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

Circular
No. 11-2-211

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EXPIRES 30 SEPTEMBER 2016
Programs Management
EXECUTION OF THE ANNUAL CIVIL WORKS PROGRAM

1. Purpose. This Circular provides U.S. Army Corps of Engineers (USACE) program and project management policies and practices to ensure that execution of the Fiscal Year (FY) 2016 Civil Works Program is conducted in accordance with the Energy and Water Development Appropriations Act, 2016 (Division D of the Consolidated Appropriations Act, 2016, Public Law 114-113) 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 114-113.

2. Applicability. This Circular applies to all USACE elements having Civil Works responsibilities and is applicable to all USACE Civil Works activities.

3. Distribution Statement. Approved for public release; distribution is unlimited. This document is published at http://www.publications.usace.army.mil/USACEPublications/EngineerCirculars.aspx/ .

4. References:

a. Energy and Water Development and Related Agencies Appropriations Act, 2016, Division D of the Consolidated Appropriations Act, 2016, Public Law 114-113.

b. Explanatory Statement Submitted by Mr. Rogers of Kentucky, Chairman of the House Committee on Appropriations Regarding House Amendment No. 1 to the Senate Amendment on H.R. 2029, Division D, Congressional Record, December 17, 2015, page H10056 et seq.

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

d. Defense Federal Acquisition Regulation Supplement (DFARS) 232.705-70 and DFARS Clause 252.232-7007, Limitation of Government's Obligation.

e. USACE Acquisition Instruction (UAI) Part 32 and UAI Clause 52.232-5001 and Alternate I, Continuing Contacts, Special Continuing Contract for Civil Works Projects Managed by the USACE [DEVIATION]

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

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

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

i. House Report 114-91 accompanying FY 2016 Energy and Water Development Appropriations.

j. Senate Report 114-54 accompanying FY 2016 Energy and Water Development Appropriations.

5. Definitions.

a. "Act." An Act providing annual appropriations or full-year appropriations (under a full-year Continuing Resolution) for Energy and Water Development.

b. "Appropriation Expiration Fiscal Year." The FY at the end of which the appropriation no longer is available for obligation, except for within-scope contract modifications and for within-scope replacement contracts for contracts terminated due to default by the contractor. At the end of the FY five years hence, the appropriation is cancelled, that is, undisbursed funds are no longer available for use.

c. "Baseline." Each Program, Project, or Activity (PPA) has a Baseline for each applicable appropriation from which it has received Funding and to which Reprogramming limits apply. These appropriations are Investigations (I), Construction (C), Operation and Maintenance (O&M), Mississippi River and Tributaries (MR&T), and Formerly Utilized Sites Remedial Action Program (FUSRAP). Only a PPA has a Baseline. For each PPA and applicable appropriation, the Baseline is set as of the date of enactment of a new Act, but no earlier than 1 October of the FY for which that Act provides appropriations, and is in effect until enactment of a new Act, or 1 October of the next FY, if later. For each applicable appropriation, the Baseline for each PPA is equal to the sum, rounded to the nearest dollar, of unexpended Funding from all previous Program Years carried on that PPA into the FY for which that Act provides appropriations, plus or minus Initial Work Allowances on or after 1 October of that FY. Funding in the O&M appropriation derived from the Bonneville Power Authority (CCS 390) is not included in a Baseline. A Baseline may change over time as its constituents change. The term is synonymous with "base amount," "base level," and "base."

d. "Category-Class-Subclass" ("CCS"). A three-digit code for the type and phase of study or project. The set of CCS for each appropriation is unique, except for pre-FY 2012 Supplemental Funding, as discussed in the definition of Supplemental Funding.

e. "Changed Conditions." Changed Conditions are equivalent to differing site conditions. The costs of Changed Conditions are 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.

f. “Contingency Code.” A code in the Standard Line of Accounting used to designate a statutory earmark within a supplemental appropriation. Contingency Code is used in conjunction with Public Law Code.

g. “Continuing Resolution Period” (“CR Period”). The period from 1 October of an FY through the day before enactment of the Act for that FY, if later.

h. “Creation or Initiation of a PPA.” The provision of Funding in the I or C appropriation or in the Investigations or Construction sub-account of the MR&T appropriation (MR&T (I) or MR&T (C)), or as a Remaining Item in the O&M appropriation, of a PPA (see definition) that never has received an Initial Work Allowance in that appropriation or sub-account. However, with respect to the O&M appropriation or the MR&T (M) sub-account, Creation or Initiation of a PPA excludes the first-time funding of a completed construction project or separable element migrating from the C appropriation or the MR&T (C) sub-account.

