

SECTION 31—POLICIES, LAWS, AND OTHER GENERAL REQUIREMENTS FOR BUDGET
ESTIMATES

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Summary of Changes

Incorporates and consolidates existing Spectrum Relocation Fund (SRF) guidance that was previously issued outside of the Circular. Updates information on eligible expenditures, tracking and reporting on transition plans, timelines for receiving funds, spend plans, and references related to the transfer and apportionment of spectrum funds (section [31.12](#)).

31.1 Basic policies and assumptions

- (a) What should be the basis for my proposals?

Your proposals should result from a comprehensive system that integrates analysis, performance management and strategic planning, evaluation, enterprise risk management, and budgeting and appropriately incorporates the analyses and assessments resulting from the agency's annual strategic reviews (see section [260](#) for more on strategic reviews). In developing the estimates, consider the effect that demographic, economic, or other changes can have on program levels beyond the budget year. Be prepared to discuss the impact that program levels and changes in methods of program delivery, including advances in technology, will have on program operations and administration. Also consider the appropriate roles for Federal, State, and local governments, as well as the private sector, in conducting the covered activities.

- (b) What is the scope of the policy estimates?

- (1) Presidential policy estimates for CY and BY.

(i) *Regular annual estimates.* Your regular annual estimates must reflect all requirements anticipated at the time of budget submission and should cover:

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- Continuing activities, including those that must be reauthorized for the budget year;
- Authorized activities that are proposed for the budget year;
- Amounts necessary to meet specific financial liabilities imposed by law; and
- Decreases for activities proposed for termination or reduction.

(ii) *Supplemental proposals.* You should make every effort to conduct your programs within the amounts appropriated for the current year and to postpone actions that require supplemental appropriations. OMB will only consider supplemental requests that meet the criteria provided in section [110](#).

(2) Presidential policy outyear estimates.

Policy estimates for the nine years following the budget year (BY+1 through BY+9) enable an analysis of the long-term consequences of proposed program or tax policy initiatives. When you develop outyear policy estimates, they should be consistent with the general policies and information required for the budget year and indicate the degree to which specific policy decisions made for the budget year or any subsequent year affect budget authority, outlay, and receipt outyear levels. For mandatory estimates, take into consideration changes in spending trends, economic assumptions, and other actions or events when you prepare estimates of budget authority, outlays, and receipts for BY+1 through BY+9. For discretionary budget authority estimates, unless directed otherwise, assume that MAX A-11 DE will generate the outyears using current inflation factors.

(c) What economic assumptions should I use when I develop estimates?

All budget materials, including those for the outyear policy and baseline estimates, must be consistent with the economic assumptions provided by OMB. The specific guidance below applies to outyear policy estimates.

OMB policy permits *consideration* of price changes for goods and services as a factor in developing estimates. However, this does not mean that you should automatically include an allowance for the full rate of anticipated inflation in your request.

For *mandatory programs*, reflect the full inflation rate where such an allowance is required by law and there has been no decision to propose less than required. For *discretionary programs*, you may include an allowance for the full rate of anticipated inflation, an allowance for less than the full rate, or even no allowance for inflation. In many cases, you must make trade-offs between budgeting increases for inflation versus other increases for programmatic purposes. Unless OMB determines otherwise, you must prepare your budget requests to OMB within the budget planning guidance levels provided to you, regardless of the effect of inflation.

Economic assumptions may be revised shortly before final budget decisions are made. These revisions will not usually result in changes to the previous budget guidance on your agency totals.

See sections [32](#) and [85](#) for personnel assumptions and costs.

31.2 Advance appropriations

Do not request advance appropriations if the only purpose is to shift budget authority for a program that would normally be provided in the budget year. For example, if you would normally request budget authority in the budget year to cover a cohort of obligations for a grant program, even though some of the

obligations will not be incurred until the following fiscal year, you may not request an advance appropriation to cover the obligations expected to be incurred in the following fiscal year.

