



COMDTINST 7132.6
14 JAN 2010

COMMANDANT INSTRUCTION 7132.6

Subj: AFC-3X BUDGET DEVELOPMENT PROCESS

Ref: (a) CG Finance Center SOP FINCENINST M7000.2 (series)
(b) Financial Resource Management Manual, COMDTINST M7100.3(series)

1. PURPOSE. This Instruction establishes policy regarding the current-year execution of AFC-3X funds through the Operations (OBM), Support (SBM), Training Center (TCBM), Energy Budget Models (EBM), collectively known as the 3XBM, and HQs Electronic Spend Plan (eSP) system. The goal of this policy is to consolidate methodology for funds distribution under the Chief Financial Officer in accordance with references (a) and (b).
2. ACTION. All Coast Guard unit commanders, commanding officers, officers-in-charge, deputy/assistant commandants, and chiefs of headquarters staff elements shall comply with the provisions of this Instruction. Internet release is authorized.
3. DIRECTIVE AFFECTED. Budget Models and Spending Plans, COMDTINST 7132.5, is cancelled.
4. DISCUSSION. The AFC-3X budget development process supports Coast Guard financial management objectives by: (1) providing Coast Guard leadership, including the Investment Resource Board (IRB) and Resource Group (RG) with an executive overview of the AFC-3X portion of the Operating Expense (OE) base; (2) facilitating proper mission execution through the allocation of resources to specific highest-priority programs and missions; (3) enhancing financial integrity across Allowance Fund Codes (AFCs), providing a dependable historical record; and (4) providing information to facilitate the alignment between mission execution and funding priorities across AFCs and Administrative Target Units (ATUs). Thus, the 3XBM and eSP are distribution tools which enable Coast Guard managers to more wisely allocate limited funds and enhance the stewardship of Coast Guard monies.
5. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS. Environmental considerations were examined in the development of this Instruction, and determined not to be applicable.

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NON-STANDARD DISTRIBUTION:

6. FORMS/REPORTS. None.

K. A. TAYLOR /s/
Rear Admiral, U. S. Coast Guard
Assistant Commandant for Resources

Encls: (1) 3XBM Overview
(2) OBM, SBM and TCBM Guidance
(3) List of HQ Program Managers and ATU Budget Officers
(4) EBM Guidance
(5) e-SP Guidance

AFC-3XBM OVERVIEW

1. General. The 3XBM consists of the OBM, SBM, TCBM and EBM. All recurring and non-recurring funding provided to these units and identified prior to the beginning of each FY, shall flow through the 3XBM based on table 1. Budget model funding will flow from Commandant (CG-8) to Commanders, LANT, FORCECOM and Mission Support Organization (MSO) Logistics/Service Centers; District Commanders; the DOG Commander and Training Center Commanding Officers. Each of these units will be characterized as ATUs and will be assigned a distinct combination of Region and Limitation (Lim) Code within the accounting line structure per reference (a).

Table 1: 3XBM ATUs.

<u>HQ Element</u>	<u>Unit Name (ATU)</u>	<u>Budget Model</u>	<u>AFC</u>
CG-094	Legal Service Center (LSC)	SBM	30
MSO	Shore Infrastructure Logistics Center	SBM/EBM	30
MSO	Surface Forces Logistics Center	SBM/EBM	30
MSO	C4IT Service Center	SBM/EBM	30
MSO	Personnel Services Center	SBM/TCBM/EBM	30/34
MSO	Security Center	SBM	30
MSO	Coast Guard Academy	TCBM/EBM	34
FORCECOM	FC Commander/Staff/FC Units	OBM/TCBM/EBM	30/34
FORCECOM	DOG	OBM/EBM	30
FORCECOM	Training Center Cape May	TCBM/EBM	34
FORCECOM	Aviation Training Center Mobile	TCBM/EBM	34
FORCECOM	Aviation Technical Training Center	TCBM	34
FORCECOM	Maritime Law Enforcement Academy	TCBM	34
FORCECOM	Special Missions Training Center	TCBM/EBM	34
FORCECOM	Training Center Petaluma	TCBM/EBM	34
FORCECOM	Training Center Yorktown	TCBM/EBM	34
FORCECOM	Coast Guard Institute	TCBM	34
FORCECOM	CITAT	TCBM	34
LANT	OC Commander/Staff	OBM/EBM	30
LANT	Districts (9 total)	OBM/EBM	30