i. “Cumulative Net Amount.” This is the net value of all Reprogrammings of a certain type or types into and out of a PPA during the period that a Baseline is in effect (see “Baseline” definition). Reprogrammings coded as REP and CGR have a shared Cumulative Net Amount. Reprogrammings coded as CLM have a separate Cumulative Net Amount. Reprogrammings of both Regular Funding and Supplemental Funding are included in the computation of Cumulative Net Amount. Reprogrammings of Funding from all Program Years are included in the computation of the Cumulative Net Amount. Reprogrammings into and out of a PPA offset each other, at least in part. The absolute value of the Cumulative Net Amount is used to determine whether limits for Reprogramming have been exceeded. The Cumulative Net Amount is reset to zero when a new Baseline takes effect.

j. “Emergency.” An actual or imminent natural disaster, storm event, other act of God, accident, act of terrorism, or actual or imminent 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 developing, known change in condition is not an Emergency, whereas a sudden change in condition or suddenly discovered condition may be.

k. “Engineer Reporting Organization Code” (“EROC”). A unique two-digit code for each District, Division, FOA, or HQUSACE.

l. “Existing Obligations and Concomitant Administrative Expenses.” Existing financial, legal, or contractual obligations of the Federal Government that may give rise to additional costs, including but not limited to: within-scope contract modifications arising from settled claims or Changed Conditions; real estate deficiency judgments;

reservation of additional Funding under an awarded continuing contract; payments on an already-executed lease; and administrative expenses associated with satisfying existing obligations, such as contract management costs on awarded contracts. This term must be construed narrowly. This term applies only to PPAs in I, C, MR&T (I), and MR&T (C).

m. “Fiscal Year” (“FY”). 1 October to the following 30 September.

n. “Funding.” Authority to financially obligate the Federal Government, also known as Budget Authority.

o. “Funding Authorization Document” (“FAD”). A document distributing Funding that has been appropriated by Congress and apportioned by OMB, and of changes thereto. FADs ensure that the Funding available for obligation is within the amounts appropriated by Congress (31 U.S.C. 1301). For each EROC, the FAD total and the sum of the associated Work Allowances should match for each combination of Appropriation Symbol, Program Year, Program Activity, Ending Year of Availability, Public Law Code, if any, and Contingency Code, if any. Starting in FY 2016, the FAD function is performed by the Funds Distribution Module in the Corps of Engineers Financial Management System (CEFMS).

p. “Initial Work Allowance.” Initial allocation of direct Funding, or adjustment thereto. This includes the following: 1) allocation to a PPA of Funding made available by a Statement of Managers (“C”), a Work Plan under a full-year Continuing Resolution (“CRA”), or a Supplemental Act (“SUP”); plus or minus adjustment to reflect pass-through funding from a Project Funding Pot to a PPA (“ALL”); minus adjustment for Rescission (“RES”); minus adjustment for Reduction; plus or minus adjustment for Transfer (“T”); but excluding Reprogrammings, Reallocations, and Reconciliations.

q. “Line Item.” A study, project, separable element, program, or Remaining Item that receives a specified amount in a table in the applicable Statement of Managers. However, if a maintenance dredged material disposal facility, dam safety assurance project, static instability correction project, seepage control project, major rehabilitation project, or deficiency correction project receives a specified amount, the Line Item is construed to be the original authorized project. A Line Item may be indented or the specified amount may be in parentheses. A separable element or Remaining Item identified in the Budget or in a work plan is not a Line Item unless it also receives a specified amount in the corresponding table in the Statement of Managers. A Line Item is a type of Program, Project, or Activity (PPA) with respect to the Program Year of the Line Item.

r. “Parent Program.” A PPA comprised of individual projects and activities that are authorized as part of the Parent Program. The Parent Program is defined by a unique CCS or set of CCS. Each project or activity has a P2 Program Code, and all projects and activities in the Parent Program, including the HQUSACE “Master Program Code,” share the same unique CCS or set of CCS. The Parent Program (that is, the CCS or set of CCS) is a PPA, but the constituent projects and activities are not. Some Remaining Items are Parent Programs, as are Line Items listed under states that include subsidiary projects that are not separately authorized but have their own Program Codes, such as the Channel Improvement (Construction) and the Channel Improvement (Maintenance) projects funded from MR&T. For a table showing the universe of Parent Programs, see the "Remaining Items and Funding Pots" file at https://workplan.usace.army.mil/.

s. "Program Activity." A mandatory code in CEFMS that approximately corresponds to business line.

t. "Program, Project, or Activity" ("PPA"). A PPA is one of the following:

(1) For any appropriation, a project, study, program, or other work that has received a Statutory Earmark, with respect to Funding from the Program Year of the Statutory Earmark.

