DEPARTMENT OF THE ARMY
U.S. Army Corps of Engineers
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CECW-I

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Programs Management
EXECUTION OF THE ANNUAL CIVIL WORKS PROGRAM

1. Purpose.

a. This Circular provides United States Army Corps of Engineers (USACE) program and project management policies and practices to ensure that execution of the Fiscal Year (FY) 2012 Civil Works Program is conducted in accordance with the Energy and Water Development Appropriations Act, 2012, Division B of the Consolidated Appropriations Act, 2012, Public Law 112-74, and with Administration policies. This document provides guidance and is not to be construed as an official legal opinion regarding any particular item in Public Law 112-74.

b. This document does not provide guidance on execution of the American Recovery and Reinvestment Act of 2009, Public Law 111-5. See EC 11-2-195, Change No. 2.

2. Applicability. This Circular applies to all USACE elements having Civil Works responsibilities and is applicable to all USACE Civil Works activities. This document is published at http://140.194.76.129/publications/eng-circulars/.

3. Objective. The objective for the execution of the FY 2012 Civil Works Program is to execute the Civil Works program effectively and efficiently, consistent with Public Law 112-74 and Administration policies. Execution performance measurement will be based on attainment of schedule milestones and obligation targets.

4. References.

a. ER 5-1-11, Management, USACE Business Process.

b. ER 37-1-30, Financial Administration - Accounting and Reporting.

c. ER 1105-2-100, Planning - Planning Guidance Notebook.

d. ER 11-1-321, Value Engineering for Army Programs.

e. ER 37-1-30, Financial Administration – Accounting and Reporting.

f. ER 11-2-292, Capability Estimates during Defense of Civil Works Program.

g. DoD(AT&L) Defense Procurement and Acquisition Policy, subject: Class Deviation: Defense Federal Acquisition Regulation Supplement (DFARS) 232.705-70 (Oct. 27, 2009), primary continuing contract clause.

h. DoD(AT&L) Defense Procurement and Acquisition Policy, subject: Class Deviation: Defense Federal Acquisition Regulation Supplement (DFARS) 252.232-7007 (Oct. 27, 2009), alternate continuing contract clause.

i. Engineer Federal Acquisition Regulation Supplement (EFARS) Part 252.232-5001, “true” continuing contract clause.

j. DoD Financial Management Regulation (FMR), Vol. 3, Chapter 2.

k. Energy and Water Development Appropriations Act, 2012, Division B of the Consolidated Appropriations Act, 2012, Public Law 112-74.

l. Statement of Managers accompanying FY 2012 appropriations, House Report 112-331, Division B.

5. Scheduling and Execution. See Appendices A through F.

a. Network Schedules.

(1) In accordance with the Project Management Business Process, each Project Manager and the Project Management Team are to create and maintain network analysis schedules for each project in P2 based on the Fiscal Year (FY) 2012 appropriations provided as well as carry-in funds. Each schedule must have appropriate activities with accurate durations, successor(s), predecessor(s), risk, constraints, and lead and lag relationships, and shall reflect an assessment of the risks and opportunities facing the project. In compliance with the Critical Path Method, all activities will have a predecessor (except the start milestone) and a successor (except the completion milestone). Resources are to be applied at the activity level or at the appropriate work package level within a work breakdown structure (WBS). HQUSACE required milestones are to be used in the appropriate WBS as shown in appendix A.

(2) The Project Manager shall accurately identify the appropriate business program using the Primary Business Program field for all activities in P2 which will have scheduled or actual obligations and/or expenditures in FY 2012. This is required in order to assess execution by business program. Primary Business Program is a mandatory data field which is entered in the Project Initiation Dashboard and Maintenance Portlet in P6Web, at the project level. If activities within a project are in a different business program than the project's primary purpose, use the Primary Business Program (Override) activity code in Primavera Project Manager to identify the business program for those activities.

b. Obligation and Expenditure Schedules, Milestones, and Metrics.

(1) The project network schedules will form the foundation for accurate and realistic milestone, obligation, and expenditure schedules that will be measured in Project and Program Review Boards (PRB) at all organizational levels. Performance will be evaluated based on attainment of schedule milestones and obligation targets. The guidance on Civil Works FY 2012 metrics is provided in Appendix A.

(2) By law, obligations may not exceed available funds. For fully funded contracts, sufficient funds should be available at the time of bid opening or proposal receipt to cover the full contract amount. For contracts with a continuing contracts clause or incremental funding clause, sufficient funds should be available or made available to cover the Government estimate of contractor earnings and associated in-house costs for the FY.

(3) Project Managers should carefully plan the execution of their projects both to avoid unscheduled carryover whenever possible, and to avoid scheduling work for which funds or resources are not available. Funds that are carried into FY 2012 and not scheduled for execution will receive special scrutiny.

c. Value Engineering.

(1) Value Engineering (VE) Workshops will be performed in accordance with Reference 4.d.

(2) The milestones for VE (e.g. VE Study Completion) must be included in P2 and will be tracked by the Districts. VE milestone data will be used to ensure and demonstrate compliance with Public Law 99-662 and OMB Circular A-131.

d. Civil Works Peer Review. Milestones for Civil Works Peer Review must be updated in P2 and will be tracked at the quarterly DMR.

6. Work Allowances and Reconciliations.

a. Program Code. Assignment of a proper Program Code in P2 must be completed prior to issuance of any work allowance. The Program Code field will be used to store the Congressional line-item identifier. The associated P2 Program Code Description field will contain the “official” project name such as shown in the authorizing legislation. Only those Program Codes which are on the list of valid values in P2 can be selected. All P2 projects that are associated with a historic Army Management Structure Code (AMSCO) / Civil Works Information System (CWIS) number should populate the Program Code field in P2 with the AMSCO / CWIS number. Projects that are initiated in P2 and are not associated with a historic AMSCO / CWIS project (i.e. new projects), will still use a Program Code assigned from a Program Code list established by HQUSACE. The new Program Code will be the same as the P2 Project Number for the new project.

See Appendix G for additional information. All Corps of Engineers Financial Management System (CEFMS) transactions involving Civil Works funds must be associated with a work item assigned to a P2 Project to ensure all CEFMS data is accounted for at the P2 Project Level.

b. Program, Project, or Activity (PPA).

(1) A program, project, or activity (PPA) is a specifically authorized project study, project, or program funded in the Investigations (I), Construction (C), Operation and Maintenance (O&M), or Mississippi River and Tributaries (MR&T) appropriation, or a project funded in the Formerly Utilized Sites Remedial Action Program (FUSRAP) appropriation, or work that has received an allocation in the most recent Act providing annual appropriations for Energy and Water Development, or work that has received a specified amount in a first-tier line item in a table of allocations in the Statement of Managers accompanying the Act.

(2) A first-tier line item, as used in the above definition, is a line item that received a specified amount not in parentheses, or that did not receive a specified amount but is grouped with first-tier line items that did. On the other hand, a sub-item is a line item that is named with an amount in parentheses, or that is named without an amount and is grouped with line items with amounts in parentheses. Sub-items are not PPAs.

(3) No CAP projects are considered specifically authorized, even those that individually have been modified in an Act but still are to be carried out under the CAP program.

c. Work Allowances.

(1) The funds distribution document is the Funding Authorization Document (FAD) issued by the Resource Management Directorate. Work allowances are the work authorization documents that provide instructions from HQUSACE as to the allocation of the funds available under the FAD. For the I, C, O&M, MR&T, FUSRAP, and FC&CE accounts, the work allowances provide allocations among various P2 Program Codes. The combination of the FAD and work allowance provides expenditure authority and instructions to ensure that the funds appropriated by Congress are used for the purposes intended by Congress (31 U.S.C. 1301).

(2) Work allowances for specifically authorized studies and projects.

(a) All regularly appropriated funds for inland waterway construction and rehabilitation projects will be issued in the Construction account, 96X3122. Work allowances for funds to be derived from the general fund are issued using category-class-subclass (CCS) 220 or 814, and work allowances for funds to be derived from the Inland Waterways Trust Fund (IWTF) are issued using CCS 310.

(b) Work allowances for projects funded in part from the Inland Waterways Trust Fund (IWTF) will be issued in increments on at least a monthly basis. This will be accomplished through the use of the C (Conference), H (Withhold), ALW (Allocate Withheld), and ALP (Allocate Prior Year Withheld) work allowance codes. The reason for monthly work allowances is that the FADs (which equal the sum of work allowances) for IWTF funds count as payables against the IWTF, payables cannot exceed the gross total assets in the IWTF, and less frequent, larger work allowances are not affordable based on the flow of revenues into the IWTF. As additional work allowances and FADs are provided, Districts will reserve funds in increments on already-awarded continuing or incrementally funded contracts funded in part by the IWTF. (However, no new continuing or incrementally-funded contracts that would use funds from the IWTF account may be awarded. See paragraph 9.d.(1).)

(3) Work allowances for Programmatic Remaining Items, Parent Programs, and Project Funding Pots. See also Appendix I.

(a) A Programmatic Remaining Item is a first-tier Remaining Item for which all work is executed under the Program Code for the Remaining Item. Funds are issued to that Program Code in a limited number of EROCs through work allowances, just as for specifically authorized studies and projects.

(b) A Parent Program is a PPA (the Parent) comprised of several studies or projects that are authorized as components (Children) of the Parent. The Parent and Children share a unique category-class-subclass (CCS) or set of CCS, so the PPA is identified by its CCS or set of CCS. Each Child has its own Program Code, but is not a PPA. Funds are distributed initially to the Master Program Code for the Parent using a C work allowance code, then reallocated within the PPA to the Children using the RLC (Reallocation) code. Parent Programs are the Floodplain Management Services (FPMS) Program, the Planning Assistance to States (PAS) Program, the Research and Development Program, and the Great Lakes Remedial Action Program (listed under States) in Investigations; the nine Continuing Authorities Programs (CAP) (Sections), the Employees Compensation Program, and the Estuary Restoration Program in Construction; and the National Emergency Preparedness Program in Operation and Maintenance.

(c) A Project Funding Pot is a PPA from which funds are in turn passed through to specifically authorized study and project PPAs that have their own Program Codes and that exist independently of the Project Funding Pot. (The study and project PPAs funded by a Project Funding Pot also may receive funds on their own in the same fiscal year.) Funds are distributed initially to a Master Program Code for each Project Funding Pot using a C work allowance code, then passed through from the Master Program Code to the various study or project PPAs in multiple EROCs by work allowances using a negative ALL (Other Allocation) work allowance code for the Master Program Code and a positive ALL code for the receiving study or project PPAs. At that point the passed through funds become project funds of the receiving PPAs. Project

Funding Pots are the Independent Peer Review and various Additional Funding for Ongoing Work line item in Investigations; the Safety of Dams Program, Periodic Review of BCR's, South Florida Everglades Ecosystem Restoration Program (listed under States), and various Additional Funding for Ongoing Work line items in Construction; the Federal Energy Regulatory Commission Hydropower Coordination, National Natural Resources Management Activities, Protection, Clearing, and Straightening of Channels, Removal of Sunken Vessels, Emergency Activities, and various Additional Funding for Ongoing Work line items in Operation and Maintenance, and the Channel Improvement (Construction), Channel Improvement (O&M), and various Additional Funding for Ongoing Work line items in MR&T. Supplemental appropriations are also managed as funding pots, with the Master Program Code and the recipient PPAs all receiving SUP (Supplemental) work allowances. In addition, where funds are moved from a specifically-authorized Program Code to a lower-level Program Code within it (for example, from a basin-wide study to a sub-basin study) that is not separately authorized, the higher-level Program Code is treated as a Project Funding Pot.

d. Reconciliations.

(1) When funds allotted to a Program Code in CEFMS during the Continuing Resolution (CR) period (the period prior to the date of enactment of annual or full-year appropriations) exceed the amount of P2 – Oracle Financial Analyzer (P2-OFA) work allowances issued after enactment of appropriations, the project funding account in CEFMS should be reduced by the difference. If funds already had been obligated in the CR period in excess of the work allowance, and cannot be de-obligated, reconciliation is required (see Appendix H for definition). Divisions are responsible for ensuring that reconciliations of work allowances with allotments from the CR period are carried out where necessary, including identifying the appropriate source Program Codes. Reconciliation (REC) work allowances in P2 must be offsetting, that is, both the donor and the recipient must use the REC code. Note that funds allotted on or after the date of enactment in excess of work allowances must be covered with a reprogramming, not a reconciliation.

(2) The Districts on a monthly basis are to examine the P2 reports on variances between P2 and CEFMS, and to reconcile those variances. The variance reports are located in the P2 Navigator under "Work Allowance Analysis – Acct Class". Each appropriation account (including CAP) has two variance reports (Detail and Summary) for Recovery Funds (REC -- not the same as REC for Reconciliation), Regular Funds (REG), and Supplemental Funds (SUPP). The Detail report lists the variances by project. The Summary Report lists the variances by Civil Works Type of Funds.

(3) The MSC and HQUSACE Appropriation Manager must approve any REC work allowance.

7. Reprogrammings and Reallocations. See Appendices H through M.

a. Nature of Reprogrammings and Reallocations.

(1) Reprogramming. A reprogramming is any movement of funding within an appropriation to or from a Program Code, with the following exceptions.

(a) An initial work allowance.

(b) The pass-through of funds from the Master Program Code for a Project Funding Pot to a recipient study or project, as discussed in paragraph 6.c.(3)(c) above.

(c) A reconciliation, as discussed in paragraph 6.d. above.

(d) A reallocation, as discussed in paragraph 7.a.(2) below.

(2) Reallocation.

(a) An exactly offset movement of funds within a Program Code (such as between category-class-subclasses) is a reallocation, unless the funds are being moved to or from a PPA within the Program Code. See paragraph 6.b.

(b) An exactly offset movement of funds between Program Codes within a Parent Program is a reallocation.

(c) The MSC and the HQUSACE Appropriation Manager may approve as a reallocation an exactly offset movement of funds from one Program Code to another Program Code if the latter is a component of the former.

(3) Most reprogrammings have offsetting donors and recipients, although the HQUSACE Appropriation Manager may initiate or approve non-offsetting reprogrammings. Any non-offsetting reprogramming changes the undistributed balance in the account. See Appendices H and I.

b. Processing of Reprogrammings and Reallocations.

(1) There are four types of reprogrammings: REP (reprogramming with no Committee notification required); CGR (reprogramming subject to prior notification of the Committees); EMR (reprogramming in O&M or MR&T M to enable USACE to respond to an emergency, with post-facto notification to the Committees required); and CLM (reprogramming in C or MR&T C for settled claim, changed conditions, or real estate deficiency judgment).

(2) The District should develop its schedule for execution of appropriated funds in collaboration with the Non-Federal Sponsor. Funds that are over and above capability for the current FY (see Reference 4.f.) are surplus. For funds that are surplus to a PPA, the District should dialog with the Non-Federal Sponsor and other stakeholders

concerning a potential reprogramming of the surplus funds. For funds that are surplus within a PPA, such as funds on CAP projects and PAS studies, the District should dialog with the Non- Federal Sponsor concerning the planned reallocation of the surplus, with the expectation that the surplus will be reallocated to improve execution of the PPA within that District or elsewhere. Each reprogramming or reallocation action shall be treated as a one-time transaction with no commitment or expectation to return funds to the source study or project.

(3) CGR reprogrammings . CGR reprogrammings require prior written notification by the Assistant Secretary of the Army (Civil Works) (ASA(CW)) to the House and Senate Appropriations Subcommittees for Energy and Water Development if they are in excess of reprogramming limits on a cumulative net basis. See paragraphs 7.d., 7.e., and 7.f. below. Any reprogramming that would exceed these limits on a cumulative net basis must be submitted by the Division through the Regional Integration Team (RIT) to CECW-I for coordination with the ASA(CW) and the Subcommittees. The goal is to process only one action per FY per PPA that requires notification of the Subcommittees. All proposed reprogramming requests that will require congressional notification should include a draft letter for signature by the ASA(CW) (see Appendix L) and a reprogramming data sheet (see Appendix M). The work allowance in P2 will be coded as CGR. After coordination with the Subcommittees, CECW-I will provide notification that coordination is complete, and the Appropriation Manager or Program Manager will approve the work allowance in P2.

(4) CLM Reprogrammings.

(a) As discussed in paragraph 7.f.(5)(b), sections 101(a)(7) and (9) of Public Law 112-74 establish a special reprogramming threshold for a reprogramming to a PPA in the Construction account or the MR&T Construction sub-account for a settled contractor claim, changed conditions, or real estate deficiency judgment. The work allowance should be coded in P2 as CLM.

(b) Reprogramming under this paragraph should be used only when all of the criteria below are met:

- The reprogramming to the recipient PPA is for settled contractor claims, changed conditions, or real estate deficiency judgments.

- In the case of supplemental funds, the recipient PPA must qualify for the supplemental funds.

- The reprogramming would be over the applicable reprogramming limit on a cumulative net basis for either the source PPA or the recipient PPA, such that a normal reprogramming without Congressional notification (REP) is not authorized.

(c) CLM reprogrammings require approval in P2 by the MSC and the HQUSACE Appropriation Manager, who first will ensure that the criteria above are met.

(5) EMR Reprogrammings.

(a) As discussed in paragraph 7.f.(6)(b), sections 101(a)(8) and (9) of Public Law 112-74 establish post-facto notification requirements for a reprogramming to a PPA in the Operation and Maintenance account or the MR&T Maintenance sub-account that enables USACE to respond to an emergency. The work allowance should be coded in P2 as EMR.

(b) EMR reprogrammings should be used only when all of the criteria below are met:

- The reprogramming is to a PPA in the O&M account or MR&T Maintenance sub-account.

