

SECTION 31—POLICIES, LAWS, AND OTHER GENERAL REQUIREMENTS FOR BUDGET ESTIMATES

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Summary of Changes

Updates the methodology for determining spectrum efficiency (section [31.12](#)).

Requires that agency budget estimates should reflect consideration of [Executive Order 13556](#), Controlled Unclassified Information, and the associated policies issued by the National Archives and Records Administration (new section [31.15](#)).

31.1 Basic policies and assumptions

(a) *What should be the basis for my proposals?*

Your proposals should result from a comprehensive system that integrates analysis, planning, evaluation, and budgeting and should reflect the results of the agency's annual strategic reviews as appropriate (see section [270](#) for more on strategic reviews). In developing the estimates, consider the effect that demographic, economic, or other changes can have on program levels beyond the budget year. Be prepared to discuss the impact that program levels and changes in methods of program delivery, including advances in technology, will have on program operations and administration. Also consider the appropriate roles for Federal, State, and local governments, as well as the private sector, in conducting the covered activities.

(b) *What is the scope of the policy estimates?*

(1) *Presidential policy estimates for CY and BY.*

(i) *Regular annual estimates.* Your regular annual estimates must reflect all requirements anticipated at the time of budget submission and should cover:

- Continuing activities, including those that must be reauthorized for the budget year;
- Authorized activities that are proposed for the budget year;
- Amounts necessary to meet specific financial liabilities imposed by law; and
- Decreases for activities proposed for termination or reduction.

(ii) *Supplemental proposals.* You should make every effort to conduct your programs within the amounts appropriated for the current year and to postpone actions that require supplemental appropriations. OMB will only consider supplemental requests that meet the criteria provided in section [110](#).

(2) *Presidential policy outyear estimates.*

Policy estimates for the nine years following the budget year (BY+1 through BY+9) enable an analysis of the long-term consequences of proposed program or tax policy initiatives. When you develop outyear policy estimates, they should be consistent with the general policies and information required for the budget year and indicate the degree to which specific policy decisions made for the budget year or any subsequent year affect budget authority, outlay, and receipt outyear levels. For mandatory estimates, take into consideration changes in spending trends, economic assumptions, and other actions or events when you prepare estimates of budget authority, outlays, and receipts for BY+1 through BY+9. For discretionary budget authority estimates, unless directed otherwise, assume that MAX will generate the outyears using current inflation factors.

(c) *What economic assumptions should I use when I develop estimates?*

All budget materials, including those for the outyear policy and baseline estimates, must be consistent with the economic assumptions provided by OMB. The specific guidance below applies to outyear policy estimates.

OMB policy permits *consideration* of price changes for goods and services as a factor in developing estimates. However, this does not mean that you should automatically include an allowance for the full rate of anticipated inflation in your request.

For *mandatory programs*, reflect the full inflation rate where such an allowance is required by law and there has been no decision to propose less than required. For *discretionary programs*, you may include an allowance for the full rate of anticipated inflation, an allowance for less than the full rate, or even no allowance for inflation. In many cases, you must make trade-offs between budgeting increases for inflation versus other increases for programmatic purposes. Unless OMB determines otherwise, you must prepare your budget requests to OMB within the budget planning guidance levels provided to you, regardless of the effect of inflation.

Economic assumptions may be revised shortly before final budget decisions are made. These revisions will not usually result in changes to the previous budget guidance on your agency totals.

See sections [32](#) and [85](#) for personnel assumptions and costs.

31.2 Advance appropriations

Do not request advance appropriations if the only purpose is to shift budget authority for a program that would normally be provided in the budget year. For example, if you would normally request budget authority in the budget year to cover a cohort of obligations for a grant program, even though some of the obligations will not be incurred until the following fiscal year, you may not request an advance appropriation to cover the obligations expected to be incurred in the following fiscal year.

31.3 Agency administrative actions

OMB Memorandum [M-05-13](#), "Budget Discipline for Agency Administrative Actions," requires you to identify offsets when proposing administrative actions such as regulations, demonstrations, program notices, guidance to States or contractors, or other similar actions not required by law that would increase mandatory spending. In addition, you are required to include with your budget submission a list of all planned or anticipated administrative actions that would increase mandatory spending (see section [25.5](#)).