31.3 Equal opportunity

Your estimates should reflect the Administration's commitment to programs designed to ensure or promote equal opportunity regardless of race, color, religion, national origin, sex (including pregnancy and gender identity), disability, age, sexual orientation, genetic information, or any other non-merit-based factor. These activities include the following: implementation of statutes or regulations requiring fair housing; nondiscrimination in federally assisted or conducted programs; equal credit opportunity; full voting rights; civil and Constitutional rights; equal employment opportunity (including nondiscrimination by Federal agencies); and efforts to increase Federal contracting and subcontracting opportunities for minorities, women, and disadvantaged entrepreneurs.

31.4 Full funding

Requests for acquisition of capital assets must propose full funding to cover the full costs of the project or a useful segment of the project, consistent with the policy stated in the [Capital Programming Guide](#). Specifically, requests for procurement programs must provide for full funding of the entire cost. In addition, requests for construction programs must provide for full funding of the complete cost of construction. You should not submit estimates for construction funds for major construction projects unless planning will reach a point by the end of the current year that will ensure that a contract for construction could be awarded during the budget year. Remember that Administration policy and the Antideficiency Act require you to have sufficient budget authority or other budgetary resources to cover the full amount of unconditional obligations under any contract. Additionally, agencies must comply with the Recording Statute (31 U.S.C. 1501).

For policies related to leases of capital assets and lease-purchases, see section [31.9](#) and Appendix [B](#). For guidance on budget submissions for capital asset acquisitions, see section [51.19](#). For guidance on principles and techniques of planning, budgeting, procurement, and management of capital assets, see the supplement to this Circular, the [Capital Programming Guide](#).

31.5 Government perquisites

Your estimates should reflect Administration policy to limit the use of Government vehicles, Government aircraft, travel, executive dining facilities, conferences, real property, and fleet management in accordance with Bulletin No. 93-11 "Fiscal Responsibility and Reducing Perquisites."

31.6 Multi-year appropriations

Consider whether it is appropriate to request appropriations with multi-year availability, particularly for buildings, equipment, and other types of fixed capital assets, including major computer and telecommunications systems, with long acquisition cycles. Where multi-year appropriations requests are appropriate, you should match the period of availability to the expected length of the acquisition cycle.

31.7 Management improvement initiatives and policies

Your estimates should reflect your efforts and planned action to strengthen management and improve program performance and service delivery. [Part 6](#) of this Circular, *The Federal Performance Framework for Improving Program and Service Delivery*, provides a policy framework of organizational routines for

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the integration and coordination of key management initiatives and functions that support organizational and program performance and management efforts in agencies. In addition to the Federal Performance Framework guidance found in Part 6, guidance on specific areas is provided below.