- The reprogramming to the recipient PPA enables USACE to respond to an emergency. See Appendix H and paragraph 6.

- In the case of supplemental funds, the recipient PPA must qualify for the supplemental funds.

- The reprogramming would be over the applicable reprogramming limit on a cumulative net basis for either the source PPA or the recipient PPA, such that a normal reprogramming without Congressional notification (REP) is not authorized. See paragraph 7.g.

- The reprogramming is time-sensitive, such that there is insufficient time for coordination of a CGR reprogramming from the time the District became aware of the need for the reprogramming to the time that the funds must be obligated or used for a solicitation.

(c) An EMR reprogramming should be coordinated within the vertical team, including the Division, the RIT, CECW-IF, the HQUSACE Appropriation Manager, and ASA(CW). EMR reprogrammings require approval in P2 by the MSC and the HQUSACE Appropriation Manager, who first will ensure that the criteria above are met. Concurrently with consideration of such a reprogramming, the Division will prepare draft notification letters to both the House and Senate Appropriations Subcommittees for Energy and Water Development for signature by the ASA(CW), and furnish the draft letters to CECW-IF through the RIT. The letters will be processed to SACW once the reprogramming has been approved by the HQUSACE Appropriation Manager.

(6) For guidance on reallocations among CAP projects, see Appendix B.

c. Reprogramming Prohibitions.

(1) Funds Specified by Statute. Except as provided in law, funds may not be reprogrammed from a PPA if the funds were specified for the PPA in statutory language. (Funds may be reprogrammed to a PPA for which funds are specified by statute, so long as any statutory language does not otherwise limit the amount of funds that may be applied to that PPA in the applicable fiscal year.)

(2) Creation of a New PPA. Funds appropriated in Title I of any Energy and Water Development Appropriations Act (including the Energy and Water Development division of any full-year Continuing Appropriations Act) may not be reprogrammed in order to create or initiate a "new" PPA. This is an absolute prohibition in section 101(a)(1) of Public Law 112-74. The prohibition does not apply to reallocating funds to work within an ongoing PPA that is not itself a PPA. From Appendix H, creation or initiation of a PPA is the funding in the I account, the C account, or the I or C sub-account of the Mississippi River and Tributaries account, or as a remaining item in the Operation and Maintenance account or the Operation and Maintenance sub-account of the Mississippi River and Tributaries account, of a PPA that never has received a work allowance in that account or sub-account. To ensure compliance with this provision, HQUSACE Appropriation Manager approval is required for any reprogramming or reallocation to a Program Code (other than a Program Code with a Parent Program's CCS) that has never received funds in the applicable account. Note that maintenance dredged material disposal facilities individually funded in the Construction appropriation and safety of dams projects funded in the Safety of Dams line item in the Construction appropriation are not new PPAs, as the original projects previously had been funded with Construction funds.

(3) Elimination of a PPA. Funds appropriated in Title I of any Energy and Water Development Appropriations Act (including the Energy and Water Development division of any full-year Continuing Appropriations Act) may not be reprogrammed from a PPA to eliminate the PPA. This is an absolute prohibition in section 101(a)(2) of Public Law 112-74.

(a) Generally, a reprogramming of funds from a PPA "eliminates" the PPA when no funds that could be used on the PPA remain, or so few funds remain that constructive work cannot be performed with in-house labor or by contract. Constructive work includes such activities as planning, engineering, and design, or coordination with the Non-Federal Sponsor.

(b) The prohibition does not apply to supplemental funds that are surplus to the PPA and are not earmarked in law for the PPA, and any such funds may be reprogrammed from the PPA. The reason is that supplemental funds are appropriated for certain purposes, and surplus supplemental funds could not be used for any other purpose on the PPA.

(c) In the cases enumerated below, no further work on the PPA is possible, and the reprogramming of all or any amount of regularly appropriated funds from the PPA does

not eliminate it. In these cases, all or any amount of regularly appropriated funds may be reprogrammed from the PPA so long as the reprogramming is otherwise permissible. It is not an elimination of a PPA if:

- For a construction project PPA, the PPA has been physically completed, the final OMRR&R manual has been provided to the Non-Federal Sponsor (in cases of non-Federal OMRR&R), and (in the case where a cost sharing agreement has been executed) any required final accounting, reconciling payments, and audit have been performed; or

- For a specifically authorized study or construction project PPA, the PPA has been de-authorized, the cost sharing agreement with the Non-Federal Sponsor, if any, has been legally terminated, and (in the case where a cost sharing agreement has been executed) any required final accounting, reconciling payments, and audit have been performed; or

- For a specifically authorized study PPA in the Investigations or MR&T (Investigations) account for a potential construction project, the study PPA has been converted to, and funded as, a CAP project, or the construction project has received Construction or MR&T (Construction) appropriations for implementation; or

- The following conditions are met for a terminated study or project PPA: no funds were provided for the PPA in Public Law 112-74 or in the accompanying Statement of Managers; and (in a case where a cost sharing agreement has been executed) the agreement has been legally terminated and any required final accounting, reconciling payments, and audit have been performed.

(d) To ensure compliance with section 101(a)(2), HQUSACE Appropriation Manager approval is needed for any reprogramming from a Program Code (other than a Program Code within a Parent Program) that would leave less than $1,000 on the Program Code.

d. Statutory Restriction on Increases to Funds or Personnel. Pursuant to section 101(a)(3) of Public Law 112-74, absent prior notification by the ASA(CW) to the Committees, funds appropriated in Title I of any Energy and Water Development Appropriations Act (including the Energy and Water Development division of any full-year Continuing Appropriations Act) may not be reprogrammed to a PPA to increase funds or personnel for the PPA, if funds for the PPA have been denied or restricted. However, pursuant to section 101(b), notification is not required for such reprogrammings of $49,999 or less. This restriction does not apply to reallocations, reconciliations, or transfers.

(1) Funds are “denied” to a PPA if:

(a) The funds are expressly denied in Public Law 112-74, or in the narrative in the Statement of Managers, or in the narrative in the House or Senate Report if not superseded by the Statement of Managers; or

(b) The President's Budget for FY 2012 included funds for the PPA, and the Statement of Managers for FY 2012 did not; or

(c) The PPA is listed in a table within the FY 2012 Statement of Managers and provided $0. A blank does not equal $0.

(2) Funds are "restricted" to a PPA if Public Law 112-74 or the narrative in the FY 2012 Statement of Managers, or the narrative in the House or Senate Report if not superseded by the Statement of Managers, states that the funds provided to the PPA shall not exceed a certain amount.

e. Statutory Restriction on Purpose.

(1) Pursuant to section 101(a)(4) of the Public Law 112-74, absent prior notification by the ASA(CW) to the Committees, those funds that were appropriated in Title I of any Energy and Water Development Appropriations Act (including the Energy and Water Development division of any full-year Continuing Appropriations Act) and for which a purpose was stated by the applicable Act, or by the accompanying Statement of Managers, or by either the House or Senate Report if not superseded by the Statement of Managers, may not be reprogrammed from the applicable PPA. This means that if narrative language directed how the funds provided for a PPA are to be used, or how any portion of such funds is to be used, the funds, or the affected portion thereof, may not be reprogrammed from the PPA absent notification by the ASA(CW). This restriction applies even when funds are excess to the needs for a specific PPA. This restriction applies to funds restricted as to purpose in FY 2012 or in any prior FY, and it applies until the restricted funds are exhausted. However, pursuant to section 101(b), notification is not required for such reprogrammings of $49,999 or less. This restriction does not apply to reallocations, reconciliations, or transfers.

(2) PPAs for which Public Law 112-74 or the accompanying reports stated a purpose for use of funds are as follows.

(a) Construction: Napa River, Salt Marsh, California; Norfolk Harbor, Craney Island, Virginia.

(b) O&M: Coastal Ocean and Data System.

(c) FUSRAP: Sylvania (Hicksville, New York).

(3) For projects with purposes specified by Act or Committee language for previous fiscal years, refer to the Acts or accompanying reports.

f. Statutory Restriction on Augmentation or Reduction. Pursuant to sections 101(a)(5) through (10) and 101(b) of Public Law 112-74, absent prior notification by the ASA(CW) to the Committees, USACE shall not initiate a reprogramming that augments or reduces an existing PPA in excess of the limits outlined below. These restrictions apply to reprogrammings to PPAs in the I, C, O&M, MR&T, and FUSRAP accounts. These restrictions do not apply to reallocations, reconciliations, or transfers. See Appendix J for examples of reprogramming limit calculations.

(1) A PPA has a "baseline" for each appropriation account in which it is funded. See Appendix H for the definition of "baseline." Only PPAs have baselines. Each work allowance for supplemental funds, collected appropriation reimbursements, or funds withheld from the PPA in a previous FY increases the baseline. Therefore, many baselines change over time.

(2) As reprogrammings of any of these funds take place on or after 23 December 2011, the amounts reprogrammed are included in the cumulative net reprogramming totals and applied toward a reprogramming limit for the PPA that is calculated using the baseline. Funds in counterpart Recovery Act appropriations are not included in cumulative net reprogramming totals. These limits are discussed below.

(3) Special rules apply in the case of any receiving PPA that is continuing (not a new PPA) but that "did not receive an appropriation" in FY 2012. See Appendix H for the definition of "did not receive an appropriation." The special rules are discussed in specific locations below.

(4) Investigations and MR&T Investigations. Prior notification to the Subcommittees is required when:

(a) For a donating PPA, or for a receiving PPA that received an appropriation in FY 2012, the cumulative net amount of reprogrammings on or after 23 December 2011 exceeds the higher of $49,999 or 25 percent of the baseline, or exceeds $150,000.

(b) For a receiving PPA that did not receive an appropriation in FY 2012, but to which funds otherwise may be reprogrammed legally (e.g. it is not a new PPA), the cumulative net amount of reprogrammings into the PPA on or after 23 December 2011 exceeds $49,999, irrespective of the amount of the baseline.

(5) Construction and MR&T Construction.

(a) Prior notification to the Subcommittees is required when:

- For a donating PPA, or for a receiving PPA that received an appropriation in FY 2012, the cumulative net amount of reprogrammings on or after 23 December 2011 exceeds the higher of $300,000 or 15 percent of the baseline, or exceeds $3,000,000.

- For a receiving PPA that did not receive an appropriation in FY 2012, but to which funds otherwise may be reprogrammed legally (e.g. it is not a new PPA), the cumulative net amount of reprogrammings into the PPA on or after 23 December 2011 either exceeds $49,999 and is not for existing obligations and associated administrative expenses (see Appendix H for definition), or exceeds $300,000 and is for existing obligations and associated administrative expenses, irrespective of the amount of the baseline. Each reprogramming that is into a receiving PPA that did not receive an appropriation in FY 2012 and that results in cumulative net reprogrammings into the PPA on or after 23 December 2011 exceeding $49,999 but no greater than $300,000 requires the approval of the CECW-I Appropriation Manager or Program Manager, who will determine whether or not it is for existing obligations and associated administrative expenses.

(b) Notwithstanding the immediately foregoing paragraph, a maximum cumulative net amount of $3,000,000 may be reprogrammed into a PPA on or after 23 December 2011 for settled contractor claims, changed conditions, or real estate deficiency judgments on the recipient PPA, irrespective of the amount of the baseline. Such a reprogramming does not count toward the limits in the immediately foregoing paragraph. See Appendix H for a definition of "changed conditions." See paragraph 7.(b)(4), above, for guidance on the appropriate use and processing of these reprogrammings.

(6) Operation and Maintenance and MR&T Maintenance.

(a) Prior notification to the Subcommittees is required when:

- For a donating PPA, or for a receiving PPA that received an appropriation in FY 2012, the cumulative net amount of reprogrammings on or after 23 December 2011 exceeds the higher of $150,000 or 15 percent of the baseline, or exceeds $5,000,000.

- For a receiving PPA that did not receive an appropriation in FY 2012, but to which funds otherwise may be reprogrammed legally (e.g. it is not a new PPA), the cumulative net amount of reprogrammings into the PPA on or after 23 December 2011 exceeds $150,000, irrespective of the amount of the baseline.

(b) Notwithstanding the immediately foregoing paragraph, no limit is placed on the amount of a reprogramming that is required in order for USACE to be able to respond to an emergency. Such a reprogramming does not count toward the limits in the immediately foregoing paragraph. See Appendix H for the definition of an emergency. See paragraph 7.b.(5), above, for guidance on the appropriate use and processing of these reprogrammings.

(7) Formerly Utilized Sites Remedial Action Program. Prior notification to the Subcommittees is required when the cumulative amount of reprogrammings into a receiving PPA on or after 23 December 2011 exceeds the higher of $49,999 or 15 percent of the baseline.

(8) Other annual appropriations (Expenses, Regulatory Program, and Flood Control and Coastal Emergencies (FC&CE)) do not have limits on reprogramming. Further, there are no PPAs in these accounts, other than statutory earmarks, which are subject to paragraph 7.c.(1).

g. Permanent Appropriations. Maintenance and Operation of Dams and the other permanent appropriations do not receive appropriations through Title I of Energy and Water Development Appropriations Acts. Reprogrammings of funds in these appropriations are not subject to the prohibitions or restrictions on reprogramming in Section 101 of Public Law 112-74.

h. Bonneville Power Administration Funds. Within the Operation and Maintenance account, funds with category-class-subclass 390 to 396 are derived from the Bonneville Power Administration and are not appropriated in Title I of Energy and Water Development Appropriations Acts. These funds are not included in the O&M baseline, and reprogrammings of these funds are not subject to the restrictions on reprogramming in Section 101 of Public Law 112-74.

i. Reprogramming Limitations for Safety of Dams Funds.

(1) Any proposed reprogramming from an Action Class I, II, or III safety of dams project (dam safety assurance, seepage control, or static instability correction) must be coordinated with the District and Division Dam Safety Officers (DSO), and the Division DSO must concur that the funds are excess.

(2) If the proposed reprogramming requires Congressional notification, the Division DSO must notify CECW-EC by e-mail of the proposed reprogramming, concurrent with Division coordination with the RIT. The Chief, CECW-CE, will advise the Chief,

CECW-I, if there is another potential use of those funds that would mitigate a serious life, property or other risk at another USACE project. They will jointly determine whether to reprogram as recommended by the Division or to propose reprogramming to a higher national need. Any such decision will be coordinated with the Division.

(3) The Construction appropriation manager, after consultation with CECW-EC, will approve or disapprove any reprogramming from a dam safety project (Construction CCS 240, 241, 242, 540, 541, 542, 640, 641, or 642).

j. Other Policy Limitations for Reprogrammings. The following limitations are reflected in P2:

(1) The MSC and HQUSACE Appropriation Manager must approve any reprogramming of Maintenance and Operation of Dams (M&O Dams, 96X5125) funds. M&O Dams funds that are surplus to the requirement for which they were provided should be offered for revocation.

(2) The MSC and the HQUSACE Appropriation Manager, after coordination with the manager of Inspection of Completed Works (ICW) funds, must approve any reprogramming of funds from ICW (O&M CCS 221) to another CCS. MSCs should offer surplus ICW funds for revocation.

(3) The MSC and HQUSACE Appropriation Manager must approve any reprogramming of funds coded as supplemental. This is to ensure that the recipient project qualifies for the funds and is competitive compared to other unfunded work nationwide that also qualifies.

(4) If a reprogramming to a recipient uses the EMR code, an offsetting reprogramming from a donor must use the EMR code.

(5) If a reprogramming to a recipient uses the CLM code, an offsetting reprogramming from a donor must use the CLM code.

(6) If the funds reprogrammed from a donor are supplemental funds with a CCS of 706, 707, 708, 70A, 70B, 70C, 70D, or 70E, the funds reprogrammed to a recipient in an offsetting reprogramming must use the same CCS as the funds from the donor.

(7) If the funds reprogrammed from a donor are supplemental funds appropriated for FY 2012 or thereafter, the funds reprogrammed to a recipient in an offsetting reprogramming must use the same Public Law code and Contingency (Event) code as the funds from the donor.

(8) Reprogramming funds into or out of a Continuing Authorities section (Construction CCS 216, 232, 420, 516, 517, 518, 722, 732, or 792), the Floodplain Management Services program (Investigations CCS 250), or the Planning Assistance to States program (Investigations CCS 186) must be approved by the program manager.

k. Documentation. Documentation of each field reprogramming action must be loaded into the Work Allowance Module in P2 to ensure that quarterly reports to Congress and other reports on reprogramming are accurate. Reallocations that move funds between EROCs, Type of Funds (CCS), or Program Codes / AMSCOs must also be loaded into P2. Accurate descriptions explaining the use of the funds on the gaining PPA and the reason the funds are excess to the source PPA must be included in the P2 Work Allowance Module. Actual movement of funds in CEFMS will not be accomplished until receipt of reprogramming approval through an email confirmation from P2.

8. Policy on Response to Emergencies.

a. Operation and Maintenance and MR&T (Maintenance) funds reprogrammed pursuant to sections 101(a)(8) and (9) of Public Law 112-74, the one percent of funds set aside pursuant to the Operation and Maintenance title of Public Law 112-74, and

emergency supplemental funds in all appropriations all are authorized for limited purposes related to response to emergencies. Accordingly, additional controls, including approval of work allowances by the HQUSACE Appropriation Manager, are placed on the allocation and reprogramming of these funds to ensure that the intended uses are consistent with these purposes.

b. The term “emergency” is defined in Appendix H. An emergency could involve the failure of a key project component, or the impacts of a major storm or natural event. Note that an emergency must be an actual or imminent event, not a gradually developing condition, and must have significant consequences.

c. Response to an emergency could include immediate response under emergency conditions, or later restoration of project conditions that existed just prior to the emergency.

d. Costs of response to an emergency do not include any allocable costs of additional maintenance and repairs over and above restoration of conditions that existed just prior to the emergency. Regular funds must be used for additional maintenance and repairs.

e. EMR Reprogrammings. Reprogrammings to enable USACE to respond to emergencies are discussed in paragraphs 7.b.(5) and 7.g.(6)(b).

f. One Percent Set-Aside.