31.4 Equal opportunity

Your estimates should reflect the Administration's commitment to programs designed to ensure or promote equal opportunity regardless of race, color, religion, national origin, sex (including pregnancy and gender identity), disability, age, sexual orientation, genetic information, or any other non-merit-based factor. These activities include the following: implementation of statutes or regulations requiring fair housing; nondiscrimination in federally assisted or conducted programs; equal credit opportunity; full voting rights; civil and Constitutional rights; equal employment opportunity (including nondiscrimination by Federal agencies); and efforts to increase Federal contracting and subcontracting opportunities for minorities, women, and disadvantaged entrepreneurs.

31.5 Full funding

Requests for acquisition of capital assets must propose full funding to cover the full costs of the project or a useful segment of the project, consistent with the policy stated in the [Capital Programming Guide](#). Specifically, requests for procurement programs must provide for full funding of the entire cost. In addition, requests for construction programs must provide for full funding of the complete cost of construction. You should not submit estimates for construction funds for major construction projects unless planning will reach a point by the end of the current year that will ensure that a contract for construction could be awarded during the budget year. Remember that Administration policy and the Antideficiency Act require you to have sufficient budget authority or other budgetary resources to cover the full amount of unconditional obligations under any contract.

For policies related to leases of capital assets and lease-purchases, see section [31.9](#) and [Appendix B](#). For guidance on budget submissions for capital asset acquisitions, see section [51.19](#). For guidance on principles and techniques of planning, budgeting, procurement, and management of capital assets, see the supplement to this Circular, the [Capital Programming Guide](#).

31.6 Government perquisites

Your estimates should reflect Administration policy to limit the use of Government vehicles, Government aircraft, travel, executive dining facilities, conferences, real property, and fleet management in accordance with [Bulletin No. 93-11](#) "Fiscal Responsibility and Reducing Perquisites," OMB Memorandums [M-11-35](#) "Eliminating Excess Conference Spending and Promoting Efficiency in Government" and [M-12-12](#) "Promoting Efficient Spending to Support Agency Operations," and [Executive Order 13589](#) "Promoting Efficient Spending."

31.7 Multi-year appropriations

Consider whether it is appropriate to request appropriations with multi-year availability, particularly for buildings, equipment, and other types of fixed capital assets, including major computer and telecommunications systems, with long acquisition cycles. Where multi-year appropriations requests are appropriate, you should match the period of availability to the expected length of the acquisition cycle.

31.8 Management improvement initiatives and policies

Your estimates should reflect your efforts and planned action to strengthen management and improve program performance. Guidance on specific areas is provided below.

- *Capital planning and investment control.* Agency estimates should reflect the Administration's commitment to information technology (IT) investments that directly support agency missions as identified in the agency's Information Resources Management (IRM) Strategic Plan, specified in OMB Circular [A-130](#), which should fully describe all IT resources at the agency, be prepared in a manner consistent with the CIO role and CIO review described on page 11 of OMB memorandum [M-15-14](#) Management and Oversight of Federal IT, including the certification statements described in section [51.3](#), and be consistent with the Federal IT Acquisition Reform Act (FITARA) and other relevant laws as described by instructions in sections [51.19](#) and [55](#).
- *Open data and records management.* Your estimates should reflect data sets that have been prioritized through your agency's engagement with customers as specified in OMB Memorandum [M-13-13](#) "Open Data Policy – Managing Information as an Asset." Your estimates should also reflect work necessary to meet the requirements of OMB Memorandum M-12-18 "Managing Government Records Directive," OMB Circular A-130, the E-Government Act, and OMB's guidance. Initiatives should create a customer-centered electronic presence (maximizing the reuse of current assets) and advancing the strategy identified in the IRM plan.
- *Security.* Your estimates should reflect a comprehensive understanding of OMB security policies and National Institute of Standards and Technology (NIST) guidance, including compliance with the Federal Information Security Management Act, and OMB Memorandum [M-03-19](#), "Reporting Instructions for the Federal Information Security Management Act and Updated Guidance on Quarterly IT Security Reporting," by:
 - ▶ Reflecting the cost considerations used to calculate IT security costs (see section [51.19](#));
 - ▶ Demonstrating that the costs of security controls are understood and are explicitly incorporated in the life-cycle planning of the overall system, including the additional costs of employing standards and guidance more stringent than those issued by NIST;
 - ▶ Demonstrating how the agency ensures that risks are understood and continually assessed;
 - ▶ Demonstrating how the agency ensures that the security controls are commensurate with the risk and magnitude of harm;
 - ▶ Identifying additional security controls for systems that promote or permit public access, other externally accessible systems, and those that are interconnected with systems over which program officials have little or no control; and
 - ▶ Demonstrating how the agency ensures the effective use of security and privacy controls, as well as authentication tools to protect privacy for those systems that promote or permit public access.

