



**USDA Forest Service  
Fire and Aviation Management  
Current Topics and Emerging Issues**



**Date:** April 6, 2006

**Topic:** Forest Service Budget Process – From Formulation to Allocation

**Discussion:** The four-step process outlined below takes place over a two-year period, beginning with budget formulation in March of the first year and culminating with budget allocation in approximately October of the second year.

### **Forest Service Budget Formulation**

- 👉 Forest Service leadership identifies national and agency priorities around which to build an Agency Request.
- 👉 Agency Request - Forest Service submits the agency's budget proposal to United States Department of Agriculture (USDA) for review. USDA reviews the proposal and makes recommendations; Forest Service re-formulates its request as necessary to comply with USDA recommendations.
- 👉 Department Estimate - USDA submits the entire department budget to Office of Management and Budget (OMB) for approval and inclusion in the annual President's budget request. OMB reviews the budget and makes recommendations; Forest Service re-formulates its request as necessary to comply with OMB recommendations.

### **Forest Service Budget Presentation**

- 👉 The annual President's Budget, outlining funding proposals for all federal agencies, is released after the President's State of the Union speech to Congress—the 2<sup>nd</sup> week of February.
- 👉 The Forest Service Budget Justification is published on the Forest Service web-site shortly after the President's Budget released. The Budget Justification provides extensive details about the Forest Service programs included for funding in the President's Budget.
- 👉 Budget briefings with congressional committees and interest groups are held throughout February.

### **Congressional Action**

- 👉 Congressional Oversight Hearings on the Forest Service Budget are held in late February and early March. Congress is not required to fund programs at the President's Request.
- 👉 The House and Senate pass the Interior and Related Agencies Appropriations Bill which sets annual spending limits for the Forest Service.
- 👉 A "rescission" may be contained in any of the various appropriations bills passed in a fiscal year. This rescinds a percentage of the appropriated funds within that particular bill or within all appropriations bills for that fiscal year.
- 👉 OMB apportions the budget back to the Departments. This may include additional direction on how funds are spent.

### **Forest Service Allocation process**

- 👉 Within the Forest Service, different staff areas determine how much funding is allocated for on-the-ground projects, and organizational infrastructure such as Information Systems, Human Resource Management, facility, vehicle, and equipments costs, technology and development, etc.