- *Information technology capital planning and investment control.* Agency estimates should reflect the Administration's commitment to information technology investments that directly support agency missions as identified through strategic information resources management planning as described in sections [51](#) and [55](#).
- *Enterprise Risk Management (ERM).* Agency estimates should leverage and incorporate risk information from agency ERM programs, including risk profiles specified by OMB Circular A–123, Management's Responsibility for Enterprise Risk Management and Internal Control, and section [260](#) of Circular A–11 Part 6.
- *Open data and records management.* Your estimates should reflect data sets that have been prioritized through your agency's engagement with customers as specified in [OMB Memorandum, M-13-13](#), Open Data Policy – Managing Information as an Asset. Your estimates should also reflect work necessary to meet the requirements of [OMB Memorandum, M-19-21](#), Transition to Electronic Records, [OMB Circular A-130](#), the [E-Government Act](#), and OMB's guidance. Initiatives should create a customer-centered electronic presence (maximizing the reuse of current assets) and advancing agency missions as identified through strategic information resources management plans.
- *Transition to Internet Protocol Version 6 (IPv6).* Agency estimates should reflect the commitment to completing the transition to IPv6. At a minimum, your estimate should:
 - ▶ Include meeting the specific milestones in [OMB Memorandum, M-21-07](#), Completing the Transition to Internet Protocol Version 6;
 - ▶ Reflect the alignment between the milestones within [OMB Memorandum, M-21-07](#) and [Executive Order 14208, Improving the Nation's Cybersecurity](#);
 - ▶ Demonstrate a comprehensive understanding of life-cycle planning of your applications and systems to avoid unnecessary costs during transition.
- *Security.* Your estimates should reflect a comprehensive understanding of OMB security policies, such as OMB Circular A–130, and National Institute of Standards and Technology (NIST) guidance, including compliance with the Federal Information Security Modernization Act, and current year OMB Guidance on Federal Information Security and Privacy Management Requirements, by:
 - ▶ Reflecting the cost considerations used to calculate IT security costs (see section [51.19](#));
 - ▶ Demonstrating that the costs of security controls are understood and are explicitly incorporated in the life-cycle planning of the overall system, including the additional costs of employing standards and guidance more stringent than those issued by NIST;
 - ▶ Demonstrating how the agency ensures that risks are understood and continually assessed;
 - ▶ Demonstrating how the agency ensures that the security controls are commensurate with the risk and magnitude of harm;

- ▶ Identifying additional security controls for systems that promote or permit public access, other externally accessible systems, and those that are interconnected with systems over which program officials have little or no control;
 - ▶ Demonstrating how the agency ensures the effective use of security and privacy controls, as well as authentication tools to protect privacy for those systems that promote or permit public access;
 - ▶ Reflecting the cost considerations used to establish a supply chain risk management program per the SECURE Technology Act, including the costs associated with addressing supply chain risk management in IT and National Security Systems, down to the individual component level, as appropriate. Agencies should estimate for the exclusion or removal of dangerous products identified through legislation or by the Federal Acquisition Security Council; and
 - ▶ Incorporating cybersecurity improvements required by [Executive Order 14208, Improving the Nation's Cybersecurity](#). Agency estimates should leverage and incorporate standards and requirements for cybersecurity as outlined in the Executive Order. Budget submissions should reflect associated transition costs and lifecycle cost estimates. All federal information systems should meet or exceed the standards and requirements for cybersecurity set forth in and issued pursuant to the Executive Order.
- *Privacy.* Your estimates should reflect the Administration's commitment to privacy and, consistent with OMB Circular A-130, should include a description of your agency's privacy program and the resources required to ensure compliance with applicable privacy requirements, develop and evaluate privacy policy, and manage privacy risks. At a minimum, your estimate should:
 - ▶ Demonstrate that your agency is aware of applicable privacy requirements and has fully assessed the cost to the agency for ensuring compliance with those requirements and managing privacy risks;
 - ▶ Reflect the consideration of your agency's inventory of information systems that create, collect, use, process, store, maintain, disseminate, disclose, or dispose of personally identifiable information; and
 - ▶ Reflect the consideration of your privacy continuous monitoring strategy and the resources and associated costs required to ensure that privacy controls are effectively monitored on an ongoing basis at an assessment frequency sufficient to ensure compliance with applicable privacy requirements and to manage privacy risks.
 - *Improper Payments.* Your estimates should reflect anticipated reductions in improper payments as reported in OMB's annual data call pursuant to the Payment Integrity Information Act of 2019 (PIIA).
 - *Systems Modernization Projects.* Implementation or planning activities for areas in which there is a pre-designated/designated Quality Service Management Office should reflect plans to achieve compliance with [OMB Memorandum, M-19-16](#), Centralized Mission Support Capabilities for the Federal Government and other guidance as appropriate including, [OMB Memorandum, M-10-26](#), Immediate Review of Financial Systems IT Projects, Appendix [D](#) to [OMB Circular A-123](#), "Compliance with the Federal Financial Management Improvement Act of 1996," and use data from readiness assessments for such planning activities.