- *Privacy.* Your estimates should reflect the Administration's commitment to privacy and should include a description of your privacy practices and steps taken to ensure compliance with privacy laws and all OMB policies related to privacy, by:
 - ▶ Reflecting the cost considerations used to calculate any costs associated with protecting privacy;
 - ▶ Demonstrating that the costs of security and privacy controls are understood and are explicitly incorporated in the life-cycle planning of the overall system, including the additional costs of employing standards and guidance more stringent than those issued by OMB;
 - ▶ Demonstrating how the agency ensures that privacy risks are understood and continually assessed;
 - ▶ Demonstrating how the agency ensures the effective use of security and privacy controls, as well as authentication tools, to protect privacy for those systems and promote or permit public access; and
 - ▶ Demonstrating how the agency ensures that the handling of personally identifiable information is consistent with relevant Government-wide and agency policies.
- *Improper Payments.* Your estimates should reflect anticipated reductions in improper payments as reported in the Performance and Accountability Report pursuant to the Improper Payments Information Act of 2002, as amended by the Improper Payments Elimination and Recovery Act of 2010 (IPERA) and the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA).
- *Financial systems.* For a financial modernization project, reflect plans to achieve compliance with OMB Memorandum [M-10-26](#), "Immediate Review of Financial Systems IT Projects," [M-13-08](#) "Improving Financial Systems Through Shared Services," and [Appendix D to OMB Circular A-123](#), "Compliance with the Federal Financial Management Improvement Act of 1996".
- *Other contributions.* Your estimates should reflect the required contributions to E-Gov line of business and other shared service operations. Contribution information is posted in the [E-Gov Funding Tool](#).

31.9 Construction, leases of capital assets, and acquisition of real property

Agencies are required to submit certain types of leases and other unique, non-routine financing proposals to OMB for review of the scoring impact. See [Appendix B](#) for specific requirements.

(a) Construction of Federal facilities

If you are proposing construction of Federal facilities, you must:

- Comply with [Executive Order 12088](#) for pollution control standards;
- Include the amounts required to ensure that existing facilities provide safe and healthful workplaces for Federal employees consistent with the standards promulgated under section 19 of the [Occupational Safety and Health Act of 1970](#), the provisions of [Executive Order 12196](#), and the related Safety and Health Provisions for Federal Employees of the Secretary of Labor (29 CFR, Chapter XVII, Part 1960);
- Comply with requirements of the Architectural Barriers Act of 1968 to eliminate structural barriers impeding the mobility of individuals with disabilities;

- Have reviewed the GSA inventory of Federal facilities and indicate the reasons you want to acquire new space instead of using existing Federal space, according to the GSA inventory;
- Comply with Executive Orders [11988](#) and [11990](#) if you are proposing to use sites located in floodplains or wetlands; and
- Comply with [Executive Order 13693](#) and associated implementing instructions to ensure that you are adhering to the Federal sustainable green buildings requirements. Compliance with green building requirements are to be reported annually in the Federal Real Property Profile, which captures information on Federal real property. Agency users can access general information about the Federal Real Property Profile at <http://www.gsa.gov/portal/content/104199>.
- Comply with [Executive Order 13653](#), "Preparing the United States for the Impact of Climate Change" and be consistent with agency-approved Climate Adaptation Plans.

In addition to the requirements above, if you are requesting funds in support of capital facilities projects, including new construction, full and partial building renovation/modernization, or facility investments that meet the agency's capital threshold, you must provide the following information upon request by your OMB program examiner:

- Documentation supporting compliance with [A-11 Capital Programming Guide](#) and [section 55](#), and the agency's Capital Planning and Investment Control (CPIC) process.
- Life Cycle Cost Analysis consistent with [Circular A-94](#).
- Housing Plan indicating at a minimum the FTE to be housed and the types of facility space and associated square footage for each type.
- Environmental/Energy Efficiency Analyses, including current and future consumption estimates for renovation/modernization.
- Any additional documentation requested by the OMB program examiner.