(2) For the Formerly Utilized Sites Remedial Action Program (FUSRAP) appropriation, a funded project.

(3) For the I, C, O&M, or MR&T appropriation, a project, program, project element, or study that has been funded through a Line Item, with respect to Funding from the Program Year of the Act that funded the Line Item.

(4) For the I, C, O&M, or MR&T appropriation, a Specifically Authorized Project or Program (see definition). However, if the Specifically Authorized Project or Program is a component of a broader PPA funded as a Line Item for a given Program Year, then the component is not a PPA with respect to that Program Year unless it also was a Line Item or received a Statutory Earmark for that Program Year.

(5) For the I, C, O&M, or MR&T appropriation, a study intended to lead to a new, Specifically Authorized Project or Program (see definition), including a "spinoff" sub-basin study from a basin-wide or comprehensive study, or a study for an unauthorized project that would incorporate or subsume an already-authorized project, such as a study for widening or deepening beyond authorized channel dimensions. However, if such a study is a component of a broader PPA funded as a Line Item for a given Program Year, then the component is not a PPA with respect to that Program Year unless it also was a Line Item or received a Statutory Earmark for that Program Year.

u. "Program Code." A mandatory field in P2 used to store the unique Congressional line-item identifier. Corresponds to Army Management Structure Code, or AMSCO. See also Appendix G.

v. "Program Year." The Program Year is the FY when Funding becomes available for obligation. However, all Funding enacted before FY 2015 has been assigned a Program Year of 2014.

w. “Programmatic Remaining Item.” A Remaining Item for which all Funding is obligated and expended under the Program Code for the Remaining Item. For a table showing the universe of Programmatic Remaining Items, see the “Remaining Items and Funding Pots” file at https://workplan.usace.army.mil/.

x. “Project Funding Pot.” A conduit for Funding multiple PPAs. The Funding is passed through to recipient PPAs using the “ALL” transaction code and becomes part of the Baselines for the recipient PPAs. A Project Funding Pot is created either as a Line Item, in which case it is a PPA, or as a convenience to manage Supplemental Funding (apart from Statutory Earmarks specific to PPAs), in which case it is not a PPA. For a table showing the universe of Project Funding Pots, see the “Remaining Items and Funding Pots” file at https://workplan.usace.army.mil/.

y. “Public Law Code.” A code in the Standard Line of Accounting used to identify the Public Law that appropriated supplemental funds.

z. “Reallocation.” A Work Allowance moving Funding within a PPA, or from a higher-level PPA to a subsidiary PPA authorized as part of the higher-level PPA (such as from a basin-wide study to a spinoff sub-basin study), but not from a lower-level PPA to the higher-level PPA (which would be a Reprogramming). Moving Funding within a Program Code is a Reallocation, provided the Program Code represents only one PPA. Moving Funding between Program Codes is not a Reallocation unless neither Program Code is a PPA, the donor is higher-level and the recipient is lower-level, or the recipient Program Code is a replacement for the donor Program Code for the same PPA. The Work Allowance for a Reallocation is coded “RLC.”

aa. “Receive an Appropriation.” Reprogramming thresholds in the I, C, O&M, and MR&T appropriations depend on whether the receiving PPA “Received an Appropriation.” A PPA Receives an Appropriation if it receives an Initial Work Allowance of Funding with the Program Year of the latest Act.

ab. “Reconciliation.” A Work Allowance moving Funding to a PPA when needed to fund obligations of Funding from the current Program Year that are incurred from 1 October of a FY until the day before enactment of the Act for that FY, if later, to the extent that such obligations exceed Initial Work Allowances of Regular Funding for the current Program Year. The Work Allowance for a Reconciliation is coded “REC.” The offsetting Work Allowances from other PPAs serving as the “sources” also are coded as REC. Note that if any allotted Funding that exceeds the amount of the Work Allowances had not been obligated before the date of enactment, either the project Funding account in the Corps of Engineers Financial Management System (CEFMS) should be reduced by the excess, or the excess must be covered with a Reprogramming, not a Reconciliation. Reconciliations may be used only with respect to obligations made during the CR period and should take place after the issuance of Initial Work Allowances.