(1) A proviso in the Operation and Maintenance title in Public Law 112-74 specifies that one percent of the funds provided for each PPA under that heading shall not be allocated to a field operating activity prior to the beginning of the fourth quarter of the fiscal year and shall be available for use by the Chief of Engineers to fund such emergency activities as the Chief of Engineers determines to be necessary and appropriate. Further, the paragraph provides that the Chief of Engineers shall allocate during the fourth quarter any remaining funds that have not been used for emergency activities, proportionally to the amounts provided for the PPAs. The term “emergency activities” has the same meaning as the term “response to an emergency” discussed in paragraph 8.c.

(2) The one percent set-aside will be managed as follows. One hundred percent of the amount included in the Statement of Managers for each O&M PPA will be issued to that PPA in the applicable EROC or EROCs using a C transaction code. At the same time, a work allowance equal to negative one percent of the amount issued with the C work allowance code will be issued to the PPA using the DED (Deduction) work allowance code. The one percent set aside will be treated as a Project Funding Pot, with the one percent deduction being issued to the Master Program Code for that Project Funding Pot. Any distribution of the retained funds will be with the ALL work allowance code, as is the case for other Project Funding Pots. Until sometime in the

fourth quarter of FY 2012, the retained funds will be available for emergency activities. In the fourth quarter of FY 2012, remaining retained funds, if any, will be allocated to the original PPAs on a pro-rata basis.

g. Supplemental Appropriations.

(1) Work accomplished with supplemental appropriations must be within the statutory purposes of the appropriations that they supplement. Generally, emergency supplemental appropriations for Civil Works are to enable USACE to respond to emergencies, or certain types of emergencies. The language of each emergency supplemental appropriations act specifies the purposes of the appropriations. For instance, the FY 2012 supplemental appropriations are for disaster relief as defined in the Stafford Act. Recent supplemental appropriations acts for the Operation and Maintenance account have stated that the funds are "to dredge navigation channels and repair other Corps projects related to natural disasters." Others have specified that the funds are for response to the 2005 hurricanes. Therefore, in the case of the recent supplemental appropriations for Operation and Maintenance, these funds are authorized to be used only for responses to natural events (or specified natural events, as the case may be), but are not authorized to be used for responses to project component failures unrelated to natural events.

(2) The work accomplished with supplemental funds must be within the scope of work approved by CECW-I for supplemental funds. This ensures that supplemental funds are applied to the best uses nationwide.

(3) Reprogramming of supplemental O&M or MR&T (Maintenance) funds should be coded as REP or CGR, unless the criteria in paragraph 7.b.(5) are met for use of the EMR code.

9. Contracting.

a. Acquisition Strategies.

(1) An acquisition plan or strategy should be developed for each contract. The acquisition plan or strategy should focus on:

(a) Developing a biddable and awardable contract, including consideration of appropriate contract scope and timing.

(b) Recognizing risks and uncertainties (e.g. escalating energy and material costs).

(c) Maintaining project schedules with available funds.

(d) Complying with the statutory requirements concerning continuing contracts (see below), and obtaining the necessary approvals where a continuing contract is required.

(e) Identifying the most cost-effective and awardable acquisition method, including consideration of fixed price contract, base plus options contract, indefinite delivery – indefinite quantity contract, and job order contract as well as continuing contract.

(2) In order to assure proper acquisition planning, several codes are required in P2. When any of the Contractual Services resources (AESVCS – Architect and Engineering, CONSTSVCS – Construction, OTHCONSVC – Other, ADV&ASTSVC – Advisory and Assistance, or O&MCONT – Operation and Maintenance of Facilities) are used, the activity must also contain a value for the activity codes Contracting Type, Contracting Method, and Set Aside Decision. As soon as contracts are scheduled in P2, a strategy must be entered using the above activity codes. The PM is highly encouraged to work with the Contracting and Small Business representatives of the Project Delivery Team to identify these data values. The strategy may change based on acquisition board guidance, at which time the codes will require updating.

b. Continuing Contracts.

(1) Statutory Requirements for Continuing Contracts.

(a) Section 206 of the Water Resources Development Act of 1999.

- A continuing contract must be awarded for any project funded in the C account, the O&M account, or the MR&T account when funds have been appropriated for the project in the applicable account or sub-account and there are insufficient funds to complete the project.

- This requirement is applied to the C and M sub-accounts, but not the I sub-account, of the MR&T account, to conform to the fact that section 206 did not specify the I account and there is no other authority to use continuing contracts for studies.

- This requirement is applied per contract, that is, a continuing contract is required in C, O&M, or MR&T (C) or (M) when funds, over and above those needed for other project requirements in the current fiscal year, are sufficient to award a contract (that is, sufficient to fund the costs of mobilization and constructive work under the contract, including contingencies and associated in-house costs), but not to fully fund it. For a base plus options contract, this requirement applies if there are sufficient funds for mobilization and constructive work under the base contract, including contingencies and associated in-house costs, but not to fully fund it. For an indefinite delivery – indefinite quantity or job order contract, this requirement applies if there are sufficient funds for mobilization and constructive work under the minimum order for the contract, including contingencies and associated in-house costs, but not to fully fund it.

(b) Section 102 of Public Law 112-74.

- For any contract under the continuing contract authority, the amount estimated for FY 2012 contractor activities and reserved to the contract, including for modifications, must not exceed the "amounts appropriated for that program, project, or activity that remain unobligated, except that such amounts may include any funds that have been made available through reprogramming pursuant to section 101." The "amounts appropriated" for each PPA include unobligated carry-in from prior FYs.

- To facilitate compliance with Section 102 and its antecedents dating from FY 2006, the Department of Defense has approved USACE's interim use of the "Primary" continuing contract clause (Reference 4.g.) and "Alternate" continuing contract clause (Reference 4.h.) while HQUSACE undergoes the notice and comment process and develops a final clauses for publication in the AFARS. Because the clause DoD approved is not substantively different from the clauses the Directorate of Contracting (DoC) has approved, DoD's approval of the clause does not affect any on-going contracts awarded with the DoC approved clauses.

  - Under the Primary Clause, the Contractor is not allowed to work beyond the amount reserved on the contract for the fiscal year, the Contractor is expressly required to stop working when funds are exhausted, and the Government is responsible for all costs pursuant to the termination for convenience clause regardless of the amount reserved on the contract in the fiscal year.

  - Under the Alternate Clause, the Contractor is not allowed to work beyond the amount reserved on the contract for the fiscal year, the Contractor is expressly required to stop working when funds are exhausted, and the Government's liability for termination costs is limited to the amount reserved on the contract.

- Until public comments are received and the final clause is published by HQUSACE, new contracts that must be awarded using the continuing contract authority shall use the clauses approved for use by DoD.

(c) Section 103 of Public Law 112-74. No continuing contract may be awarded in FY 2012 that commits additional funding from the IWTF unless and until such time as "a long term mechanism to enhance revenues in [the IWTF] sufficient to meet the cost sharing authorized in the Water Resources Development Act of 1986 (Public Law 99-662) is enacted." This prohibition applies to the true clause, the Primary Clause, and the Alternate clause, as all clauses are authorized under the USACE continuing contract authority (Public Law 67-362, 33 U.S.C. 621).

(2) <u>Use of Continuing Contract Clauses</u>.

(a) If funds are available in the C or O&M account or the MR&T (C) or (M) subaccount to reprogram to a project within the section 101 limits sufficient to fully fund a contract (including any base contract or minimum delivery order), the reprogramming should be executed and the contract should be fully funded.

(b) The Primary Clause shall be used in the following circumstances.

- The project is funded in the C or O&M account or the C or M sub-account of MR&T; and
- The project is not funded from the Inland Waterways Trust Fund; and
- The project is included in the President's budget for the forthcoming FY; and
- Funds available on the project or for reprogramming to the project within section 101 limits are not sufficient to fully fund the contract, including all contingencies and associated in-house costs; and
- Funds available for the contract are sufficient to fund mobilization and constructive work on the contract, including all contingencies and associated in-house costs.

If the account is O&M or MR&T (M), and if amount in the President's Budget for the forthcoming FY, except as reduced in any House Report or Senate Report or superseded in any Conference Report if available, is sufficient to fully fund the remaining costs of the contract, including contingencies and associated in-house costs, and any other scheduled work on the project, the use of the Primary Clause may be approved by the MSC Commander based on a Request for Approval (see Appendix N) submitted by the District. If the account is C or MR&T (C), or if that amount is not sufficient to fully fund the remaining costs, the MSC should submit the Request for Approval to CECW-IF for coordination with SACW and approval by the ASA(CW).

(c) The Alternate Clause shall be used in the following circumstances, subject to approval by the District Commander.

- The project is funded in the C or O&M account or the C or M sub-account of MR&T; and
- The project is not funded from the Inland Waterways Trust Fund; and
- The project is not included in the President's Budget for the forthcoming FY; and
- Funds available on the project or for reprogramming to the project within section 101 limits are not sufficient to fully fund the contract, including all contingencies and associated in-house costs; and
- Funds available for the contract are sufficient to fully fund mobilization and a useful increment of work (increment of work that produces benefits or outputs, and will remain in a safe condition) or navigation reach, including all contingencies and associated in-house costs.

c. Availability of Funding for Contract Solicitation. Funds must be available prior to solicitation for the entire contract amount for fully funded contracts, for the base contract amount on fully funded base plus option contracts, and for the amount to be reserved in the fiscal year for new continuing contracts. When the Resource Manager cannot certify that sufficient funds are available at the time of solicitation, Army Federal Acquisition Regulation Supplement (AFARS) 5101.602-2(a) (ii) permits the Contracting Officer to solicit for the contract so long as the Chief of Resource Management indicates in writing that there "is a high probability that the requirement will not be canceled." In any case the funds must be available at the time of bid opening or proposal receipt.

d. Contractual Commitments on Inland Waterway Construction and Rehabilitation Projects. Until the ASA(CW) determines that sufficient revenues are projected for the IWTF, prior ASA(CW) approval is required for additional contractual commitments on inland waterway construction and rehabilitation projects, including solicitation or award of any contract, an additional financial obligation under any existing incrementally funded contract, execution of any relocation agreement, or award of any option or task order. This requirement applies to any inland waterway construction or rehabilitation project, whether or not currently funded from the IWTF. Items of $50,000 or less total cost are considered incidental to ongoing work and will not be submitted for approval. HQUSACE will recommend ASA(CW) approval of an additional financial commitment only if it is affordable in FY 2012, after consideration of any offsets. Divisions should coordinate funding priorities with CECW-I and CECW-CO.

e. Bonneville Power Administration (BPA) Contracts: The use of incrementally funded contracts funded wholly from BPA is approved.

10. Obligations for Inland Waterway Projects. Public Law 112-74 provides that funds will be derived from the IWTF "only" for certain projects named in that Act.

a. For projects not named in Public Law 112-74, any obligations on or after the date of enactment, whether from unobligated balances or any additional funds provided to the project, are 100 percent from the general fund, even if the projects were authorized as 50/50.

b. Projects named in Public Law 112-74 are cost shared 50/50 between the general fund and the IWTF. If a cost shared project is in 50/50 balance on a cumulative basis, any obligations on or after the date of enactment, whether from unobligated balances or any additional funds provided to the project, are 50/50. If a cost shared project is not in 50/50 balance on a cumulative basis, all obligations on or after the date of enactment, whether from unobligated balances or any additional funds provided to the project, shall be exclusively from the general fund or the IWTF, as the case may be, until 50/50 balance is restored.

11. Project Development Cycle. Each specifically authorized project or independently implementable increment should be developed through the normal project development

process, including reconnaissance, cost-shared feasibility, and preconstruction engineering and design (PED) concurrently financed under a design agreement. Requirements applicable to the normal project development process, including requirements related to design agreements and post-feasibility modifications, are described in Annex A, paragraph A-2.2.(a), of the annual Civil Works Program Development Engineer Circular, and apply even if Construction or MR&T Construction funds are received before feasibility-level and PED work are completed.

12. Implementation. This guidance is effective immediately.

FOR THE COMMANDER:

STEVEN L. STOCKTON
Director of Civil Works

14 Appendices:

App A - Civil Works PRB Metrics
App B - Standard Operating Procedures for Continuing Authorities Program
App C - Expenses Program Execution Guidance
App D - Flood Control and Coastal Emergencies Execution Guidance
App E - Formerly Utilized Sites Remedial Action Program Execution Guidance
App F - Regulatory Program Execution Guidance
App G - Use of Program Codes in P2
App H - Reprogramming-Related Definitions
App I - Standard Operating Procedures for Recording Work Allowances
App J - Calculation of USACE Reprogramming Limits, Examples
App K - Processing and Approval of Reprogramming Actions
App L - Appropriations Committee Notification Examples
App M - Format for Reprogramming Data Sheet
App N - Format for Request to Award a Continuing Contract using the Primary Clause

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APPENDIX A

Civil Works PRB Metrics

1. Goals. Do what we said we would do. Execute funds effectively.

2. Set and Re-Set of Basic Schedules.

a. Funds.

(1) Adjusted Current 2101 obligation schedules are maintained for the current FY (CFY) and CFY+1 for all funds. Basic schedules are set or re-set twice per year: once in mid-October (if annual appropriations have not been made); and once after annual appropriations have been apportioned and distributed. Basic schedules for obligations of all funds also may be re-set if supplemental funds are appropriated apart from annual or full-year appropriations. Consequently, there always are Basic obligation schedules in effect for the CFY.

(2) For the mid-October snapshot of the Basic (if annual appropriations have not been made), MSCs and FOAs should project the funds available based on an assessment of actual carry-in, the President's budget, House and Senate action, USACE-wide CRA guidance, and any instructions from the managers of remaining items.

b. Key Milestones. There always are Basic schedules for key milestones (see paragraph 6) in effect for the CFY. The Basic schedules for key milestones are re-set whenever the Basic schedules for obligations are re-set for the CFY.

3. Overview of Metrics. There are three metrics. Each metric is applied to each account as discussed below.

a. Obligation Rating against Available.

b. Obligation Rating against Basic.

c. Percent of Program Codes on Schedule Based on Key Milestones.

4. Obligation Rating against Available.

a. Metric. The metric measures the percent of available funds that are scheduled for obligation in the CFY in the Adjusted Current 2101 obligation schedules. This metric is applied in each FY only after the re-set of Basic schedules following appropriation and distribution of annual funds.

b. Application of Metric: The metric is applied at the account level. Regular/ARRA and supplemental are rated separately. CAP is broken out from other Construction. The supplemental-funded Program Codes in the New Orleans area Hurricane and Storm Damage Reduction System (CG and FCCE) and the supplemental-funded Mississippi Coast Program Code (FCCE) are exempted. The rating for CFY-1 and the rating for the CFY Basic schedule also are displayed to provide insight on progress in improving performance against the standard.

c. Calculation of Ratings: Green and yellow ratings are as follows:

Account	Green	Yellow	
Investigations	85%	75%	
Construction/CAP	85%	75%	(except New Orleans Katrina funds)
O&M	95%	90%	(except MRGO)
MR&T	90%	80%	
FUSRAP	95%	90%	
FCCE	85%	75%	(except New Orleans / Miss. Katrina funds)
Regulatory	95%	90%	
Expenses	98%	95%	

d. Update of Ratings. The ratings are updated monthly to reflect changes in the Adjusted Current schedules.

5. Obligation Rating against Basic.

a. Metric: The metric measures actual CFY obligations to date as a percentage of obligations planned in Basic 2101 schedules for the CFY to date.

b. Application of Metric: The metric is applied at the account level. Regular /ARRA and supplemental are rated separately. CAP is broken out from other Construction. The previous month's rating and the projected end-of-year rating (Adjusted Current Schedule against Basic) for the CFY also are displayed to provide insight on progress in improving performance against the standard.

c. Calculation of Ratings: Green is 95 percent (94.50 percent rounded) or more. Yellow is 90 percent (89.50 percent rounded) or more.

d. Update of Ratings. The ratings are updated quarterly to reflect actual obligations.

6. Percent of Program Codes on Schedule Based on Key Milestone Types.

a. The universe of Program Codes scored by the metric for each MSC or FOA is those Program Codes in the I, C, O&M, MR&T, FUSRAP, and FC&CE accounts whose P2 projects have at least one key milestone planned in the Basic schedule for the CFY.