(b) *Construction of federally-owned housing*

If you are proposing to construct federally-owned housing, make sure you:

- Do not include estimated funding for construction of housing for civilian employees, except where necessary to maintain continuity and efficiency of service and where private capital cannot be found; and
- Meet the requirements in OMB Circular [A-45](#) for service or protection, or lack of available housing.

(c) *Construction in the District of Columbia*

You must consult the Commission of Fine Arts regarding plans for the construction of buildings and other structures in the District of Columbia that may affect in any important way the appearance of the city, and other questions involving artistic considerations with which the Federal Government is concerned.

(d) *Acquisition of land in the National Capital Area*

You must consult with the National Capital Planning Commission in advance regarding proposed developments and projects or commitments for the acquisition of land in the National Capital area, in accordance with [40 U.S.C. 8723\(a\)](#) (see <http://www.ncpc.gov>).

(e) *Leasing capital assets*

If you propose to lease capital assets rather than purchase them, you should check the requirements in OMB [Circular A-94](#). For additional information, see [Appendix B](#).

(f) *Real property acquisition*

If you plan to acquire real property, you must:

- Include estimates consistent with the policies of Executive Orders [13327](#) and [13514](#) in your budget submission; and
- Make sure that estimates for acquisition of real property under contract are consistent with obligations reported in object class 32 (see section [83.7](#)).

31.10 Hospital costs

If you are developing estimates for hospital costs:

- Use data based on the use of resources allocated by diagnosis-related groups and compare these data with payment rates of other payers using similar groupings;
- Indicate whether or not capital and depreciation costs are contained, and describe the cost allocation method underlying the data; and
- Identify the amount of reimbursement collected from third parties and Federal agencies if you provide hospital care on a reimbursable basis.

If you provide estimates for inpatient care facilities and medical care services, make sure they are consistent with [Executive Order 12372](#).

31.11 Advisory committees and interagency groups

If you have advisory committees and interagency groups:

- Reflect the results of the committee reviews required by [Executive Order 12838](#), which requires agencies to reduce the number and cost of non-statutory advisory committees;
- Use the ceilings established by OMB Circular [A-135](#); and
- Separately identify the costs of advisory committees established by statute that you are proposing for termination.

You are prohibited from financing interagency groups (including boards (except Federal Executive Boards), commissions, councils, committees, and similar groups) by contributions from member agencies' appropriations by a Government-wide general provision unless such financing is specifically authorized by statute. Therefore, you must propose financing for such groups in the budget in one of the following forms:

- Appropriations specifically for the interagency group.
- Specific language authorizing interagency funding.

31.12 Radio spectrum-dependent communications-electronics systems

The value of radio spectrum required for radio spectrum-dependent communications-electronics systems should be considered, in economic analyses of alternative systems/solutions.¹ In some cases, greater investments in systems could enhance Federal spectrum efficiency (e.g., purchase of more expensive radios that use less bandwidth); in other cases, the desired service could be met through other forms of supply (e.g., private wireless services or use of land lines). Therefore, to identify solutions that have the highest net benefits, agencies should consider greater investment to increase spectrum efficiency along with cost minimizing strategies. To this end, section 6411 of the Middle Class Tax Relief and Job Creation Act directed that A–11 be updated with sections (a) and (c). Subsection (b) provides a methodology for determining a baseline to evaluate improvements in spectrum efficiency.

(a) *Guidance for Determining Value of Spectrum-Dependent Assets*

To ensure the Federal Government demonstrates proper stewardship of the spectrum resource in its procurement decisions, and thus yield improvements in overall Federal spectrum management and use, agencies must include in the development of their budget justifications for procurement of major radio spectrum-dependent communications-electronics systems consideration of the economic value of the spectrum being used.² The extent of economic and budget analysis required will depend upon the nature and value of the systems and spectrum involved, and agencies should work with their OMB contacts to ensure a proper level of analysis is conducted.³

To demonstrate consideration of the value of the relevant spectrum, agencies should indicate whether the system procured was the most spectrum "efficient" solution among those qualified bids (i.e., that met specified mission/operational requirements); if an agency is unable to so indicate, then the agency should indicate the investment difference between the solution chosen and the more spectrum "efficient" qualified solution. To further advance Federal stewardship of the spectrum resource, agencies should also include the following in their budget justifications for procurement of major radio spectrum-dependent communications-electronics systems:

- In a Request for Proposal (RFP)⁴ to procure the system, the requirement that respondents address spectrum "efficiency" factors (e.g., greater adjacent band compatibility, less use of bandwidth, etc.) and assess trade-offs between investment in equipment and spectrum requirements.
- Whether the system will share spectrum with other Federal or non-Federal systems/operations and, if so, the nature and extent of the sharing relationship.
- When proposing a new system, whether using an existing or alternative Federal system to meet the capability requirement is possible, or whether using capabilities of similar Federal users has been considered.

