

Summary Report for Individual Task  
805A-36A-0004  
Prepare an Activity Level Budget  
Status: Approved

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**Destruction Notice:** None

**Foreign Disclosure: FD5** - This product/publication has been reviewed by the product developers in coordination with the Financial Management School, Fort Jackson, SC foreign disclosure authority. This product is releasable to students from all requesting foreign countries without restrictions.

**Condition:** You, as the Resource Manager, are about to submit your budget to higher headquarters. You have access to: 1. General office supplies. 2. FM 1-06, Financial Management Operations. 3. Previous execution. 4. Previous budget submission. 5. Long range training guidance/plans. 6. Input from subordinate activities. 7. AR 1-1, Planning, Programming, Budgeting, and Execution System. 8 . DFAS-IN Manual 37-100-FY, The Army Management Structure. This task should not be trained in MOPP 4.

**Standard:** Develop the activity level budget to ensure adequate funding is requested to meet operational requirements without error by completing the following steps: 1. Analyze the budget guidance received from the Higher Headquarters. 2. Determine the total estimated dollar budget requirement by Elements of Resource (EOR). 3. Determine which budget requirements can be financed. 4. Establish priorities of unfinanced requirements (UFRs) and decrements. 5. Phase the budget plan. 6. Forward the activity budget to the Higher Headquarters for approval.

**Special Condition:** None

**Safety Risk:** Low

**MOPP 4:** Never

<b>Task Statements</b>
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**Cue:** None

<b>DANGER</b>
None

<b>WARNING</b>
None

<b>CAUTION</b>
None

**Remarks:** None

**Notes:** All required references and technical manuals will be provided by the local Command.

## Performance Steps

1. Analyze the budget guidance.
  - a. Receive budget guidance from higher headquarters.
    - (1) Department of the Army (DA) sends their Program Budget Guidance (PBG) to the Army Commands (ACOMs).
    - (2) The ACOM sends Budget Manpower Guidance (BMG) to the Director of Resource Management (DRM)/ G8.
    - (3) The Director of Resource Management (DRM)/G8 sends guidance to their subordinate activities.
  - b. Interpret the dollar guidance.
    - (1) Determine the dollar ceiling expected to be received for the following fiscal year (FY).
    - (2) Determine if there are any internal funding limitations for specific purposes (i.e., floors and fences) earmarked within the dollar guidance.
  - c. Interpret the manpower guidance.
    - (1) Determine if there is a limitation on the number of personnel authorized.
    - (2) Determine if there is a limitation on the grade of personnel authorized.
    - (3) Determine if there is a limitation on the type of personnel authorized.
      - (a) Military personnel labor expense is not budgeted for by the installation.
      - (b) DA budgets for military labor.
  - d. Interpret the training guidance. Determine the amount of resources required in order to accomplish the mission.
  - e. Interpret the administrative guidance.
    - (1) Determine if there are any rounding instructions.
    - (2) Determine if any special schedule preparations are required.
    - (3) Determine if there is any other administrative guidance.
2. Determine the total estimated dollar requirement by Elements of Resource (EOR).
  - a. Estimate civilian labor costs (EOR 1100).
    - (1) Review the workload guidance to determine the number, type, and grade of civilian personnel required to accomplish the mission.
    - (2) Review the manpower guidance to ensure the limitations are not exceeded.
    - (3) Determine the total estimated civilian labor cost.
      - (a) Determine each individual's total salary by using civilian pay salary charts.

(b) Compute the total cost by adding each individual's total salary.

b. Estimate civilian personnel benefits compensation costs (EOR 1200).

(1) Determine the personnel benefits compensation percentage provided from the manpower guidance.

(2) Determine the total cost by multiplying the total civilian labor costs (EOR 1100) estimated by the designated percentage.

c. Estimate temporary duty (TDY) costs (EOR 2100).

(1) Prepare a schedule of proposed TDY trips for the FY, to include:

(a) The TDY location.

(b) The length of the TDY.

(c) The purpose of the TDY.

(d) The mode of transportation to be used.

(e) The number of personnel required for each TDY.

(2) Determine if any other government funds can be used for the TDY (e.g., DA funds for schools).

(3) Estimate the cost for each TDY.

(a) Determine if government meals or lodging is available or directed for the TDY location.

(b) Determine the per diem rate for the TDY location.