ac. “Reduction.” A Work Allowance that reduces the Funding for a PPA from the Program Year of the latest Act, other than a Reprogramming, Reallocation, Reconciliation, or pass-through ALL Work Allowance from a Project Funding Pot. Reductions are applied on a pro-rated basis to each PPA. There are three types of Reduction: Sequestration (“SEQ”) pursuant to the Balanced Budget and Emergency Deficit Control Act and the Budget Control Act Amendments; Across-the-Board Reductions (“ATB”) pursuant to the latest Act; and One Percent Reductions (“DED”) in the O&M appropriation, with the Funding reserved in a Project Funding Pot and made available for responses to Emergencies.

ad. “Regular Funding.” Funding provided by an Act other than a Supplemental Act. In an Initial Work Allowance, Regular Funding has a code of “C” (Statement of Managers), “CRA” (Work Plan under a full-year Continuing Resolution), or “ALL” (Project Funding Pot). In CEFMS, Regular Funding is distinguished from Supplemental Funding in that Supplemental Funding has unique codes (see definition of Supplemental Funding).

ae. “Remaining Item.” A PPA customarily listed as a Line Item in a Statement of Managers table following the listings by state.

af. “Reprogramming.” A Work Allowance moving Funding to or from a PPA, with the following exceptions: a) an Initial Work Allowance; or b) a REC Reconciliation; or c) a RLC Reallocation of Funding from a higher-level PPA to a lower-level PPA within the higher-level PPA or from the old Program Code of a PPA to its new Program Code.

ag. “Rescission” (RES). A reduction, pursuant to the latest Act, in Funding from the Program Year(s) of previous Act(s). Also called a cancellation.

ah. “Specifically Authorized Project or Program.” A Specifically Authorized Project or Program is a project or program with an authorization for implementation under the Civil Works program that is particular to that project or program, including any amendment to that authorization.

(1) Work to modify a completed Civil Works project that requires additional authorization beyond that afforded by the completed project or by the applicable Continuing Authorities Program (such as a reconstruction or replacement project, or a beneficial use, navigation mitigation, or environmental modification project) is a Specifically Authorized Project or Program.

(2) An entire specifically authorized environmental infrastructure assistance program, or an entire specifically authorized environmental infrastructure assistance project (that is, an environmental infrastructure assistance project for which the authorization is limited to that project, such as a “Section 219” project), is a Specifically Authorized Project or Program.

(3) A separable element of a specifically authorized project or a component of a specifically authorized environmental infrastructure program or project is not a Specifically Authorized Project or Program in its own right.

(4) A maintenance dredged material disposal facility, dam safety assurance project, static instability correction project, seepage control project, major rehabilitation project, or deficiency correction project is not a Specifically Authorized Project or Program, and is not a separable element of a Specifically Authorized Project or Program. Such a facility or project can be carried out within the authority of the original, constructed project and is a part of the original project. However, except for deficiency correction, it has a Category-Class-Subclass different from that of the original project.

ai. “Statement of Managers.” The Statement of Managers of the Committee of Conference of the House of Representatives and the Senate accompanying an Act. The Statement of Managers is published in a House Report, a House Rules Committee print, or, occasionally, the Congressional Record. Also called the “Conference Report” or “Explanatory Statement.”

aj. “Statutory Earmark.” The specification in law of an amount, or a minimum amount, of Funding for a project, study, program, or other work, or the direction in law that Funding be used for a certain use. A Statutory Earmark is a type of PPA, with respect to the Program Year of the Statutory Earmark.

ak. “Supplemental Act.” An act providing supplemental appropriations for Energy and Water Development. A Supplemental Act usually, but not always, follows the Act for the same FY.

al. “Supplemental Funding.” Funding provided by a Supplemental Act. An Initial Work Allowance of Supplemental Funding uses a code of “SUP.” A SUP Initial Work Allowance may be issued directly to the project in the case of a Statutory Earmark, otherwise to the project from a Project Funding Pot for Supplemental Funding. Supplemental Funding is identified by unique CCS (through FY 2011) or by Public Law Codes (after FY 2011). For the appropriations with PPAs, the CCS for Supplemental Funding through FY 2011 are 706, 707, 708, 70A, 70B, 70C, 70D, and 70E. The Public Law Codes for FY 2012 and FY 2013 are 112-77 and 113-2, respectively. Amounts within an appropriation title that are specified by statute for specific uses, as in Public Law 113-2, retain their identity through the use of Contingency Codes.

am. “Transfer” (T). The movement of Funding from one appropriation to another. Transfers require authorization by statute.

an. “Work Allowance.” A change in the Funding allocated to a Program Code.

