



US Army Corps
of Engineers

Lesson 17

Program Execution

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Program Execution

Agenda

- Players
- Glossary of Terms
- PPA
- P2 Transaction Types
- Reprogramming
- Scheduling and Metrics
- Contracts
- Management of CAP Programs
- Management of Inland Waterways Trust Fund

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Players

- District – Initiate Reprogramming; Consult with Sponsor and Offices of Members
- MSC – Approve Reprogramming or Concur in Committee Notification
- RIT and PID Future Directions Team – Process Committee Notification
- CW PID Account Managers – Chop; Policy Guidance
- Office of Management and Budget – Concur in Committee Notification
- ASA(CW) – Provide Committee Notification



Glossary of Terms

- ***Transfer*** – Moving funding between appropriations, or between legal subdivisions of an appropriation. Requires authorization. Notification customary.
- ***Allocation*** – Issuance of a work allowance by HQ
- ***Reprogramming*** – Moving previously allocated or sub-allocated funding within an appropriation, into or out of a PPA
- ***Reallocation*** – Moving previously allocated or sub-allocated funds within an appropriation, not into or out of a PPA
- ***Reconciliation*** – Moving funding (through work allowances) to reconcile work allowance allocations with CEFMS allotments
- ***Baseline*** – Carry-in plus CFY allocations

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Program, Project, or Activity (PPA)

- Term appears in G-R-H Sequestration Law and CRA's
- CW PPA = study, project, environmental infrastructure program, FUSRAP project, CAP project, or anything ever named in a table or an Act.
- There can be a PPA within a PPA
- Namings include remaining items, and sub-items
- Unnamed sub-items are not PPAs



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P2 Transaction Types



<i>C</i>	<i>CONFERENCE</i>
<i>H</i>	<i>WITHHOLD C (CONFERENCE)</i>
<i>ALW</i>	<i>ALLOCATE H (WITHHELD C)</i>
<i>SUP</i>	<i>ALLOCATE SUPPLEMENTAL</i>
<i>ALL</i>	<i>ALLOCATION - OTHER</i>
<i>RES</i>	<i>RESCISSION</i>
<i>REV</i>	<i>REVOCAATION</i>
<i>O</i>	<i>OTHER</i>
<i>REC</i>	<i>RECONCILIATION</i>
<i>CGR</i>	<i>REPROGRAM - CONGRESSIONAL</i>
<i>REP</i>	<i>REPROGRAM - OTHER</i>
<i>RLC</i>	<i>REALLOCATION</i>
<i>SUB</i>	<i>SUBALLOCATION</i>

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Reprogramming

- Until FY 2006, USACE theoretically could reprogram anything it wanted except earmarks (Comp Gen) – but “comity”
- FY 2006 Act (and later FY 2008 Act) established prohibitions and approval (notification) requirements in law
- ASA(CW) and USACE grease the skids so notifications will not be objectionable
- 06/08 Conference Reports: no payback promises. Result: more Member objections
- Acts, Reports, and EC have severely limited reprogramming activity and driven up carryover

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Reprogramming Prohibitions

- Across appropriations
- Out of (or sometimes into) an earmark in law
- To initiate or create a PPA (except CAP) – sections 101(a)(1) and 101(b)
 - Is this the same as funding a “new start?”
- To “eliminate” a PPA – section 101(a)(2)
 - OK to reprogram last dollar from completed and closed out project
 - Not OK to reprogram last dollar from terminated project



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Committee Notification for Reprogrammings

- Reprogramming to increase funding or personnel for a PPA for which funding has been “denied or restricted” (Section 101(a)(3))
- Reprogramming of funds for which a Committee specified a use (section 101(a)(4))
- From reprogramming decision tree (see next slide) for I, C, O, MR&T, and FUSRAP

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Committee Notification Decision Tree