- *Other contributions.* Your estimates should reflect the required contributions to E-Gov/Lines-of-business (LoB) initiatives and other shared service operations. Expected contributions for the E-Gov/LoB initiatives are posted in MAX Collect (see the [Instructions Page](#)).

31.8 Construction, leases of capital assets, and acquisition of real property

Agencies are required to submit certain types of leases and other unique, non-routine financing proposals to OMB for review of the scoring impact. See Appendix [B](#) for specific requirements.

(a) Construction of Federal facilities

If you are proposing construction of Federal facilities, you must:

- Comply with [Executive Order 12088](#) for pollution control standards;
- Include the amounts required to ensure that existing facilities provide safe and healthful workplaces for Federal employees consistent with the standards promulgated under section 19 of the [Occupational Safety and Health Act of 1970](#), the provisions of [Executive Order 12196](#), and the related Safety and Health Provisions for Federal Employees of the Secretary of Labor (29 CFR, Chapter XVII, Part 1960);
- Comply with requirements of the Architectural Barriers Act of 1968 to eliminate structural barriers impeding the mobility of individuals with disabilities;
- Have consulted with and reviewed the General Services Administration (GSA) inventory of Federal facilities and indicate the reasons you want to acquire new space instead of using existing Federal space, according to the GSA inventory;
- Comply with [Executive Orders 11988](#), as amended by [Executive Order 13690](#), and [11990](#) if you are proposing to use sites located in floodplains or wetlands;
- Comply with the requirements of sections 205, 206, 207, 208 and 402 of [Executive Order 14057](#), Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability. Buildings that meet green building certification requirements are to be reported annually in the Federal Real Property Profile, which captures information on Federal real property. Agency users can access general information about the Federal Real Property Profile <https://www.realpropertyprofile.gov/>; and
- Comply with [Executive Order 14008](#), "Tackling the Climate Crisis at Home and Abroad" and be consistent with agency-approved Climate Adaptation and Resilience Plans.
- In addition to the requirements above, if you are requesting funds in support of capital facilities projects, including new construction, full and partial building renovation/modernization, or facility investments that meet the agency's capital threshold, you must provide the following information upon request by your OMB program examiner:
- Documentation supporting compliance with the [Capital Programming Guide](#) and section [55](#), and the agency's Capital Planning and Investment Control (CPIC) process.
- Life Cycle Cost Analysis consistent with [OMB Circular A-94](#).

- Housing Plan indicating at a minimum the FTEs to be housed and the types of facility space and associated square footage for each type, and the utilization rate for all space and if applicable, office space as a subset of all space.
- Environmental/Energy Efficiency Analyses, including current and future consumption estimates for renovation/modernization.
- Any additional documentation requested by the OMB program examiner.

(b) Construction of federally-owned housing

If you are proposing to construct federally-owned housing, make sure you:

- Do not include estimated funding for construction of housing for civilian employees, except where necessary to maintain continuity and efficiency of service and where private capital cannot be found; and
- Meet the requirements in [OMB Circular A-45](#) for service or protection, or lack of available housing.

(c) Construction in the District of Columbia

You must consult the Commission of Fine Arts regarding plans for the construction of buildings and other structures in the District of Columbia that may affect in any important way the appearance of the city, and other questions involving artistic considerations with which the Federal Government is concerned.

(d) Acquisition of land in the National Capital Area

You must consult with the National Capital Planning Commission in advance regarding proposed developments and projects or commitments for the acquisition of land in the National Capital area, in accordance with [40 U.S.C. 8723\(a\)](#) (see <http://www.ncpc.gov>).

(e) Leasing capital assets

If you propose to lease capital assets rather than purchase them, you should check the requirements in [OMB Circular A-94](#). For additional information on the budgetary treatment of leases, see Appendix [B](#). Occupancy Agreements entered into with the GSA are not lease agreements.