6. Limitations on Use of Funding. The following limitations are in addition to the Reprogramming limitations discussed in paragraphs 8.b. through 8.e., that is, the most restrictive limitation shall apply:

a. Statutory Prohibitions. Sections 101 (see paragraph 8.b.), 102 (see paragraph 10.b.), 105, 106, 108, 109, and 110 and Title V of Public Law 114-113 include prohibitions on the use of FY 2016 Funding. Section 105 prohibits its use on work to change the definitions of “fill material” or “discharge of fill material” implementing the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. Section 106 prohibits open lake dredged material disposal in Lake Erie and its tributaries unless it is approved under a State water quality certification pursuant to 33 U.S.C. 1341. Section 108 prohibits its use for any acquisition that is not consistent with 48 CFR 225.7007. Section 109 prohibits its use to continue the study of the Missouri River and Tributaries Mitigation, Recovery, and Restoration conducted pursuant to Section 5018(a)(1) of the Water Resources Development Act of 2007. Section 110 prohibits its use to require permits for the discharge of dredged or fill material by certain activities.

b. Statutory Prohibitions from Previous Acts. Limitations under general provisions of a previous Act continue to apply to Funding provided in that Act so long as the Funding remains available for expenditure.

c. Expiring Funding. FY 2016 appropriations for the Regulatory Program, Expenses, and the Office of the Assistant Secretary of the Army (Civil Works) (ASA(CW)) expire on 30 September 2017. This Funding may not be obligated past this date, except for within-scope contract modifications and for within-scope replacement contracts for contracts terminated due to default by the contractor. This Funding must be expended within 5 years after expiration, by 30 September 2022, after which the Funding will be canceled.

d. New Start Feasibility Study. No Initial Work Allowance will be provided to, and no Funding will be obligated on, a new start feasibility study (as identified as a new start in budget or work plan documents) until the Feasibility Cost Sharing Agreement (FCSA) has been executed. Furthermore, if the FCSA is not executed by 30 September 2016, the study shall be treated as if it had not been selected as a new start, and shall be required to compete again for new start funding in future years.

e. Construction New Start. No Initial Work Allowance will be provided to, and no Funding will be obligated on, a new start construction project or separable element (as identified as a new start in budget or work plan documents) until the Secretary provides to the Committees on Appropriations of the House of Representatives and the Senate an out-year funding scenario demonstrating the affordability of the selected new starts and the impacts on other projects. Furthermore, if a Project Partnership Agreement is required but is not executed by 31 August 2016, no Funding will be obligated on the project or element after 31 August 2016.

f. Operation and Maintenance (O&M) Appropriation versus Maintenance and Operation of Dams (M&O Dams) Appropriation:

(1) The FERC Hydropower Coordination program (Program Code 190014, CCS 641) will be funded only from the M&O Dams appropriation (Treasury Account Funding

Symbol (TAFS) 5125). O&M Funding (TAFS 3123) will not be used for FERC Hydropower Coordination. M&O Dams Funding will be distributed to districts and executed under Program Code 190014, CCS 641.

(2) Allision damage repairs at Civil Works projects will be funded only with M&O Dams Funding, and O&M Funding will not be used for allision damage repairs. However, O&M Funding may be used for critical repairs pending receipt of M&O Dams Funding, provided that the O&M Funding be deobligated where possible and the costs incurred with O&M Funding be transferred to M&O Dams Funding once received. M&O Dams Funding will be issued to the damaged Civil Works project using CCS 105, and will be executed on the project. M&O Dams Funding not needed for allision damage repairs must be returned to HQUSACE.

