



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

November 13, 1992

OMB BULLETIN NO. 93-03

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Instructions for Preparing "Budget Baselines,
Historical Data, and Alternatives for the Future"

This Bulletin provides instructions for the Bush Administration's final budgetary presentation to Congress: "Budget Baselines, Historical Data, and Alternatives for the Future."

The Budget Enforcement Act of 1990 changed the date by which the President is required to transmit his Budget from the first Monday after January 3rd to the first Monday in February. Because of the February submission date for the Budget, the Clinton Administration will have responsibility for submitting the fiscal year 1994 Budget. The Bush Administration will prepare a budgetary statement for submission to Congress on January 5th as described below.

This budgetary statement will review developments over the past four years; make near-, intermediate-, and long-term projections; show the effects of extending the President's policies; present spending control options; and display the effects of alternative technical and economic assumptions. A detailed baseline will be prepared and presented to assist the new Administration in its preparation of the Budget.

To assure that this information is helpful, it is essential that the data in the budgetary statement on January 5th be as accurate as possible. Your cooperation and assistance in this effort will be appreciated.

Thank you.

Richard Darman
Director

Attachments

Instructions for Preparing "Budget Baselines,
Historical Data, and Alternatives for the Future"

1. **Purpose.** This attachment provides instructions on updating the Budget Preparation System (BPS). This data base will be used to prepare the final budget statement that will be transmitted to Congress by the outgoing Administration in early January. It will also serve as a basis for developing the budget of the incoming President. Under 31 U.S.C. 1105, the President's budget is required to be transmitted by the first Monday in February. For these purposes, data will be reported that reflect past year actuals, enacted current year amounts, and baseline estimates through 1998.

2. **Timing and submission requirements.**

A. **BPS data.** Agencies are required to provide data:

- for FY 1992 (actuals) and FY 1993 (enacted) in BPS policy data sections; and
- for FYs 1993-1998 in BPS baseline data sections.

Attachment B provides a listing of BPS submission requirements by data section.

Policy estimates will not be required for the budget year and beyond for the December submission. However, baseline estimates are required through BY+4. In other words, the BPS will be updated to provide a complete data base for the past and current year (with no changes to current year enacted amounts) and a complete baseline data base through BY+4.

These data are required to be submitted by Wednesday, December 16, 1992. Estimates will be provided for all accounts. For appropriation, fund, or receipt accounts not currently reflected in the BPS data files, agencies will contact their OMB representatives to establish these accounts in the Master Account and Receipt Account Title Files.

Data will be entered directly by agencies into BPS. As a general rule, data will be reported under transmittal code 0, except as noted in section 3.

Data for deposit insurance and the Pension Benefit Guaranty Corporation will be on a cash basis in the BPS.

For those agencies without access to BPS, copies of computer listings will be provided by the agency's OMB representative.

These agencies will mark up and return two copies of the computer listings. (Changes will be made by drawing a single line through any amount to be changed and entering the revised amount above it.)

The BPS will be available for data entry on Monday, November 16, 1992. Agencies will be able to access all BPS data sections.

Agency access to BPS will be terminated on Wednesday, December 16, 1992. Agencies should ensure that all data provided for the December submission are complete and accurate. These data will be used to prepare the Bush budget statement.

Even though policy data for BY - BY+4 are not required for the December submission, agencies should note that the data base will need to be updated later for policy proposals for the FY 1994 Budget of the incoming President.

B. Schedules on the status of trust funds. In addition to the BPS data requirements described above -- which cover all trust funds accounts -- schedules on the status of trust funds, prepared in accordance with the instructions included in section 36.5 of OMB Circular No. A-11, dated July 2, 1992, are required for the following trust funds:

- Federal supplementary medical insurance;
- Federal hospital insurance;
- Federal old-age and survivors insurance; and
- Federal disability insurance.

Budget year data for the status of trust funds should be calculated on a baseline basis.

Two copies of these schedules must be provided to the agency's OMB representative no later than Wednesday, December 16, 1992.

3. **Basis for the December estimates.**

A. Data for the past year. Data for the past year should be consistent with amounts reported to the Department of Treasury. Agencies should begin to enter prior-year data as soon as possible, based on data they have reported to Treasury. FY 1992 outlay data reported by the agencies must agree with the outlay data reported to Treasury.

Data from the Treasury Annual Report-Appendix, also known as the Treasury Combined Statement (TCS), is expected to be

available on the BPS by Monday, December 7, 1992. At that time, past year outlay data will be automatically loaded into the program and financing schedule (data section P) and past year receipts data into the receipts policy data section (data section R). Agencies should not wait until Treasury data are loaded into BPS to develop the prior-year data presentation. There will be only ten calendar days from the Treasury upload until agency access to the BPS is terminated -- not normally sufficient time for agencies to build an accurate data base.

After Treasury past year outlay and receipt data are loaded into BPS, these past year amounts will be locked. At that time, agencies should review past year data and discrepancy reports carefully to resolve all discrepancies.