(c) Estimate the travel expense based on the mode of transportation to be used.

(d) Determine if any miscellaneous expenses will be authorized (e.g., conference fees).

(e) Enter each total estimated cost on the schedule.

(4) Determine the total cost by totaling each estimated TDY cost.

d. Estimate contractual services costs (EOR 2500).

(1) Prepare a schedule of contracts currently in effect.

(a) Delete any contracts that will be completed before the start of the new FY.

(b) Delete any contracts not expected to be renewed.

(c) Add any new contracts expected or proposed.

(2) Determine the cost of all current contracts by referring to the contractual agreements.

(3) Estimate the cost of any new contracts expected or proposed based on the historical cost of similar contracts.

(4) Determine the total contractual services cost by adding the cost of all current contracts to the estimated cost of all new contracts expected or proposed.

e. Estimate supplies and materials costs (EOR 2600).

(1) Prepare a supply requirements schedule based upon historical use.

(2) Adjust for any expected gains or reductions based on the workload guidance.

(3) Determine the historical costs of the supplies.

(4) Adjust for inflation.

f. Estimate non-consumable supplies and equipment costs (EOR 3100).

(1) Determine the cost of replacing any old equipment.

(a) Prepare an equipment replacement schedule indicating the original issue date and the expected life of each individual item.

(b) Determine if any of the equipment scheduled to be replaced during the FY is still required based upon mission requirements.

(c) Determine the cost of replacing any equipment required for mission requirements.

(2) Determine the cost of any new equipment required based upon mission requirements.

(3) Determine the total non-consumable supplies and equipment cost by totaling the cost of all new and replacement equipment.

3. Determine which requirements can be financed.

a. Prepare a budget schedule by prioritizing the EOR requirements from most to least important using the following guidelines:

(1) Statutory requirements must be accomplished to comply with federal or other laws.

(2) Priorities established by each level of command.

(3) Mission requirements that affect readiness and/or base support.

(4) New initiatives.

(5) Requirements that will improve the mission but are not essential.

(6) Maximize the mission. (For example, do not have more personnel on the payroll than there are supplies and equipment to support.)

b. Finance the highest priorities up to the dollar guidance received.

4. Establish priorities of unfinanced requirements (UFRs) and decrements.
  - a. Establish the UFRs list for review and approval at the Program Budget Advisory Committee (PBAC).
    - (1) Determine which requirements were not financed in the previous performance step.
    - (2) Prioritize a list from most to least important using the same guidelines as in the previous performance step.
    - (3) Prepare an impact statement for each UFR.
      - (a) Determine the adverse effect upon the activity's mission of not funding the requirement.
      - (b) Determine the adverse effect upon the installation's mission of not funding the requirement.
      - (c) Use quantitative data, if possible, to show the effect of the UFR.
  - b. Establish the decrement list (DL).
    - (1) Determine which financed requirements will become unfinanced if the funding level is decreased.
    - (2) Prioritize a list from least to most important using the same guidelines as in the previous performance step.
5. Phase the budget plan.
  - a. Phase the cost of each financed requirement by fiscal quarter according to the estimated need each quarter.
    - (1) Phase civilian labor costs (EOR 1100) based on the number of paid days in each fiscal quarter.
    - (2) Phase civilian personnel benefits compensation costs (EOR 1200) in the same manner as EOR 1100.
    - (3) Phase TDY costs (EOR 2100) by the fiscal quarter in which the travel is expected.
    - (4) Phase contractual services costs (EOR 2500) based on contractual requirements.
    - (5) Phase supplies and materials costs (EOR 2600) in equal quarterly amounts.
      - (a) Increase a quarterly amount if it is a historically heavy usage period.
      - (b) Decrease a quarterly amount if it is a historically low usage period.
    - (6) Phase non-consumable supplies and equipment costs (EOR 3100) based upon the equipment replacement schedule.
  - b. Prepare a phasing report by EOR.
6. Forward the activity budget to the higher headquarters, to include the:
  - a. Budget schedule.
  - b. UFR list.

- c. Decrement list.
- d. Schedule of contracts.
- e. Supply requirements schedule.
- f. Phasing report.

(Asterisks indicates a leader performance step.)

**Evaluation Guidance:** Score the Soldier GO if all performance measures are passed (P). Score the Soldier NO GO if any performance measure is failed (F). If the Soldier fails any performance measure, show what was done wrong and how to perform it correctly.