(f) Real property acquisition

If you plan to acquire real property, you must:

- Include estimates consistent with the policies of [Executive Order 13327](#) in your budget submission; and
- Make sure that estimates for acquisition of real property under contract are consistent with obligations reported in object class 32 (see section [83.7](#)).

31.9 Hospital costs

If you are developing estimates for hospital costs:

- Use data based on the use of resources allocated by diagnosis-related groups and compare these data with payment rates of other payers using similar groupings;
- Indicate whether or not capital and depreciation costs are contained, and describe the cost allocation method underlying the data; and
- Identify the amount of reimbursement collected from third parties and Federal agencies if you provide hospital care on a reimbursable basis.

If you provide estimates for inpatient care facilities and medical care services, make sure they are consistent with [Executive Order 12372](#).

31.10 Advisory committees and interagency groups

If you have advisory committees and interagency groups:

- Reflect the results of the committee reviews required by [Executive Order 12838](#), which requires agencies to reduce the number and cost of non-statutory advisory committees;
- Use the ceilings established by [OMB Circular A-135](#); and
- Separately identify the costs of advisory committees established by statute that you are proposing for termination.

You are prohibited from financing interagency groups (including boards (except Federal Executive Boards), commissions, councils, committees, and similar groups) by contributions from member agencies' appropriations by a Government-wide general provision unless such financing is specifically authorized by statute. Therefore, you must propose financing for such groups in the budget in one of the following forms:

- Appropriations specifically for the interagency group.
- Specific language authorizing interagency funding.

31.11 Radio spectrum-dependent communications-electronics systems

The value of radio spectrum should be taken into consideration when requesting funding for new or modified spectrum-dependent systems. When replacing systems, agencies should consider improvements in spectrum "efficiency" and "effectiveness" compared to the prior system. Agencies should also consider whether there are any non-spectrum dependent or commercial alternatives to meet mission/operational requirements, or whether using an existing or alternative Federal system to meet the capability requirement is possible, or whether using existing capabilities of similar Federal users has been considered. In some cases, greater investments in systems could enhance Federal spectrum efficiency (e.g., purchase of more expensive radios that use less bandwidth); in other cases, the desired service could be met through other forms of supply (e.g., private wireless services or use of land lines). Therefore, to identify solutions that have the highest net benefits, agencies should consider greater investment to increase spectrum efficiency along with cost minimizing strategies. To this end, section 6411 of the Middle Class Tax Relief and Job

Creation Act, Pub. L. No. 112-96, directed that A-11 be updated with sections (a) and (b) in 2012.¹ The National Telecommunications and Information Administration (NTIA) of the Department of Commerce, which is responsible for managing spectrum use of Federal users, may request and review an agency's analysis reflecting how it considered spectrum efficiency and value.

(a) Guidance for Determining Value of Spectrum-Dependent Assets

To ensure the Federal Government demonstrates proper stewardship of the spectrum resource in its procurement decisions, and thus yield improvements in overall Federal spectrum management and use, agencies must include in the development of their budget justifications for procurement of major radio spectrum-dependent communications-electronics systems consideration of the economic value of the spectrum being used. The extent of economic and budget analysis required will depend upon the nature and value of the systems and spectrum involved, and agencies should work with their OMB contacts to ensure a proper level of analysis is conducted.

To demonstrate consideration of the value of the relevant spectrum, agencies should indicate whether the system procured was the most spectrum "efficient" solution among those qualified bids (i.e., that met specified mission/operational requirements); if an agency is unable to so indicate, then the agency should indicate the investment difference between the solution chosen and the more spectrum "efficient" qualified solution. To further advance Federal stewardship of the spectrum resource, agencies should also include the following in their budget justifications for procurement of major radio spectrum-dependent communications-electronics systems:

- In a Request for Proposal (RFP)² to procure the system, the requirement that respondents address spectrum "efficiency" factors (e.g., greater adjacent band compatibility, less use of bandwidth, etc.) and assess trade-offs between investment in equipment and spectrum requirements.
- Whether the system will share spectrum with other Federal or non-Federal systems/operations and, if so, the nature and extent of the sharing relationship.
- When proposing a new system, whether using an existing or alternative Federal system to meet the capability requirement is possible, or whether using capabilities of similar Federal users has been considered.
- When replacing systems, what improvements in spectrum "efficiency" and "effectiveness" exist compared to the prior system.
- Certification of consideration of non-spectrum dependent or commercial alternatives to meet mission/operational requirements.

