

DAA-GRS-2015-00xx

## Budgeting Records (GRS 1.3)

This file contains three documents. The draft schedule describes the records proposed for inclusion in this new GRS. The appraisal memorandum provides additional background explanation and includes the appraiser's justification for the retention decisions proposed in the schedule. The crosswalk matches authorities in the draft schedule with current GRS authorities.

This schedule has not yet been entered into the Electronic Records Archives, pending finalization through agency and stakeholder review.

<i>Document</i>	<i>Page in this PDF</i>
Draft Schedule .....	2
Appraisal Memorandum .....	5
Crosswalk to current GRS .....	11

National Archives and Records Administration  
Office of the Chief Records Officer  
GRS Team  
February 5, 2015

# GENERAL RECORDS SCHEDULE 1.3: Budgeting Records

Draft for Review Package February 5, 2015

Budgeting involves determining priorities for spending, forecasting future needs and related expenditures, and distributing budget authority to achieve results consistent with the formulated budget. This process includes records documenting budget formulation for submission to the Office of Management and Budget (OMB) and to the Congress; defense of requests for funds before both bodies; and after enactment of an appropriation bill, appropriate use of funds to suffice for the extent of the appropriation time period.

Budget records are created at all levels of agency organization. They include proposals from all operating levels as well as the bureau-wide and agency-wide coordinating work done by formally established budget offices. Detailed work papers and budget statements developed by single operating units are consolidated into submissions prepared at the bureau or equivalent level and forwarded to the agency or department budget officer for finalization and submission for the entire agency or department. This schedule covers records created in two milieus: (1) formally established budget offices responsible for the preparation, submission, and management of an entire agency's budget, and (2) local offices responsible for requesting those offices' program funding and tracking expenses relative to their own approved budgets.

Related schedule: After funds have been made available to an agency, its own controls over funds are in its expenditure accounting records and detailed expenditure information in the accountable officers' records, both covered under GRS 1.1 (Financial Management and Reporting Records), item 010.

This schedule does not apply to records created and held at OMB and the Department of the Treasury documenting the government-wide Federal budget. It does apply to records of OMB's and Treasury's own agency/departmental budget preparation and apportionment. The Federal budgeting process as we know it dates from the establishment of the Bureau of the Budget (forerunner of OMB) in 1921. While it is unlikely that agency budget records exist prior to that date, users should note that records created prior to January 1, 1921 must be offered to the National Archives and Records Administration (NARA) before applying disposition instructions in this schedule.

Item	Records Description	Disposition Instruction	Disposition Authority
<b>Records created and held in formally established budget offices</b>			
010	<p><b>Budget formulation, estimates, justification, and submission records.</b></p> <p>Includes records such as:</p> <ul style="list-style-type: none"> <li>• formulation guidance and briefing materials</li> <li>• agency/departmental copy of final submission to OMB/Congress</li> <li>• narrative statements and justification/defense of estimates (sometimes called "Green Books")</li> <li>• appropriations briefing books and exhibits</li> <li>• appropriation language sheets and schedules</li> <li>• pass-back/responses/questions from OMB or Congress and appeals/responses/answers to them</li> <li>• testimony at and other agency records of Congressional hearings</li> <li>• final settlement/approved appropriation</li> </ul>	<p><b>Temporary.</b> Destroy 6 years after close of fiscal year, but longer retention is authorized if required for business use.</p>	<p>DAA-GRS-2015-000x-0001</p>