2. Definitions. The following terms relate to the 3XBM:
- a. OBM-Operations Budget Model. The OBM provides funding from the HQ level to the ATU level, specifically for Districts, the DOG, LANT and FORCECOM.
 - b. SBM-Support Budget Model. The SBM provides funding from the HQ level to the ATU level, specifically for MSO Logistics/Service Centers, LSC and the Coast Guard Academy.
 - c. TCBM-Training Center Budget Model. The TCBM provides funding from the HQ level to the ATU level for AFC-34 funded training centers within MSO and FORCECOM.

- d. EBM-Energy Budget Model. The EBM provides aircraft, cutter, small boat, auxiliary and shore side energy funding from the HQ level to AFC-30 and AFC-34 ATUs.
 - e. FBM-Field Budget Model. The FBM is used to distribute non-energy funding, within an ATU, from the ATU command staff to subordinate units with separate OPFACs. The FBM is administered by the ATU budget officer.
 - f. Staff Spend Plan. Staff spend plans are used to develop a budget and distribute funding within the staff of an ATU. The staff spend plan is administered by the ATU budget officer.
 - g. ATU. ATUs are defined in reference (b).
 - h. ATU Budget Officer. The ATU budget officer is designated specifically by ATU officers as defined in reference (b) to administer ATU budgets at FORCECOM, LANT, MSO Logistics/Service Centers, Districts, the DOG and Training Centers. ATU budget officers shall use the FBM and staff spend plans in carrying out these duties. A list of ATU budget officers can be found on the Commandant (CG-832) website (<http://cgweb.comdt.uscg.mil/CG8/CG83/CG832/Index.htm>).
 - i. Program. A line item delineated within the 3XBM as either an asset or unique.
 - j. Program Manager. The party responsible for managing a program within the 3XBM. Enclosure (3) identifies the appropriate office with the associated programs, while the roles and responsibilities of that office are listed below.
 - k. Resource Management Office. The resource directorates serves a strategic and tactical role in cross programmatic coordination, budget build, budget execution, and budget allocation and must therefore be an integral player in any actions affecting the distribution of 3XBM funds.
3. Roles and Responsibilities. The 3XBM relies on a close liaison between key stakeholders:
- a. Commandant (CG-83). Commandant (CG-83) will supervise and oversee the development, execution and routine maintenance of the 3XBM. Prior to the commencement of the current-year budget development cycle (usually May), Commandant (CG-83) will promulgate an AFC-3X budget development memorandum, a schedule of 3XBM milestones leading up to the enactment of the years' budget in October, and an update to enclosure (2) of this Instruction. The Commandant (CG-83) staff will provide 3XBM training to key stakeholders prior to the budget development cycle, facilitate changes to model line items as directed by HQ program managers, ensure distribution of all active current FY Resource Proposals (RPs) into the 3XBM and provide analysis of economic data to administer the 3XBM. Any adjustments to 3XBM

funding standards not supported by a new RP or other recurring funding stream from the program manager require the approval of Commandant (CG-83).

- b. HQ Program Managers. HQ program managers are responsible for the funding standards for all 3XBM line items under their purview. A list of 3XBM line items and applicable program managers is found in enclosure (3), which will be updated by Commandant (CG-83) at the kick-off of the budget development cycle. Any shortfall submitted by an ATU budget officer to Commandant (CG-83) will be forwarded to the appropriate program manager for validation and formal response. Subject to coordination with affected parties and resource directorates, the program manager may reallocate programmatic funding within the 3XBM to address the shortfall, amend program standards to conform to funding constraints; and/or seek additional funding via an RP. Program managers shall review and endorse all field-level requests for 3XBM funding standard adjustments.