- Is the item a PPA?
 - If a PPA, is the reprogramming for an emergency (O) or for settled claim, changed condition, or real estate deficiency judgment (C)? In that case there are special thresholds
 - If a PPA for C or I, did the PPA NOT receive a CFY allocation in the Act or table? In that case, there are special thresholds
 - If a PPA (otherwise):
 - What is the cumulative amount of CFY reprogrammings, including planned reprogramming? (Plus and minus offset each other)
 - What is the baseline?
 - What the applicable section 101(a) threshold is (floor, ceiling, or in-between based on % of baseline)?
 - See Appendix B
- "Proud of our Past, Building for our Future"*



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Priorities for Sources of Funds

- Never needed
- Not needed in CY or BY, assuming Pres. Budget
- Not needed in CY
- Needed, but Lower Priority Work (for O&M Emergency)



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Coordination, Notification, and Reporting of Reprogrammings

- Coordination with Non-Federal Sponsors
- Coordination with Offices of Members of Congress (especially sources)
- Coordination with MSC on Cross-District Actions
- Vertical Team Action on Committee Notifications When Needed
 - Draft Letters including Discussion of Baselines, Cumulative Amounts, Thresholds
 - Data Sheet
 - OMB Clearance and ASA(CW) Signature
- Quarterly Reports to Committees
- QFRs, GAO Reviews, etc.

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Scheduling and Metrics

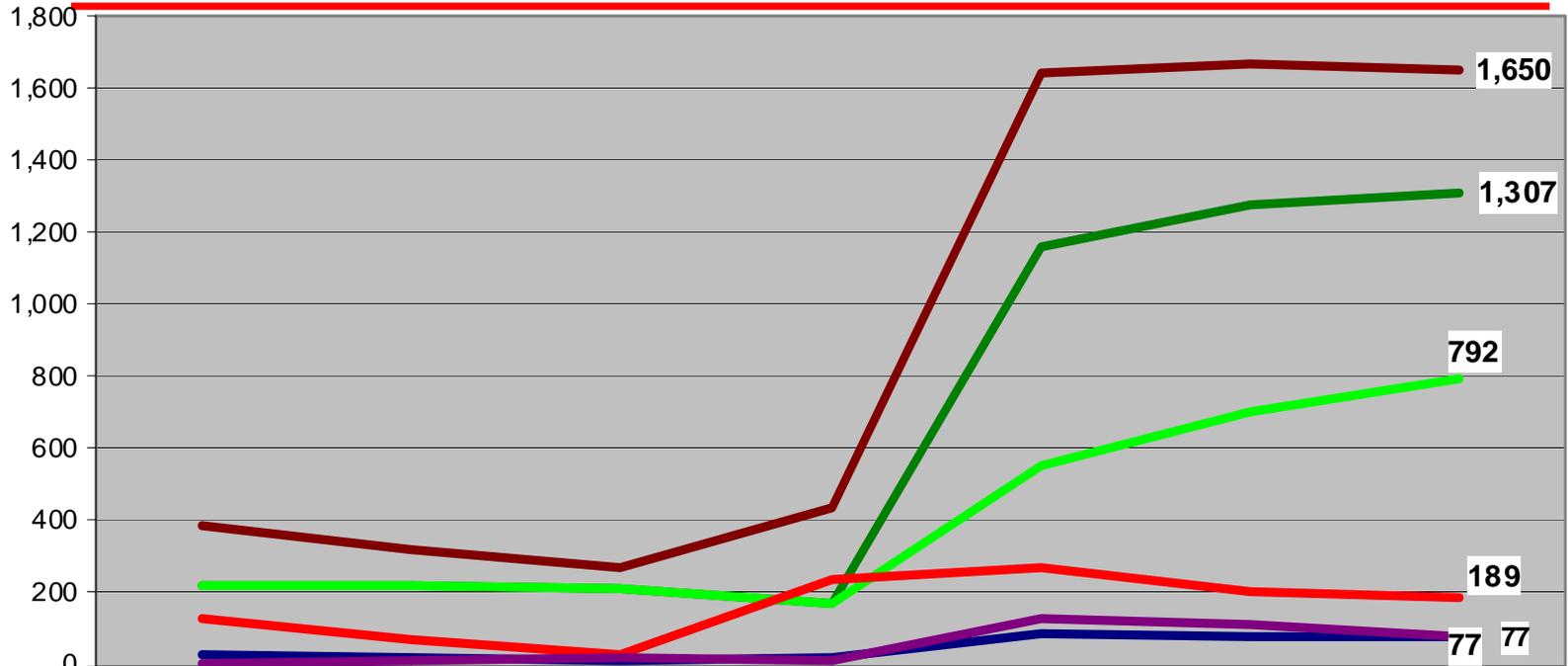
- Scheduled Obligations
 - Actual YTD vs. Basic YTD
 - Current Schedule vs. Basic Schedule for Year
- Milestones and Leading Indicators: Actual YTD vs. Basic YTD
- Currently Planned Unobligated Carryover
 - Reasons
 - Trends