Item	Records Description	Disposition Instruction	Disposition Authority	
	<p><b>Exclusion:</b> This item applies only to agencies that submit their budget requests via OMB. Agencies that do not submit budget requests via OMB are excluded from using this item. Such agencies must submit schedules to NARA to cover their budget submission records.</p> <p>[Note to reviewers: This item is tentative, pending OMB determination that it will retain all submitted budgets as a permanent record on the grounds of totality of coverage. If OMB does not schedule these records as permanent, then this item cannot be approved and will be deleted from the final schedule.]</p>			
020	<p><b>Budget execution records.</b> Records created and received implementing and tracking an approved budget. Includes:</p> <ul style="list-style-type: none"> <li>• allotment advices, revisions, and ceiling limitations</li> <li>• apportionments and reapportionments</li> <li>• obligations under each authorized appropriation</li> <li>• rescissions and deferrals</li> <li>• operating budgets</li> <li>• outlay plans</li> <li>• utilization of funds</li> <li>• fund reviews</li> <li>• workforce authorization and distribution</li> <li>• continuing resolution guidance</li> <li>• calculations</li> <li>• impact statements</li> <li>• related records</li> </ul> <p><b>Exclusion:</b> Formal budget reports are covered in items 050 and 051.</p> <p><b>Legal citation:</b> OMB Circular A-11, Section 130</p> <p><b>Supersedes:</b> GRS 5, item 4 (GRS 5, 1952, item 6)</p>	<p><b>Temporary.</b> Destroy 2 years after close of fiscal year, but longer retention is authorized if required for business use.</p>	DAA-GRS-2015-000x-0002	
030	<p><b>Budget reports.</b> Standard Form 133, Report on Budget Execution and Budgetary Resources, or equivalent. Periodic status reports on agency's proposed rate of expenditure, appropriations, obligations, apportionments and outlays.</p>	<p><b>Full fiscal-year reports.</b> <b>Supersedes:</b> GRS 5, item 3a (GRS 5, 1952, item 5a)</p>	<p><b>Temporary.</b> Destroy when 5 years old but longer retention is authorized if required for business use.</p>	DAA-GRS-2015-000x-0003

Item	Records Description		Disposition Instruction	Disposition Authority	
031			<p><b>All other reports.</b></p> <p><b>Supersedes:</b> GRS 5, item 3b (NC-64-75-2 item 5b)</p>	<p><b>Temporary.</b> Destroy when 3 years old, but longer retention is authorized if required for business use.</p>	DAA-GRS-2015-000x-0004
<b>Records created and held in any office</b>					
040	<p><b>Budget preparation background records.</b> Preliminary budget estimates, justifications, cost statements, narrative statements, rough data, and similar materials from internal agency components (individual offices, divisions, programs, etc.) for use in annual preparation of agency-wide budget requests.</p>	<p>Records held at formally established budget office.</p> <p><b>Supersedes:</b> GRS 5, item 2 (NC1-GRS-81-13 item 2) in part</p>	<p><b>Temporary.</b> Destroy 2 years after budget is approved, but longer retention is authorized if required for business use.</p>	DAA-GRS-2015-000x-0005	
041		<p>Records held at all other offices.</p> <p><b>Supersedes:</b> GRS 5, item 2 (NC1-GRS-81-13 item 2) in part</p>	<p><b>Temporary.</b> Destroy when 2 years old, but longer retention is authorized if required for business use.</p>	DAA-GRS-2015-000x-0006	
050	<p><b>Budget administration records.</b> Records monitoring expenditures under approved budget allocations. Includes:</p> <ul style="list-style-type: none"> <li>• records of financial controls maintenance</li> <li>• spreadsheets and databases tracking income, expenditures, and trends</li> <li>• work planning documentation</li> <li>• cost structure and accounting code lists</li> <li>• general correspondence</li> </ul> <p><b>Supersedes:</b> GRS 5, item 1 (GRS 5, 1952, items 1 and 3)</p>		<p><b>Temporary.</b> Destroy when 3 years old, but longer retention is authorized if required for business use.</p>	DAA-GRS-2015-000x-0007	



## NATIONAL ARCHIVES

**Date:** February 5, 2015  
**Appraiser:** Galen R. Wilson, ACNR  
**Agency:** General Records Schedules (GRS)  
**Subject:** DAA-GRS-2015-00xx (GRS 1.3)

### INTRODUCTION

#### **Schedule Overview** Budgeting Records

#### **Additional Background Information**

The GRS for budgeting records has seen only two substantive changes since its debut in 1952. Retention of budget reports other than at the end of the fiscal year (GRS 5, item 3b) were reduced from 4 to 3 years under NC-64-75-2, item 5b. The description of budget background records (GRS 5, item 2) was rewritten and expanded under NC1-GRS-81-13, item 2, “to make that schedule more nearly comprehensive.” The current job, the first to address budgeting records across the entire Federal government in a third of a century, seeks to expand coverage to commonly created series previously excluded from the GRS, and to more closely describe existing series.

