

03
4

August 30, 1973

MEMORANDUM FOR HOWARD WILLENS

SUBJECT: Executive Branch Budget Cycle

In pressing for early action by the U.S. Government to provide financial assistance for Phase I for the FY 75, we can validly make the point that the decision process for the FY 75 budget is already well along in the Executive Branch. The U.S. Delegation must begin moving now if it is to obtain financial assistance for the Marianas for Phase I. It would simply be too late for the U.S. Delegation to seek successfully financial assistance if it waited until the conclusion of the next round of negotiations.

An illustrative case of the budget cycle in the Executive Branch is that of the Department of Defense. Here are some critical dates in its cycle. These are based on the official, published schedule.

- October 1, 1973. Each Service (e.g., Army) and Defense Agency (e.g., Defense Intelligence Agency) must submit its annual budget estimate and backup information. (This submission follows a number of previous steps whereby budget proposals have been considered in considerable detail for the previous 12 months. This previous review included issues being discussed by the Secretary of Defense and other high officials.)

01-05124

- October 2, 1973. The office of the Secretary of Defense begins hearings on the budget submissions. Representatives from the Office of Management and Budget sit in on these sessions.
- October 22, 1973. The Secretary of Defense or his deputy begin to issue written decisions on specific budget items.
- October 29, 1973. All Service or agency appeals to the budget decisions are due.
- November 10, 1973 to December 10, 1973. The Secretary of Defense or his deputy issues revised budget decisions based on any appeals.
- December 7, 1973. The Secretary of Defense conducts meetings with the JCS and Service Secretaries to discuss major unresolved budget issues.

In short, the processes already are well along by October 1, 1973 and even major issues are resolved by early December.

Other Departments, such as the Department of Interior, apparently have similar schedules. Obtaining

these schedules should not be difficult if you think it necessary to further prove our argument of the need for early financial commitments by the U.S. Government.

Barry Carter

cc: Jay Lapin
Mike Helfer