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The Executive Budget Process Timetable

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The executive budget process is a complex set of activities that includes (1) development of the President’s budget proposal, (2) submission and justification of the President’s budget proposal, and (3) execution of enacted appropriations and other budgetary legislation.

While some of the activities must be completed by specific dates, many follow a more flexible schedule established by formal and informal rules and procedures. This report provides a brief overview of the phases the executive budget process.¹ In addition, this report provides an illustrative example of the budget development timeline (see **Table 1**) and the executive budget process timetable that has generally been followed by Presidents in recent years (see **Table 2**).

The Budget and Accounting Act of 1921 (P.L. 67-13; 42 Stat. 20) established the modern executive budget process. Now codified in Title 31 of the *U.S. Code*, the act requires the President to develop and submit a consolidated budget proposal to Congress prior to the start of each fiscal year.² The President is also required to submit an update of the budget proposal to Congress in the middle of the legislative session. Section 221(b) of the Legislative Reorganization Act of 1970,³ also codified in Title 31 of the *U.S. Code*, requires the President to submit a supplemental summary of the budget, commonly referred to as the *mid-session review* (or MSR), on or before July 15 each year.⁴ In addition, the President may submit revisions to the budget submission at any time during the legislative session.

Development of the President’s Budget Proposal

The developmental phase of the executive budget process is largely coordinated through the Office of Management and Budget (OMB), which assists the President in the preparation of the budget proposal and the execution of enacted appropriations and other budgetary legislation. OMB budget guidelines are communicated formally to executive agencies through circulars, memoranda, and other publications.⁵

Generally, development of the President’s budget proposal begins approximately 10 months before the President must submit the proposal to Congress, which is about 18 months prior to the start of the fiscal year that the budget will cover. Early in the development phase, the Office of Management and Budget (OMB) issues a budget planning guidance memorandum, also referred to as the “Spring Guidance.”⁶ In accordance with this guidance, executive agencies submit their budget requests and supporting materials to OMB for review in early fall, culminating in final approval by the OMB Director and the President in late November or early December. Under current law (31 U.S.C. §1105(a)), the President is responsible for developing and submitting a consolidated budget to Congress no later than the first Monday in February prior to the start of

¹ For more information on the executive budget process, see CRS Report R42633, *The Executive Budget Process: An Overview*, by Michelle D. Christensen.

² 31 U.S.C. §1105.

³ P.L. 91-510; 84 Stat. 1140.

⁴ 31 U.S.C. §1106. The mid-session review reflects changed economic conditions, any legislative actions taken by Congress, and other factors affecting the President’s budget submission. For more information on the mid-session review, see CRS Report RL32509, *The President’s Budget Request: Overview and Timing of the Mid-Session Review*, by Michelle D. Christensen.

⁵ For example, see Office of Management and Budget, Circular No. A-11, “Preparation, Submission and Execution of the Budget,” August 3, 2012, http://www.whitehouse.gov/omb/circulars_default. Updated annually, OMB Circular No. A-11 is an extensive document that contains instructions and schedules for agency submission of budget requests and justification materials to OMB.

⁶ For example, see Memorandum from Jeffrey D. Zients, Acting Director of OMB, M-12-13, “Fiscal Year 2014 Budget Guidance,” May 18, 2012, <http://www.whitehouse.gov/sites/default/files/omb/memoranda/2012/m-12-13.pdf>.

the fiscal year.⁷ An illustrative example of the FY2013 timeline, including the submission dates of select executive budget documents, is shown in **Table 1**.⁸

Table 1. Development of the President’s Budget Proposal

| Illustrative Example of FY2013 Timeline | |
|---|---|
| August 17, 2011 | OMB issues “FY2013 Budget Guidance” memorandum |
| August 18, 2011 | OMB issues annual update to Circular A-11 |
| September 12, 2011 | Deadline for agencies to submit FY2013 budget requests to OMB |
| February 13, 2012 | President submits FY2013 budget proposal to Congress |
| July 27, 2012 | President submits FY2013 mid-session review to Congress |
| October 1, 2012 | Start of FY2013 |

Submission and Justification to Congress of the President’s Budget Proposal

Although it is not legally binding, the President’s budget proposal initiates the congressional budget process and provides Congress with recommended spending levels for agency programs, projects, and activities funded through the annual appropriations acts and other budgetary measures.⁹

During what OMB refers to as the “congressional phase” of the budget process, executive branch activities concerning the budget year typically involve negotiations with Congress about budgetary legislation. Shortly after the President submits the budget proposal to Congress, agencies submit written justifications of their budget requests to each chamber’s appropriations committee and subcommittees of jurisdiction.¹⁰ In addition, Administration and agency officials are often called before the appropriations subcommittees to justify and explain the budget requests to Congress.

⁷ Occasionally, however, the President’s budget proposal is submitted after the deadline. For example, during presidential transition years, the budget proposal of the newly elected President is frequently submitted after the deadline. See CRS Report RS20752, *Submission of the President’s Budget in Transition Years*, by Michelle D. Christensen.