The universe is re-set when the Basic schedules are re-set. Each Program Code in the universe is weighted equally.

b. Each project in the universe that already has a score carries that score forward.

c. Each project in the universe without a score is first scored at the end of the month after its first key milestone in the Basic schedule. Within the universe, the number of Program Codes that are scored grows from month to month as new key milestones arise for Program Codes without previous scores.

d. The metric evaluates each type of key milestone rather than each specific key milestone. This permits substitutions to be counted (for instance, a CC800 contract award milestone for one contract or P2 project is attained rather than an originally planned CC800 milestone for another contract or P2 project within the Program Code).

e. The criterion for a Program Code to be scored as “on schedule” is that either: 1) for each type of key milestone, at least the number planned for its P2 projects through the next-to-latest month is attained no later than 30 days after the planned date of the latest of those key milestones; or 2) if key milestones attained through the latest month do not have corresponding key milestones of the same types planned through the next-to-latest month, they all have corresponding milestones of the same types planned in the Basic schedules for later in the CFY.

f. Each Program Code is re-scored monthly as in paragraph 6.d.1.

g. The score for an MSC’s or FOA’s account is the percentage of the scored Program Codes in the universe for that account that are scored as on schedule. An account rating of 90 percent (89.50 percent rounded) to 100 percent is green. An account rating of 80 percent (79.50 percent rounded) to 89 percent (89.49 percent rounded) is yellow.

h. Regular/ARRA and supplemental funds are not rated separately for an account. CAP is broken out from other Construction. The rating for CFY-1 and the projected end-of-year rating (Current versus Basic) for the CFY also are displayed to provide insight on progress in improving performance against the standard.

i. Key milestones for I, MR&T, C, O&M and CAP (where applicable) are:

Milestone Description	Milestone Code	WBS
Submit Draft Reconnaissance Report	CW150	21000 (including children)
Recon Report Approval	CW170	21000 (including children)
Execution of Feasibility Cost Sharing Agreement	CW130	21000 (including children) 21V0C – CAP
Feasibility Scoping Meeting	CW050	22000 (including children)
Alternative Formulation Briefing	CW190	22000 (including children)
Division Commander's Notice	CW260	22000 (including children)
CW Review Board Meeting	CW245	Any WBS
Submit Chief's Report	CW270	22000 (including children)
Approve Feasibility Report	CW170	22000 (including children) 2200C (including children) - CAP
Design Agreement Execution	CW130	30DG0
Submit Final LRR/GRR or DDR	CW160	30AJ0
Approve Final LRR/GRR or DRR	CW170	30AM0
PPA Execution	CW130	30AP0 22V00 – CAP
Contract Award	CC800 & CW801	30000 (including children) , 60000 and 61000 CAP – 30000 (including children)
Project Physical Completion	CW450	30000 (including children) Same for CAP
Notice of Project Completion	CW480	30000 (including children) Same for CAP

j. Key milestones for FUSRAP are:

Milestone Description	Milestone Code	WBS ***
Completion of Preliminary Assessment	ENF1	ENF.6000
Remedial Investigation Start	ENF2	ENF.7000
Remedial Investigation Complete	ENF3	ENF.7000
Record of Decision (ROD)	ENF4	ENF.8000
Award Remediation Contract	ENF5	ENF.10000
Remediation Physically Complete	ENF6	ENF.13000
Return Site to DOE	ENF7	ENF.13000

***** The reports for the PRB/DMR's will pull for any WBS. The WBS codes listed above are the proper codes for FUSRAP according to REF8010G**

k. Key milestones for FCCE projects are:

Milestone Description	Milestone Code	WBS
Complete Project Information Report (PIR)	CW170	30000 (including children) 010000-FCCE (including children)
Execute Cost Sharing Agreement	CW130	30000 (including children) 010000-FCCE (including children)
Contract Award	CC800	30000 (including children) 010000-FCCE (including children)
Notice of Project Completion	CW480	30000 (including children) 010000-FCCE (including children)

Note: All new FCCE rehab projects should use the standard CW template and WBS. However, some existing FCCE rehab projects were set up using the old 010000-FCCE template. Therefore, the OFA reports will pull from both the standard CW WBS (30000 (including children)) and the old 010000-FCCE WBS.

l. In paragraphs 6.i and 6.k above, the phrase “30000 (including children)” means all standard WBS codes which are found in the standard CW plug-in templates and which begin with “30”. For example, it includes standard WBS codes 30DS00, 30DS1, and 30DS2.

m. If a PM is not using a standard WBS code, or has modified the standard WBS code in any way, the PM must use the “WBS Code (Override)” activity code to ensure that the project milestones are captured by OFA. For example, 30DS1 is recognized by OFA as a standard WBS code. However, if the PM is using modified WBS codes such as 30DS1.1, 30DS1.2, 30DS1.3, etc to distinguish multiple contracts, then the standard WBS code (30DS1) must be entered in “WBS Code (Override)”.

n. Definitions for each of the milestones can be found in the PMBP Manual REF 8010G located at the PMBP Portal.

o. Update of Ratings: Ratings will be updated monthly.

p. PMs must use the Source Appropriation activity code for Milestone Activities to ensure that the fund type is properly identified.

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APPENDIX B

Standard Operating Procedures for Continuing Authorities Programs

1. Guidance. Implementation of the FY 2012 Continuing Authorities Program (CAP) is based on guidance contained in Appendix F, Amendment 2, dated 31 Jan 07, of the Planning Guidance Notebook, ER 1105-2-100 (Reference 4.d.), Appendix F, and the following execution guidance.

2. Contracts. Continuing contracts and incrementally funded contracts will not be used for CAP. All CAP contracts will be fully funded.

3. CAP Project Classification.

a. Unstarted. An Unstarted project is a project for which funds have never been provided in the Investigations account and funds have never been provided through the CAP program for the Feasibility phase.

b. A project that is not Unstarted is classified as one of the following:

(1) Active. An Active project is a project for which HQUSACE provided or approved a reallocation in the current fiscal year (CFY), CFY-1, or CFY-2, or a project for which the CAP data base reflects that non-Federal sponsor has provided a reaffirmation letter in the CFY, CFY-1, or CFY-2 in accordance with paragraph 5, or a project with an executed agreement, apart from any project classified by the District as Converted, Terminated, or Completed.

(2) Suspended. A Suspended project is a project that does not qualify as Active, and that has not been reclassified by the District as Converted, Terminated, or Completed.

(3) Converted. A Converted project has been converted to a study in the Investigations account pursuant to ER 1105-2-100, Appendix F, paragraph F-9, or to a specifically authorized project in the Construction account, or to another non-CAP activity.

(4) Terminated. A project is Terminated if all work has ceased on the project but it is not Completed or Converted. For a Terminated project with a cost sharing agreement, the agreement should be legally terminated and any required final accounting, reconciling payments, and audit should be performed.

(5) Completed. A project is Completed if it is physically completed. For a Completed project, the notice of completion and OMRR&R manual, where applicable, should be provided to the Non-Federal Sponsor.

c. Districts at any time may reclassify projects, other than Unstarted projects, to Converted, Terminated, or Completed.

4. CAP Database. Data in the P2-OFA CAP database include estimates of project-specific capabilities for CFY through CFY+6, plus planned or actual agreement execution dates. CAP data are used to select projects for funding and determine funding amounts, among other things. Poor data jeopardizes the opportunities for otherwise qualified projects to receive funds. CAP Project Managers, Districts, Division Program Managers, and RITs shall ensure that all CAP project data are kept current, and that data QA/QC procedures are implemented on an ongoing basis. Districts will maintain communication with Non-Federal Sponsors regarding project schedules and capabilities for the use of additional funds, and will reflect the results in the CAP data.

5. Processes for Reaffirmation and Termination. Any project that is Suspended will be processed for reaffirmation or Termination as follows.

a. The District will ask the Non-Federal Sponsor, in its discretion, to reaffirm in writing its support and capability for the project. The District may provide the sample below. The sample includes variants to cover projects at different stages of development.

> This is to reaffirm the support of the Town of Anytown, Texas, for the Anytown Levee Project**. [Choose one of the four following sentences, depending on the stage of project development:** (1) The Town of Anytown is willing and has the financial capability to execute a feasibility cost sharing agreement for the project, and a project partnership agreement for the project should the project report be approved. (2) The Town of Anytown will continue to carry out its obligations under the executed feasibility cost sharing agreement, and is willing and has the financial capability to execute a project partnership agreement for the project should the project report be approved. (3) The Town of Anytown is willing and has the financial capability to execute a project partnership agreement for the project should the project report be approved. (4) The Town of Anytown is willing and has the financial capability to execute a project partnership agreement for the project.**]** The Town understands that under the project partnership agreement it will be responsible for sharing in the costs of the project, acquiring necessary real estate interests, and performing necessary operation, maintenance, repair, rehabilitation, and replacement of the project.
>
> / signature block /

b. If and when the project is reaffirmed in writing, the District will enter the reaffirmation date in the CAP database.

c. If the Non-Federal Sponsor indicates that it does not wish to reaffirm the project, or fails to reaffirm the project in a reasonable time, the District will conduct the following actions: 1) notify the Non-Federal Sponsor and other key stakeholders of the pending Termination of the project; and 2) thereafter, if written reaffirmation is not received by the end of the CFY, classify the project as Terminated and, if applicable, legally terminate the

cost sharing agreement and perform any required final accounting, reconciling payments, and audit.

6. Funding Priorities.

a. Each project phase that the HQUSACE Program Manager selects for funding in the CFY in accordance with this paragraph is assigned its estimated CFY capability (net of any funding already received by the project in the CFY). The assigned amount is reallocated to the project phase, with the following exceptions.

(1) In the case of a project phase for which an agreement would be required but has not been executed, the capability increment over $100,000 on a cumulative basis is withheld until after execution of the agreement.

(2) In the case of a previously Unstarted feasibility phase, the capability increment over $50,000 is withheld until after the Federal Interest Determination.

(3) If available funding is sufficient to fund the last-added project phase only partially and the project phase cannot use the partial amount, the partial amount is retained at HQUSACE for the time being.

b. Section 204.

(1) Previously funded phases have priority over previously unfunded phases.

(2) Subject to paragraph 6.b.(1), funding will be distributed 80 percent to the D&I phase and 20 percent to the Feasibility phase.

(3) Among projects with previously funded D&I phases, projects with executed agreements have priority over projects without executed agreements.

(4) Subject to the three immediately foregoing paragraphs, highest priority will be given to project phases that are the highest-performing and that are closest to fiscal completion (that is, cumulative net allocations to the phases, including carry-in, as a percent of total Federal costs for the phases are the highest).

c. Section 14. Priority will be given to the projects that address the most significant risks and adverse consequences, irrespective of agreement or phase status.

d. Other Sections.

(1) Previously funded project phases have priority over previously unfunded project phases.

(2) Among previously funded project phases, the first priority level is project phases with executed agreements, then project phases for which no agreement is required. The second priority level is project phases for which execution of an agreement is scheduled for the CFY. The third priority level is other project phases for which execution of an agreement is not scheduled for the CFY. No funds will be assigned to project phases in a priority level until all phases in higher priority levels have been funded.

(3) Subject to the immediately foregoing paragraph, funding will be distributed 80 percent to the D&I phase and 20 percent to the Feasibility phase on a cumulative basis for all funded priority levels.

(4) Subject to the two immediately foregoing paragraphs, highest priority will be given to project phases that are the highest-performing and that are closest to fiscal completion (that is, cumulative net allocations to the phases, including carry-in, as a percent of total Federal costs for the phases are the highest).

(5) If funding available in a CAP section is sufficient to fund estimated capabilities for all previously funded project phases in that section, previously unfunded phases may be funded. The HQUSACE Program Manager will notify the MSCs of the project phases selected for funding.

7. Authorization of Agreements.

a. No cost sharing agreements (Feasibility Cost Sharing Agreements or Project Partnership Agreements) will be executed for CAP projects without the prior authorization of the HQUSACE Program Manager. Each authorized agreement will be reviewed, approved, and executed in accordance with current policies and practices (see ER 1105-2-100, Appendix F). Note that authorization of an agreement under this Appendix and approval of an authorized agreement under ER 1105-2-100, Appendix F are two separate actions.

b. The HQUSACE Program Manager will authorize an agreement for a project phase if the agreement is scheduled for execution in the CFY and the HQUSACE Program Manager has selected the project phase for funding of post-agreement work in the CFY. However, the authorization to execute the agreement is automatically rescinded if not executed by 30 September of the FY in which authorized.

c. Should an MSC request authorization of an agreement for a project phase for which an agreement is not required or formerly was not required, the HQUSACE Program Manager will authorize the agreement after verifying that the agreement is not required or formerly was not required for the project phase.

8. Funding Processes.

a. At the beginning of the CFY, MSCs will offer to HQUSACE for revocation (reallocation to the Master Program Code for the applicable CAP section) all project funding actually carried out of CFY-1 unobligated, other than funding needed in the CFY for the estimated unfunded costs of award for already-solicited contracts and of contract management, known claims, and known within-scope modifications for already-solicited and already-awarded contracts. The HQUSACE Program Manager may approve reallocation of funding within the Division in lieu of revocation to the applicable Master Program Code.

b. During the CFY, MSCs will offer to HQUSACE for revocation all project funding not scheduled for obligation or solicitation in the CFY. The HQUSACE Program Manager may approve reallocation of funding within the Division in lieu of revocation to the applicable Master Program Code.

c. Generally on a quarterly basis, the HQUSACE Program Manager will:

(1) Reallocate funding to the Master Program Codes for the CAP sections pursuant to paragraphs 8.a. and 8.b.

(2) Estimate for each CAP section the total amount available for obligation in the CFY. Numerically, the estimated total amount available is equal to: 1) the unobligated balance as of 1 October of the CFY on projects and in Coordination; plus 2) the unobligated balance as of 1 October of the CFY in the Master Program Code for the section; plus 3) the assumed amount or actual amount, as the case may be, of any appropriation for the section for the CFY; minus 5) any funding set aside as a contingency.

(3) Obtain updated data on phase, CFY capabilities, agreement dates, the unfunded costs of already-awarded and already-solicited contracts, Coordination costs, and the like.

(4) Reallocate funding from the Master Program Code for each CAP section to project phases for the estimated unfunded costs of award for already-solicited contracts, of contract management, known claims, and known within-scope modifications for already-solicited and already-awarded contracts, and of Coordination.

(5) Assign any remaining funding available in the Master Program Code to project phases in accordance with paragraph 6.

(6) Reallocate assigned funding from the Master Program Code for each CAP section to each project phase selected for funding, subject to paragraph 6.a.

9. Reprogramming and Reallocation Limitations.

a. Approval of the MSC and the HQUSACE Program Manager are required to reprogram funds into or out of a CAP section, which is a PPA.

b. Approval authorities for reallocations are as follows:

(1) The District may approve reallocation of up to $1,000 to CAP Coordination.

(2) The District may approve reallocation to a project phase that has an executed agreement.

(3) The MSC may approve reallocation to a project phase if both: a) an agreement is not required for the phase; and b) the phase has received a reallocation already in the CFY.

(4) Other reallocations require the approval of the MSC and the HQUSACE Program Manager.

APPENDIX C

Executive Direction and Management
Expenses (E) Program Execution Guidance

1. General. The Expenses Program appropriation funds Executive Direction and Management (ED&M) functions of the Civil Works Program (CWP) which are conducted by Headquarters U.S. Army Corps of Engineers (HQUSACE), Major Subordinate Commands (MSCs) and selected Field Operating Activities (FOAs). ED&M functions include command and control; development, coordination and issuance of policy and guidance; program management in developing, defending and executing the CWP programs; national and regional level coordination with elements of the Administration, Congress, and other agencies and national stakeholders; and quality assurance to ensure that the CWP is being executed in accordance with law, policy and regulation.

The FY12 Energy and Water Development (E&WDA) enacted appropriation law which makes the E appropriation 2-year funding (FY12/13). The E appropriation authorizes funding for supervision and general administration of the HQs USACE and its Division Offices, as well as, the cost of management and operation of the Humphreys Engineer Center Support Activity, Institute for Water Resources (IWR), Engineer Research and Development Center (ERDC), and USACE Finance Center (UFC), to remain available until September 30, 2013. It prohibits use of any other appropriation provided in Title I of the Act to fund CWP activities of HQUSACE except that any Flood Control and Coastal Emergencies appropriation may be used to fund supervision and general administration of emergency operations, repairs, and other activities in response to any flood, hurricane, or other natural disaster. In addition, no Expenses Program funding will be used to implement any pending or future competitive sourcing action under Office of Management and Budget (OMB) Circular A-76 or High Performing Organizations for the U.S. Army Corps of Engineers.

The Senate has directed a Panama Canal Study be funded from the Expense appropriation. The Institute for Water Resources will submit to the Senate and House Committees on Appropriations within 180 days of enactment, a report on how Congress should address the critical need for additional port and inland waterway modernization to accommodate post-Panamax vessels.

2. Program Challenges: The Corps is transforming and evolving to meet changing needs of the nation, and its Armed Forces. As the needs of society and the workforce have changed, the CWP mission of development and management of water resources have changed, to include protection and restoration of water resources and the ecosystems they support. The complexity of water resources development and management requires closer partnerships and greater collaboration.

Under Executive Order 13514 signed October 2009, USACE established its Greenhouse Gas (GHG) reduction target in Jan 2010. It also adopted Federal statutory executive order goals for increasing energy efficiency; reducing fleet petroleum consumption; conserving water; reduce waste; supporting sustainable communities; and leveraging Federal purchasing power to promote environmentally-responsible products and technologies. To this end, the Corps is establishing USACE-wide policies, plans, processes, and tools, required to support annual reporting requirements related to greenhouse gasses (GHG), energy/fuel efficiency, renewable energy, green buildings, regional and local planning, water use efficiency, pollution prevention, sustainable acquisition, electronic stewardship, and data centers. The Corps' ED&M staff frequently updates policy, guidance and technical documents and interacts with regional and national stakeholders at the federal, state, local and private sectors. Many of the Corps aging workforce, possessing required knowledge, abilities and skills, will be retiring soon. There will be a surge of labor costs to market and recruit employees of choice, and attracting and retaining disciplined, competent, professional talented employees, who can deliver innovative solutions now and into the future.