- c. ATU Budget Officers. Each ATU is staffed with an ATU budget officer, who is responsible for administering the 3XBM for their assigned command. This includes reviewing 3XBM changes during the budget development cycle; development and execution of staff spend plans and funding distributions to support subordinate units. The execution of the 3XBM at the field level shall be administered and reported through the FBM. An updated list of ATU budget officers can be found on the Commandant (CG-832) website (<http://cgweb.comdt.uscg.mil/CG8/CG83/CG832/Index.htm>). Funding deficiencies at the ATU budget officer level should be brought to the attention of Commandant (CG-83) to consolidate and forward to the applicable program manager.

OBM, SBM AND TCBM GUIDANCE

1. Methodology. Incremental or decremental changes to an ATU's assets or service requirements lead to an associated change in the funding level of that ATU. The models address both *recurring* and *non-recurring* AFC-30 and AFC-34 funding. Non-recurring funding which is foreseeable by a HQ program manager during the model build process (i.e. through an active RP) shall be directed to the field through the models. Mid-year Funds Transfer Authorizations (FTAs) will be subject to ATU-level taxing at the budget officer's discretion. In addition, all mid-year FTAs, from the HQ level to the ATU level, of \$10,000 or more must be approved by Commandant (CG-832). The OBM, SBM and TCBM will assign funding levels through the following hierarchy:
 - a. Assets. Asset-based funding shall be used where practicable. Assets are similar entities throughout the Coast Guard, and therefore are funded at a standard rate. Although the actual funding standard is controlled by HQ program managers, it is adjusted by two factors, updated each fiscal year: Regional Cost Index (RCI) and Producer Price Index (PPI).
 - (1). RCI. RCI adjusts for regional cost differences internal to the Coast Guard. The base RCI (average CG RCI) is 1.0, and is therefore budget-neutral. Each ATU will be assigned an RCI based on a money-weighted calculation from publicly available regional cost studies.
 - (2). PPI. PPI adjusts for inflationary changes in price levels external to the Coast Guard. PPI is not budget-neutral since prices tend to rise over time, and thus requires funding from an RP each FY. Commandant (CG-832) will maintain a list of PPI categories grouped by asset type, and apply PPI adjustments to model line items as on-budget funding permits.
 - b. Uniques. Unique funding shall be used where asset-based funding is not practicable, such as for services. Unique funding is for OBM, SBM and TCBM line items which are applicable to one or more ATU, but for which a common funding standard is not applicable. Examples of these items are operational travel, hazardous waste, and telecommunications. Unique funding is not adjusted by the RCI factor, since funding levels are not standard across the Coast Guard. Uniques will be assigned to PPI categories and will be adjusted as on-budget funding permits. Unique creation is subject to the joint discretion of Commandant (CG-832) and the appropriate program manager.
2. Policy.
 - a. All 3XBM ATUs listed in enclosure (1) will receive their annual AFC-30/-34 budget allocations through FTAs based on the figures in their respective budget models.
 - b. All ATUs shall administer OBM, SBM and TCBM funds distributions to subordinate units through the FBM.