⁸ See Memorandum from Jacob J. Lew, Director of OMB, M-11-30, “Fiscal Year 2013 Budget Guidance,” August 17, 2011, <http://www.whitehouse.gov/sites/default/files/omb/memoranda/2011/m11-30.pdf>; Office of Management and Budget, Circular No. A-11 [2011 update], “Preparation, Submission and Execution of the Budget,” August 18, 2011; Office of Management and Budget, *Fiscal Year 2013 Budget of the United States Government*, February 13, 2012, <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2013/assets/budget.pdf>; and Office of Management and Budget, *Fiscal Year 2013 Mid-Session Review, Budget of the U.S. Government*, July 27, 2012, <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2013/assets/13msr.pdf>.

⁹ For information on the congressional budget process, see CRS Report RS20095, *The Congressional Budget Process: A Brief Overview*, by James V. Saturno and CRS Report R42388, *The Congressional Appropriations Process: An Introduction*, by Jessica Tollestrup. For a broad overview of the federal budget process, see CRS Report 98-721, *Introduction to the Federal Budget Process*, coordinated by Bill Heniff Jr.

¹⁰ For examples of agency budget justifications see CRS Report R42453, *Selected Agency Budget Justifications for FY2013*, by Justin Murray.

Execution of Enacted Appropriations and Other Budgetary Legislation

Once appropriations and other budgetary legislation have been enacted, OMB apportions available funds to executive agencies by time period, program, project, or activity. Throughout the fiscal year, agencies allocate, obligate, and expend funds. If necessary, agencies may request supplemental appropriations, and the President may propose supplemental appropriations or other budgetary adjustments to Congress.

At any given time, agencies are likely working on the budgets for three fiscal years simultaneously. For example, in May 2012, agencies were implementing the FY2012 budget, justifying their requests for the FY2013 budget, and developing their requests for the FY2014 budget. To put this timeline in context, as Congress began action on appropriations bills and other budgetary legislation for FY2013, OMB and agencies were already planning for FY2014.

Table 2 illustrates the full budgetary cycle for a single fiscal year organized by phase of the executive budget process. The timetable begins with the issuance of planning guidance by OMB and culminates in the end of the fiscal year. Typically, the full budgetary cycle takes more than two calendar years to complete. For example, OMB issued the FY2013 planning guidance on August 17, 2011 and FY2013 will end on September 30, 2013—a period lasting approximately two years and one month.

Table 2. The Executive Budget Process Timetable for a Typical, Single Fiscal Year

| Dates | Activities |
|--|---|
| Calendar Year Prior to the Year in Which Fiscal Year Begins | |
| Development of the President's Budget Proposal | |
| Spring | OMB issues budget planning guidance to executive agencies for the fiscal year that begins in approximately 18 months (on October 1). |
| Spring and Summer | All agencies begin development of budget requests. |
| Summer | OMB issues annual update to Circular A-11, providing detailed instructions for submitting budget data and material for executive agency budget requests. |
| September | Executive agencies submit initial budget requests to OMB, typically by the deadline set in OMB's budget planning guidance. ^a |
| October-November | OMB staff review executive agency budget requests in relation to President's priorities, program performance, budget constraints, and other criteria. |
| November-December | President, based on recommendations by the OMB director, makes decisions on executive agency requests. OMB informs executive agencies of decisions, a practice commonly referred to as OMB "passback." |
| December | Executive agencies may appeal these decisions to the OMB director and in some cases directly to the President. |
| Calendar Year in Which Fiscal Year Begins | |
| Submission and Justification of the President's Budget Proposal | |
| By first Monday in February | President submits consolidated budget proposal to Congress. |
| February-September | Administration and agency officials interact with Congress, justifying and explaining the President's budget proposal and agencies' budget requests. |
| On or before July 15 | President submits mid-session review to Congress. |
| August 21 (or within 10 days after approval of a spending bill) | Executive agencies submit apportionment requests to OMB for each budget account. |
| September 10 (or within 30 days after approval of a spending bill) | OMB apportions available funds to executive agencies by time period, program, project, or activity. |
| Calendar Years in Which Fiscal Year Begins and Ends | |
| Execution of Appropriations and Other Budgetary Legislation | |
| October 1 | Fiscal year begins. |
| October-September | Agencies make allotments, obligate funds, conduct activities, and may request supplemental appropriations, if necessary. President may propose supplemental appropriations and impoundments (i.e., deferrals or rescissions) to Congress. |
| September 30 | Fiscal year ends. |

Source: Prepared by CRS, drawing from Office of Management and Budget, *Circular No. A-11*, Section 10.5, August 3, 2012, http://www.whitehouse.gov/omb/circulars_default.

- a. The budgets of certain agencies, including those within the legislative branch and the judicial branch, are not subject to presidential or OMB review. Those agencies transmit their budget requests to the President, who is then required to include the requests, without modification, in the budget submission to Congress (31 U.S.C. §1105(b)).

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This report was originally authored by Bill Heniff Jr., Analyst on Congress and the Legislative Process at CRS. The analyst listed on the cover has updated this report and is available to answer questions from congressional clients concerning the report's subject matter.

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