3. Highlights of Initiatives and Priorities: Under the Government Performance Results Act (GPRA), each agency is required to establish a Strategic Plan. The USACE strategic plan is called the "Campaign Plan". The Corps' Campaign Plan describes its vision, strategy, goals and objectives for the entire organization. Desired outcomes are for four goals: (1) deliver USACE support to combat, stability, and disaster operations through forward deployed and reach back capabilities; (2) deliver enduring and essential water resource solutions through collaboration with partners and stakeholders; (3) deliver innovative, resilient, sustainable solutions to the armed forces and the nation; (4) and build and cultivate a competent, disciplined, and resilient team equipped to deliver high quality solutions. These goals provide direction toward the accomplishment of the Civil Works Program Strategic Goals. The Civil Works mission is accomplished through four strategic goals: (1) enable and assist in the development of safe and resilient communities and infrastructure; (2) promote sustainable water resources, marine transportation systems and healthy aquatic ecosystems; (3) implement effective, reliable, and adaptive life-cycle project performance and (4) build and sustain a competent team. Funds provided support management of the CWP, through eight business lines, namely commercial navigation, flood and coastal storm damage reduction, environmental management, hydropower generation, regulatory, recreation, emergency management, and storage for water supply.

The ED&M program includes Campaign Initiatives (formerly Program Accounts) which are designed to improve routine operations in program development, planning, design, construction and operation and maintenance. The Campaign initiatives investments were aligned with the USACE campaign plan goals.

Campaign initiatives address improvement in management of human capital to enhance technical expertise and professionalism, as well as improvement of communication through public involvement in risk reduction strategies. It will assure adequate participation in National committees, and improve the technical competency at the regional and district level.

4. Performance under Various Levels: The Expenses appropriation funds ED&M labor, Mandatory costs, and Discretionary costs for HQ, eight (8) Major Subordinate Commands (MSC), and six (6) Field Operating Activities (FOA). The proposed funding and FTE remain constant at the FY11level and does not provide for inflation or growth in labor or mandatory items such as rent, utilities and communication costs. FY12 Appropriation funding will not be provided to cover Campaign Account requirements. Funds to cover Campaign Account requirements will be based on recoveries of prior year obligations, not to exceed $12.3M.

5. Execution. Appropriations for the Expenses Program are insufficient to fully fund labor and mandatory requirements. Funding for non-labor requirements is sufficient for effective accomplishment of the mission. Since labor funding represents 70% of total funding for the program, labor management is of top priority.

a. Work. Work of the Expenses Program is accomplished through Program/Project/Activities (PPAs), including HQUSACE, the Campaign Account, eight MSCs, six FOAs, and the Commander's Reserve. Within HQUSACE, work is managed by three groups – the two mission directorates, Civil Works and Military Programs, and all others comprising the support group are represented by the CoS.

b. Work Allowances and Funding Authorization Documents. Work Allowance Documents (WADs) and Funding Authorization Documents (FADs) provide work and funding authorization to 16 of the 17 PPAs that execute Corps ED&M activities.

c. Allocation. The Directorate of Resource Management (DRM) allocates funding based on Congressional direction, appropriation, OMB apportionment, and priority.

d. Allocations among PPAs. Allocation of Expenses Program funding among PPA is accomplished by DRM through successive recommendations of the Program Advisory Working Group (PAWG), Headquarters Prioritization Group (HPG), and Senior Program and Budget Advisory Council (SPBAC).

e. Allocations within non-HQUSACE PPAs. Allocations within non-HQUSACE PPAs are accomplished for both labor and non labor items at the discretion of the PPAs, mindful of need to maintain adequate force strength.

f. Allocations within HQUSACE. Allocation of Expenses Program funding among the three management groups within HQUSACE is accomplished by the Chief of Staff (CoS) through successive recommendations of the Headquarters Operations Prioritization (HOP) Group and Junior Program and Budget Advisory Council (JPBAC).

g. Allocations within HQUSACE Management Groups. Allocation of Expenses Program funding are based on collective recommendations of constituent offices within the three management groups within HQUSACE and is accomplished by the Executive Directors of the mission directorates and CoS,

h. Allocations within the Campaign Account. Allocations of Expenses Program funding within the Campaign Account is accomplished by the three management groups within HQUSACE by consensus, with the Deputy Commanding General (DCG) serving as arbiter, as necessary. All initiatives of the Campaign Account are assigned to one of the four goals of the Corps' Campaign Strategic Plan. Each of the four goal champions receives a single allocation to be sub-allocated as he/she sees fit to optimize use of available funding in pursuit of his/her goal. Any reallocations between/among goals are accomplished by agreement between/among involved goal champions and coordinated through DRM.

i. Obligation of Allocations. Allocations for any given year, including Campaign Account allocations, must be obligated in that year to the fullest extent practicable to include Corps-to-Corps government orders. Unobligated amounts, including Campaign Account amounts, are to be returned to DRM IAW dates of the close out plan. Funding of Corps-to-Corps government orders remaining unobligated for 24 months are revoked for reallocation by DRM.

j. Milestone and Obligation Schedules. DCW establishes deadlines for completion, by PPAs, of basic milestone and obligation schedules for both labor and non-labor activities. Labor funding must be devoted to labor activities and scheduled and reported accordingly.

k. Performance Review. The DCW will review performance of all PPAs at monthly Project Review Board (PRB) meetings and Directorate Management Reviews (DMRs) in terms of actual versus scheduled milestones and obligations. The Campaign Goal Champions will review performance of their Campaign Account initiatives continually to optimize use of their allocations in accomplishment of their goals, adjusting production and resourcing schedules, as necessary to that end. DRM will host quarterly execution reviews. Any execution level funding not obligated within 2 years will be revoked. Any execution level undelivered order funding not expended within 2 years will be revoked, unless sufficient justification is provided and approved.

6. Regulatory. Certain ED&M activities under the Regulatory Program are assigned by regulation to HQUSACE and the division offices:

a. Costs associated with the development of regional general permits in accordance with 33 CFR § 325.2(e)(2).

b. Costs associated with the development, review, and approval for the use of emergency procedures in accordance with 33 CFR § 325.2(e)(4) and ER 500-1-.1

c. Costs associated with the division staff participation in public hearings in accordance with 33 CFR § 327.5.

d. Costs associated with the process of making navigability determinations in accordance with 33 CFR § 329.14(b), § 329.15, and § 329.16.

e. Costs associated with the reissuance of the nationwide permits including the development and implementation of regional conditions in accordance with 33 CFR § 330. Exercising the regional discretionary authority in accordance with 33 CFR § 330.

f. Costs associated with the referral of permit applications to the division or headquarters in accordance with 33 CFR § 325.8.

g. Costs associated with administrative oversight of the Administrative Appeals Program in accordance with 33 CFR § 331 except for those costs incurred by the division engineer's designated Appeal Review Officer while executing his/her duties as Review Officer.

h. Costs associated with duties assigned to the Administrative Appeals Review Officer and any general and administrative costs that are not directly related to the execution of an administrative appeal review. Review Officers who work on non-appeal related division level tasks are to charge to ED&M (or other appropriate funding)

7. Details and Developmental Assignments. Persons detailed to vacant positions are detailees for whom funding is provided through PR&C to home offices, obligational authority for cross-charging of labor costs to host offices and MIPRing, to home offices, obligational authority for TDY costs. Persons not filling vacant positions are developmental assignees for whom labor costs are absorbed by home offices. TDY costs are handled in the same way as for detailees. Funding for developmental assignments and details will derive solely from hirelag provided within the annual funding allocation.

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APPENDIX D

Flood Control and Coastal Emergencies Execution Guidance

1. The Flood Control and Coastal Emergencies (FCCE) funded program includes responsibility for disaster preparedness, emergency operations, rehabilitation of flood damage reduction projects, provision of emergency water, advance measures when the threat of flooding is imminent, and participation in the hazard mitigation program.

2. The FY 2012 E&WDAA provided appropriations in the amount of $27,000,000 for the FCCE program. Of the $27,000,000, funds in the amount of $4,000,000 will be allocated for the Silver Jackets program leaving $23,000.000 for emergency response and preparedness activities. Unallocated funds from the FY08 Preparedness activities include personnel salaries, and emergency facilities; the review and updating of response plans based on lessons learned from recent disasters; training of personnel and teams to develop critical skills; procurement and prepositioning of critical supplies and equipment which likely would be otherwise unavailable during the initial response stages; periodic exercises to test and evaluate plans, personnel, and training; inspection of non-Federal flood damage reduction projects to ensure their viability to provide flood protection and assess their eligibility for post-flood rehabilitation; laboratory support for field operations; and liaison with state and local governments and agencies. Available funds will be used to fund emergency management employees salaries and facility costs; conduct limited District/MSC exercise; conduct scheduled inspections of non-federal flood damage reductions projects; perform critical emergency response training; award and maintain necessary emergency contracts for debris, power, water, roofing and ice; and operate and maintain emergency information systems (ENGLink) and Deployable Tactical Operation Systems (DTOS). Be advised that permanent change of station (PCS) costs are funded out of regional rates for districts and from FCCE for MSCs as vacancies are filled.

3. Funds transferred into the FCCE account in FY 2011 and response funds from supplemental appropriations prior to PL 112-77 provided funds for Emergency Operations which continue to be used to support EOC Operations, including field representatives and LNO's in support of emergency activities; technical assistance, flood fight operations, maintenance of equipments and replenishment of supplies used during emergency operations and after action reports. This headquarters will undertake necessary measures to ensure emergency operations activities in the field, such as flood response and EOC activations, will continue.

4. Funding for the following response activities will be provided based on availability of funds: project investigations & rehabilitations; advance measures activities; and emergency water assistance activities. These activities will be prioritized and funded on a case by case basis. To maintain the most critical elements of this program, a funding

strategy that establishes a priority for future FCCE execution will be developed to maximize program efficiency and effectiveness, we will follow this strategy:

a. CECW-HS and CECW-IN will perform a review of un-obligated FCCE funds with the MSC and revoke excess unobligated funds for use on unfunded requirements. Project rehabilitations funded by the previous and current supplemental appropriations will continue. Projects currently funded for E&D or construction will continue.

b. CECW-HS will prioritize rehabilitation projects and provide funding for investigation, E&D and construction based on the project priority and funds available. An explanation of recent prioritization can be found in FRAGO 1 (USACE Guidance for Emergency Repairs) to OPORD 2011-50 (2011 Greater Mississippi Basin Repairs and Post-Flood Assessment of Response Operations),

c. Funding for Continuing Eligibility Inspections and Initial Eligibility Inspections of non-federal Flood Damage Reduction Projects will continue in order to maintain continuity in the inspection program and visibility of local sponsor O&M activates.

d. Funding for preparation of Project Investigation Reports (PIR) for project rehabilitation will continue, if funds are available, in order to identify, validate, and prioritize new requirements. As of this guidance all existing investigation requirements have been funded.

e. Funding for advance measures and emergency water assistance activities will be limited to technical assistance.

5. Program Schedules. Obligation and expenditure schedules are to be developed in P2 by a date to be determined by HQ CECW-I. Follow the guidance detailed in the main body of this guidance document. Districts are required to prepare and enter work schedules in P2/OFA for all FCCE allocations, except Emergency Operation activities. Emergency Operation activities requiring Category 200 FCCE funds will not be scheduled in P2. These activities include EOC Operations, field representatives and LNO's in support of emergency activities; technical assistance; floodfight operations; maintenance of equipments and replenishment of supplies used during emergency operations; and after action reports. USACE emergency/disaster assistance is limited to the preservation of life and the protection of residential and commercial developments, to include public and private facilities that provide public services. The timely response of critical USACE assets in emergency operations precludes the entering of P2 data and schedules.

6. HQ requests that commanders take the necessary actions to ensure that the FCCE program is executed according to the above strategy in coordination with HQ staff and inform appropriate public sponsors of these funding limitations. If necessary, a request for the transfer of funds from other accounts will be initiated.

APPENDIX E

Formerly Utilized Sites Remedial Action Program (FUSRAP)

1. The purpose of this document is to provide guidance on the execution of the FUSRAP program. The objective of FUSRAP is to identify, evaluate, and remediate sites with radioactive contamination resulting from Manhattan Engineering District (MED) and Atomic Energy Commission (AEC) activities. USACE uses three outcome performance measures to indicate progress meeting this objective:

a. Minimize risk to human health and the environment

b. Maximize the cubic yardage of contaminated material disposed in a safe and legal disposal facility; and

c. Return the maximum number of affected individual properties to beneficial use.

The appropriation for FY 2012 is $109,000,000. The direction provided in this document is in accordance with the direction from Congress.

2. Programmed Schedule. Obligation and expenditure basic schedules are to be developed in P2/OFA. Follow the guidance detailed in the main body of this guidance document. These P2/OFA obligation and expenditure schedules will be the baseline schedules for measuring FY 2012 execution.

3. Programmed Carryover. Carryover that is scheduled for business reasons includes funds obligated on fully funded contracts, real estate actions, etc. that are not scheduled to be completed until FY13 or later.

4. Work Allowances. Follow the guidance detailed in the main body of this guidance document.

5. Execution Metrics. With emphasis on producing products and providing services on time, a project baseline shall be created in Primavera Project Manager at the same time that the obligation and expenditure baseline is created in OFA to allow for comparison of work scheduled versus work performed. Baseline schedules will be compared to actual execution each month as a measure of USACE's ability to plan and execute work. To determine whether USACE is meeting its commitments to customers, stakeholders, and the Congress, the following metrics/performance measures will be used by HQUSACE to monitor program execution:

Six performance measures listed below serve as indicators to assist in monitoring progress in meeting the program objective. These measures are listed in OFA. Districts are to schedule in P2/OFA the completion of these measures as appropriate.

The indicators are:

a. **Number of records of decision (ROD) signed.** As studies are completed and best alternatives for cleanup activities are decided, the number of RODs will increase. A final ROD establishes the final cleanup standard, which controls the actual estimate of the remaining environmental liability for each site.

b. **Number of Remedial Investigations (RI) completed.** The RI establishes the baseline risk assessment whereby the level of risk to human health and the environment is identified.

c. **Number of action memorandums signed.** Where warranted by risk or other limited factors, action memorandums allow USACE to move toward reducing risk more rapidly than through production of a ROD. No action memorandums are presently identified.

d. **Cubic yardage of contaminated material disposed.** Target soil amounts are dependent on previous year funding and scheduled activities.

e. **Individual properties returned to beneficial use.**

f. **Number of remedies in place or response complete.** As select portions of sites or complete sites meet their remedial action goals, the risk to human health and the environment is reduced to within acceptable levels and properties are able to be used within a community without fear of increasing cancer risk or further degrading the environment.

6. Reprogramming Limits. Section 101 (a) (10) of Public Law 112-74 established legal limits restricting reprogramming authority. In FY12, the baseline is defined as the unexpended carry-in funds plus the new allocated FY 2012 funds. For FUSRAP, the following reprogramming restriction applies: **reprogramming is restricted to up to 15 percent of the baseline of the receiving project or $49,999, whichever is higher.**

Example: Project 1 has received $10M in FY 2012 appropriated funds and has $500K in unexpended FY11 funds. Project 2 has received $250,000 in FY12 appropriated funds and carried over $50K in unexpended FY10 funds. During the 4th quarter additional needs are identified at Project 2 and excess funds are available at Project 1. Under the FY 2012 reprogramming rule, Project 2 can receive only $49,999 ($300,000 x 15% = $45,000 which in this case is less than $49,999) without prior notification to the Committees being required.

Note: Districts shall notify Division and HQ (CECW-I) by email of **all** reprogramming and/or reallocation actions prior to the initiation of the movement of funds in P2/OFA.

APPENDIX F

Regulatory Program Execution Guidance

1. The purpose of this Appendix is to provide guidance for the execution of the Regulatory Program budget. USACE's Regulatory Program mission is to protect aquatic resources while allowing reasonable development through efficient decision-making. USACE's jurisdiction extends to the navigable waters, their tributaries, and adjacent wetlands and certain other waters. The following three *national program goals* are established to indicate progress towards meeting program objectives.

a. No Net Loss of Aquatic Resources

b. Avoidance and Minimization of Impacts to Aquatic Resources

c. Permit Processing Timeframes

The appropriation for FY 2012 is $193,000,000 and will expire 30 Sep. 2013.

2. Programmed Schedule. Obligation and expenditure schedules are to be developed in P2 following the guidance detailed in the main body of this Circular. These P2 obligation and expenditure schedules will establish the baseline schedules for measuring FY 2012 execution.

3. Programmed Carryover. Carryover that is scheduled for business reasons includes funds obligated on fully funded contracts, labor, or other actions that are not scheduled to be completed until FY 2013. Funds provided in FY 2012 should not be programmed beyond FY 2013.

4. Work Allowances. See guidance provided in the main body of this Circular.

5. Execution Metrics. With emphasis on linking performance with budget levels, obligation and expenditure baselines will be created in P2. Program performance as measured through the achievement of the *eleven* performance measures will inform resource execution and allow headquarters, divisions and districts to manage and confirm progress towards achieving established performance targets for all aspects of the Regulatory Program.

The Regulatory Program goals and performance measures were developed through a collaborative process with OMB and have a focus on the Program's Priority Goal, compliance for permittee responsible mitigation. The eight performance metrics enable USACE to report on program effectiveness and results which directly correlate to adequate levels of funding for district staff. In addition to the eight performance metrics, the Regulatory Program has developed three metrics to measure the effectiveness of the Administrative Appeals Program. All eleven metrics are included in the Command

Monitoring Requirements (CMR) to enable monitoring and analysis of district/division/program performance and budget execution.

Administrative Appeals Program. Districts and Divisions are required to enter all data into the ORM 2 database and report performance for each of these performance measures each quarter, through the CMR chain. Headquarters will also run performance reports to inform national program execution. Headquarters will provide all Districts and Divisions a 10-calendar day period before the national performance reports are run to insure all district/division data are current.