- c. Commandant (CG-832) shall input start-of-year budget distributions into the budget models based on approved RPs in the current FY DHS Appropriation Act. This shall be completed within 15 days of receipt of apportionment from the Office of Management and Budget. Commandant (CG-832) will work closely with HQ program managers and ATU budget officers to ensure that funding matches operational requirements and assets appropriately.
- d. MSO, FORCECOM or LANT resource management offices shall notify subordinate ATUs of any tax within 15 days of Commandant (CG-83)'s release of the 3XBM.
- e. Each ATU shall, in turn, accurately enter start-of-year budget distributions to subordinate units (full year amounts) within their respective FBM within 45 days of receipt of apportionment from the Office of Management and Budget. As a required management decision tool, all ATU budget officers shall reflect accurate start-of-year budget information for subordinate units.
- f. All ATUs shall distribute annual funding for their staff offices within the spend plan module of the budget model. The FBM shall only reflect subordinate unit funding and not funds for staff offices. Any taxing will be allocated to a specified FBM category (generally staff support vs. field support) when reporting the beneficiaries of field-level taxing.
- g. All *recurring* and foreseeable *non-recurring* funding distributed below the ATU level shall be reflected in the FBM and sent directly to the receiving command upon ATU completion of the FBM.
- h. ATUs are authorized to retain one percent of initial non-energy funding or \$200,000, whichever is less, for "contingency" purposes throughout the FY. Budgeting of contingency funds shall be clearly reflected in ATU staff spend plans and titled "ATU Contingency Fund." The ATU shall ensure that 50% of the contingency amount is distributed or obligated by 30 March and 100% is obligated or distributed by 01 September each year. Commandant (CG-832) will manage budgetary risks above these thresholds, e.g. due to the occurrence of natural disasters.
- i. Commandant (CG-832) shall ensure that the OBM, SBM and TCBM are updated annually, including revised asset standards. Annual adjustments will be made to ATU targets based on changes of assets, services, or other modifications.
- j. The OBM, SBM and TCBM are programmatically driven; therefore accurate program manager lists are essential for control and equity. The HQ program managers listed in enclosure (3) are responsible for maintaining accurate lists of those assets, uniques and corresponding funding requirements within their program. Line items without a specific program manager will be managed by Commandant (CG-832). As discussed in enclosure (1), this list will be updated and promulgated by Commandant (CG-83) prior to the 3X budgetary development cycle.

- k. The budget model request tool shall be used by field units and approved by the ATU budget officer to update any budget model line item. Any new funding which is approved will be incorporated into the budget model in subsequent years. The following process shall be used for budget model updates:
1. ATUs will request input from field units for budget model updates.
 2. Units will initiate budget model updates from the “Budget Model Home” screen of the OBM, SBM and TCBM and continue to add/edit updates until they are ready for submission to the ATU budget office. All requests for funding changes by units should be submitted by entering the full funding level (100% funding) required for each line item for the upcoming fiscal year with adequate supporting information to justify the increases. When complete, units will submit updates to the ATU budget officer.
 3. ATUs will be provided with a budget model update report to be used as a worksheet for submitting combined budget model updates for the ATU.
 4. ATUs will enter budget model update line items for the upcoming fiscal year.
 5. When all line items are complete, ATUs will submit ATU budget model updates to Commandant (CG-832) by 15 Jun. All requests for funding changes by ATUs should be submitted by entering the full funding level (100% funding) required for the entire ATU for the upcoming fiscal year with adequate supporting information to justify the increases.
 6. Commandant (CG-832) will provide program managers with model update reports for each line item under the program managers’ purview by 01 Jul.
 7. Program managers will incorporate model update results into their input for the subsequent fiscal years’ model build, and provide any update decisions back to Commandant (CG-832) by 30 Jul.
1. Program manager lists shall be updated in accordance with the timeline provided annually by Commandant (CG-832) in accordance with the following:

- | | |
|----------|--|
| 01 May: | Commandant (CG-83) promulgates an AFC-3X budget development memorandum, a schedule of 3XBM milestones, and an update to enclosure (2) of this Instruction. |
| 31 May: | ATU field units and staff elements submit budget model update requests to their ATU budget officer. |
| 15 June: | ATU budget officers submit budget model update requests to Commandant (CG-832). |