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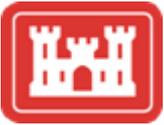
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**FY08 Total Carryover Trend
a/o 18 May 2008
(\$Mil - Current Schedule)**



	2002	2003	2004	2005	2006	2007	2,008
GI	28	20	10	18	87	77	77
CG-Total	222	222	214	167	1,157	1,275	1,307
CG-not incl Suppl	222	222	214	167	549	698	792
O&M	130	68	27	239	268	206	189
MR&T	2	12	18	9	128	109	77
TOTAL	382	322	269	433	1,640	1,667	1,650

GI CG-Total CG-not incl Suppl O&M MR&T TOTAL



Contracts

- **E&WDAA 2008**
 - **Section 102** – No FY 2008 Commitment Beyond Amount Available for Contract
 - **Section 127** – Section 206 Continuing Contract Requirements Apply Only to O&M Work
- **Types of Contracts**
 - **True Continuing** – Contractor May Continue Work if Funding Exhausted; Government Liable for Suspension Costs and Termination Costs
 - **Special Continuing** – Contractor Must Stop if Funding Exhausted; Government Liable for Termination Costs
 - **Incremental** -- Contractor Must Stop if Funding Exhausted; Government Not Liable for Termination Costs Beyond Amount Reserved for FY
 - **Base Plus Options**, IDIQ, etc.
- **USACE Policy**: Contracts below \$20M (FY 2009-2010) Must Be Fully Funded



Management of CAP Programs

- Problems:
 - Backlog >\$1B compared to annual \$\$
 - Too many projects in the pipeline
- Solutions:
 - Pick winners and fund them at capability; defer others
 - Authorize agreements for projects with sufficient funding; reserve post-agreement funds
 - Suspend inactive projects, followed by reaffirmation or termination
 - Reprogramming restrictions