¹ Circular A–11 reflects language recommended by the Commerce Spectrum Management Advisory Committee, pursuant to section 6411 of the Middle Class Tax Relief and Job Creation Act of 2012.

² Agencies should work with their OMB contacts to identify the new and/or existing systems that will use the A–11 methodology to determine the economic value of spectrum use. Agencies should give priority to systems that operate or plan to operate in frequencies below 3 Gigahertz that have been identified by the National Telecommunications and Information Administration for potential repurposing to commercial use and those that have primary status within a particular band.

³ As a starting point, agencies should estimate the economic value of spectrum utilized by a system using the methodology included in subsection (b).

⁴ Any efficiency factors included in RFP respondents' proposal that are selected should also be included as terms of the final contracts.

- When replacing systems, what improvements in spectrum "efficiency" and "effectiveness" exist compared to the prior system.
- Certification of consideration of non-spectrum dependent or commercial alternatives to meet mission/operational requirements.

Spectrum should be considered to have value and be included, to the extent practical, in economic analyses of alternative systems/solutions. In some cases, greater investments in systems could enhance Federal system spectrum efficiency (e.g., purchase of radios that use less bandwidth); in other cases, the desired service can be met with other forms of supply (e.g., private wireless services or use of land lines). In addition to considering cost minimizing strategies, agencies are encouraged to consider whether the investment would provide net benefits.

(b) Methodology for Determining a Baseline to Evaluate Improvements in Efficiency

The purpose of this section is to provide a methodology to evaluate relative spectrum efficiency when considering alternatives for procuring systems, as called for by subsection (a), or when evaluating spectrum usage generally. The methodology does not attempt to measure or judge the overall benefits of a Federal activity that utilizes spectrum-dependent systems to achieve mission functions nor does it attempt to establish a dollar value or auction price. Instead, the method outlined in this section provides agencies a way to evaluate improvements in spectrum efficiency in implementing their required and essential activities. Also, agencies may develop alternative methods for measuring spectrum efficiency and submit them to OMB for approval.

One method for determining spectrum efficiency when assessing procurement of Federal systems is to develop a baseline that measures: 1) the technical characteristics of the frequency used by the system, 2) the population of an area where spectrum is utilized, 3) the size of the spectrum frequency band or bands used, and 4) the percentage of overall spectrum capacity utilized within that band or bands. The following method can be used to determine a score in these terms that agencies may use in their procurement processes and budget documents as required in subsection (a)⁵:

- 1. Determine a weighting factor to assign to frequency used.** Agencies should use Table 1 to assign a weighting factor to the frequency utilized by the system.

Table 1: Example Frequency Weighting Factors	
Frequency (MHz)	Weighting Factors
0-500	0.05
500-2999	1.00
3000-5999	0.50
6000 and above	0.10

- 2. Estimate population impacted by Federal use.** Agencies should estimate the U.S. population in the service area where the Federal system will be used. Agencies should use U.S. Census Bureau population information by metropolitan statistical area (MSA) or other relevant designation for non-metropolitan areas to develop estimates. Systems that operate partially in the U.S. should only count the U.S. population impacted. For example, a system that only operates in Denver and does not utilize spectrum outside of the Denver MSA, should only use the population information for

⁵ Subsection (a) reflects language recommended by the Commerce Spectrum Management Advisory Committee, which is being included in A-11 pursuant to section 6411 of the Middle Class Tax Relief and Job Creation Act of 2012.

the Denver MSA in estimating population affected. Conversely, agencies should use population information for the entire country, if a system is assigned or utilizes spectrum nationwide.

