

New Foreign Assistance Budget Process

Fact Sheet

Office of the Director of U.S. Foreign Assistance

Washington, DC

October 23, 2006

New Foreign Assistance Budget Process

Achieving results requires leveraging talents and resources across the U.S. Government, both in the field and in Washington. A new budget process gives us the tools to jointly and strategically allocate resources to improve effectiveness, impact, and efficiency through better coordination at every level. The new budget and planning process will give the Secretary the ability to evaluate the effectiveness of our foreign assistance and make strategic decisions to advance transformational diplomacy.

Former Process	FY 2008 Process	Out-year Process
Missions and Embassies provide USAID Annual Reports (ARs) and State Mission Performance Plans (MPPs) to Washington	Missions and Embassies provide USAID Annual Reports (ARs) and State Mission Performance Plans (MPPs) to Washington	Missions/Embassies provide joint Operational Plans and Annual Results to Washington
	Secretary provides initial country budget level to core teams	Secretary provides initial country budget level to core teams
State budget office makes allocation decisions with bureaus USAID budget office makes allocation decisions with bureaus	Joint USAID/State Core Teams use MPPs and ARs from field to allocate initial level 100 program elements and request additional resources. Input solicited from field to contribute to meetings	Joint USAID/State Core Teams use operational plans, annual results, and field-provided budget tables to allocate initial level 100 program elements and request additional resources.
	Core Team Leaders and later DAAs and DASs meet with Amb. Tobias to review process, levels and "did we get things right."	Core Team Leaders and later DAAs and DASs meet with Amb. Tobias to review process, levels and "did we get things right."
Budget reviewed in 40 Senior Reviews chaired by State Senior Staff USAID budget review in a one-hour session with Secretary	Recommendations from teams and State/USAID leadership consolidated into one of seven joint final "Senior Reviews" before the Secretary.	Recommendations from teams and State/USAID leadership consolidated into one of seven joint final "Senior Reviews" before the Secretary.
OMB Submission	OMB Submission	OMB Submission
Back and forth between separate State and USAID budget offices and OMB to produce final President's	Back and forth between F and OMB to produce final President's budget to Congress	Back and forth between F and OMB to produce final President's budget to Congress

New Foreign Assistance Budget Process

budget to Congress		
Congress reviews request	Congress reviews request	Congress reviews request
	Field submits operational plan to Washington allocating funds among the 383 sub-elements.	Field submits operational plan to Washington allocating funds among the 383 sub-elements.
Congress passes bill/CR	Congress passes bill/CR	Congress passes bill/CR
	Summary of plans shared with Congress. Final numbers presented to Congress.	Summary of plans shared with Congress. Final numbers presented to Congress.
Washington finalizes numbers, presents them to Congress.	Field obligates	Field obligates
Field obligates		