¹ Section 6411 of the Middle Class Tax Relief and Job Creation Act of 2012 required that OMB incorporate into Circular A-11 recommendations included in the January 2011 report issued by the Incentive Subcommittee of the Commerce Spectrum Management Advisory Committee. A-11 meets this requirement, but OMB suggests that these recommendations are more appropriately applicable for agencies to use during procurement decisions to demonstrate proper stewardship of the spectrum resource.

² Any efficiency factors included in RFP respondents' proposal that are selected should also be included as terms of the final contracts.

Spectrum should be considered to have value and be included, to the extent practical, in economic analyses of alternative systems/solutions. In some cases, greater investments in systems could enhance Federal system spectrum efficiency (e.g., purchase of radios that use less bandwidth); in other cases, the desired service can be met with other forms of supply (e.g., private wireless services or use of land lines). In addition to considering cost minimizing strategies, agencies are encouraged to consider whether the investment would provide net benefits.

(b) Spectrum Certification. You must obtain a certification by the NTIA that the radio frequencies required can be made available before you submit estimates for the development or procurement of major radio spectrum-dependent communication-electronics systems. The NTIA, which is responsible for assigning spectrum to Federal users, may also review these analyses, during the assignment process.³

31.12 Spectrum Relocation Fund

Relocation or modification of systems subject to Commercial Spectrum Enhancement Act. For agencies that are affected by the reallocation of certain frequencies from Federal to commercial use, the Commercial Spectrum Enhancement Act (CSEA, P.L. 108–494, as amended by P.L. 112-96) streamlines the process for funding the relocation or modification of systems and, for certain reallocations after February 2012, for funding spectrum sharing (as well as relocation). Auction receipts from the sale of eligible frequencies will be deposited into the Spectrum Relocation Fund (SRF), unless otherwise directed by statute, and these funds will be used to facilitate Federal agencies' relocation or sharing based on the agencies' approved Transition Plans⁴ and following the required Congressional notification and waiting period.

In addition, the Spectrum Pipeline Act of 2015 appropriated \$500 million from the SRF and appropriated not more than 10 percent of the amounts deposited into the SRF after November 2, 2015 for research and development, engineering studies, economic analyses, activities with respect to systems, or other planning activities. These activities must be intended to improve the efficiency and effectiveness of spectrum use of agencies in order to make frequencies available for auction for either non-Federal use and/or shared Federal and non-Federal use, or a combination thereof. Agencies seeking transfers from the SRF for Pipeline activities must have a Pipeline Plan, approved by the statutorily established Technical Panel,⁵ describing the proposed activities. Transfers can be made following OMB's transmission of the approved plan to the appropriate Congressional committees and waiting period (see Statutory Timelines below).

Spectrum relocation funds have no-year authority, though agencies are expected to adhere to the timeframes in the approved plans. In accordance with section [120](#), these funds must be apportioned at least annually prior to obligation, unless specifically exempted. SRF funding is classified as mandatory and must be apportioned to receiving accounts as non-expenditure transfers from the SRF. Transfers will be made from the SRF based on the costs in the agency's approved Transition/Pipeline plans to the TAFS of the eligible Federal agency. An agency may not transfer SRF funds between agency appropriation accounts. Agencies that receive funds from the SRF will report their expenditures as input into an annual report to the Congress to be submitted by the National Telecommunications and Information Administration (NTIA) of the Department of Commerce. Agencies must track SRF funding according to each auction and individual Transition Plan, and each Pipeline Plan, and be prepared to provide detailed SRF funds status reports to OMB upon request.

