availability)	PPA	9 digit BNR	Place	Place	
Weapons	1	70	321	1,278	2,369	
<i>Def Prog</i>	<i>1</i>	<i>44</i>	<i>161</i>	<i>566</i>	<i>979</i>	
<i>All other</i>	<i>1</i>	<i>26</i>	<i>160</i>	<i>712</i>	<i>1,390</i>	
Defense, EM	2	33	119	609	1,292	
Science	3	26	250	1,054	2,120	
EERE	3	18	84	553	1,253	
OE	2	7	14	80	211	

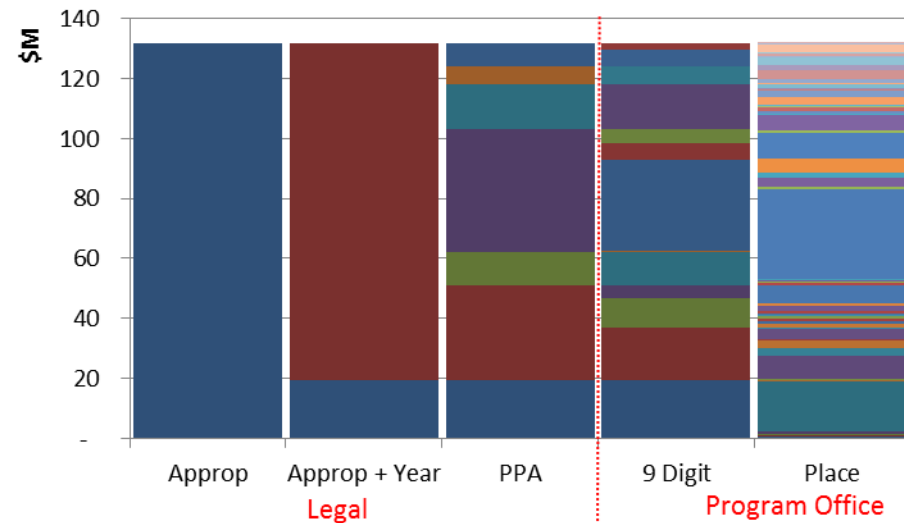


OE as an example of fund flow

Number of Buckets

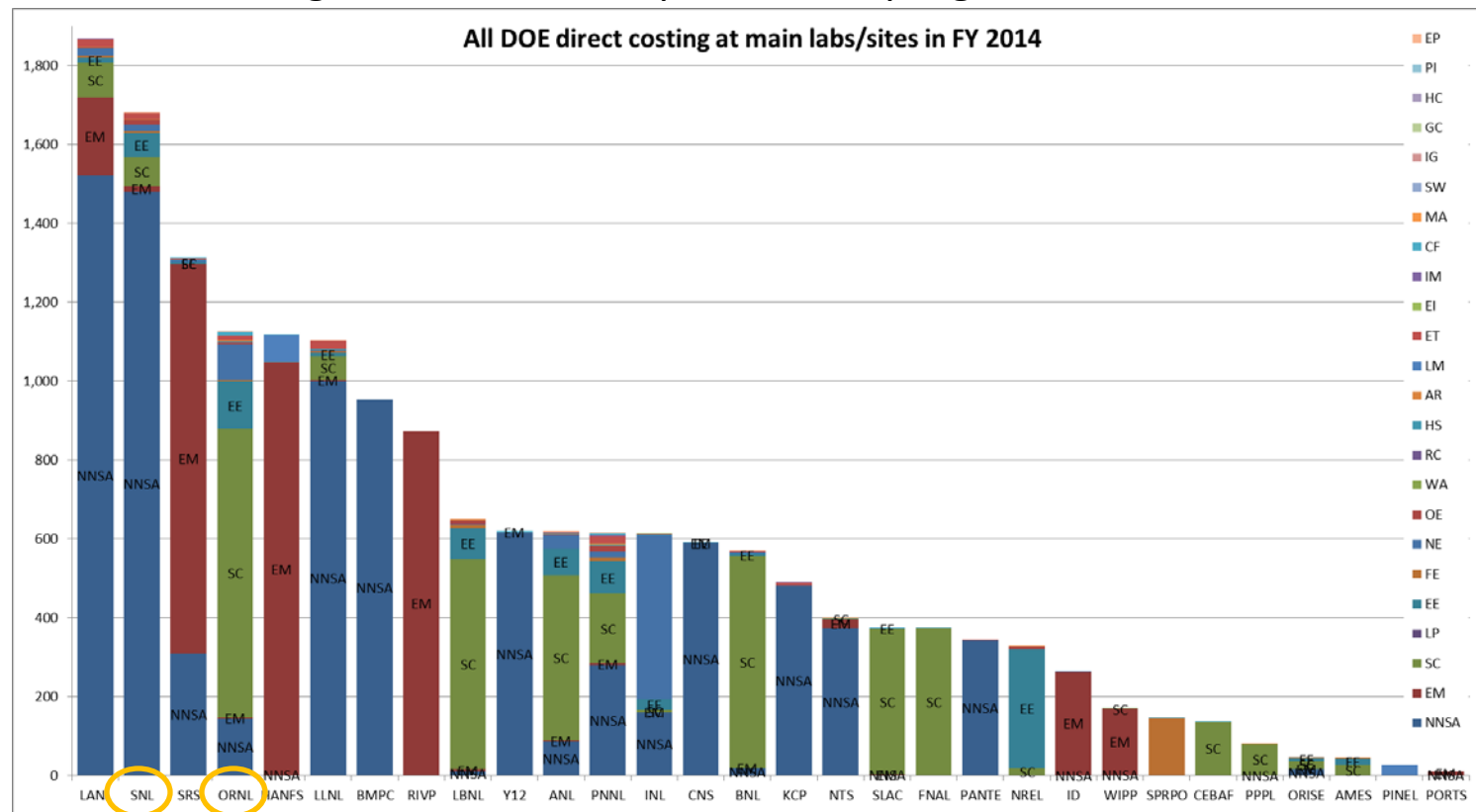


Buckets by \$



Impact on Labs/Sites

- Single office labs/sites receive funding that is subdivided by the year the funds were appropriated, by congressional control point, and by program office task.
- Many labs receive work from multiple DOE Offices. This compounds the number of accounts, congressional control points, and program office tasks.



Impact on Labs/Sites

- Breaking down 2 labs to the “buckets” they receive:

<div> <div>Legal Control</div> <div>Program Office</div> </div>						Total Costing	
FY 2014 Approps Only				All Years		\$ in Millions	
Approp	Approp + period of availability	PPA	9 digit BNR			2014	All Years
Sandia National Laboratories	14	25	114	261	721	\$1,680	\$1,816
Oak Ridge National Laboratory	16	19	85	261	1,000	\$1,130	\$1,158

