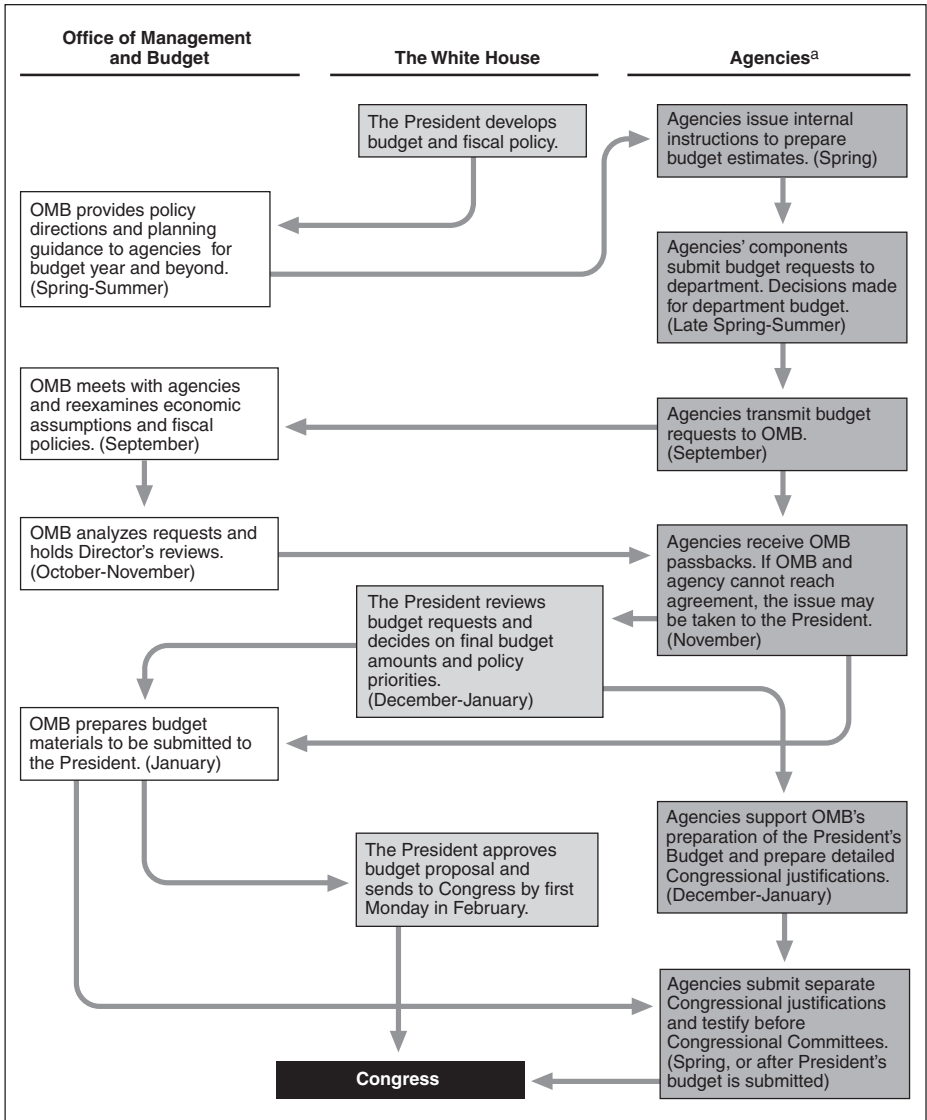


Federal Budget Formulation and Appropriation Processes

As described in appendix I, figure 1 shows the executive branch budget formulation process, which starts when the President develops budget and fiscal policy and concludes when the President sends the proposed budget to Congress by the first Monday in February. Congress then starts the budget and appropriations process illustrated in figure 2.