B. Estimates for the current year. For the current year, agencies should enter enacted amounts in all BPS sections (i.e., no supplementals, rescissions, or legislative proposals should be reflected). The exception to the rule is that supplementals associated with mandatory programs should be included in these estimates.

Certain appropriations provided in the FY 1992 Supplemental Appropriations, Transfers, and Rescissions Act (P.L. 102-368) are available only to the extent that a transmittal is made by the President to the Congress specifying a dollar amount and designating the amount as an emergency requirement, as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. Data reported should include only the amounts declared by the President to be emergency requirements.

Agencies funded in appropriations acts subject to across-the-board reductions should ensure that the amounts that are reported reflect the required reductions.

Detailed instructions on reporting these enacted supplemental appropriations and applying the across-the-board reductions will be issued separately.

C. Estimates for BY through BY+4. No policy estimates for BY - BY+4 are required for the December submission. However, a special treatment for budget year character classification data is specified below.

Baseline estimates through BY+4 should be prepared in accordance with the baseline instructions in section 23 of OMB Circular No. A-11. No legislative proposals will be reflected in these estimates except for the legislative proposal for the veterans cost-of-living adjustment.

Agencies should note that the character classification section (data section C), which is normally used to report policy

data, will include baseline data for the budget year. Specifically, outlay data for the character classification should be developed on a baseline basis (rather than on a policy basis) for the budget year and entered into data section C. As usual, past year actual outlays and current year enacted amounts will also be entered.

D. Economic assumptions. Economic assumptions are expected to be released by Monday, November 16, 1992, and will be provided to agencies under separate cover. All mandatory and discretionary program estimates for FY 1993 through FY 1998 will be based on these economic assumptions.

E. Pay assumptions. To calculate baseline estimates for discretionary programs for the budget and outyears, agencies are required to separate current year budgetary resources into pay and non-pay components. Each component should then be adjusted using the appropriate pay or non-pay factors provided in the November economic assumptions.

Agencies should ensure that current year pay amounts represent an accurate estimate of personnel compensation (consistent with total obligations for object classes 11 and 12) for FY 1993. The FY 1994 adjustment factor for pay incorporates the annualization (12-month effect during FY 1994) of the cost of the 1993 pay raise. Agencies should note that specific funding for locality-based pay raises scheduled to begin in FY 1994 is not germane to the calculation of baseline estimates and should not be reflected in these estimates.

4. Interrelationships of BPS data sections and BPS edit checks. Agencies should ensure that all discrepancy messages generated by BPS data entry are resolved for the past and current year. In addition, discrepancy messages for baseline data need to be resolved before the BPS data base locks.

5. Print Materials. Budget Appendix print materials, such as appropriations language and narratives, are not required for the December submission; agencies should give first priority to updating the data base for the December submission.

Reprinted galleys will be provided to agencies for updating approximately by the time of the release of the Bush budget statement and will be the starting point for the Clinton FY 1994 Budget. They will include FY 1993 enacted appropriations language and past and current year data for all schedules that are produced from the BPS data base.

6. **Non-BPS information on High Risk Areas.** The Bush budget statement will include a progress report on Correction of High Risk Areas, which will be similar to the high risk report in the FY 1993 Budget. The progress report will be based, in part, on agency submissions on high risk areas (Exhibit 41 of OMB Circular No. A-11). It may also include estimated funding for management investments to correct high risk areas. Only one aggregate estimate per high risk area -- rather than more detailed agency estimates -- will be printed in the statement. Additional instructions on these requirements will be issued separately.

BPS Data Collection, November-December 1992

(R = required, O = optional, n/a = not applicable)

Data Sec.	Type of Data	PY	CY	BY	BY1	BY2-4
<i>Baseline Sections</i>						
S,T	Analysis of Budget Authority and Outlays	n/a	R	R	R	R
K,M	Receipts Data	n/a	R	R	R	R
Y,Z	Federal Credit Data	n/a	R	R	R	R
W,X	Loan Levels and Subsidy Data	n/a	R	R	R	R
<i>Policy Sections</i>						
C	Outlays by Character Classification Code	R	R	R*	n/a	n/a
A,D	Analysis of Budget Authority and Outlays	R	R	O	O	O
R,L	Receipts Data	R	R	O	O	O
G,H	Federal Credit Data	R	R	O	O	O
U,V	Loan Levels and Subsidy Data	R	R	O	n/a	n/a
P	Program and Financing Data	R	R	O	n/a	n/a
O	Object Classification Data	R	R	O	n/a	n/a
Q	Personnel Summary Data	R	R	O	n/a	n/a
E	Statement of Revenue and Expense	R	R	O	n/a	n/a
F	Statement of Financial Condition (PY-1 also required)	R	R	O	n/a	n/a
N	Data on Unavailable Collections	R	R	O	n/a	n/a

* BY character classification outlays are to be calculated on a baseline basis.