(3) Funding collected from third parties for allision damage repairs will be processed as customer orders with advance, public, for the damaged Civil Works project in the O&M appropriation, not the M&O Dams appropriation. The collected Funding will be retained until the FY following the collection, then O&M costs on the project will be charged against the order. This deferral until the next FY permits adjustment in budget or Committee allocations for that FY to reflect the reduced capability resulting from the collection.

g. Annual Limit on Reimbursements and Credits:

(1) Section 102 of the Energy and Water Development Appropriations Act, 2006, Public Law 109-103, states as follows:

> SEC. 102. Beginning in fiscal year 2006 and thereafter, agreements proposed for execution by the Assistant Secretary of the Army for Civil Works or the United States Army Corps of Engineers after the date of the enactment of this Act pursuant to section 4 of the River and Harbor Act of 1915, Public Law 64–291; section 11 of the River and Harbor Act of 1925, Public Law 68–585; the Civil Functions Appropriations Act, 1936, Public Law 75–208; section 215 of the Flood Control Act of 1968, as amended, Public Law 90–483; sections 104, 203, and 204 of the Water Resources Development Act of 1986, as amended, Public Law 99–662; section 206 of the Water Resources Development Act of 1992, as amended, Public Law 102–580; section 211 of the Water Resources Development Act of 1996, Public Law 104–303; and any other specific project authority, shall be limited to total credits and reimbursements for all applicable projects not to exceed $100,000,000 in each fiscal year.

(2) For purposes of section 102:

(a) A "credit" is the federal share of non-federal work in kind under a free-standing crediting agreement that would be credited toward the non-federal share under a future agreement. The credit amount applied to section 102 limits in a fiscal year is the federal share of non-federal work completed under the free-standing agreement in that fiscal year.

(b) A "reimbursement" is an actual payment to the sponsor as a consequence of non-federal advanced funds or non-federal work in kind. The reimbursement amount applied to section 102 limits in a fiscal year is the actual amount paid in that fiscal year, adjusted for previous credits to avoid double counting. There is no reimbursement, as defined in this paragraph, in the case of accelerated funds, contributed funds, or refunds of excess non-federal contributions as part of cost share balancing, including refunds for or the financing of lands, easements, rights-of-way, relocations, or dredged or excavated material disposal areas (LERRD's) when the LERRD values drive the non-federal contributions above the non-federal required cost share.

(c) A "project" includes a Civil Works project, a Civil Works study, or a Civil Works environmental infrastructure program. "Specific project authority" is statutory authority for such project, study, or program.

(3) Reimbursements and credits in all appropriations are applied toward the limit.

(4) Reimbursements and credits under agreements executed, or for which the Assistant Secretary had notified the Appropriations Committees, on or before the date of enactment of Public Law 109-103 (19 November 2005) are exempt from section 102.

(5) CECW-I will monitor reimbursements and credits throughout each fiscal year. If total reimbursements for the then-current fiscal year, together with total credits for the then-current fiscal year, are projected to exceed the Section 102 limit, CECW-I will instruct an MSC or MSCs to defer to the next fiscal year specific reimbursements scheduled for late in the then-current fiscal year.

7. PPAs and Program Codes. Also see Appendices G and H.

a. Program Code and Army Management Structure Code (AMSCO) are equivalent. The associated Program Code Description field contains the "official" project name, and should closely match the name shown in the authorizing legislation.

b. Each Specifically Authorized Project or Program, or each study intended to lead to a new, Specifically Authorized Project or Program, should have its own Program Code, and may not share a Program Code with any other such project, program, or study. This is necessary even in the case of a Specifically Authorized Project or Program that is a component of a broader project or program funded as a Line Item, in order to track total project costs, and to avoid cost transfers should such project or program later be funded as a Line Item in its own right.

(1) Once the feasibility phase of a study has been completed, the Program Code of the study carries forward through project authorization, Preconstruction Engineering and Design (PED), and construction. This includes work on any General Reevaluation

Study, study of additional separable elements or separately implementable features, or study of a substitute plan that is found to be beyond the authority of the original project as authorized or proposed for authorization, so long as that study does not meet the definition of a PPA separate from the original project.

(2) Once the Project Partnership Agreement has been executed for a project, or for a separable element thereof, work under that agreement is limited to work within the authorized scope of that project or element as described in the decision document, and a separate agreement and Cost Share Control Record are required for any work outside that authorized scope.

c. In cases where an exception to paragraph b. above has been made, the Specifically Authorized Project or Program, or the study intended to lead to a new, Specifically Authorized Project or Program, nonetheless must have its own Program Code if it has received Funding through a Line Item or Statutory Earmark, thereby becoming a PPA.

d. Each separable element or component of a Specifically Authorized Project or Program should not have its own Program Code unless it has received Funding through a Line Item or Statutory Earmark. This is true even if the Specifically Authorized Project or Program is separately identified in a Budget or a work plan.