The Federal budget formulation process takes place over approximately a year and a half. Key events include:

- The Office of Management and Budget (OMB) publishes guidance on the next budget request.
- Agencies develop framework strategy for programs and requisite funding.
- Local offices submit their needs/wishes to their own agencies’ budget offices.
- Agency budget offices formulate and submit budget requests to OMB.
- OMB sifts through submissions, consults with the President, and returns budget recommendations to agencies, a process known as “passback.”
- Agencies appeal OMB recommendations if they disagree with them; negotiations take place.
- The President’s Budget is sent to the Congress.
- The House and Senate hold hearings and often ask for additional information. Senators and Members of Congress (or staff) ask questions; agencies respond. This process ensues for several months.
- Budget is approved by Congress (an “appropriations act”) and signed by the President.
- Budget is returned to agencies with allotments for spending.

The budget execution process then begins with agencies creating operating plans detailing how they will spend appropriated money. Programs are adjusted to fit resources made available by

the appropriations act. Agencies allocate resources to their operating components, and procurement of goods and services commences. Local offices track expenditures against their budget limits and allocations. Agency budget offices submit quarterly reports to OMB detailing ongoing execution of the budget. Budgets generally have a 5-year cycle, meaning that monies allocated under them must be actually expended within 5 years, and reporting must continue until the budget cycle closes.

This schedule was developed by extensive review of 104 approved schedule items in 65 record groups concerning budget preparation, formulation, estimates, and submissions; and 59 approved agency schedule items that included the search string “budget execution.” It was developed also via a face-to-face meeting with OMB’s records management staff in September 2014 and interaction with NARA’s custodial textual and electronic units’ staff to determine what records on this subject have been accessioned—and sometimes later destroyed—by NARA.

### **Overall Recommendation**

I recommend approval of this schedule.

### **APPRAISAL**

#### **Item 0001 (GRS 1.3, item 010): Budget formulation, estimates, justification, and submission records**

Since 1952, the GRS has stipulated that “budget estimates and justifications of formally organized budget offices at the bureau (or equivalent) or higher organizational level” may or may not have archival value “depending on agency recordkeeping practices and patterns of documentation,” and must therefore be scheduled by agencies individually. Not all agencies have taken this instruction to heart, but a surprising number have. I located 85 schedules from 63 departments, agencies within departments, and independent agencies. Slightly fewer than half scheduled the records as permanent, slightly more than half as temporary. Only 11 appraisals argued for permanence from a rigorous analysis of the records themselves and their relation to the larger story of the agency or department. The work of drafting, submitting, and appraising 45 schedules judging the records temporary would have been unnecessary had this proposed item already been in place. Another dozen schedules cited the records as permanent but their appraisals lacked any analysis leading to that conclusion. The proposed item would have rendered these also unnecessary.

#### **Proposed Disposition**

Temporary

#### **Appropriateness of Proposed Disposition**

Appropriate.

#### **Appraisal Justification**

\*Captured elsewhere in permanent records. OMB scheduled “supplemental and amended budget requests and estimates (all agencies); agency submissions and justifications; claims and judgments” as permanent under NC1-51-76-17, item 7c. Research into the holdings of NARA’s Textual Records Division and Electronic Records Division failed to turn up any accessions of these records. Presidential Budgets, 1989-2005, have been accessioned from OMB by the Electronic Records Division—not under the just-mentioned item, but rather under N1-51-95-1, item 2, data files of the MAX system in which the Presidential Budget is formulated for submission to Congress.

OMB is in the process of once again declaring agency final budget submissions, as collected in a larger totality, as permanent under DAA-051-xxxx-xxxx. Its anticipated approval by the Archivist will render agency copies of those same records—and records of the protracted process whereby final budgets are achieved—of temporary value. The new OMB item has the advantage of covering a larger totality of records than could ever be achieved by piecemeal scheduling, thus providing researchers with more complete records for their analysis.

### **Adequacy of Proposed Retention Period**

Adequate from the standpoint of legal rights and accountability. As noted above, the Federal government standard is a 5-year budget cycle. Six-year retention preserves the record of execution of a budget throughout its 5-year cycle and a year beyond, after which the records' usefulness for the business process of formulating future budget requests should largely be finished.

