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SECRETARY OF THE AIR FORCE**

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**Financial Management**

**THE AIR FORCE BUDGET CORPORATE  
PROCESS**

**COMPLIANCE WITH THIS PUBLICATION IS MANDATORY**

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This Instruction implements the budget corporate review process for AFPD 65-6, *Budget*. It establishes budget corporate review procedures for Headquarters United States Air Force, the Air Force Reserve, and the Air National Guard. Use this Instruction along with Air Force Instruction 16-501, *Control and Documentation of Air Force Programs*, 31 July 2006 and Air Force 16-, 65-, and 90- publications to ensure a full understanding of the PPBE and the Air Force Corporate Structure. A Glossary of References and Supporting Information are at **Attachment 1**. Ensure that all records created as a result of processes prescribed in this publication are maintained in accordance with Air Force Manual (AFMAN) 33-363, *Management of Records*, and disposed of in accordance with Air Force Records Information Management System (AFRIMS) Records Disposition Schedule (RDS) located at <https://www.my.af.mil/gcss-af61a/afrims/afrims/>. Refer recommended changes and questions about this publication to the Office of Primary Responsibility (OPR) using the AF Form 847, *Recommendation for Change of Publication*; route AF Form 847s from the field through the appropriate functional's chain of command. This publication may be supplemented at any level, but all direct Supplements must be routed to the OPR of this publication for coordination prior to certification and approval.

**SUMMARY OF CHANGES**

This publication is updated to reflect changes in guidance and procedures dealing with the the budget corporate review process. The major changes include the addition of The Personnel Budget Review Committee (PBRC) to oversee the Active MILPERS appropriation and CIVPERS budget to advise the Air Force Board and the Air Force Council on all issues related to personnel programs, budgets, and execution; updates to the Operating Budget Review Committee (OBRC) and Investment Budget Review Committee (IBRC); update of

responsibilities for publication managers; and updates to general program processes and new terminology. A margin bar (|) indicates newly revised material.

**1. Air Force Board.** The Deputy Assistant Secretary (Budget) (SAF/FMB) chairs the Air Force Board for purposes of budget formulation and execution to include the Budget Review Cycle and President's Budget (PB) (reference AFI 16-501, *Control and Documentation of Air Force Programs*). The Air Force Board reviews those issues and topics related to developing and defending the Air Force Budget within the DoD PPBE including funding, pricing, and executability. The Investment Budget Review Committee (IBRC), the Operating Budget Review Committee (OBRC) and the Personnel Budget Review Committee (PBRC) support the Air Force Board for purposes of budget formulation and execution with special functions as outlined below.

1.1. The Air Force Board's area of interest includes all financial and budgeting aspects for all Air Force appropriations and accounts (Active Forces, Air National Guard and Air Force Reserve) and Air Force Activity Groups in the Air Force Working Capital Fund (AFWCF). The Air Force Board thoroughly reviews all issues falling within its purview and recommends courses of action to the Air Force Council, the Chief of Staff of the Air Force (CSAF), and the Secretary of the Air Force (SecAF).

1.2. The Air Force Board will accomplish the following actions.

1.2.1. In preparation for the Program Objective Memorandum (POM):

1.2.1.1. The Air Force Board reviews budgetary issues concerning pricing, execution, and executability of Air Force programs, including the findings and recommendations of the IBRC, OBRC and PBRC, and makes recommendations consistent with Air Force priorities.

1.2.2. In preparation for the PB:

1.2.2.1. The Air Force Board (co-chaired by AF/A8P, SAF/FMB, and SAF/US(M)) reviews all Resource Management Decisions (RMDs) issued by the DoD, determines the RMD impact on Air Force programs, identifies potential Major Budget Issues (MBI), and recommends any reclama or rebuttal as a result of Air Force Board deliberations.

1.2.2.2. The Air Force Board (co-chaired by AF/A8P, SAF/FMB, and SAF/US(M)) identifies offsets as required by final RMDs and in support of MBIs selected by Air Force senior leadership. The Air Force Board chairperson presents recommendations to the Air Force Council, the CSAF, the SecAF, and Office of the Secretary of Defense (OSD).

