

**Recommendation #254
FY 2010 Integrated Priority List and Budget Process Input**

Background

On February 26, 2008, the Department of Energy – Savannah River Operations Office (DOE-SR) requested the Savannah River Site (SRS) Citizens Advisory Board (CAB) provide input to the fiscal year (FY) 2010 Integrated Priority List (IPL) and the most current Environmental Management (EM) *Five-Year Plan* (Ref. 1). The purpose of the EM *Five Year Plan* budget planning process is to describe EM's planned strategies, funding, and accomplishments over the next five years. This Plan summarizes EM's progress to date, presents performance measures, discusses assumptions and the decision-making process, and provides estimated funding over the FY 2008-2012 time period (Ref. 2).

The SRS CAB formally provided input concerning the IPL on March 26, 2008 (Ref. 3). In this formal response the SRS CAB confirmed that the priorities identified were consistent with the CAB's prioritization issues and agreed with the overall priority rankings for security, safety, surveillance, and regulatory commitments. The SRS CAB noted its top priority as the Liquid Waste activities followed closely by H-Canyon Utilization, the Plutonium Storage, Surveillance, and Disposition, and Transuranic (TRU) Waste Disposition.

On March 24, 2008, a budget update was provided by DOE-SR (Ref. 4). The Congressional and DOE budget processes require that budget requests be submitted in accordance with a schedule and in a specific format. At any point in time, DOE is dealing with budgets for three fiscal years. For example, while the FY 2008 budget is being executed, internal deliberations are underway for the FY 2009 budget, and the requirements for the 2010 budget are being assembled. Due to the current status of the overall Federal budget, the availability of surplus funds is non-existent for the foreseeable future. Individual Project Baseline Summaries (PBS) categorizes funding within the budget. Each PBS operates as a separate banking account. Efficiencies can be found within each PBS budget and any cost savings can be diverted to other PBS categories; however, such transfer of funds has specific dollar limits.

Comment

The SRS CAB acknowledges the short schedule pressure that affects all SRS staff working to prepare the site budget, and appreciates the efforts of DOE-SR to get the local stakeholders involved early in the budget process. The budget update provided on March 24, 2008, was an excellent presentation and helped alleviate many of the frustrations expressed in previous budget recommendations (Ref. 5). The presentation also helped clarify the confusion concerning the budget embargo issue.

Based upon the presentation, the embargo begins upon submission of the final budget request to EM Headquarters.

In the future, we trust that DOE-SR will provide similar presentations on the budget and funding status, including the certified baselines at the PBS level. In addition to the information provided in the following paragraphs, a review of past budget recommendations will also identify information of particular interest to the SRS CAB concerning the budget process.

Next year when the candidate IPL is provided, the SRS CAB would like to see an activity description for each PBS and an indication of which activities are mandatory (e.g., minimum surveillance & maintenance), which are required to satisfy regulatory requirements, and which are discretionary. It would also be helpful to show what percent of the budget is associated with each category. In addition, the SRS CAB would be better informed if a rationale for the priority ranking of each activity in the discretionary category were provided.

As stated in previous recommendations, the SRS CAB finds it difficult to set priorities without a clear picture of what is actually been accomplished, what is in progress, and what needs to be accomplished. Therefore, an information product for the CAB that lists active PBS's, a brief activity description for each and their budgeted amounts for each relevant year including the amount requested by the DOE-SR, the amount requested by the President's budget, the amount approved by Congress would be extremely helpful.

Recommendation

The SRS CAB recommends the following concerning the budget process:

1. By May 19, 2008, or before, the onset of the embargo date, whichever occurs sooner, DOE-SR provide the SRS CAB with any new budget information that is available including the information requested above, as well as an assessment of project impact if the amounts for each PBS change significantly as the budget evolves.
2. DOE-SR investigate cost saving efficiencies within each PBS and inform the SRS CAB when significant funds (greater than \$500,000) can be reallocated.
3. With the considerable success and momentum of the legacy TRU Waste Disposition program, DOE-SR investigates expediting the funding to complete the program ahead of schedule.
4. DOE-SR provides adequate and sustained funding to continue the utilization of H-Area's capability for all current and planned future missions. The unique capabilities of H-Canyon were recognized by the SRS CAB back in 1999 and since then the SRS CAB has recommended that it be retained in an operational status as a process for current and future stabilization missions.

5. DOE-SR ensures that all established regulatory milestones can be accomplished through the PBS structure. Since regulatory commitment cycles may be different from the DOE budget cycle, if reallocation between PBS categories is required to meet these commitments then ensure that enough flexibility exists in the PBS description and scope to make the necessary transfer of funds.

References

1. Input to Fiscal Year (FY) 2010 Integrated Priority List (IPL) letter from Jeffrey Allison, Manager DOE-SR, to Donna Antonucci, Chairman SRS Citizens Advisory Board and Madeleine Marshall, Strategic & Legacy Management Committee Chair.
2. Department of Energy, Five Year Plan, FY 2008-FY2012, Environmental Management, February 2007, Office of the Chief Financial Officer.
3. Fiscal Year (FY) 2010 Integrated Priority List (IPL) letter to Jeffrey Allison, Manager DOE-SR, from Madeleine Marshall, Strategic & Legacy Management Committee Chair and Karen Patterson, Chairman SRS Citizens Advisory Board.
4. Budget Update, presentation to the Savannah River Site Citizens Advisory Board by Jeanie Schwier, DOE-SR, Deputy Manager for Business Operations, March 24, 2008.
5. Citizens Advisory Board Recommendation No. 234 (adopted May 23, 2006), "SRS Budget Participation."

Agency Responses

Department of Energy-SR