### **Media Neutrality**

Approved

### **Item 0002 (GRS 1.3, item 020): Budget execution records.**

This item expands on current GRS 5, item 4 (budget apportionment records). Analysis of 67 agency schedules showed that the definition of “budget execution” records varies widely. Some schedules intermingled reports (items 0003 and 0004 below) with records described by this item; others intermingled budget execution with actual spending—now covered in GRS 1.1 item 010; still others mixed budget formulation (above item 0001) and execution into one item. Depending on how the term was defined, these schedules assessed the records' value anywhere from permanent to disposable after 2 years. The list of specific types of records covered under this item is drawn from several agency schedules appraising the records as temporary.<sup>1</sup> The goal of this description is to provide a general definition of “budget execution records” and a common retention period.

### **Proposed Disposition**

Temporary

### **Appropriateness of Proposed Disposition**

Appropriate

### **Appraisal Justification**

\*Previously approved as temporary:

GRS 5, item 4 (GRS 5, 1952, item 6—apportionment and reapportionment schedules only)

\*Has little or no research value. These records are administrative in nature and analysis of 59 agency schedules for budget execution records concluded that they are almost universally judged of temporary value.<sup>2</sup> The appraisals of five permanent schedules argued instinctively

<sup>1</sup> See, for instance: N1-417-10-1, item 11; N1-48-10-2, item 7208; N1-540-07-05, item 1a1; N1-362-91-02, item 16; N1-309-86-1, item 20:03; NC1-437-78-1, item 23; and NC1-16-77-2, item 15.

<sup>2</sup> Temporary appraisals included these justifications: “Has little or no research value. NARA normally preserves only minimal agency budgetary records” (N1-48-10-2, item 7208); “The budget function of the FARS relates to items in GRS 5. Although the specific records created by BET [an agency e-system] are not covered under GRS

for an exception to an unspoken rule, not to prove a new general rule. Only one appraisal argued for permanence on the unique merit of the records (N1-412-09-01, item c-1). That appraisal, however, based permanence on the potential for historians to ferret out a Presidential administration's priorities by comparing the budget submitted by the agency to OMB with that submitted by the President to Congress. An administration's priorities are much more easily learned from widely available records, such as those of the White House press office. The appraisal of N1-412-09-01 acknowledged that records of a single agency's submitted budgets would be a somewhat obscure place to seek details about the priorities of an administration.

### **Adequacy of Proposed Retention Period**

Current retention of GRS 5, item 4, is 2 years. The proposed new item covers more records than the current item. Agencies that have scheduled the records independently have chosen a wide range of temporary retention periods for which the median is 6 years and the mean is 5.97 years.<sup>3</sup> No appraisals for temporary items argued the merit of the proposed retention period. They simply accepted the agency's time proposal without further comment. Therefore, continuing the 2 year retention from GRS 5, item 4, seems appropriate. The elastic clause "longer retention is authorized if required for business use" allows those agencies that find a need to retain these records longer than 6 years to do so without having to supersede the GRS. Two agency schedules requested exceptions to GRS 5, item 4, to raise the retention to the time period proposed by this new item.

### **Media Neutrality**

Approved

### **Item 0003 (GRS 1.3 item 030): Budget reports: Full fiscal-year reports.**

### **Item 0004 (GRS 1.3 item 031): Budget reports: All other reports.**

These items closely parallel current GRS 5, items 3a and 3b. The difference is that the description of what is included in the item is significantly expanded including citing by standard form number the most common record that is part of these series. The breakout between full fiscal-year reports and other reports (the SF-133 just mentioned is submitted quarterly) duplicates the current GRS, including the retention periods.

### **Proposed Disposition**

Temporary

### **Appropriateness of Proposed Disposition**

Appropriate

### **Appraisal Justification**

\*Previously approved as temporary:

GRS 5, item 3a (GRS 5, 1952, item 5a)

---

5, the temporary nature of the information recorded in the system is essentially the same" (N1-56-08-3, item 5); "Destruction when 6 years old is adequate for agency needs. These records are clearly disposable. I am aware of no agencies where these records garner NARA interest" (N1-362-91-02, item 16); and "I recommend approval of the proposed temporary dispositions. None of these series warrant permanent disposition since an overall annual snapshot of TSA's budget is documented in Item 7, which is proposed for permanent retention. These temporary series are administrative records of use to the agency only" (N1-560-03-14, item 9).

<sup>3</sup> Retentions: 2 years (2), 3 years (5), 4 years (6), 5 years (6), 6 years (6), 6 years and 3 months (1), 7 years (4), 10 years (9), 20 years (1), and 25 years (1). Median and mean figures do not include the outliers of 20 and 25 years in the calculations.