1.2.3. The Air Force Board requests assistance from the Mission and Mission Support Panels as required. The Air Force Board may also request assistance of the Air Force Executive Review Secretariat and other select groups in reviewing issues.

## **2. Investment Budget Review Committee (IBRC).**

2.1. The IBRC assists the Air Force Board and the Air Force Council in evaluating investment appropriations and accounts. The IBRC objective is to have executable budgets that can be justified and defended during OSD and Congressional review.

2.2. The IBRC's scope of review includes the following: Research, Development, Test, and Evaluation (RDT&E), Procurement, Military Construction (Active Forces, Air National Guard, and Air Force Reserve), Military Family Housing (MFH) Construction (Active Forces), MFH Operation and Maintenance (O&M) (Active Forces) appropriations and the Base Realignment and Closure (BRAC) account.

2.3. The IBRC is chaired by the Director, Budget Investment, Deputy Assistant Secretary, Budget (SAF/FMBI). Members include:

2.3.1. Core members: SAF/AQXR, SAF/IEI, SAF/USAM, AF/A1M, AF/A2R, AF/A4/7PY, AF/A5RP, and AF/A8P

2.3.2. Non-Core Members: SAF/FMC, SAF/FMBM, SAF/FMBP, SAF/A6PR, SAF/IEI BRAC PMO, AF/A7CP, AF/REC, AF/TER, NGB/FMB, and Mission & Mission Support Panel chairs.

2.4. The IBRC reviews all investment appropriations and will accomplish the following:

2.4.1. Conducts a review of investment budgets across the FYDP to ensure investment resources are applied in the most effective, executable manner and can be justified during OSD and Congressional reviews. The Investment Budget Review examines program executability, execution, obligation rates, and expenditure rates with respect to schedules and schedule changes, DoD guidance, fact of life changes, DoD requirements, Congressional interest and direction, and other long-standing DoD PBD and/or RMD measures. Provide recommendations to the Air Force Board on investment funding adjustments, MFH O&M redistribution of funds, and BRAC redistribution of funds.

2.4.2. Approves proposed initial allocation of MFH O&M funds.

2.4.3. Obtain input on recommendations during program and budget exercises and in the funds distribution process for investment accounts from the Mission and Mission Support Panels and responsible functional staff agencies.

2.4.4. Periodically, as deemed necessary by the Chairperson, the Mission and Mission Support Panel chairs will brief the IBRC regarding their decisions, status of key programs or items of high interest and other general issues.

2.4.5. Perform other functions assigned by the Assistant Secretary of the Air Force (Financial Management and Comptroller), the Air Force Board, and Air Force Council.

### **3. Operating Budget Review Committee (OBRC).**

3.1. The OBRC oversees the Active Air Force Operation and Maintenance (O&M) appropriation and advises the Air Force Board and the Air Force Council on all issues related to O&M program budgeting and execution. The OBRC objectives are to ensure accurate budget submissions that reflect approved Air Force programs and to provide field commanders sufficient O&M dollars required to execute their missions.

3.2. The OBRC's areas of responsibility include all aspects of budgeting and execution for the O&M appropriation and accounts.

3.3. The OBRC is chaired by the Director, Budget Operations and Personnel, Deputy Assistant Secretary (Budget) (SAF/FMBO). Members include:

3.3.1. Core Members: SAF/FMBO, SAF/AAX, SAF/A6PR, SAF/AQXR, SAF/IEI, AF/A3/A5, AF/A1MS, AF/A2RN, AF/A4/7PY, AF/A7CR, AF/A7SX, and AF/A10-R.

3.3.2. Non-Core Members: SAF/FMBP, AF/A8PE, SAF/FMBOI

3.4. The OBRC reviews all Air Force field operating agency financing as briefed by commands, evaluates risk mitigation, and assesses the impact of execution strategies on outyear programs and budgets. The OBRC presents recommendations to the Air Force Board and Air Force Council for final approval. The OBRC achieves its objective through the following:

3.4.1. Quarterly Reviews. The OBRC meets quarterly or as needed to review execution for the previous quarter, identify priorities for the remainder of the year, and decide on funding recommendations to present to the Air Force Board and Air Force Council. Major events driving the quarterly reviews are listed below:

3.4.1.1. Distribution. Review strategy for distribution of O&M funds to commands. Recommend funding for corporate bills.

3.4.1.2. Mid-Year Review. Assess current status of each command's O&M program. Review baseline shortfalls and potential corporate bills. Evaluate contingency requirements and funding. Develop overall assessment of the O&M program. Assess contingency requirements, funding, and strategy.