e. Each project or program within a Parent Program should have its own Program Code, although only the Parent Program, which is defined by the Parent Program's Category-Class-Subclass, is a PPA. The children, including the "HQ Master Program Code," are not. Parent Programs include the Continuing Authorities (CAP) programs, the Floodplain Management Services program, the Planning Assistance to States program, the Great Lakes Remedial Action Plans program, Research and Development, Employee Compensation, the Estuary Restoration Program, and the National Emergency Preparedness Program (NEPP). Even a CAP project that has been modified in an Act is not a PPA if it still is to be carried out under the CAP program.

f. All P2 projects should be mapped to (populate the Program Code field in P2 with) a Program Code according to the foregoing paragraphs. Processes for approval of a new Program Code are described in Appendix G.

g. All CEFMS transactions involving Civil Works Funding 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.

8. Reprogrammings. The limitations in paragraphs 8.b. through 8.e. below are in addition to the limitations on the use of FY 2016 Funding discussed in paragraph 6, that is, the most restrictive limitation shall apply:

a. Processing of Reprogrammings:

(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 Funding in collaboration with the non-federal cost sharing partner. Funding that is over and above capability for the current FY is surplus and should be considered for a Reprogramming. Each Reprogramming action shall be treated as a one-time transaction with no commitment or expectation to return Funding to the source PPA.

(3) REP Reprogrammings:

(a) A REP Reprogramming is a Reprogramming that does not qualify as CLM or EMR, and would not result in the absolute value of the Cumulative Net Amount of REP and CGR Reprogrammings exceeding the applicable threshold.

(b) Before implementing a planned REP Reprogramming, the District, Division, or FOA with responsibility should dialog with the Non-Federal Sponsor and other stakeholders, especially those with an interest in the donor PPAs, concerning the planned REP Reprogramming, and should coordinate the Reprogramming internally.

(c) In the case of a recipient PPA in the Construction or MR&T (C) appropriation that did not Receive an Appropriation in FY 2016, the threshold for determining whether a Reprogramming is an REP or a CGR depends on whether the Reprogramming is for Existing Obligations and Concomitant Administrative Expenses. Any Reprogramming resulting in a Cumulative Net Amount of REP and CGR Reprogrammings for such a recipient of more than $49,999 must be coordinated with the CECW-IP Appropriation Manager, who will determine whether or not it is for Existing Obligations and Concomitant Administrative Expenses, and therefore whether the higher or lower threshold applies, and whether the Reprogramming is a REP or CGR. See paragraph 8.e.(5)(a)(2).

(4) CGR Reprogrammings:

(a) A CGR Reprogramming is a Reprogramming that does not qualify as a CLM or EMR, and that would result in the absolute value of the Cumulative Net Amount of REP and CGR Reprogrammings exceeding the applicable threshold.

(b) CGR Reprogrammings require <u>prior</u> written notification by the ASA(CW) to the House and Senate Appropriations Subcommittees for Energy and Water Development. The goal is to process, per FY per PPA, no more than one action that requires notification of the Subcommittees.

(i) Once the Division has identified the potential reprogramming donor and recipient PPAs and coordinated the reprogramming internally, the Division will provide a list of the donors and recipients to CECW-IF and the Regional Integration Team (RIT), together with available information on the views of stakeholders. No coordination with stakeholders will take place at this time; rather, the Division and District will rely on available information on stakeholder views.

(ii) CECW-IF and the RIT review the list of donors and recipients, and CECW-P will review the CGR, if for a recipient study, to ensure that there is vertical alignment for the study. In the meantime the Division will prepare draft notification letters for signature by the ASA(CW) (see Appendix L) and a Reprogramming data sheet (see Appendix K) providing data on the potential reprogramming donors and recipients.

(iii) After review of the proposed reprogramming by HQUSACE, CECW-IF will notify the Division of changes required by HQUSACE. At this point the Division may coordinate with stakeholders where needed to ascertain their views.

(iv) Once stakeholder views are known with reasonable certainty, the Division will provide the draft letters and data sheet to the RIT for processing to CECW-IF.

(v) CECW-IF will coordinate the proposal with the Office of the ASA(CW) (SACW) and the Subcommittee staffs.

(vi) After the ASA(CW) has signed the notification letters and coordination processes are complete, CECW-IF will notify the RIT, the Division, and CECW-IP, the Division will enter the CGR Work Allowance, and the CECW-IP Appropriation Manager or Program Manager will approve the Work Allowance.