Appendix II **Federal Budget Formulation and** **Appropriation Processes**

Figure 1: Federal Budget Formulation Process

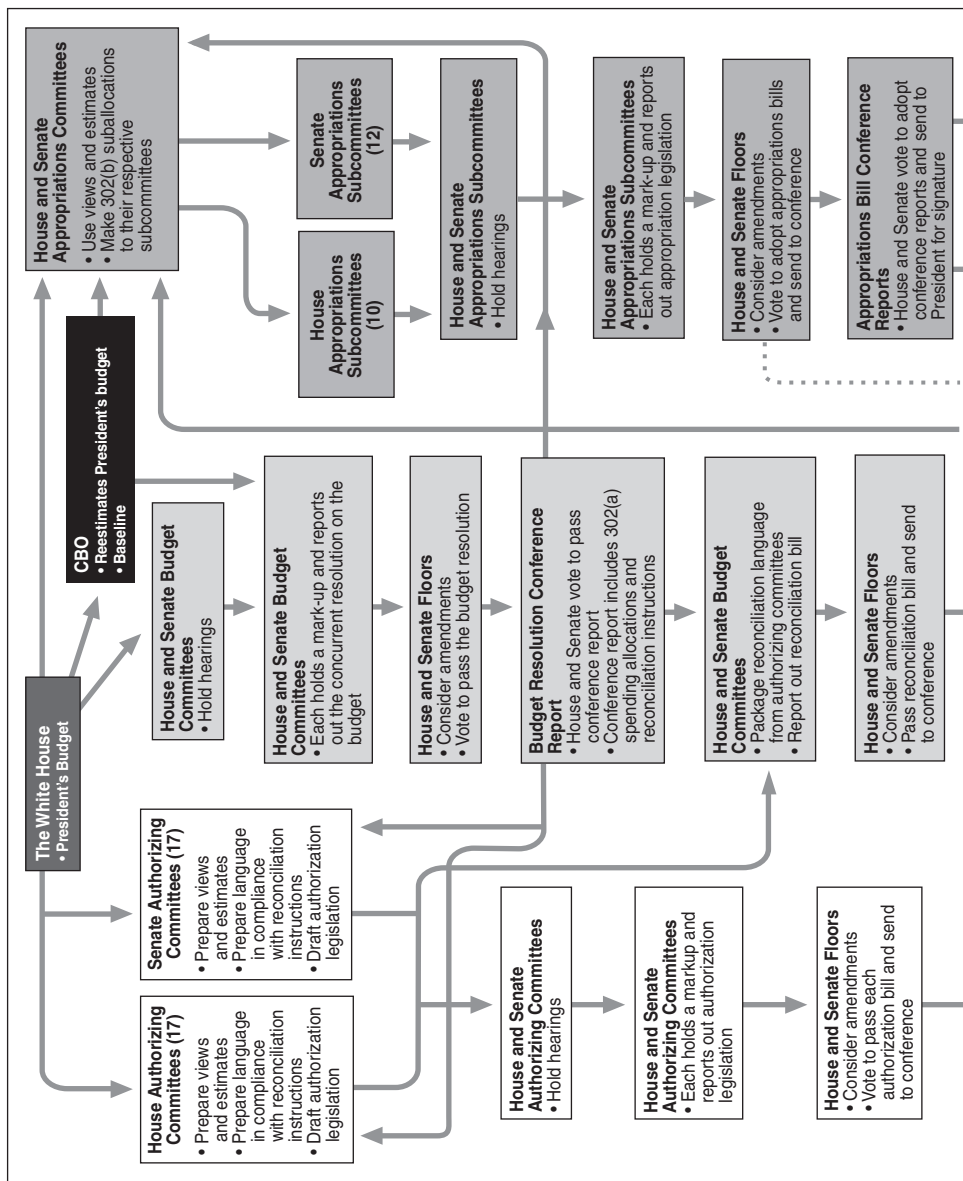


Source: Senate Budget Committee, December 1998, adapted by GAO.