3. **Estimate percentage of the spectrum frequency band used by a Federal system.** Agencies should identify the percentage of bandwidth utilized by a Federal system. This percentage should include the total amount of bandwidth needed to operate the system in terms of megahertz divided by the total available spectrum (in megahertz) available for the system, regardless of whether that spectrum is necessary to support transmitting or receiving equipment. If more than one band will be used, the percentage should include the total amount of bandwidth needed in each band, divided by the total available spectrum across all bands used. To the extent possible this calculation should include necessary guard bands.

Estimate percentage of overall spectrum capacity utilized. Within those spectrum bands used by a Federal system, agencies should identify the percentage of overall spectrum capacity utilized. This may be done by estimating the average percentage of time in a day when the Federal system is expected to operate, by estimating the average percentage of the total data capacity within that band the Federal system is expected to use, or both. For each frequency assignment agencies are required to provide estimated time of use based on the guidance provided in Table 2.

Frequency of Actual Use	Percentage of Time Used per Day
Constant or nearly constant	50 to 100
Regular/Frequent	10 to 50
Intermittent	1 to 10
Sporadic/occasional	Less than 1

Multiply the frequency weighting factor by population, frequency bandwidth, and utilization.

To calculate the baseline to evaluate spectrum efficiency improvements, multiply together the preceding four factors. The product provides a baseline that can be used to evaluate the extent of efficiency gains, as discussed in subsection (a). When comparing to systems with the same capability, a higher weighting would be considered less efficient.

(c) Spectrum Certification

You must obtain a certification by the National Telecommunications and Information Administration (NTIA) of the Department of Commerce, or your agency as designated by NTIA, that the radio frequencies required can be made available before you submit estimates for the development or procurement of major radio spectrum-dependent communication-electronics systems (including all systems employing space satellite techniques). The NTIA, which is responsible for assigning spectrum to Federal users, may also review these analyses, during the assignment process.⁶

31.13 Spectrum Relocation Fund

Relocation or modification of systems subject to Commercial Spectrum Enhancement Act. For agencies that are affected by the reallocation of certain frequencies from Federal to commercial use, the Commercial Spectrum Enhancement Act (CSEA, P.L. 108-494, as amended by P.L. 112-96) streamlines the process for funding the relocation or modification of systems and, for certain reallocations after February 2012, for

⁶ NTIA may review the economic analyses of alternative systems/solutions at any point in the NTIA authorization processes.

funding spectrum sharing (as well as relocation). Auction receipts from the sale of eligible frequencies will be deposited into the Spectrum Relocation Fund (SRF), unless otherwise directed by statute, and these funds will be used to facilitate Federal agencies' relocation or sharing.

The Federal Communications Commission (FCC) concluded an auction in January 2015 for licenses in the 1695-1710 MHz and 1755–1780 MHz bands, which are eligible frequency bands under the CSEA, as amended, along with the non-Federal 2155-2180 MHz band (collectively, the AWS-3 bands). Under the amended CSEA, agency reimbursements from the SRF for these bands are proceeding in a similar manner as occurred for previous eligible bands, with two main changes. First, agencies may recover for certain pre-auction costs, including through pre-auction transfers, if identified in the agency's transition plan. Agencies' requests for AWS-3 pre-auction funds were submitted to the Congress in September 2014, and agencies became eligible for transfers from the SRF for pre-auction costs in October 2014. Second, agencies may recover costs for spectrum sharing, in addition to relocating or modifying systems.

Spectrum relocation funds have no-year authority, though agencies are expected to adhere to the timeframes approved by OMB. In accordance with section 120, these funds must be apportioned at least annually prior to obligation, unless specifically exempted. Agencies that receive funds from the SRF will report their expenditures to OMB, concurrent with input into an annual report to the Congress to be submitted by the National Telecommunications and Information Administration (NTIA) of the Department of Commerce. Further guidance will be forthcoming on reporting requirements.

If potential cost over-runs or delays become apparent in any spectrum relocation project, OMB and NTIA should be notified in order to facilitate further review. Under the terms of the CSEA, agencies may receive more than one transfer from the SRF, subject to prior review and approval by OMB, in consultation with NTIA. If the subsequent transfer or transfers exceed 10 percent of the original transfer, OMB will notify Congress and the Government Accountability Office, in accordance with the requirements of the CSEA. If transferred amounts exceed actual relocation costs, excess amounts will be returned to the SRF immediately after NTIA has notified the FCC that the agency's relocation is complete.