For FY 2012, District Regulatory Programs and Division Administrative Appeal Review Officers will receive funding based on a $193 million appropriation for the national Regulatory Program. The Districts' FY 2012 base allocations will remain unchanged from the FY 2011 appropriation and does not provide for any increases to the Districts for locality pay or increases associated with the general costs of doing business. Districts must manage their Regulatory Program budget carefully to ensure labor for all on-board staff is covered.

To assist in determining whether USACE is meeting its commitments to customers, stakeholders, and Congress, Regulatory will continue to utilize the Office of Management and Budget-Program Assessment and Ratting tool's eight performance measures. In addition, the Regulatory program will implement three internal performance measures for the Administrative Appeals program.

Regulatory Permit Program Performance Measures	**FY 2012 Targets**
1. Individual Permit Compliance The Corps shall complete an initial compliance inspection on XX% of the total number of all individual permits (including LOPs) issued during the preceding FY where authorized work is underway.	10%
2. General Permit Compliance. The Corps shall complete an initial compliance inspection on XX% of the total number of all General Permits (including NWP) issued during the preceding FY where authorized work is underway.	5%
3. Mitigation Site Compliance The Corps shall complete field compliance inspections of XX% of active mitigation sites each fiscal year. Active mitigation sites are those sites authorized through the permit process and being monitored as part of the permit process but have not met final approval under the permit special conditions (success criteria).	5%
4. Mitigation Bank/In Lieu-Fee Compliance The Corps shall complete compliance inspections/audits on XX% of active mitigation banks and in lieu fee programs annually.	20%
5. Resolution of Non-compliance Issues. The Corps will reach resolution on XX% of all pending non-compliance actions for permits with special conditions and/or mitigation requirements that are unresolved at the end of the previous fiscal year and have been received during the current fiscal year.	20%
6. Resolution of Enforcement Actions. The Corps shall reach resolution on XX% of all pending enforcement actions (i.e., unauthorized activities) that are unresolved at the end of the previous fiscal year and have been received during the current fiscal year.	20%
7. General Permit Decisions. The Corps shall reach permit decisions on XX% of all General Permit applications within 60 days.	75%
8. Individual Permits. The Corps shall reach permit decisions on XX% of all Standard Permits and Letters of Permission (LOPs) within 120 days. This standard shall not include Individual Permits with Formal Endangered Species Act (ESA) Consultations.	50%

Regulatory Appeal Program Performance Measures	FY 2012 Targets
1. Completion of Appeals of Approved Jurisdictional Determinations: The Corps shall complete the review of all accepted Approved Jurisdictional Determination appeals in 90 days.	25%
2. Completion of Appeals of Declined Proffered Permits: The Corps shall complete the review of all accepted Declined Proffered Permit appeals in 90 days.	25%
3. Completion of Appeals of Permits Denied with Prejudice: The Corps shall complete the review of all accepted Permits Denied with Prejudice appeals in 90 days.	25%

6. Reallocation. There are no restrictions on District reallocation of funds among the Permit, Compliance, Enforcement, and District Appeals accounts. In consultation with Headquarters, a Division may reallocate up to **10%** of a District's annual allocation to other Districts within its Division. Reallocations should be limited to short term, current FY Regulatory labor needs and will not result in a re-baseline of a District's allocation in future FYs.

A. Division Level Funding.

(1) Headquarters will distribute work allowances directly to the Divisions' Administrative Appeals account CCS 600 (013579), to administer the Administrative Appeals Program and related costs incurred by the Division Engineer designated Review Officer. In accordance with the 10 May 2000 CECW-OR memorandum, subject: *Guidance on the Use of Administrative Appeals Funds in the Regulatory Program*, these funds may be used by the Division designated Review Officer for expenses, except when specifically assigned duties are not related to the Regulatory Administrative Appeals program. Please refer to Appendix C, Section 6 of this EC for additional guidance on Review Officer charging practices.

(2) Expenditures at the Division are limited to the costs incurred by the Division Engineer designated Review Officer while executing his/her duties in accordance with 33 CFR § 331.

(3) In the event a Review Officer is working on an appeal from outside his/her own Division, they are to charge to their own Division's Administrative Appeals account for all costs incurred in managing those appeals.

(4) Unless acting as the Division Commanders designated Review Officer, other MSC staff may not charge to the Regulatory appropriation, including Administrative Appeals account without prior Headquarters approval.

(5) Divisions should not distribute Division Appeals account funds to the Districts via Military Interdepartmental Purchase Request (MIPR) or Work Allowances to support District staff work on appeal related activities.

B. District Level Funding.

(1) In accordance with the 7 October 2004 memorandum to USACE Commanders regarding Regulatory Work Category Codes, Districts may no longer program funds in the following CCS codes: 110, 120, and 130.

(2) Permit Evaluation - CCS 100 (008204). All permit related work items must be established under CCS 100 in the District's P2 work breakdown structure.

(3) Unauthorized Activities - CCS 210 (008205). All enforcement (unauthorized) related work items must be established under CCS 210 in the District's P2 work breakdown structure.

(4) District Level Appeals – CCS 600 (0135790). All District level appeal related work items must be established under CCS 600 in the District's P2 work breakdown structure. This includes District costs to assemble, copy, and transmission of the administrative record to the Division assigned Review Officer.

(5) Compliance Activities – CCS 800 (010688). All compliance related work items must be established under CCS 800 in the District's P2 work breakdown structure.

(6) Funds may not be programmed into or out of the Studies account CCS 300 (088870), EIS account CCS 500 (088890), Other Navigation Regulation account CCS 400 (008207) without prior Headquarters approval. Districts may not fund any new studies, EISs or other navigation regulations activities from other accounts. See also 7 December 1997 Memorandum Subject: *Guidance on EIS Preparation, Corps Regulatory Program*

7. Obligation Schedule and Fund Distribution: Funds are distributed directly to each District's CCS 100 account informed by the Regulatory Program allocation formula which considers among other things the following factors.

a. Workload.

b. FTE Execution.

c. Performance.

d. Efficiency factors.

Funds have been retained at Headquarters for national Regulatory Program priorities including: policy support, science and technology tool development (e.g., ORM2, RIBITS, CEA, Manuals, WRAP etc.), litigation and emerging requirements during the year. District Regulatory chiefs are expected to appropriately manage their funds to avoid furloughs and meet the performance measure targets. Districts and Divisions should not expect to receive additional funds from Headquarters to cover normal operating expenses near the end of the fiscal year.

8. Funding From External Sources: Section 2002 of the Water Resources Development Act of 2007, as amended (WRDA-214), and Section 6002 of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) provides for the acceptance of funds from Non-Federal Public Entities into the Regulatory Program.

A. Tracking of WRDA 214 and/or SAFETEA-LU Funds: All funds received in accordance with local agreements under WRDA 214 and/or SAFETEA-LU shall remain under the 96 X 3126 appropriation code. Districts will establish a separate work item for each funding agreement. The following CCS codes will be used for tracking of these funds:

1. CCS 991 – WRDA 214
2. CCS 992 – TEA21/SAFETEA-LU

B. Tracking and acceptance of other Federal/Non-federal funding arrangements: All funds received in accordance with local agreements that may be established under public law, executive order or judiciary finding shall remain under the 96 X 3126-appropriation code. Districts will establish a separate work item for each funding agreement. The following CCS code will be used for the tracking of funds:

1. 999 – All other reimbursable.

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APPENDIX G

Use of Program Code in P2

1. The P2 Program Code data field is used to correlate P2 projects with line items contained in Congressional Appropriation bills, reports and acts. The associated Program Code Description field contains the "official" project name such as shown in the authorizing legislation. The Program Code is a project level code which is entered in Primavera P6 Web. Only those Program Codes which are on the list of valid values in Primavera can be selected. A P2 project can be associated with only one Program Code.

2. In CEFMS, the data field named AMSCO is used to identify projects at the Congressional line item level. In the PRISM legacy system, which has been replaced by P2, this identifier was known as CWIS or PWI. (Note that CEFMS also contains a data field named PWI (Project Work Item) which is a separate number and is not addressed by this guidance.) Funds have historically been budgeted and allocated using the AMSCO/CWIS/PWI number. All P2 projects that are associated with an historic AMSCO/CWIS/PWI should populate the Program Code field in Primavera with this historic AMSCO/CWIS/PWI number. Projects that are initiated in P2 and are not associated with an historic AMSCO/CWIS/PWI project (i.e. new projects), will also need a Program Code assigned. For these new projects, the new Program Code and AMSCO will be the same as the P2 Project Number which is generated when the project is initiated in Primavera. If there are multiple P2 projects that are budgeted and funded as one Congressional line item, and that line item is not associated with an historic AMSCO/CWIS/PWI, then the P2 Project Number of the first P2 project established for the Congressional line item, or the "parent" project, if any, will be added to the list of valid Program Codes, and entered as the Program Code in Primavera for this project and all subsequent associated P2 Projects.

3. To add a new AMSCO to the CEFMS list of valid AMSCO values, users must submit a request to the Finance Center (CEFC-AF), including the number, name, and the appropriation account(s) that will provide funding for the AMSCO. HQUSACE periodically receives a list of new AMSCO entries, and after review HQUSACE adds these to the list of valid Program Codes in Primavera. In most cases a new AMSCO added to CEFMS should be available in Primavera within 2 or 3 days. If a Program Code is missing from the Primavera list and needs to be added, or if a Program Code name needs to be changed, a request should be submitted to Karl Nilson (cf: William Caldwell) at HQUSACE via e-mail. Include the proposed Program Code number (typically the P2 Project Number for a new project) and name. The name should be the "official" project name such as shown in authorizing legislation. The state(s) in which the project is located should be identified at the end of the name. Please follow the same naming standard for both Program Code name and AMSCO name. Requests for new Program Codes will be reviewed by HQUSACE, and then the new Program Code

number and name will be added to the list of valid Program Code values in Primavera. The District/Lab/Center will then need to log-in to Primavera P6 Web and enter the Program Code into the Program Code field on the applicable P2 project(s).

4. After a Program Code is assigned to a P2 project in Primavera, the Program Code will be visible in Oracle Financial Analyzer (OFA) within a few days after completion of the nightly OFA load process. The OFA-CW data entry forms for the PBS, CWAS, CAP, and 2101 modules require that a Program Code must be assigned on a project before the data entry form can be used to submit data updates for that project.

5. Within OFA-CW, the Project dimension contains two hierarchical views that utilize the Program Code. These views are named “Program Code View” and “EROC/Program Code View”. These views can be used to produce reports organized by Program Code, with the capability to drill down to the individual P2 project(s) within each Program Code. Projects that have not yet been assigned a Program Code are listed under “N/A”. Each MSC/District/Lab/Center should run data quality reports to find and correct instances of “N/A” Program Codes, and assure that a valid Program Code has been assigned to every CW direct funded P2 Project which has status of “Approved”.

6. In most cases, the P2 Program Code should be the same number used as the AMSCO in CEFMS. There may be exceptions, such as:

a. There are some cases where the same historic AMSCO/CWIS/PWI was inadvertently assigned to two different Congressional line-items. Since the Program Code is a unique USACE-wide identifier, only one Congressional line-item may use the historic AMSCO/CWIS/PWI as the Program Code and a new Program Code will need to be established for the other Congressional line-item. In some of these cases, we resolve this situation by assigning a new number to be used as the AMSCO/Program Code for one of the duplicates. An alternative solution in some cases is to continue using the same AMSCO on both items, but for one of the items add a “-1” to the end of the Program Code to differentiate it from the other Program Code.

b. In some cases, particularly in FCCE, Regulatory, and in some Labs and Centers, an individual P2 project is funded from multiple AMSCOs. In these cases, we usually recommend that a “primary” AMSCO be assigned as the Program Code.

Report cases such as these where there is a question concerning the application of this guidance to HQUSACE (CECW-IN, Attn: Karl Nilson).

7. Points of contact for this guidance are Karl Nilson (202-761-4215) and Bill Caldwell (202-761-4094).

APPENDIX H

Reprogramming-Related Definitions

1. The **baseline** for a PPA is equal to unexpended funds carried into the current FY, plus the amount, if any, identified in the Act providing energy and water development appropriations for the current FY or in the tables in the Statement of Managers for the current FY, plus any additional amount allocated by HQUSACE in a work allowance or work allowances in the FY (including any work allowances for supplemental funds, collected appropriation reimbursements, allocations from Funding Pots, or funds withheld from the PPA in a previous FY), minus statutory rescissions, minus deductions such as the one percent O&M deduction for emergencies, but excluding reprogrammings and without adjustment for the withholding of funds in the current FY. Funds in counterpart Recovery Act appropriations are not included in baselines. Funds issued using appropriation 8861 (Inland Waterways Trust Fund) and carried unexpended into the FY are included in the baselines for appropriation 3122 (Construction). The term is synonymous with the terms “base amount,” “base level,” and “base.” Only PPAs have baselines.

2. **Changed conditions** are equivalent to differing site conditions, for purposes of Construction and MR&T Construction reprogrammings. The costs of changed conditions eligible for reprogramming under the “changed conditions” reprogramming rule will be considered to be the same as the costs of equitable adjustments to contracts resulting from differing site conditions. The FAR clause 52.243-5 refers to changed conditions as “……subsurface or latent physical conditions differing materially from those indicated in this contract or unknown unusual physical conditions at the site….” that is, differing site conditions.

3. **Creation or initiation of a PPA** is the funding in the Investigations account, the Construction account, or the Investigation or Construction sub-account of the Mississippi River and Tributaries account, or as a remaining item in the Operation and Maintenance account or the Operation and Maintenance sub-account of the Mississippi River and Tributaries account, of a PPA that never has received a work allowance in that account or sub-account.

4. The **cumulative net amount** is the net value of all reprogrammings into and out of a PPA on or after 23 December 2011 until enactment of an Act providing energy and water development appropriations for the next FY. Reprogrammings into and out of a PPA offset each other, at least in part. The cumulative net amount is used to determine whether limits for reprogramming have been exceeded. See Appendix I for business rules on limits. See Appendix J for examples.

5. A continuing PPA that **“did not receive an appropriation”** is a PPA that is not a new PPA in the applicable appropriation, but for which no funds were specified in the

Act providing energy and water development appropriations for the applicable FY, no funds were specified in a table in the accompanying Statement of Managers for the applicable FY, no funds were specified in a supplemental appropriations Act for the applicable FY, and no funds otherwise were received from HQUSACE in a work allowance from funds provided in the regular annual appropriations for energy and water development for the applicable FY. If a PPA received funds appropriated in the applicable FY to a Funding Pot, it did receive an appropriation. If a PPA received funds for the applicable FY only from supplemental appropriations that were not specified for that PPA, it "did not receive an appropriation."

6. An **emergency** is an actual or imminent natural disaster, storm event, other act of God, accident, act of terrorism, or failure event for a key project component, that damages or would damage project functions such that substantial and immediate health, safety, economic, or environmental risks or impacts are or would be created. An emergency is an actual or imminent event of significance. A gradually or incrementally developing condition is not an emergency.

7. **"For existing obligations and concomitant administrative expenses,"** as included in Section 101(a) (6) and (7) of Public Law 122-74, means for accomplishing work that was initiated in a prior fiscal year and for the purpose of satisfying existing financial, legal, or contractual obligations and associated administrative expenses. This term must be construed narrowly. Examples include: paying in-house labor for costs associated with a contract for which performance is still under way; reserving additional funds on an already-awarded "true" or "special" continuing contract; making payments on an already-executed lease; and financing a within-scope contract modification. This term applies only to PPAs in the Investigations and MR&T (Investigations) accounts and the Construction and MR&T (Construction) accounts. See the main EC and Appendix I.

8. A **first-tier line item** is a study, project, program, or Remaining Item that receives a specified amount without parentheses in a table in the Statement of Managers, or that did not receive a specified amount but is grouped with first-tier line items that did.

9. A **P2 Program Code** is a mandatory field in P2 used to store the unique Congressional line-item identifier. See appendix G.

10. A **Parent Program** is a PPA comprised of individual projects and activities that are not specifically authorized, but that have their own P2 Program Codes and share the same unique category-class-subclass (CCS) or set of CCS. The Parent Program is a PPA, but the constituent projects and activities are not.

11. A **program, project, or activity (PPA)** is a specifically authorized project study, project, or program funded in the I, C, O&M, or MR&T appropriation, or a project funded in the FUSRAP appropriation, or work that has received an allocation in the most recent Act providing annual appropriations for Energy and Water Development, or work that

has received a specified amount in a first-tier line item in a table of allocations in the Statement of Managers accompanying the Act.

12. A **Project Funding Pot** is a PPA that is a conduit for funding specifically authorized PPAs. The funds are provided to recipient PPAs using the ALL work allowance code and become part of the baselines for the recipient PPAs. Where funds are moved from a specifically-authorized Program Code to a lower-level Program Code within it (for example, from a basin-wide study to a sub-basin study) that is not separately authorized, the higher-level Program Code is treated as a Project Funding Pot.

13. A **reallocation** is a movement of funds within a Program Code (except to or from a PPA within the Program Code), or a movement of funds between Program Codes within a Parent Program.

14. **A reconciliation** is an increase in the current FY work allowance for a PPA, Program Code, or P2 Project to equate its work allowances to its CRA allotments in CEFMS, or the offsetting reduction in work allowances and allotments on other projects with carry-in to finance the increase.

15. A **reprogramming** is any movement of funds within an appropriation to or from a Program Code, with the following exceptions: a) the pass-through of funds from the Master Program Code for a Funding Pot to a recipient study or project; or b) a reconciliation; or c) a reallocation.

16. A **sub-item** is a line item that is identified by the applicable Statement of Managers within a first-tier line item and that is named with an amount in parentheses, or is named without an amount and is grouped with sub-items that did receive amounts in parentheses.