**Evaluation Preparation:** This task can be evaluated by use of the performance measures as listed. This method of evaluation is appropriate if the Soldier performs the task on the job. Allow the Soldier to practice until the Soldier feels qualified and prepared for the evaluation. Then have the Soldier perform the task, using the materials listed in the CONDITIONS statement above. Score the Soldier "PASS" or "FAIL" as determined by the performance.

PERFORMANCE MEASURES	GO	NO-GO	N/A
1. Analyzed the budget guidance by:			
a. Receiving budget guidance from higher headquarters.			
b. Interpreting the dollar guidance.			
c. Interpreting the manpower guidance.			
d. Interpreting the training guidance.			
e. Interpreting the administrative guidance.			
2. Determined the total estimated dollar requirement by Elements of Resource (EOR) by:			
a. Estimating civilian labor costs (EOR 1100).			
b. Estimating civilian personnel benefits compensation costs (EOR 1200).			
c. Estimating temporary duty (TDY) costs (EOR 2100).			
d. Estimating contractual services costs (EOR 2500).			
e. Estimating supplies and materials costs (EOR 2600).			
f. Estimating non-consumable supplies and equipment costs (EOR 3100).			
3. Determined which requirements could be financed by:			
a. Preparing a budget schedule by prioritizing the EOR requirements from most to least important.			
b. Financing the highest priorities up to the dollar guidance received.			
4. Established priorities of unfinanced requirements (UFRs) and decrements by:			
a. Establishing the UFRs list.			
b. Establishing the decrement list (DL).			
5. Phased the budget plan by:			
a. Phasing civilian labor costs (EOR 1100) based on the number of paid days in each fiscal quarter.			
b. Phasing civilian personnel benefits compensation costs (EOR 1200) in the same manner as EOR 1100.			
c. Phasing TDY costs (EOR 2100) by the fiscal quarter in which the travel was expected.			
d. Phasing contractual services costs (EOR 2500) based on contractual requirements.			
e. Phasing supplies and materials costs (EOR 2600) in equal quarterly amounts.			
f. Phasing non-consumable supplies and equipment costs (EOR 3100) based upon the equipment replacement schedule.			
6. Forwarded the activity budget to higher headquarters.			

**Supporting Reference(s):**

<b>Step Number</b>	<b>Reference ID</b>	<b>Reference Name</b>	<b>Required</b>	<b>Primary</b>
	AR 1-1	PLANNING, PROGRAMMING, BUDGETING, AND EXECUTION SYSTEM	Yes	No
	DFAS-IN MANUAL 37-100-FY	The Army Management Structure	Yes	No
	FM 1-06	Financial Management Operations <a href="http://armypubs.army.mil/doctrine/DR_pubs/dr_a/pdf/fm1_06.pdf">http://armypubs.army.mil/doctrine/DR_pubs/dr_a/pdf/fm1_06.pdf</a>	No	No

**Environment:** Environmental protection is not just the law but the right thing to do. It is a continual process and starts with deliberate planning. Always be alert to ways to protect our environment during training and missions. In doing so, you will contribute to the sustainment of our training resources while protecting people and the environment from harmful effects. Refer to FM 3-34.5 Environmental Considerations and GTA 05-08-002 ENVIRONMENTAL-RELATED RISK ASSESSMENT.

**Safety:** In a training environment, leaders must perform a risk assessment in accordance with ATP 5-19, Risk Management. Leaders will complete the current Deliberate Risk Assessment Worksheet in accordance with the TRADOC Safety Officer during the planning and completion of each task and sub-task by assessing mission, enemy, terrain and weather, troops and support available-time available and civil considerations, (METT-TC). Note: During MOPP training, leaders must ensure personnel are monitored for potential heat injury. Local policies and procedures must be followed during times of increased heat category in order to avoid heat related injury. Consider the MOPP work/rest cycles and water replacement guidelines IAW FM 3-11.4, Multiservice Tactics, Techniques, and Procedures for Nuclear, Biological, and Chemical (NBC) Protection, FM 3-11.5, Multiservice Tactics, Techniques, and Procedures for Chemical, Biological, Radiological, and Nuclear Decontamination.

**Prerequisite Individual Tasks :** None

**Supporting Individual Tasks :** None

**Supported Individual Tasks :** None

**Supported Collective Tasks :** None