- 01 July: Commandant (CG-832) provides consolidated ATU budget model update requests to program managers for each budget model line item.
- 15 July: Commandant (CG-832) makes annual update to Regional Cost Index and works with Commandant (CG-431) to develop square footage report.
- 30 July: HQ program managers submit updates to budget model standards under their purview to Commandant (CG-832) via their Resource Management Office.
- 15 August: Commandant (CG-832) completes model distributions for new, active RPs and budget model updates based on appropriate program manager input.
- 01 September: ATU budget officers begin review of their draft budget models and work with Commandant (CG-83) and appropriate program managers to address and resolve discrepancies.
- 15 September: ATU budget officers begin building FBM and staff spend plans. ATUs complete review of their draft budget models.
- 30 September: Commandant (CG-83) approves and promulgates the OBM, SBM and TCBM to financial managers.
- 15 November: ATU budget officers shall complete FBM entries and staff spend plans.

HQ PROGRAM MANAGERS

Table 1: OBM, SBM and TCBM line items and responsible program managers.

Budget Model Line Item	Applicable Model(s)	Region	Program Manager
30T/34T	OBM, TCBM	FORCECOM	FC-51
Aircraft, MPA Gap Reduction	OBM, TCBM	DCO	CG-711
APO-J	OBM	DCO	CG-711
Area Contingency Plan	OBM	DCO	CG-533
Archives	OBM, SBM	MSO	CG-611
Armed Helo / NCRAD	OBM	DCO	CG-711
Armory	OBM, TCBM	DCO	CG-721
ATON Support	OBM	DCO	CG-541
ATU Uniques	OBM, SBM, TCBM	CG-8	CG-832
Auxiliary SAMA & Auxiliary Support	OBM	DCO	CG-54211
BOSS Contracts	SBM	MSO	CG-43
Bouy Refurbishing	OBM	DCO	CG-541
BRAC (Cape Cod, Sacramento, Barber's Point)	OBM	DCO	CG-711
CAMS Follow-on, COMMSTA Maintenance	OBM	MSO	CG-6
CBRN Detection Capability	SBM	MSO	MSIO-5
CEU Tech Costs	SBM	MSO	CG-431
Chapels	OBM, SBM	CG-8	CG-00A
Chaplain Support	OBM, SBM	CG-8	CG-00A
Civil Rights, EO Reviews & EPMO support	TCBM	COMDT	CG-00H-12
Coast Guard Academy Uniques (Other)	TCBM	MSO	CG-13
Coastal Warning Display	OBM	DCO	CG-544
Commercial Fishing Vessel Safety	OBM	DCO	CG-543
Common Operational Picture for USCG MDA	OBM	DCO	CG-76
Crane Service	SBM	MSO	CG-45
Cutters	OBM	DCO	CG-7511
DGPS Support	SBM	DCO	CG-54132
Dive Locker Support/Travel	OBM	DCO	CG-721
DRAT	OBM	DCO	CG-533
Drug and Alcohol Program Inspectors	OBM	DCO	CG-543
Drug Detection Maintenance	OBM	DCO	CG-531
Electronics Maintenance/Support (all categories)	SBM	MSO	CG-6
Environmental compliance support	SBM	MSO	CG-443
ET/IT Billet	OBM, SBM, TCBM	MSO	CG-6
Facility Security Plans	OBM	DCO	CG-544
Fire Stations	SBM	MSO	CG-43
FIST	OBM	CG-2	CG-211
FLS savings	SBM	MSO	CG-45
GLIB Contracted Maintenance	SBM	MSO	CG-45
Hazardous Waste	OBM, SBM, TCBM	MSO	CG-443
HC-130 Deployment Support Kit	OBM	DCO	CG-711
Health & Safety	SBM	MSO	CG-11
Heavy Equipment	OBM, SBM, TCBM	MSO	CG-431

Table 1, continued: OBM, SBM and TCBM line items and responsible program managers.