³ NTIA may review the economic analyses of alternative systems/solutions at any point in the NTIA authorization processes.

⁴ A Transition Plan is a detailed plan, approved by the statutorily established Technical Panel (47 U.S.C. § 923(h)(3)) that describes specifically how the sums transferred from the fund will be used to pay relocation or sharing costs.

⁵ 47 U.S.C. § 923(h)(3).

Under the terms of the CSEA, agencies may receive more than one transfer from the SRF, subject to prior review and approval by OMB, in consultation with NTIA. If potential cost over-runs or delays become apparent in any spectrum relocation project or if agencies identify additional relocation costs not included in their original spend plans,⁶ OMB and NTIA should be notified in order to facilitate further review. If the subsequent transfer or transfers exceed 10 percent of the original transfer, OMB will notify Congress and the Government Accountability Office, in accordance with the requirements of the CSEA. If transferred Transition Plan amounts exceed actual relocation costs, excess amounts will be returned to the SRF immediately after the project is complete, so that NTIA can notify the FCC that the agency's relocation is complete. Similarly, at the conclusion of Pipeline (research and development and planning) activities funded by the SRF, agencies shall return any remaining amounts to the SRF.

Statutory Timelines for receiving SRF funds following Congressional Notification.

- 1) Transition Funding - Initial transfers for relocation and sharing costs (including pre-auction costs) can be transferred to agencies from the SRF **30 days** after the Transition Plan is submitted to Congress.⁷
- 2) Subsequent transfers - Relocation and sharing costs that exceed 10 percent of the original transfer can be transferred to agencies from the SRF **45 days** after Congressional notification.⁸
- 3) Pipeline Funding - Transfers for research and development and planning activities can be transferred to agencies from the SRF **60 days** after the approved Pipeline Plan is submitted to Congress.⁹

31.13 Historically Black Colleges and Universities

As required by [Executive Order 13532](#), which establishes the White House Initiative on Historically Black Colleges and Universities (HBCUs), affected agencies and executive departments must produce an annual plan that establishes clear goals for how the agency or department intends to increase the capacity of HBCUs to effectively compete for grants and contracts and to encourage HBCUs to participate in Federal programs.

31.14 Controlled Unclassified Information

Agency estimates must reflect consideration of [Executive Order 13556](#), Controlled Unclassified Information (CUI), the regulation issued by the National Archives and Records Administration (NARA), [32 CFR 2002](#), "Controlled Unclassified Information," and [CUI Notice 2020-01](#), "CUI Program Implementation Deadlines" (and any successor CUI notices on implementation). The Information Security Oversight Office within NARA was designated as the Executive Agent to implement the CUI program that replaces all existing Sensitive-But-Unclassified (SBU) information handling regimes (e.g., "For Official Use Only," etc.) across the Executive Branch.

⁶ Spend plans assist with OMB's assessment of the appropriateness of transfer requests and help guide the apportionment of funds to agencies. OMB requests that agencies formulate transition spend plans that are consistent with the Funds section of the approved Transition Plans, but provide more detail (e.g., by object class or project categories, such as, specific technologies, testing, or program support). These spend plans should be submitted to OMB no later than 30 days after Transition Plan approval. In addition, OMB may request additional spend plan information from agencies for both approved Transition and Pipeline funding. Agencies should contact their OMB examiners to determine how best to prepare and display the agency spend plan.

⁷ 47 U.S.C. § 928(d)(2)(C).

⁸ 47 U.S.C. § 928(e)(1)(B)(ii).

⁹ 47 U.S.C. § 928(g)(2)(D)(ii).