3.4.1.3. End of Year Strategy. Assess current status of each command's O&M program. Review baseline shortfalls and potential corporate bills. Evaluate contingency requirements and funding. Develop an overall assessment of the O&M program. Assess contingency requirements, funding, and strategy. Identify the way ahead and recommend end of year strategy to present to the Air Force Board and Air Force Council.

3.4.1.4. Execution Plan Review. Review execution plans submitted by major commands and other field operating activities.

3.4.1.5. End of Year Wrap-Up. Review execution of previous year. Identify lessons learned from previous year. Decide execution strategy for new fiscal year.

3.4.2. The OBRC Chairperson may request Panels to brief the OBRC regarding the status of key programs, items of interest, and/or other general issues. The OBRC may also request briefings from responsible functional staff organizations, especially from those staff agencies responsible for cross-cutting programs.

3.4.3. The OBRC performs other functions assigned by the Assistant Secretary of the Air Force (Financial Management and Comptroller), the Air Force Board and Air Force Council.

#### **4. Personnel Budget Review Committee (PBRC).**

4.1. The PBRC oversees the Active Air Force Military Personnel (MILPERS) appropriation and the Air Force Civilian Personnel (CIVPERS) budget and advises the Air Force Board and the Air Force Council on all issues related to the personnel program, budgeting and execution. The MILPERS appropriation is a Centrally Managed Allotment (CMA). One objective of the PBRC is to ensure that to the extent prescribed by law, directive and

regulation there will be no obligations incurred or expenditures made in excess of the amount available under this CMA. Another objective of the PBRC is to ensure accurate budget submissions that reflect approved Air Force programs and provide functional managers sufficient CIVPERS and MILPERS funding required to execute their missions.

4.2. The PBRC's areas of responsibility include all aspects of budgeting and execution for the MILPERS and CIVPERS appropriation and accounts.

4.3. The PBRC is chaired by the Deputy Assistant Secretary (Budget) (SAF/FMB). Members include:

4.3.1. Core Members: SAF/FMBO, SAF/MRM, AF/A1M, AF/A1X, AF/A1P, A5X, A8P, and AFPC/CC

4.3.2. Non-Core Members: SAF/FMBOP, SAF/FMBP, and SAF/GCA

4.3.3. OPR: SAF/FMBOP

4.4. The PBRC reviews Air Force MILPERS and CIVPERS budgets and personnel management plans, evaluates risk mitigation, and assesses the impact of execution strategies on out-year programs and budgets. The PBRC is a forum to provide leadership with an update on the AF personnel budget and to provide recommendations to the Air Force Board and Air Force Council for final approval. The PBRC achieves its objectives through the following:

4.4.1. Reviews. The PBRC meets monthly or as needed to review MILPERS and CIVPERS execution, identify priorities for the remainder of the year, and decide on funding recommendations to present to the Air Force Board and Air Force Council. Major components of monthly reviews may include:

4.4.1.1. Distribution. Review strategy for distribution of CIVPERS O&M funds to commands.

4.4.1.2. Programming Strategy. Review funding requirements for the MILPERS and CIVPERS budget through the FYDP. Provide the way ahead and recommend programmatic and formulation strategies to present to the Air Force Board and Air Force Council.

4.4.1.3. Analysis of Major Programs. Evaluate CIVPERS funding and work-year execution and assess current status of MILPERS personnel programs to include military personnel appropriation MPA man-days, bonuses and incentives, overseas contingency operations, reimbursements, subsistence, etc.

4.4.1.4. Permanent Change of Station Strategy. Assess current status of operational and rotational moves within program restraints. Review baseline shortfalls and potential shortfalls. Develop an overall assessment of the Permanent Change of Station program. Identify the way ahead and recommend strategy to present to the Air Force Board and Air Force Council.