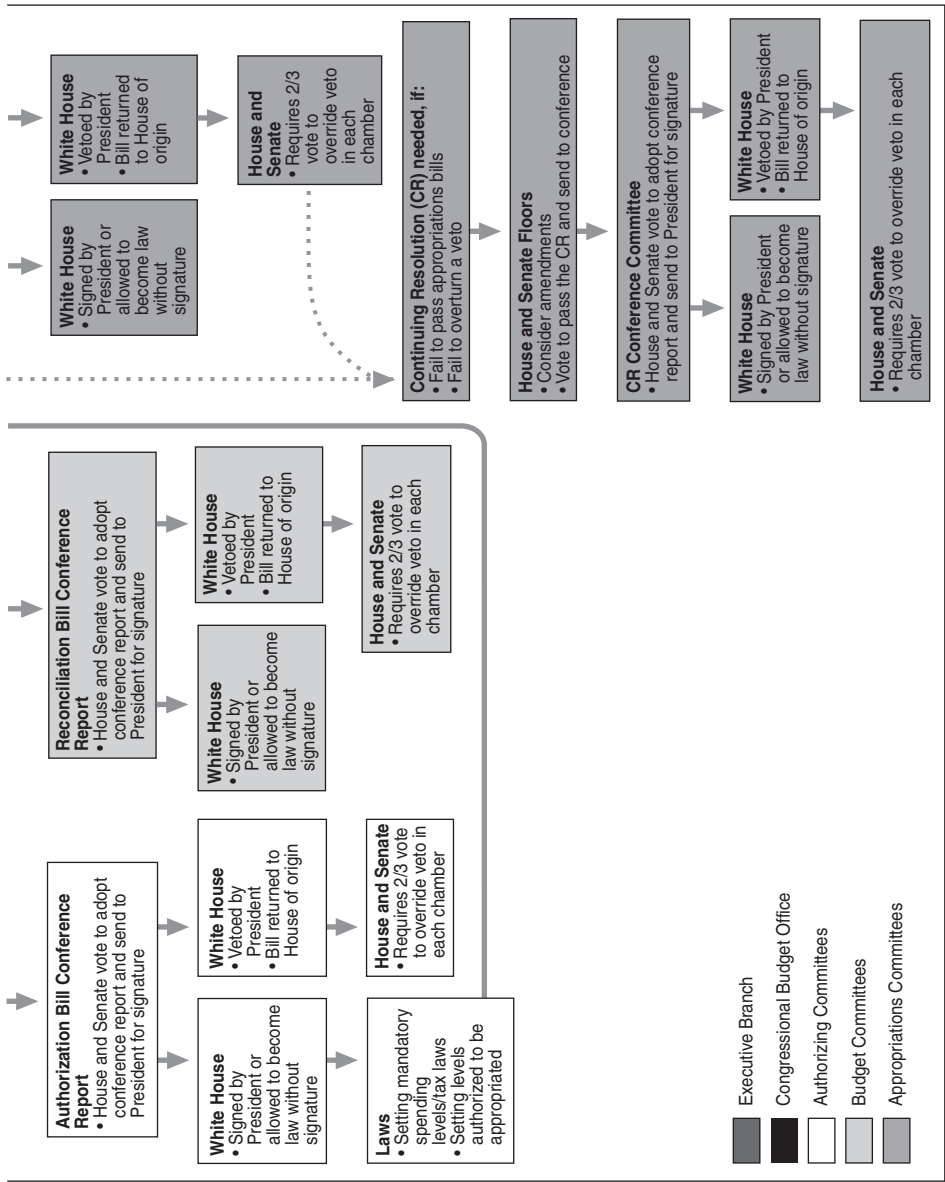
^aThe term “agency” refers to either the department, agency, or lower component levels, depending on the level of decision being made. The budget submitted to OMB represents the budget decisions made at the department or the highest organizational level.

Appendix II Federal Budget Formulation and Appropriation Processes

Figure 2: Federal Budget and Appropriation Process



Appendix II
Federal Budget Formulation and
Appropriation Processes



Source: Office of the Majority Leader, March 2005, adapted by GAO.