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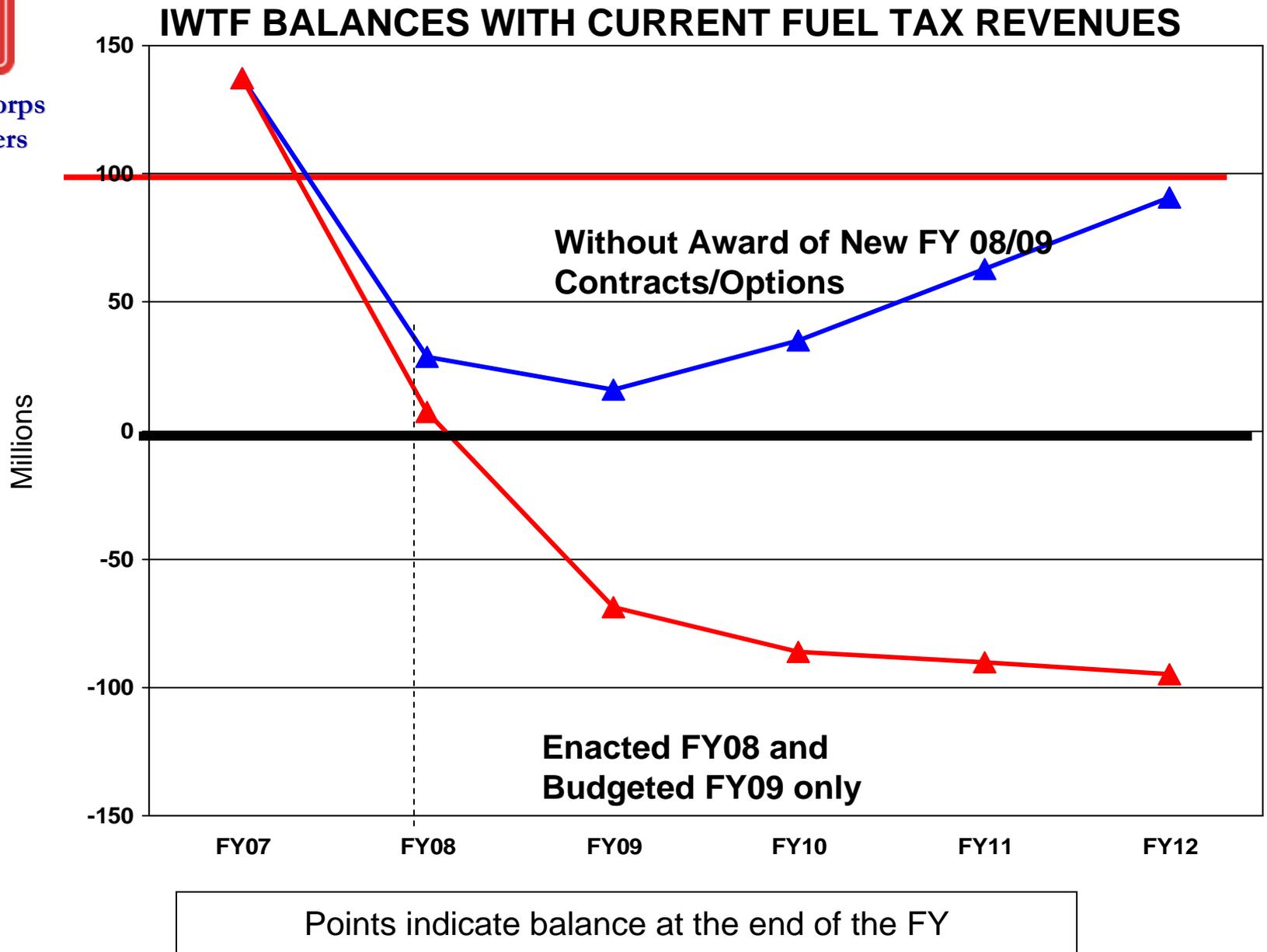
Management of Inland Waterways Trust Fund

- Problems:
 - Annual revenues around \$90 million
 - Annual obligations around \$200 million (50 percent share of IWW capital costs)
 - Only \$30 million left end of FY 2008
- Solutions:
 - Administration's proposed barge lockage fee, or suitable substitute
 - Contract deferrals; priority setting; contract approval by ASA(CW)
 - Monthly transfers, work allowances, and obligations

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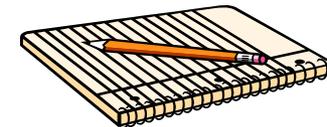
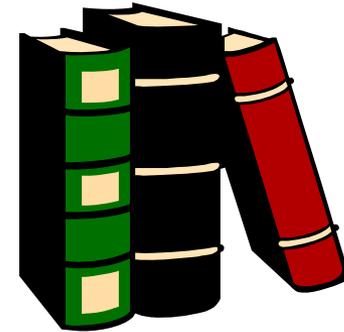




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BACKUP MATERIALS

- FY 2008 Report
- FY 2008 Act
- FY 2008 Execution EC
- Model VTC Fact Sheet





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ASK THE PROFESSOR