GRS 5, item 3b (NC-64-75-2, item 5b)

**Adequacy of Proposed Retention Period**

Adequate from the standpoint of legal rights and accountability. Retention periods are identical to the current items. They have not raised any flags since 1975 and have not been the subject of GRS exception requests unless being folded into other series for a unified retention.

**Media Neutrality**

Approved

**Item 0005 (GRS 1.3 item 040): Budget preparation background records: Records held at formally established budget offices.**

**Item 0006 (GRS 1.3 item 041): Budget background records: Records held at all other offices.**

All records in both items are created in local offices, divisions and programs within an agency. There are two items, however, because local offices and formally established budget offices use them for different business purposes. Local offices are managing their own financial footprint within the larger agency-wide context, while the budget office compiles input from all local offices to formulate a budget request for the entire agency.

**Proposed Disposition**

Temporary

**Appropriateness of Proposed Disposition**

Appropriate

**Appraisal Justification**

\*Previously approved as temporary:

GRS 5, item 2 (NC1-GRS-81-13, item 2)

\*Has little or no research value. The records are administrative in nature.

**Adequacy of Proposed Retention Period**

Adequate from the standpoint of legal rights and accountability. Retention has been reduced from 6 years (superseded GRS 5, item 2) to 2 years. This schedule's new item 010 calls out the more important records for 6-year retention which renders 6-year retention of records in these two items unnecessary. Two years after budget is approved (item 0005) or when 2 years old (item 0006) is sufficient for these truly embryonic, preliminary calculations of resources needed in the future.

Adequate from the standpoint of legal rights and accountability. The current GRS item which the proposed new items supersede retains records until 1 year after the end of the fiscal year of the budget. Since Federal budgets currently generally run in 5-year cycles, this equates to 6-year retention. GRS 1.3 proposes a new 6-year item (0001 above) to cover the final products of an agency's internal work of budget preparation. Feeder and background records to those 6-year records are scheduled in items 0005 and 0006. Their proposed retention is 2 years after budget approval or when 2 years old. Two years is sufficient for these truly embryonic, preliminary calculations of future resource needs.

**Media Neutrality**

Approved

**Item 0007 (GRS 1.3 item 050): Budget administration records.**

**Proposed Disposition**

Temporary

**Appropriateness of Proposed Disposition**

Appropriate

**Appraisal Justification**

\*Previously approved as temporary:

GRS 5, item 1 (GRS 5, 1952, items 1 and 3—correspondence related to budget administration only)

\*Has little or no research value. The records are administrative in nature.

**Adequacy of Proposed Retention Period**

Adequate from the standpoint of legal rights and accountability. Previous GRS item specified 2-year retention. New item increases retention to 3 years reflecting the greater coverage implied by the list of types of records that are included. It is difficult to “track trends” if records are retained for only 2 years. Three-year retention ensures records will be retained as long as there is administrative need to look back. Longer retention is authorized for offices whose business need dictates additional time.

**Media Neutrality**

Approved

A handwritten signature in black ink that reads "Galen R. Wilson". The signature is written in a cursive style with a long, sweeping underline that extends to the left and then curves back under the name.

GALEN R. WILSON  
Senior Records Analyst

New GRS 1.3				Old GRS			
GRS No.	Item No.	Retention	ERA Number/ Disposition Authority	GRS No.	Item No.	Retention	Disposition Authority
1.3	010	6 years	DAA-GRS-2015-000x-0001	New item			
1.3	020	2 years	DAA-GRS-2015-000x-0002	5	4	2 years	GRS 5, 1952, item 6
1.3	030	5 years	DAA-GRS-2015-000x-0003	5	3a	5 years	GRS 5, 1952, item 5a
1.3	031	3 years	DAA-GRS-2015-000x-0004	5	3b	3 years	GRS 5, 1952, item 5b
1.3	040	2 years	DAA-GRS-2015-000x-0005	5	2 (in part)	1 year	NC1-GRS-81-13 item 2
1.3	041	2 years	DAA-GRS-2015-000x-0006	5	2 (in part)	1 year	NC1-GRS-81-13 item 2
1.3	050	3 years	DAA-GRS-2015-000x-0007	5	1	2 years	GRS 5, 1952, items 1 and 3