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Agency CUI budget estimates must reflect:

- Hiring and salary costs for full-time employees and/or contractor support to implement and manage the CUI Program at headquarters, regional locations, and within component agencies;
- Any development, deployment, or maintenance costs of current or projected automated marking tools to ensure uniform application of CUI markings and timely dissemination of CUI to authorized recipients;
- Remaining development costs for internal policies to phase-in and transition to the CUI program, including costs for lower-level office policies or component agency policies;
- Costs of modifying agency incident reporting mechanisms and systems to include CUI categories and requirements;
- Modifying and issuing costs for contracts and agreements to reflect the standards of the CUI Program;
- Training and awareness program costs to inform affected employees of their responsibilities when handling CUI basic and specified categories;
- Assessment and any transition of information systems which handle or are used to process CUI to the moderate confidentiality impact value;
- Assessment and transition of physical environments as required for CUI;
- Development of an internal agency CUI self-inspection program; and
- Costs to align and integrate the agency's Insider Threat Program with the agency's CUI Program.

31.15 Additional policies and requirements

Develop your budget estimates consistent with the following laws, rules, and policies:

ADDITIONAL REQUIREMENTS

Type of program or expenditure	Policies and requirements
Activities covered by the Coastal Barrier Resources Act	Do not include any new Federal expenditures or financial assistance prohibited by the Coastal Barrier Resources Act (Public Law 97-348).
Foreign currencies	Refer to guidelines in the Treasury Financial Manual (Vol. 1, Part 2, chapter 3200 and Vol. 1, Part 4, chapter 9000) and the Department of Foreign Affairs Manual (Volume 4, chapter 360).
Remedial environmental projects at Federal facilities	Follow the policies in Executive Order 12088 and the requirements of sections 205, 206, 207, 208 and 402 of Executive Order 14057 .

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Mail	Include sufficient amounts for official use of United States mail, package delivery, and/or private carrier service, including postage due. Assume maximum use of available postage discounts.
Records storage	Include sufficient amounts for the costs of storing and servicing temporary and inactive records.
Space and related requirements	Include payments for space, structures and facilities, land, and building services provided by GSA and others.
Systems acquisitions	<p>Follow the guidance in the Capital Programming Guide.</p> <p>Ensure that electronic and information technology acquisitions meet the requirements of section 508 of the Rehabilitation Act of 1973 and allow individuals with disabilities access to and use of data.</p> <p>Ensure information technology acquisitions are in compliance with the Secure Technology Act of 2018.</p>
Travel	Minimize official travel. Reflect the allowances authorized under the Federal Travel Regulations issued by GSA or comparable regulations issued by the Department of Defense for travel of military personnel and by the Department of State for foreign service personnel.
Tort claims	Do not include amounts for payment of tort claims unless a substantial volume of claims is presented regularly.
Water and sewer payments to the District of Columbia	Include amounts for payment for water and sewer services. Payments are coordinated with the Department of the Treasury.
Construction of nuclear reactors	Obtain a letter from the Department of Energy setting forth its recommendations before submitting estimates.
Contractor claims	Include amounts for reimbursement of the claims and judgment fund for the full amount paid from the fund on behalf of the agency during the past year.
Subsidies for Medicare Part D eligible individuals for qualified prescription drug coverage	<p>Do not assume that agency prescription drug costs for the agency's retirees and/or dependents will be reduced by the Part D program. Federal entities will not receive subsidies for Part D eligible individuals for qualified prescription drug coverage through the Retiree Drug Subsidy (RDS) and Federal entities will not administer—or have a third party administer—a Prescription Drug Plan or Medicare Advantage Prescription Drug Plan for their retirees and/or their dependents.</p> <p>Administration policy is that Federal Government entities should not receive the Medicare Part D drug subsidies because this would result in the Medicare Trust Fund cross-subsidizing other Federal programs. The primary rationale for creating the Part D RDS was to encourage employers and unions to continue to</p>

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provide prescription drug coverage to their Medicare eligible retirees and their qualified dependents after the implementation of the Part D Program. These subsidies are not needed for Federal Government entities because the Federal Government intends to continue providing prescription drug coverage for its retirees and their qualified dependents.
