



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

THE DIRECTOR

April 29, 2016

M-16-10

MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

FROM: Shaun Donovan  
Director

SUBJECT: Requirements for the FY 2018 Budget Process

This memorandum describes the Administration's plans for the development of budget data and other materials necessary for the Fiscal Year (FY) 2018 budget process in order to support a smooth transition.

The FY 2018 Budget will be submitted by the next President. In order to lay the groundwork for the incoming administration, we intend to prepare a budget database that includes a complete current services baseline. OMB also plans to gather information necessary to develop current services program estimates for FY 2018, as well as other budget and programmatic information from which the incoming administration can develop its budget proposals.

**Budget Submissions**

You are not required to submit a formal budget request to OMB in September, and there will be no formal Director's Review or Passback processes this fall. Most of the policy materials you usually submit in September in support of your budget requests will not be required until after the new administration (or a transition team) is in place, although you may be asked to provide information on selected topics by your OMB representatives.

At the end of this memo is a schedule for constructing a complete baseline budget database by account for FYs 2018 through 2027, as well as actual data for the prior year (PY) and estimates for the current year (CY), by the middle of December. You will be asked to complete the technical review of PY and CY data and to develop budget year and outyear baseline estimates.

At this time, you should proceed with your internal review procedures to prepare information to help the next administration quickly produce its budget. Specifically, you should work with your OMB representatives to identify information needed to develop program-level current services estimates. Such information might include the identification of recurring and

non-recurring costs in FYs 2017 and 2018, FTE levels and personnel costs assuming current services, and estimates of program utilization for FY 2018.

You should also work with your OMB representatives to identify key programmatic and budget issues that may require attention from the incoming administration. For example, this may include areas in which the implementation of program changes due to legislation or policy is in process and may require a decision on continuation; areas in which future funding needs may be significantly different than a standard current services baseline; or issues with significant budgetary implications that could require decisions early in the next administration. Please be prepared to provide the above information to your OMB representatives in September.

### **The President's Management Agenda**

The FY 2018 performance plan will be developed to align with the incoming administration's policies and will be published concurrent with your final FY 2018 congressional budget justifications. Therefore, you do not need to submit to OMB the FY 2018 performance plan components of your budget materials until a new administration (or transition team) is in place. As with your budget materials, you should proceed with your internal review procedures to prepare information to help the next administration quickly produce the performance plans and reports.

In addition, agencies should adhere to on-going IT and cybersecurity related reporting requirements. As the Administration continues to focus on implementing the Federal Information Technology Acquisition Reform Act (FITARA), IT Capital Planning and Investment Control process changes for the FY 2018 budget cycle are forthcoming and will focus on empowering agency CIOs. Details on these requirements will be specified in OMB Circular A-11 and OMB IT Budget – Capital Planning Guidance.

### **Additional Guidance**

OMB Circular A-11 provides guidance on the preparation and submission of budget estimates and the timing and use of relevant economic assumptions. Most of the transition-related updates to A-11 relate to timing and not specific requirements associated with the FY 2018 Budget developed for transmittal by the incoming administration. OMB plans to issue the revised Circular in June.

OMB expects to provide guidance during the transition on policy development for FY 2018 that will describe the process and timing for submitting agency requests, information required for analytical purposes, and other materials that will be used to prepare the incoming administration's budget.

### **FY 2018 Transition Data and Budget Information: Tentative Schedule**

OMB Circular A-11 issued	June
Agencies submit budget information to OMB	September
GTAS revision window opens	October 18

MAX database available for agency input  
MAX A-11 PY lock and GTAS revision window closes  
MAX baseline closed for agencies

November 1  
November 15  
December