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APPENDIX I

Standard Operating Procedures for Recording Work Allowances

1. Specifically Authorized Studies and Projects and Environmental Infrastructure Programs.

a. Each specifically authorized study or project is a PPA and must have its own Program Code. However, elements of the study or project, though they may have their own Program Code, are not considered PPAs unless they have a separate authorization.

b. Initial Work Allowances.

(1) Funds identified for a specifically authorized study or project are issued to the P2 Program Code for the study or project using the C work allowance code. Where the study or project spans multiple EROCs, the total is distributed in multiple C-coded work allowances.

(2) Where funds are withheld from a PPA receiving a C allocation, the H (Withhold) work allowance code is used. The full amount from the Work Plan is issued using the C work allowance code, and a negative work allowance is issued for the withheld portion using the H work allowance code. Later, the withheld portion may be issued in one or more work allowances using the ALW (Allocation of Withheld) work allowance code or the ALP (Allocation of Prior Year Withheld) work allowance code.

(3) Supplemental funds are issued using the SUP (Supplemental) work allowance code.

c. Appropriation reimbursements are collected into four P2 Program Codes (99951 through 99954) at all Districts. These funds are not available to the collecting Districts. To make the funds available to the collecting or other Districts, HQUSACE issues a negative work allowance against one of the four P2 Program Codes in one or more Districts using the ALC (Allocation – Collected Funds) work allowance code, and issues the funds in an equal and offsetting amount to the P2 Program Code for the recipient project using the ALC work allowance code, followed by FADs. Issuance of collected funds in this manner is not a reprogramming.

d. Corrections are accomplished by issuing a negative work allowance in the original code. The funds are then available for issuance.

e. A rescission enacted for the FY is applied on a pro-rata basis to each PPA. If a sub-item had received a specified amount, a pro-rata portion of the first-tier line item's

rescission is applied to the sub-item. The rescissions are applied by issuing negative work allowances with the RES (Rescission) work allowance code.

f. The statutory one percent deduction (DED) for the O&M account is applied in the same manner as a rescission (RES). The deducted funds are treated as a Project Funding Pot (see below).

g. Funds authorized to be transferred to another appropriation are revoked using the T (Transfer) work allowance code in the original account and are issued using the T code in the new account.

h. Reprogramming to or from a PPA is coded as CLM, CGR, EMR, or REP. To be coded as EMR or CLM, a reprogramming must meet the conditions in paragraph 7.b.(4)(b) or 7.b.(5)(b), respectively, of this Circular. To determine whether a reprogramming exceeds reprogramming limits and therefore requires prior Committee notification (CGR), P2 computes the baseline for the PPA, computes the reprogramming limit based on the baseline, and compares cumulative net reprogrammings, including the proposed reprogramming, to the limit. Both regular funds and supplemental funds are included in the computations, and the baselines, limits, and cumulative net reprogrammings combine regular and supplemental funds. The same code may not necessarily apply to both the receiving PPA and the donor PPA, except that the donor PPA is coded as CLM or EMR if the receiving PPA is coded as CLM or EMR, respectively.

i. Funds previously reprogrammed (revoked) from PPAs by HQ and included in the undistributed balance will be reprogrammed (reissued) to studies and projects using the applicable work allowance code of CLM, CGR, EMR, or REP for receiving PPAs. These funds are not the same as previously unissued funds.

2. Programmatic Remaining Items.

a. A Programmatic Remaining Item is a first-tier Remaining Item for which all work is executed under the Program Code for the Remaining Item. See Table I-1.

b. Funds are issued to one or more EROCs through work allowances using the C work allowance code. One hundred percent of the funds provided in Statement of Managers is issued. No funds are withheld.

c. Allocations, corrections, rescissions, statutory deductions, transfers, reprogrammings, and reallocations are managed in the same manner as for specifically authorized studies and projects, as described in paragraph 1 above.

3. Parent Programs. See paragraph 6.c.(3)(b) of this Circular.

a. Each Parent Program includes a Master P2 Program Code, usually on the HQ (S0) database. Ordinarily, no work is executed under the Master Program Code.

b. All funds provided in the Statement of Managers are issued to the Master Program Code using the C work allowance code. The H work allowance code is not used. Funds are reallocated among Children using the RLC work allowance code. Funds may be reallocated over time.

c. Corrections, rescissions, and statutory deductions are managed in the same manner as for specifically authorized studies and projects, as described in paragraph 1 above.

d. Reprogrammings arise only when funds are moved into or out of the CCS or set of CCS for the Parent Program. P2 checks compliance with reprogramming limits for the entire CCS or set of CCS.

4. Project Funding Pots. See paragraph 6.c.(3)(c) of this Circular.

a. Each Project Funding Pot is funded in a Master P2 Program Code, usually on the HQ (S0) database. No work is executed under the Master Program Code.

b. Funds provided in the Work Plan are issued to the Master Program Code using the C work allowance code. The H code is not used. Thereafter, funds are passed through to individual specifically authorized studies and projects by issuing to the Master Program Code a negative work allowance using the ALL work allowance code, and issuing to the Program Codes of the individual studies and projects positive work allowances summing to the same amount using the ALL code.

c. Supplemental funds are distributed through Funding Pots to studies and projects. For supplemental funds, the SUP work allowance code is used instead of ALL.

d. Once funds are passed through to a recipient study or project, the funds become part of the reprogramming baseline for the recipient.

e. Corrections, rescissions, and statutory deductions are managed in the same manner as for specifically authorized studies and projects, as described in paragraph 1 above.

g. Funds may be reprogrammed into or out of the Master Program Codes for Project Funding Pots in the same manner as described in paragraph 1.i.

5. Non-Offsetting Work Allowances. A non-offsetting work allowance is a reprogramming or reallocation that is not offset by another reprogramming or reallocation. The net effect of a non-offsetting work allowance is that HQUSACE is either retaining reprogrammed or reallocated funds and adding them to the

undistributed balance, or providing reprogrammed or reallocated funds and subtracting them from the undistributed balance. Accordingly:

a. HQUSACE Appropriation Manager approval is required for any non-offsetting work allowance.

b. Appropriation Managers will not approve non-offsetting reprogrammings or reallocations that increase the unissued balance by minor amounts, since these funds must be tracked. Instead, the Division or FOA should identify a recipient within the Division or FOA and process the work allowance.

7. P2 Work Allowance Codes. P2 work allowance types and codes for FY 2012 are shown in Table I-2. Guidance will be available at the Training tab in the PMBP Portal.

TABLE I-1

Type	CCS	Programmatic Remaining Item, Parent Program, or Project Funding Pot	EROC for Initial WAD	Program Code for Initial WAD	Proponent
		INVESTIGATIONS			
P	180	Access to Water Data	ERDC	328393	Nancy Blyer
FP	179	Additional Funding -- Flood and Storm Damage Reduction	HQ	190040	Jensen / Moore-Brockman
FP	179	Additional Funding -- FSDR -- Flood Control	HQ	190045	Jensen / Moore-Brockman
FP	179	Additional Funding -- FSDR -- Shore Protection	HQ	190038	Jensen / Moore-Brockman
FP	179	Additional Funding – Navigation	HQ	190052	Jeff McKee
FP	179	Additional Funding -- Navigation -- Coastal and Deep-Draft	HQ	190043	Jeff McKee
FP	179	Additional Funding -- Navigation -- Inland	HQ	190042	Jeff McKee
FP	179	Additional Funding -- Navigation -- Small, Remote, or Subs	HQ	190039	Jeff McKee
FP	179	Additional Funding -- Other Authorized Project Purposes	HQ	190057	Ken Hall
FP	179	Additional Funding -- Other Auth -- Env Rest or Compliance	HQ	190041	Rennie Sherman
FP	179	Additional Funding -- Other Auth -- Remote/Coastal/Small	HQ	190037	Ken Hall
P	294	AIS Support Tri-CADD	ERDC	53919	Nancy Blyler / Dave
P	280	Coastal Field Data Collection	ERDC	53836	C. Chesnutt / B. Birkemeier
P	291	Committee on Marine Transportation Systems	IWR	126628	Jim Walker/Pat Mutschler
P	292	Environmental Data Studies	IWR	53856	Rennie Sherman
P	295	Flood Damage Data	IWR	53918	Stuart Davis
P-C	250	Flood Plain Management Services	HQ	190004	Ken Hall
P-C	197	Great Lakes Remedial Action Plans (listed under States)	LRE	190005	Martin Berndl
P	260	Hydrologic Studies	HQ	53820	John Hunter
FP	179	Independent Peer Review	HQ	190006	Stuart Mclean
P	240	International Water Studies	HQ	53900	John Hunter
P	179	National Flood Risk Mgmt Prog (FEMA/MAP MOD Coord.)	IWR	133938	J. Jensen / Zepp /Kitch
P	179	National Shoreline Study	IWR	53929	Charlie Chessnutt
P	181	Other Coord -- CALFED	SPK	53923	Leslie Phillips
P	171	Other Coord -- Chesapeake Bay	NAB	17253	Bill Sutyak
P	181	Other Coord -- Coord w/ Other Agencies	HQ	53907	Rennie Sherman
P	172	Other Coord -- FERC Licensing Activities	HQ	53857	John Hunter
P	171	Other Coord -- Gulf of Mexico	MVN	17251	Glenda Jackson
P	178	Other Coord -- Interagency / International	HQ	53921	Don Kisicki
P	173	Other Coord -- Interagency Water Res. Dev.	HQ	14713	Rennie Sherman
P	174	Other Coord -- Inventory of Dams	IWR	14405	Travis Tutka / Charles
P	181	Other Coord -- Lake Tahoe	SPD	53931	Leslie Phillips
P	175	Other Coord -- National Estuary Program	HQ	53903	Rennie Sherman
P	176	Other Coord -- North American Waterfowl	HQ	53904	Rennie Sherman
P	171	Other Coord -- Pacific NW Forest Cases	NWD	17252	L. Kiefel / J. Johnson
P	171	Other Coord -- Special Investigations	HQ	17250	Ken Hall
P-C	186	Planning Assistance to States	HQ	190007	Ken Hall
P	296	Planning Support Program	HQ/IWR	151558	Stuart Mclean
P	220	Precipitation Studies	HQ	88039	John Hunter
P	293	Remote Sensing/GIS Support	ERDC	31293	Nancy Blyler / Tim
P-C	300	Research and Development	ERDC	190008	J. Pope / D. Morgan / M.
P	270	Scientific & Technical Info Centers	ERDC	53850	Dave Richards
P	210	Stream Gaging (USGS)	UFC	53890	John Hunter
FP	033	Supplemental Funds, FY 2012	HQ	190061	Ken Hall
P	291	Transportation Systems	IWR	53841	Ian Mathis
P	179	Tribal Partnership Program	HQ	76371	Georgeie Reynolds

Table I-1 (cont.)

Type	CCS	Programmatic Remaining Item, Parent Program, or Project Funding Pot	EROC for WAD	PC for WAD	Proponent
		OPERATION AND MAINTENANCE			
P	210	Actions for Change to Improve Operations (IPET/HPDC)	LRH	145759	Gary House
FP	640	Additional Funding -- Navigation Maintenance	HQ	190054	Jeff McKee
FP	640	Additional Funding -- Nav -- Deep-Draft Harbor & Channel	HQ	190056	Jeff McKee
FP	640	Additional Funding -- Nav -- Inland Waterways	HQ	190042	Jeff McKee
FP	640	Additional Funding -- Nav -- Small, Remote, or Subsist	HQ	190055	Jeff McKee
FP	640	Additional Funding -- Other Authorized Project Purposes	HQ	190057	Jensen / Moore-Brockman
P	495	Aquatic Nuisance Control Research	ERDC	8284	Joe Wilson
P	640	Asset Management/Facilities and Equipment Maintenance	ERDC/I	8329	Elliot Ng
P	640	B/M Support for O&M -- Optimization Dredging Data	IWR	88933	Joe Wilson
P	640	B/M Support for O&M -- Perf Based Budgeting Support	IWR	8258	Dave Lichy
P	640	B/M Support for O&M -- Recreation Mgmt Support Prg	ERDC/I	7855	Pepino Persio
P	640	B/M Support for O&M -- Stewardship Support Program	ERDC	150609	Jeff Krauss
P	110	Coastal and Ocean Data System	ERDC	190012	Charles Chesnutt
P	110	Coastal Inlet Research Program	ERDC	60000	Jim Walker
P	640	Cultural Resources (NAGPRA/Curation)	MVS	8252	J. Krause, P. Rubenstein
P	110	Dredge McFarland Ready Reserve	NAP	330117	Jeff McKee
P	110	Dredge Wheeler Ready Reserve	MVN	8304	Jeff McKee
P	640	Dredging Data and Lock Performance Monitoring System	IWR	88926	Jeff McKee
P	110	Dredging Operations and Environmental Research	ERDC	89500	Joe Wilson
P	110	Dredging Operations Technical Support Program (DOTS)	ERDC	86000	Joe Wilson
P	640	Earthquake Hazards Reduction Program	HQ	8248	R. Bank, A. Chudgar
FP	640	Emergency Activities (1% Deduction)	HQ	190013	Kerry Redican
P	640	Facility Protection	HQ	81369	Yasmine Seda-Sanabria
FP	641	FERC Hydropower Coordination	HQ	190014	Kyle Jones
P	640	F&WL Operating Fish Hatchery Reimbursement	HQ	329431	Jeff Krauss
P		Global Change Sustainability	IWR		Rennie Sherman
P	110	Great Lakes Tributary (Sediment Transportation) Model	LRD	8266	Jan Miller
P	640	Inland Waterway Navigation Charts	AGC/LR	8315	R. Mann, J. Walker
P	221	Inspection of Completed Federal Flood Control Projects	MVS/IW	30767	Tammi Conforti
P		Long Term Option Assessment for Low Use Nav	HQ	330059	Jim Walker
P	110	Monitoring of Completed Navigation Projects	ERDC	8321	Jim Walker
P	110	National Coastal Mapping Program	SAM	8242	Jim Walker
P	640	National Dam Safety Program (Portfolio Risk Assess)	HQ/IWR	88935	T. Tutka, C. Pearre
P-C	500	National Emergency Preparedness Program (NEPP)	HQ	84910	Carrie Hill
P	640	National (Levee) Flood Inventory	IWR	30745	Tammi Conforti
P/FP	640	National Natural Resources Management Activities	HQ/IWR	8270	Pepino Persio
P	640	National Portfolio Assessment for Reallocation	IWR	151527	Ted Hillyer
P	310	Nationwide Evaluation of Hydropower Rehabilitation	NWP	116676	K. Sadiki, K. Jones
P	640	Program Development Tech Support (ABS-P2, WINABS)	IWR	8295	Jim Walker
P	495	Protection of Nav -- Harbor Maintenance Fee Data Collect	IWR	8265	Jim Walker
FP	420	Protection of Nav -- Protect / Clear / Straighten	HQ	190020	Mike Kidby
FP	410	Protection of Nav -- Removal of Sunken Vessels	HQ	190021	Mike Kidby
P	490	Protection of Nav -- Waterborne Commerce Statistics	IWR	17460	Jeff McKee
P	640	Recreation One Stop (R1S) National Recreation Reserv	SWF	150612	Pepino Persio
P	110	Regional Sediment Management Program	ERDC	8303	Jim Walker
P	600	Reliability Models for Major Rehab	HQ	88000	R. Bank, A. Chudgar
P	640	Response to Climate Change at Corps Projects	IWR	329421	Rennie Sherman
P	640	Shoreline Use Permit Study	HQ	329906	Jeff Krauss
FP	033	Supplemental Funds, FY 2012	HQ	190060	Kerry Redican
P	290	Water Operations Technical Support (WOTS)	ERDC	8241	Joe Wilson

Table I-1 (cont.)

Type	CCS	Programmatic Remaining Item, Parent Program, or Project Funding Pot	EROC for WAD	PC for WAD	Proponent
		CONSTRUCTION			
FP	900	Additional Funding -- Flood and Storm Damage Reduction	HQ	190040	Jensen / Moore-Brockman
FP	900	Additional Funding -- FSDR -- Flood Control	HQ	190045	Jensen / Moore-Brockman
FP	900	Additional Funding -- FSDR -- Shore Protection	HQ	190038	Jensen / Moore-Brockman
FP	900	Additional Funding -- Navigation	HQ	190052	Jeff McKee
FP	900	Additional Funding -- Other Authorized Project Purposes	HQ	190057	Jean Gannon
FP	900	Additional Funding -- Other Auth -- Env Rest or Compliance	HQ	190041	Rennie Sherman
FP	900	Additional Funding -- Other Auth -- Environmental Infrastr	HQ	190047	Rennie Sherman
FP	900	Additional Funding -- Other Auth -- Hydropower	HQ	190050	Kamau Sadiki
P	740	Aquatic Plant Control Program	HQ	75098	Tim Toplisek
P-C	517	CAP Section 14	HQ	902517	Steve Coker
P-C	420	CAP Section 103	HQ	902420	Steve Coker
P-C	216	CAP Section 107	HQ	902216	Steve Coker
P-C	232	CAP Section 111	HQ	902232	Steve Coker
P-C	792	CAP Section 204	HQ	902792	Steve Coker
P-C	516	CAP Section 205	HQ	902516	Steve Coker
P-C	732	CAP Section 206	HQ	902732	Steve Coker
P-C	518	CAP Section 208	HQ	902518	Steve Coker
P-C	722	CAP Section 1135	HQ	902722	Steve Coker
FP	640	Dam Safety & Seepage/Stability Correction Prg	HQ	190010	Travis Tutka / Charles Pearre
P-C	750	Employees Compensation	HQ	190034	Jean Gannon
P-C	737	Estuary Restoration Program	HQ	150575	Ellen Cummings
P	250	Inland Waterways Users Board - Board Expense	IWR	76175	Mark Pointon
P	250	Inland Waterways Users Board - Corps Expense	IWR	76183	Mark Pointon
FP	900	Periodic Review of BCR's	HQ	190027	Norma Renovales-Alvarez
P	900	Restoration of Abandoned Mines	SPD	76322	Jean Gannon
P	430	Shoreline Erosion Control Devel and Demo	ERDC	31323	Tony Niles
FP	771	South Florida Everglades Ecosystem Restoration, FL	SAJ	151542	Kevin McCarthy
FP	033	Supplemental Funds, FY 2012	HQ	190062	Jean Gannon
		MISSISSIPPI RIVER AND TRIBUTARIES			
FP	900	Additional Funding -- Dredging	HQ	190058	Jeff McKee
FP	900	Additional Funding -- Flood Control	HQ	190045	Jensen / Moore-Brockman
FP	900	Additional Funding -- Other Authorized Project Purposes	HQ	190057	Karl Klonowski
FP	320	Channel Improvement (Construction)	MVD	15240	Janet Clark
FP	420	Channel Improvement (O&M)	MVD	77040	Janet Clark
FP	033	Supplemental Funds, FY 2012	HQ	190059	Karl Klonowski

P = Programmatic. All work has the same Program Code. Funding may be reallocated among organizations.