Budget Model Line Item	Applicable Model(s)	Region	Program Manager
HLS Planning & Coordination	OBM	DCO	CG-53
Housing Assets, Contracts, Initial Housing, UPH	SBM, TCBM	MSO	CG-1223
Increased Harbor Patrols (HARPATs)	OBM	DCO	CG-53
Intermediate Level Equipment	SBM	MSO	CG-45
IRM Equipment & Billet Support	SBM	MSO	CG-6
Janitorial Contracts	SBM, TCBM	MSO	CG-431
K9 Support	OBM	DCO	CG-532
LE Gear for Security Inspection Teams	OBM	DCO	CG-543
LE Support	OBM	DCO	CG-531
Leases/ISSAs/MOUs	OBM, SBM, TCBM	MSO	CG-43
Legacy Healy Support	SBM	MSO	CG-45
Loran Stations	OBM	DCO	CG-54132
Marine Inspection Hazwaste Clothing/Equipment	OBM	DCO	CG-543
Marine Safety & Security (RPs 09-221, -222, -223)	OBM	DCO	CG-543
Miscellaneous	OBM, SBM, TCBM	CG-8	CG-832
MIFC	OBM	CG-2	CG-211
MSST/MSRT/PSU Support	OBM, TCBM	DCO	CG-532
MTSA LNG Security, Field Impl, Port State	OBM	DCO	CG-544
MWR Programs (Large/Small)	SBM, TCBM	MSO	CG-12
NAIS	SBM	DCO	CG-7611
National Archives	OBM, SBM	MSO	CG-611
National Centers of Excellence (NCOEs)	OBM	DCO	CG-543
National Strike Force Coordination Center	OBM	DCO	CG-533
Non-Standard Computer Support	SBM	MSO	CG-63
OPA 90	OBM	DCO	CG-533
Organizational level maintenance	SBM	MSO	CG-45
PAWSS maintenance & support	SBM	MSO	CG-6
Panama Canal Liaison	OBM	DCO	CG-DCO
Port Security Readiness & Planning	OBM	DCO	CG-544
Posit Upgrades / Reprogrammings	OBM, SBM, TCBM	CG-8	CG-833
PPE (Boat Forces)	OBM, TCBM	DCO	CG-7312
Prepositioned Equipment (VOSS)	OBM	DCO	CG-533
Personnel Support Costs (PSC) / PSC-Reserve (PSCR)	OBM, SBM, TCBM	CG-8	CG-833
Readiness and Exercise	OBM	DCO	CG-5311
Real Property Leases	OBM, SBM, TCBM	MSO	CG-431
Recreational Boating Safety Program	OBM	DCO	CG-542
Rescue Swimmer	OBM, TCBM	DCO	CG-711
Reimbursables	OBM	CG-8	CG-831
REPFACs	SBM	MSO	CG-431
Sector Command Center Equipment	SBM	MSO	CG-64
Security Contracts	SBM	MSO	MSO-34
SLDMB	OBM	DCO	CG-7612
Small Boats	OBM, SBM, TCBM	DCO	CG-7312

Table 1, continued: OBM, SBM and TCBM line items and responsible program managers.

Budget Model Line Item	Applicable Model(s)	Region	Program Manager
Special Emitter Identification Equipment	SBM	MSO	CG-64
Square Footage	OBM, SBM, TCBM	MSO	CG-431
Supplemental Inspection Travel	OBM	DCO	CG-546
TAMC/ISC Hono Clinic	SBM	MSO	CG-11
Telecoms	OBM, SBM, TCBM	MSO	CG-6
Training Center Uniques	TCBM	FORCECOM	FC-51
Training Cost Feeder	TCBM	FORCECOM	FC-51
Trash	OBM, SBM, TCBM	CG-8	CG-832
Travel	OBM, SBM, TCBM	CG-8	CG-832
Travel to obtain health care	SBM	MSO	CG-11
Unit & Grounds Maintenance	OBM, SBM, TCBM	MSO	CG-431
Vehicle Support	OBM, SBM, TCBM	MSO	CG-441
Water / Sewage	OBM, SBM, TCBM	CG-8	CG-832
WLB/WLM MAT Funding	SBM	MSO	CG-45
WMSL CCMP/Crew funding/Program Support	OBM	DCO	CG-7511
Worklife	SBM	MSO	CG-111

