

## Environmental Restoration Competency 3.3

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**Competency 3.3** Environmental restoration personnel shall have a familiarity level knowledge of the Federal budget process.

### 1. Supporting Knowledge and Skills

- a. Describe the requirements of 10 CFR 600.31- *Funding*.
- b. Discuss the process that the Department uses to fund environmental restoration projects.

### 2. Self-Study Activities (Corresponding to the Intent of the Above Competency)

Below are two web sites containing many of the references you may need.

Web Sites		
Organization	Site Location	Notes
Department of Energy	<a href="http://wastenot.inel.gov/cted/stdguido.html">http://wastenot.inel.gov/cted/stdguido.html</a>	DOE Standards, Guides, and Orders
U.S. House of Representatives	<a href="http://law.house.gov/cfr.htm">http://law.house.gov/cfr.htm</a>	Searchable Code of Federal Regulations

**Review** DOE N 4700.5, *Project Control System Guidelines*.

**Review** 10 CFR 600.31, *Funding*.

**Review** DOE Order 4700.1, Chapter I, Parts A & B, DOE *Project Management System*, Part A- Overview and Part B - Program/Project Relationships. 3. Project Evolution.

EXERCISE 3.3-A Describe the requirements of 10 CFR 600.31- *Funding*.

EXERCISE 3.3-B Discuss the process that the Department uses to fund environmental restoration projects.

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### 3. Summary

DOE Order 5700.2D, *Cost Estimating, Analysis, and Standardization*, defines cost estimate as:

“. . . a statement of costs estimated to be incurred in the conduct of an activity such as a program, or the acquisition of a project or system.” Budget is usually defined as a financial plan used to estimate the results of future operations.

Projects are broken into categories by the total cost of the projects. Major System Acquisitions (MSAs) are above \$100 million, Major Projects (MPs) are \$50-100 million, and “other” projects are under \$50 million. Funding for projects is generally the responsibility of the Program Secretarial Office.

### 4. Exercise Solutions

EXERCISE 3.3-A Describe the requirements of 10 CFR 600.31- *Funding*.

ANSWER 3.3-A 10 CFR 600.31(a) *General*. The project period during which DOE expects to provide award support for an approved project shall be specified on the Notice of Financial Assistance Award (DOE Form 4600.1). A project period may be one or more budget periods. If the budget period is 12 months or less, the budget period shall be coextensive.

EXERCISE 3.3-B Discuss the process that the Department uses to fund environmental restoration projects.

ANSWER 3.3-B Projects are broken into three major categories: Major System Acquisitions (MSAs), Major Projects (MPs), and Other Projects.

As part of the development of Programs’ strategies and milestones planning, projects and project elements of the program are designated for Program Secretary approval. The approved projects and/or project elements then become specific budget items in the annual planning, programming, and budgeting phase of program management.