As pertains to other frequency bands to which the CSEA applies, the FCC will notify NTIA at least 18 months prior to the auction of eligible frequencies. Upon such notification, CSEA relocation processes will commence consistent with the Act, as with the above implementation.

31.14 Historically Black Colleges and Universities

As required by [Executive Order 13532](#), which establishes the White House Initiative on Historically Black Colleges and Universities (HBCUs), affected agencies and executive departments must produce an annual plan that establishes clear goals for how the agency or department intends to increase the capacity of HBCUs to effectively compete for grants and contracts and to encourage HBCUs to participate in Federal programs.

31.15 Controlled Unclassified Information

Agency estimates should reflect consideration of [Executive Order 13556](#), Controlled Unclassified Information (CUI), and the policies issued by the National Archives and Records Administration (NARA), which was tasked by the President to establish government-wide policies for agencies to implement the CUI program. The CUI program will eventually replace all existing Sensitive-But-Unclassified (SBU) information handling regimes (“For Official Use Only,” etc.) across the Executive Branch.

Agency estimates should reflect:

- Development of internal policies to phase-in and transition to the CUI program;
- Development and implementation of training programs to inform affected employees of their responsibilities when handling CUI;
- Assessment and any transition of information systems which handle or are used to process CUI;

- Implementation of physical safeguarding as required for CUI; and
- Development of an internal agency CUI self-inspection program.

31.16 Additional policies and requirements

Develop your budget estimates consistent with the following laws, rules, and policies:

ADDITIONAL REQUIREMENTS

Type of program or expenditure	Policies and requirements
Activities covered by the Coastal Barrier Resources Act	Do not include any new Federal expenditures or financial assistance prohibited by the Coastal Barrier Resources Act (Public Law 97–348).
Foreign currencies	Refer to guidelines in the Treasury Financial Manual (Vol. 1, Part 2, chapter 3200 and Vol. 1, Part 4, chapter 9000) and the Department of Foreign Affairs Manual (Volume 4, chapter 360).
Remedial environmental projects at Federal facilities	Follow the policies in Executive Orders 12088, 13423 and 13514.
Mail	Include sufficient amounts for official use of United States mail, package delivery, and/or private carrier service, including postage due. Assume maximum use of available postage discounts.
Records storage	Include sufficient amounts for the costs of storing and servicing temporary and inactive records.
Space and related requirements	Include payments for space, structures and facilities, land, and building service provided by GSA and others.
Systems acquisitions	Follow the guidance in the Capital Programming Guide . Ensure that electronic and information technology acquisitions meet the requirements of section 508 of the Rehabilitation Act of 1973 and allow individuals with disabilities access to and use of data.
Travel	Minimize official travel. Reflect the allowances authorized under the Federal Travel Regulations issued by GSA or comparable regulations issued by the Department of Defense for travel of military personnel and by the Department of State for foreign service personnel.
Tort claims	Do not include amounts for payment of tort claims unless a substantial volume of claims is presented regularly.
Water and sewer payments to the District of Columbia	Include amounts for payment for water and sewer services.
Construction of nuclear reactors	Obtain a letter from the Department of Energy setting forth its recommendations before submitting estimates.
Contractor claims	Include amounts for reimbursement of the claims and judgment fund for the full amount paid from the fund on behalf of the agency during the past year.

Type of program or expenditure	Policies and requirements
Subsidies for Medicare Part D eligible individuals for qualified prescription drug coverage	<p data-bbox="824 260 1419 548">Do not assume that agency prescription drug costs for the agency's retirees and/or dependents will be reduced by the Part D program. Federal entities will not receive subsidies for Part D eligible individuals for qualified prescription drug coverage through the Retiree Drug Subsidy (RDS) and Federal entities will not administer—or have a third party administer—a Prescription Drug Plan or Medicare Advantage Prescription Drug Plan for their retirees and/or their dependents.</p> <p data-bbox="824 558 1419 932">Administration policy is that Federal Government entities should not receive the Medicare Part D drug subsidies because this would result in the Medicare Trust Fund cross-subsidizing other Federal programs. The primary rationale for creating the Part D RDS was to encourage employers and unions to continue to provide prescription drug coverage to their Medicare eligible retirees and their qualified dependents after the implementation of the Part D Program. These subsidies are not needed for Federal Government entities because the Federal Government intends to continue providing prescription drug coverage for its retirees and their qualified dependents.</p>
