

# Executive Memorandum



EXECUTIVE OFFICE OF THE PRESIDENT  
THE WHITE HOUSE  
WASHINGTON D.C.

## MEMORANDUM FOR THE OFFICE OF MANAGEMENT AND BUDGET

To create a spending plan, you will examine the budgets for six departments and agencies. The President requires each department or agency to identify mandatory and discretionary expenditures separately. For discretionary expenditures, each will propose three budgets:

- The cost (in millions of dollars) for a budget with a proposed increase
- The cost (in millions of dollars) for a budget with no increase
- The cost (in millions of dollars) for a budget with a 5% decrease

Your spending plan should reflect the priorities of the administration. The President has ranked these priorities in order of importance.

**Priority 1:** Ensure the security of the nation, including anti-crime and anti-terrorism efforts.

**Priority 2:** Protect the long-term health of the Medicaid, Medicare, and Social Security programs.

**Priority 3:** Support working families in addressing the challenges of finding affordable childcare, housing, and health insurance.

**Priority 4:** Create a world-class system of education and training for Americans of all ages.

**Priority 5:** Reduce pollution and protect the environment.

**Priority 6:** Increase department and agency efficiency by eliminating unnecessary jobs and investing in technology.

Above all, the President's main concern is that you try to balance the budget. Try to spend no more than \$1,935,000 million among the six departments and agencies.

The President requests that you submit your spending plan and a brief report supporting your plan no later than the date specified on the White House calendar.

## Proposed Spending Plan

**Part 1** Complete the matrix below for each of the six departments or agencies.

- Identify the primary responsibilities for this department or agency.
- Rate (1 = very well, 5 = not well) how well these responsibilities address the president’s priorities.
- Record the mandatory expenditures.
- Record how much you propose the government should spend for each discretionary expenditure.
- Total the mandatory and discretionary expenditures.

**Balanced Budget = \$1,935,000 million**

	Primary Responsibilities	Rating	Mandatory Expenditures + (in millions)	Discretionary Expenditures (in millions)	= Total Expenditures (in millions)
Department of Health and Human Services				Operating expenses:  Preparedness:  State grants:	
Department of Homeland Security				Operating expenses:  No-interest loans:  Scanners:	

	Primary Responsibilities	Rating	Mandatory Expenditures (in millions) +	Discretionary Expenditures (in millions)	= Total Expenditures (in millions)
Department of State and Other International Programs				Operating expenses:	
				Diplomatic and consular:	
				Peacekeeping missions:	
Department of the Treasury				Operating expenses:	
				Technology:	
				Legal fees:	
Environmental Protection Agency				Operating expenses:	
				State grants:	
				Superfund:	
Social Security Administration				Operating expenses:	

**Part 2** Calculate your overall budget for all six departments and agencies. If this figure is unsatisfactory, you may revisit any of the stations to change your spending decisions.

**Overall budget:** \_\_\_\_\_  
 (Add the figures in the last column.)