EBM GUIDANCE

1. General. The EBM is used for budgeting and distributing aircraft, cutter and small boat fuel. The model also budgets and distributes shoreside energy funding to both AFC-30 and AFC-34 ATUs. Shoreside energy includes electric, natural gas, heating oil, propane and automotive gasoline. The following Object Class Codes from ref (a) shall be utilized when executing EBM funds: 233Q-LPG, 233R-Natural Gas, 233T-Electricity, 2632-Aircraft Fuel, 2634-Auto Fuel, 2637-Small Boat Fuel & Lubricants, 2639-Cutter Fuel, 2641-Shore Energy.
2. Methodology. The distribution of energy funds is based on the EBM, which estimates the amount of funds the Coast Guard will need for a given fiscal year based on anticipated inflation, expected quantity of energy required and expected price paid.
 - a. Liquid Fuels
 - (1). Distribution of liquid fuel funding is based on expected quantity required and expected price. Liquid fuel quantities are based on expected consumption rates and program hours used for operational assets (cutters, small boat and aircraft).
 - (2). Prices are based on Defense Energy Support Center (DESC) standard prices, where applicable. For purchases not made through DESC, the Coast Guard relies on data from the Energy Information Agency and local commercial prices.
 - b. Shoreside Energy
 - (1). Distribution of shoreside energy funding is based on expected quantity required and the anticipated inflation rate or price change for a given region. Shoreside energy quantities are based on historic energy consumption rates.
 - (2). Prices are based on DESC standard prices, where applicable. For purchases not made through DESC, the Coast Guard relies on data from the Energy Information Agency, macroeconomic energy indicators such as prices in heating oil, electricity, natural gas and gasoline spot and futures markets, as well as studies linking observed prices in these markets to actual prices paid by Coast Guard units to vendors.
3. Policy.
 - a. Commandant (CG-832) will maintain the EBM and ensure that it is updated annually, including revised asset counts, burn rates, shoreside regional prices, DESC contract prices and Energy Savings Performance Contract costs. Annual adjustments will be made to ATU allocations based on these updates.
 - b. Commandant (CG-832) will work closely with HQ program managers and ATU budget officers to ensure that EBM funding matches operational requirements and assets appropriately.

- c. All EBM ATUs listed in enclosure (1) will receive their AFC-30/-34 energy budget allocations through FTAs based on the figures identified in the EBM.
- d. Commandant (CG-832) will distribute 100% of shore side energy funds and 75% of fuel funds to ATUs in the first quarter. Remaining fuel funds will be distributed during the fourth quarter based on an analysis of expenditure data, abstract of operations data, current year operations tempo and coordination with ATU budget officers. This allows Commandant (CG-832) to centrally manage the Coast Guard's energy risk ensuring that all ATU energy requirements are met.
- e. ATUs shall ensure that funds distributed for energy consumption are used for that purpose. The use of energy funds for non-energy projects can only be done with approval from Commandant (CG-832). Unused energy funds will be distributed to meet Commandant priorities as determined by the Commandant's standard resource management process via Commandant (CG-83), the Resource Group, Investment Board and Leadership Council.
- f. Respective program managers, as identified in enclosure (3), shall provide updated asset burn rates, program hours and asset counts to account for newly commissioned or decommissioned assets in accordance with the timeline provided annually by Commandant (CG-832).
- g. The EBM does not provide additional energy funds to cover assets that exceed their HQ-authorized program hours.
- h. ATU budget officers shall manage their ATU FY energy budget by monitoring energy spending and ensuring energy obligations are entered into the financial system. In addition, ATU budget officers shall update energy budget forecasts, as required, in order to ensure energy requirements are met throughout the FY and Coast Guard operations are not adversely impacted.
- i. The following timetable will apply:

01 June	Commandant (CG-832) begins the EBM build.
15 July	HQ program managers submit updates to EBM asset counts, burn rates and program hours.
15 August	Commandant (CG-832) releases the draft EBM to ATUs for review.
15 September	ATU budget officers complete review of the draft EBM
25 September	Commandant (CG-832) approves and promulgates the EBM to ATU budget officers. EBM allocations distributed as discussed in paragraph 3.c.
30 November	Commandant (CG-832) commences budget versus actual analyses.

SPEND PLAN GUIDANCE

1. General. Spend plans are the most fundamental of financial management tools. They allow managers the opportunity to look ahead to the coming fiscal year and develop a plan for the use of scarce financial resources. Spend plans are never set in stone they are intended as planning documents to provide a benchmark against actual financial activity. Spend plans should assist financial managers in gaining a better understanding of their funding prioritization and provide senior management with visibility on the initial outlay and intent of Coast Guard funds.
2. Method. All AFC-3X ATU's, not designated in this instruction as budget model units are, by default, spend plan units. Funding for spend plan units is based incrementally on the previous year's budget as adjusted by congressionally approved resource proposals (RP's), OE technical adjustments, and various recurring transactions. The IBUDS source of funds application in the financial systems suite contains the historic record of ATU funding. IBUDS source of funds information is then transmitted to e-spend plan system. Each spend plan ATU then develops a rank ordered spend plan, via the e-spend plan system, for review and approval by Commandant (CG-83).

Table 1: AFC-3X Spend Plan ATUs.

<u>HQ Element</u>	<u>Unit Name (ATU)</u>	<u>AFC</u>
COMDT/VCG Staffs	ATU 99	30
MSO HQ Staffs	ATU 99	30
DCO	ATU 99	30
CG-8	ATU 99	30
CG-2	ATU 99	30
National Maritime Center	ATU 39	30
Air Station Washington	ATU 42	30
Intel Coordination Center	ATU 54	30
FINCEN	ATU 36	30
National Pollution Funds Center	ATU 72	30
All AFC-36 Central Accounts	ATU 99	36

2. Policy.
 - a. Commanding Officers of HQ units and HQ Deputy Commandants shall submit spend plans for their AFC-3X accounts. Spend plans shall be submitted for all units listed in Table 1 and by default not listed in Encl (1), section 1. For HQ offices, this shall not include any funding that is planned to be transferred to field units. Field funding shall flow through the 3XBM.
 - b. Spend plan submissions will be based on current Source of Funds allocations per the IBUDS application in the financial systems suite.
 - c. Spend plan submissions will be divided into FPD project categories. Funds managers shall ensure subordinate accounts utilized FPD project names, so that analysis of planned versus actual expenditure can be conducted.

- d. Each line item shall be accompanied by a detailed description of the item and its purpose. Funds managers are responsible for ensuring that the intent of spend plan line items are fully vetted and disclosed.
- e. Identify any line item or any line item mandated by law by citing the law at the beginning of the item description field.
- f. In the event that the approved spend plans are delayed past the start of the fiscal year, Commanding Officers of HQ units and HQ Deputy Commandants may allocate funding for items and projects which were approved in the previous FY.
- g. Commandant (CG-832) will conduct a budget versus actual analysis on selected categories using CAS records.
- h. The following timetable will apply:

Mid-June	HQ e-SP Training Seminar is held.
Early-August	HQ programs submit their spend plans, to include HQ units, to Commandant (CG-832) via the e-SP system. If draft EXSTAGE is not yet published, modifications to spend plans will be permitted subsequent to draft EXSTAGE.
Early-October	Spend plans approved by Commandant (CG-832). Waivers issued to execute time critical spending prior to receipt of spend plan approval.
Late-October	Commandant (CG-832) commences budget versus actual analysis.