P-C = Parent. Funding is reallocated to and from a Master Program Code for the Parent and among "children" that all are authorized as part of the Parent and have their own Program Codes.

FP = Funding Pot. Funding is further allocated from the Master Program Code for the Funding Pot to specifically authorized studies/projects that have their own Program Codes.

TABLE I-2
P2-OFA Work Allowance Types

CODE	TYPE	DESCRIPTION 1/
	ALLOCATION (HQ ONLY)	
ALC	ALLOCATE COLLECTIONS	Revocation of collected appropriation reimbursements from the source AMSCO where collected, or equal and offsetting allocation of the revoked funds to specifically authorized study / project.
ALL	FURTHER ALLOCATE	Revocation of funds from Funding Pot Remaining Item, or equal and offsetting allocation of revoked funds to specifically authorized study / project.
ALP	ALLOCATE H (WITHHELD C OR CRA) FROM PRIOR YEAR	Allocation of withheld portion of amount from Statement of Managers table accompanying prior year annual E&W appns.
ALW	ALLOCATE H (WITHHELD C OR CRA) FROM CURRENT YEAR	Allocation of withheld portion of amount from Statement of Managers table accompanying latest annual E&W appns.
C	ALLOCATE CONFERENCE	Allocation of amount from Statement of Managers table accompanying latest annual E&W appns.
DED	STATUTORY DEDUCTION	Deduction of a percentage from each amount in Statement of Managers table pursuant to latest annual E&W appns Act, or allocation of all or portion of deducted funds. Negative number.
H	WITHOLD C OR CRA	Withholding of all or portion of amount from Statement of Managers table accompanying latest annual E&W appns. Negative number.
RES	RESCISSION	Deduction of a percentage from each amount in Statement of Managers table pursuant to enacted rescission. Negative number.
SUP	ALLOCATE SUPPLEMENTAL	Allocation of supplemental funds.
T	TRANSFER	Allocation of funds transferred into the account, or revocation of funds to be transferred out of the account.
	REPROGRAMMING CODES	
CGR	REPROGRAM – PRIOR CONGRESSIONAL	A reprogramming requiring prior Congressional notification (exceeds limits). The CGR code may apply to both the recipient and the donor, or to only one.
CLM	REPROGRAM – SETTLED CLAIM, CHANGED CONDITIONS, OR REAL ESTATE JUDGMENT	A reprogramming in C or MR&T (C) for a settled contractor claim, changed conditions, or real estate deficiency judgment. The CLM code applies to both the donor and recipient.
EMR	REPROGRAM – RESPOND TO EMERGENCY	A reprogramming in O&M or MR&T (M) to respond to an emergency. Use of the EMR code requires post-facto Congressional notification. The EMR code applies to both the donor and recipient.
REP	REPROGRAM – OTHER	A reprogramming not requiring Congressional notification (does not exceed limits and is not to respond to an emergency). The REP code may apply to both the recipient and the donor, or to only one.
	OTHER CODES	
REC	RECONCILIATION	An increase in the current FY work allowance above the Conference amount to match the CRA allotment when the allotment cannot be reduced, together with the offsetting reduction in current FY work allowances for donor projects to finance the increase. The REC code applies to both the recipient and the donor.
RLC	REALLOCATION	A movement of funds previously allocated through a work allowance that does not qualify as a reprogramming or reconciliation.

1/ Corrections are accomplished by issuance of a negative work allowance that offsets the error, using the same work allowance code as the original, erroneous work allowance.

APPENDIX J

Calculation of USACE Reprogramming Limits, Examples

Note: Limits apply to cumulative net amount. Limits apply to both reprogrammings from a project and reprogrammings to a project, although only reprogrammings to a project are shown in the examples below. Cumulative net amount is net, that is, reprogrammings to a project and from a project offset each other, at least in part. Limits do not apply to reprogrammings that reduce the cumulative net amount reprogrammed.

Reprogramming Example No. 1 (Investigations):

PPA needs $100,000 to fully fund award of an A-E contract.

- FY 2012 Allocations: $ 0
- Prior Unexpended Amount: $550,000
- FY 2012 Baseline: $550,000
- Reprogramming Limit: $ 49,999
- Cumulative Net Amount: $0 + $100,000 = $100,000 > $49,999
- **Committee notification required because receiving PPA did not receive an appropriation and the reprogramming is not "for existing obligations and concomitant administrative expenses," so its limit is $49,999.**

Reprogramming Example No. 2 (Construction):

PPA needs $800,000 to award a fully funded contract. Funds in the amount of $250,000 have been reprogrammed to the PPA earlier in the FY.

- FY 2012 Allocations: $2,500,000
- Prior Unexpended Amount: $ 300,000
- FY 2012 Baseline: $2,800,000
- Reprogramming Limit: $ 420,000.
- Cumulative Net Amount = $250,000 + $800,000 = $1,050,000 > $420,000
- **Committee notification required**

Reprogramming Example No. 3 (Operation and Maintenance):

PPA needs a third reprogramming action for $1,200,000 to fully fund a contract. Previous reprogrammings include:

#1	+ $3,000,000
#2	- $ 600,000
net	$2,400,000

- FY 2012 Allocations: $20,000,000
- Prior Unexpended Amount: $ 300,000
- FY 2012 Baseline: $20,300,000
- Reprogramming Limit: $ 3,045,000.
- Cumulative Net Amount = $3,000,000 - $600,000 + $1,200,000 = $3,600,000 > $3,045,000
- **Committee Notification NOT required for first or second actions because in both cases the cumulative net amount did not exceed $3,045,000. Committee notification required for third action.**

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APPENDIX K

Processing and Approval of Reprogramming Actions for PPA's

	Committee Notification Required?	Who Approves in P2-OFA
Initiate a new PPA (move funds into a PPA never before funded in the applicable account, other than O&M or MR&T M)	Not Auth.	Not Auth.
Reprogram all but a remainder of less than $1,000 from a continuing PPA		
Eliminates the PPA (see EC for discussion)	Not Auth.	Not Auth.
Does not eliminate the PPA (see EC for discussion)	See below	DIV/FOA, then HQ Manager.
Investigations & MR&T Investigations – limits on cumulative net amount reprogrammed to or from a continuing PPA		
If baseline is more than $100,000, except in the case of a receiving PPA that did not receive an appropriation in FY12		
Increase cumulative net amount reprogrammed to both $50,000+ and > 25% of baseline, or to > $150,000, whichever is less	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
In the case of a receiving PPA that did not receive an appropriation in FY12		
Increase cumulative net amount reprogrammed to receiving PPA to $50,000+	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
Construction & MR&T Construction – limits on cumulative net amount reprogrammed to or from a continuing PPA		
When reprogramming to receiving PPA is for settled claim, changed conditions, or real estate deficiency judgment (Use CLM work allowance code for both receiving PPA and contributing PPA. Limit does not count toward limits below)		
Increase cumulative net amount reprogrammed to receiving or donating PPA for settled claim, changed conditions, or real estate deficiency judgment to > $3,000,000	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
In any other case, except in the case of a receiving PPA that did not receive an appropriation in FY12		
Increase cumulative net amount reprogrammed to both > $150,000 and > 15% of baseline, or to > $3,000,000	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
In the case of a receiving PPA that did not receive an appropriation in FY12		
Increase cumulative net amount reprogrammed to receiving PPA to > $300,000, for existing obligations and related administrative expenses	Before	DIV/FOA, then HQ Manager
Increase cumulative net amount reprogrammed to receiving PPA to $50,000+, NOT for existing obligations and related administrative expenses	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
O&M and MR&T O&M – limits on cumulative net amount reprogrammed to or from a continuing PPA		
When reprogramming is to enable the Corps to respond to an emergency (as defined). (Use EMR work allowance code for both receiving PPA and contributing PPA. Limit does not count toward limits below.)	After	DIV/FOA, then HQ Manager
In any other case, except in the case of a receiving PPA that did not receive an appropriation in FY12		
Increase cumulative net amount reprogrammed to both > 15% of baseline and > $150,000, or to >$5,000,000	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
If PPA is a receiving PPA that did not receive an appropriation in FY12		
Increase cumulative net amount reprogrammed to > $150,000	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
FUSRAP – limits on cumulative net amount reprogrammed to or from a continuing PPA		
Increase cumulative net amount reprogrammed to receiving PPA to both $50,000+ and > 15% of baseline	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA

1/ Includes a reprogramming that reduces the cumulative net amount reprogrammed.

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APPENDIX L

Appropriations Committee Notification Examples

Honorable Rodney Frelinghuysen
Chairman, Subcommittee on Energy
and Water Development
Committee on Appropriations
United States House of Representatives
Washington, D.C. 20515-6015

Dear Mr. Chairman:

This letter is to inform you that the Department of the Army plans to reprogram $AAA,000 of [name account, e.g. Construction] funds to the XXXXXX project from the YYYYYY project.

[Use either or both of the following two paragraphs, depending on which project exceeds its reprogramming limit.]

Thus far since enactment of the Energy and Water Development Appropriations Act, 2012, a cumulative net amount of $BBB,000 has been reprogrammed to the XXXXXX project. With this reprogramming, cumulative net reprogrammings to the XXXXXX project since enactment would be $CCC,000. The reprogramming baseline for the XXXXXX project is $DDD,000. In accordance with section 101(a)(__) of the Act, prior notification of the Appropriations Committees of the House of Representatives and Senate is required for reprogrammings to or from the project that would exceed $EEE,000 on a cumulative net basis.

Thus far since enactment of the Energy and Water Development Appropriations Act, 2012, a cumulative net amount of $GGG,000 has been reprogrammed from the YYYYYY project. With this reprogramming, cumulative net reprogrammings from the YYYYYY project since enactment would be $HHH,000. The reprogramming baseline for the YYYYYY project is $III,000. In accordance with section 101(a)(__) of the Act, prior notification of the Appropriations Committees of the House of Representatives and Senate is required for reprogrammings to or from the project that would exceed $JJJ,000 on a cumulative net basis.

The XXXXXX project was authorized [**explain**]. The additional funds are required for the XXXXXX project to fund [**explain**]. The funds are not required for the YYYYY project because [**explain**.] No commitment has been made to restore the funds used in this reprogramming to the project[s] from which they were obtained.

I am sending an identical letter to the Honorable Dianne Feinstein, Chairman, Subcommittee on Energy and Water Development, Committee on Appropriations, United States Senate.

Very truly yours,

Jo-Ellen Darcy
Assistant Secretary of the Army
(Civil Works)

CF: Honorable Peter Visclosky
Ranking Member

EC 11-2-203
28 Feb 12

Honorable Dianne Feinstein
Chairman, Subcommittee on Energy
and Water Development
Committee on Appropriations
United States Senate
Washington, D.C. 20510-6030

Dear Madam Chairman:

This letter is to inform you that the Department of the Army plans to reprogram $AAA,000 of [name account, e.g. Construction] funds to the XXXXXX project from the YYYYYY project.

[Use either or both of the following two paragraphs, depending on which project exceeds its reprogramming limit.]

Thus far since enactment of the Energy and Water Development Appropriations Act, 2012, a cumulative net amount of $BBB,000 has been reprogrammed to the XXXXXX project. With this reprogramming, cumulative net reprogrammings to the XXXXXX project since enactment would be $CCC,000. The reprogramming baseline for the XXXXXX project is $DDD,000. In accordance with section 101(a)(__) of the Act, prior notification of the Appropriations Committees of the House of Representatives and Senate is required for reprogrammings to or from the project that would exceed $EEE,000 on a cumulative net basis.

Thus far since enactment of the Energy and Water Development Appropriations Act, 2012, a cumulative net amount of $GGG,000 has been reprogrammed from the YYYYYY project. With this reprogramming, cumulative net reprogrammings from the YYYYYY project since enactment would be $HHH,000. The reprogramming baseline for the YYYYYY project is $III,000. In accordance with section 101(a)(__) of the Act, prior notification of the Appropriations Committees of the House of Representatives and Senate is required for reprogrammings to or from the project that would exceed $JJJ,000 on a cumulative net basis.

The XXXXXX project was authorized [**explain**]. The additional funds are required for the XXXXXX project to fund [**explain**]. The funds are not required for the YYYYY project because [**explain**.] No commitment has been made to restore the funds used in this reprogramming to the project[s] from which they were obtained.

I am sending an identical letter to the Honorable Rodney Frelinghuysen, Chairman, Subcommittee on Energy and Water Development, Committee on Appropriations, United States House of Representatives.

Very truly yours,

Jo-Ellen Darcy
Assistant Secretary of the Army
(Civil Works)

CF: Honorable Lamar Alexander
Ranking Member

APPENDIX M

Format for Reprogramming Data Sheet

	DONOR PROJECT	GAINING PROJECT
APPROPRIATION ACCOUNT		
BUSINESS PROGRAM		
PROJECT NAME		
FY 2012 BASELINE (SUM OF ALLOCATIONS AND UNEXPENDED CARRY-IN)		
PROPOSED REPROGRAMMING AMOUNT		
WHY ARE FUNDS SURPLUS (DONOR); PROPOSED USE OF FUNDS (GAINER)		
IF FUNDS WERE NOT REPROG., IN WHICH FY COULD THE DONOR USE THEM (ASSUME ENACTMENT OF PRES. FY 2013 BUDGET)		N/A
BUDGET HISTORY SINCE FY 2009 (NOT ENACTED HISTORY) (SHOW FY's BUDGETED)		
2009		
2010		
2011		
2012		
2013		
IF NOT IN MOST RECENT BUDGET, WHY NOT?		
FY AND PAGE NUMBER FOR LATEST J SHEET		
CONSISTENT WITH POLICY?		
IF CONST OR PED, DID OMB EVER "CLEAR" IT WITH A FAVORABLE EXECUTIVE BRANCH POSITION? IF SO, WAS IT LOW BUDGET PRIORITY?		
IF CONST OR PED, DOES IT MEET CURRENT CONST GUIDELINES? WHICH (E.G. BCR, INUNDATION HAZARD TO LIFE, ETC.)?		
SUMMARY OF BUSINESS CASE AND ANY SPECIAL CONSIDERATIONS	N/A	
DO MEMBERS FOR DONOR PROJECT OBJECT?		N/A
NAME OF USACE P.O.C. WHO CONSULTED WITH OFFICES OF MEMBERS		N/A
DROP DEAD DATE, AND WHY	N/A	

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APPENDIX N

Format for Request to Award a Continuing Contract Using the Primary Clause

Requests for approval to award continuing contracts shall be consistent with the format in the following example. Requests should be developed at the time of the Acquisition Plan and submitted 60 days prior to the proposed solicitation date.

BUSINESS CASE FOR USE OF CONTINUING CONTRACT

1. No Full Funding. Demonstrate that funds available on the project or for reprogramming to the project within section 101 limits are insufficient to fully fund the contract, including all contingencies and associated in-house costs.

2. Description of Contract Acquisition Strategy. Provide a comprehensive multi-year acquisition plan with an overall description of the project to include biddable and awardable scope, the schedule for award, contract duration, and estimated cost for each year of construction. Include a description of the benefits that would be achieved through awarding the construction contract.

3. Contract Earnings and Expected Funding Stream.

a. Provide a funding table showing the required funding stream by fiscal year for the contract, and the funding sources by fiscal year (e.g. included in PY appropriations, President's Budget request for PY+1).

b. Discuss the timing of contract award.

c. Discuss likelihood of follow-on funding.

d. Describe cost growth risks and controls (material cost growth trends, recent bid climate, potential for changed conditions, opportunities value engineering savings, opportunities for technology driven savings, etc).

4. Evaluation of Contract Alternatives. Provide analysis of various contracting options, including pros and cons for each option investigated. Contracting vehicles to be investigated should include, but not limited to:

a. Multiple Fully Funded Contracts Awarded Sequentially

b. Delaying Contract Award until Sufficient Funding Is Available.

c. Fully Funded Contract with Base Bid, and Option(s)

d. Continuing Contract with Primary Clause

5 Management Controls. Although the Primary Clause prohibits the Contractor from working beyond the exhaustion of available funds, there must be management controls to ensure that the Contractor has adequate notice of exhaustion of funds and is positioned to conclude work before funds exhaustion. Describe the management controls.

6. Recommendation.