4.4.1.5. Execution Analysis. Review execution analysis as presented by SAF/FMBOP. Recommend execution year reprogramming actions for CIVPERS and MILPERS when there are projected shortfalls.

- 4.4.1.6. Mid-Year Review. Assess current status of program. Review baseline shortfalls and potential shortfalls. Assess contingency requirements, funding, and strategy. Develop overall assessment of the MILPERS and CIVPERS program.
- 4.4.1.7. End of Year Wrap-Up. Review execution of previous year. Identify lessons learned from previous year. Decide execution strategy for new fiscal year.
- 4.4.2. The PBRC Chairperson may request briefings from responsible functional staff organizations, especially from those staff agencies responsible for cross-cutting programs.
- 4.4.3. The PBRC performs other functions assigned by the Assistant Secretary of the Air Force (Financial Management and Comptroller), the Air Force Board and Air Force Council.

JAMIE M. MORIN  
Assistant Secretary of the Air Force  
(Financial Management and Comptroller)

## Attachment 1

## GLOSSARY OF REFERENCES AND OTHER SUPPORTING INFORMATION

*References*

AFPD 65-6, *Budget*, 1 May 1998

AFI 16-501, *Control and Documentation of Air Force Programs*, 31 July 2006

*Abbreviations and Acronyms*

**AFWCF**—Air Force Working Capital Fund

**BRAC**—Base Realignment and Closure

**CIVPERS**—Civilian Personnel

**CSAF**—Chief of Staff of the Air Force

**DoD**—Department of Defense

**FYDP**—Future Years Defense Program

**IBRC**—Investment Budget Review Committee

**MBI**—Major Budget Issue

**MFH**—Military Family Housing

**MILPERS**—Military Personnel

**OBRC**—Operating Budget Review Committee

**O&M**—Operation and Maintenance

**OSD**—Office of the Secretary of Defense

**PB**—President's Budget

**PBD**—Program Budget Decision

**PBRC**—Personnel Budget Review Committee

**POM**—Program Objective Memorandum

**PPBE**—Planning, Programming, Budgeting, and Execution

**RMD**—Resource Management Decision

**SecAF**—Secretary of the Air Force

**TWCF**—Transportation-Working Capital Fund

*Terms*

**Air Force Working Capital Fund (AFWCF)**—The Air Force Working Capital Fund is a Revolving Fund in which all income is derived from its operations and is available to finance the Fund's continuing operations without fiscal year limitations. Unlike appropriated funds, a revolving fund temporarily holds gains and losses – this is the key to its flexibility.

**Investment Budget Review Committee (IBRC)**—Assists the Air Force Board and Air Force Council in evaluating the program budgeting and execution of the investment appropriations and accounts.

**Major Budget Issue (MBI)**—A RMD action causing serious unfavorable impact to Air Force programs or missions which warrants a personal discussion between the Chief of Staff, the Secretary of the Air Force and the Secretary of Defense.

**Operating Budget Review Committee (OBRC)**—Assists the Air Force Board and Air Force Council in evaluating the program budgeting and execution of the operation and maintenance (O&M) appropriation.

**Personnel Budget Review Committee (PBRC)**—Assists the Air Force Board and Air Force Council in evaluating the program budgeting and execution of the Military Personnel appropriation and accounts.

**Planning, Programming, Budgeting, and Execution (PPBE)**—A formal, systematic structure for making decisions on policy, strategy, and the development of forces and capabilities to accomplish anticipated missions. PPBE is an annual process that produces the Defense Planning and Programming Guidance (DPPG), an approved Program Objective Memorandum (POM) for the Military Departments and Defense agencies covering a 5-year period cycle, and the DoD portion of the President's Budget (PB) covering one year.

**Program Objective Memorandum (POM)**—An annual memorandum submitted to the Secretary of Defense from each Military Department and Defense agency. It proposes total program requirements for the next five years. It includes rationale for planned changes from the approved Future Years Defense Program baseline within the fiscal guidance issued by the Secretary of Defense.

**Resource Management Decision (RMD)**—The Resource Management Decision is an OSD document that directs changes to the Services' programs. RMDs have replaced the Program Decision Memorandum and the Program Budget Decisions. RMDs signal the final phases of programming and budgeting activities within PPBE.