(5) CLM Reprogrammings:

(a) As discussed in paragraph 8.e.(4)(b), sections 101(a)(7) and (9) of Public Law 114-113 establish a special Reprogramming threshold for Reprogrammings to a PPA in the Construction appropriation or the MR&T Construction sub-account for settled contractor claims, Changed Conditions, and real estate deficiency judgments. The costs covered by the CLM Reprogramming can include the EDC and S&A associated with the claim, Changed Conditions, or judgment.

(b) Reprogramming under this paragraph should be used only when all of the following criteria 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 Funding, the recipient PPA qualifies for the Supplemental Funding; and for both the recipient PPA and the donor PPA the absolute value of the sum of the Cumulative Net Amount of CLM Reprogrammings plus the amount of the proposed CLM Reprogramming is within the special CLM Reprogramming threshold.

(c) Before implementing a planned CLM Reprogramming, the District, Division, or FOA with responsibility should dialog with the Non-Federal Sponsor and other stakeholders, especially those with an interest in the donor PPA, concerning the planned CLM Reprogramming, and should coordinate the Reprogramming internally. The Division or FOA also should provide information to the CECW-IP Appropriation Manager demonstrating that the above criteria are met. After coordination with stakeholders and concurrence by CECW-IP Appropriation Manager that the criteria are met, the Division should code the Work Allowance as CLM. Once the Division has approved the CLM Reprogramming, the CECW-IP Appropriation Manager will do so.

(6) EMR Reprogrammings:

(a) As discussed in paragraph 8.e.(5)(b), sections 101(a)(8) and (9) of Public Law 114-113 establish post-facto notification requirements for a Reprogramming to a PPA in the O&M appropriation or the MR&T Maintenance sub-account that enables USACE to respond to an Emergency. The costs covered by the EMR Reprogramming can include the EDC and S&A associated with responding to the Emergency.

(b) EMR Reprogrammings should be used only when all of the following criteria are met: the Reprogramming is to a PPA in the O&M appropriation or MR&T Maintenance sub-account; the Reprogramming to the recipient PPA enables USACE to respond to an Emergency; in the case of Supplemental Funding, the recipient PPA qualifies for the Supplemental Funding; and the Funding is planned for obligation or use in a solicitation within 21 days after the actual event or failure occurs or the imminent event or failure is recognized, or within 14 days after a non-objectionable source for the Reprogramming is identified.

(c) Before implementing a planned EMR Reprogramming, the District or Division with responsibility should dialog with the Non-Federal Sponsor and other stakeholders, especially those with an interest in the donor PPA, concerning the planned EMR Reprogramming, and should coordinate the Reprogramming internally. The Division also should provide information to the CECW-IP Appropriation Manager and CECW-IF demonstrating that the above criteria are met.

(d) After coordination with stakeholders and concurrence by the CECW-IP Appropriation Manager and CECW-IF that the criteria are met, the Division should coordinate a planned EMR Reprogramming concurrently within the vertical team, including the RIT and CECW-IF. CECW-IF will coordinate informally with Appropriations Committee staff and SACW, and notify the Division, RIT, and the CECW-IP Appropriation Manager when informal coordination is complete.

(e) The Division should code the Work Allowance as EMR. After the coordination described in the foregoing paragraph, the Division should approve the EMR Reprogramming, then the CECW-IP Appropriation Manager will do so.

(f) Concurrently with the steps outlined above, 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 the RIT, copy furnished to the CECW-IP Appropriation Manager, for processing to CECW-IF. If the Reprogramming is approved, the CECW-IP Appropriation Manager will track the progress of the Reprogramming through the clearance and transmittal processes.

b. Reprogramming Prohibitions. The following types of Reprogrammings either are not authorized or are prohibited by law:

(1) Statutory Prohibitions. The limitations under Sections 102, 106, 107, 109, and 111 of Public Law 114-113, apply to FY 2016 Funding that is provided to a PPA not only through an Initial Work Allowance, but also to FY 2016 Funding provided through a Reprogramming, Reallocation, or Reconciliation. Likewise, limitations under general provisions of previous appropriations acts for energy and water development continue to apply both to Initial Work Allowances and to Reprogrammings, Reallocations, and Reconciliations of funding provided under those Acts. See paragraphs 5.a. and 5.b.

(2) Funding from a Statutory Earmark. Except as provided in law, Funding may not be reprogrammed from a PPA if the Funding was a Statutory Earmark. However, Funding may be reprogrammed to a PPA that received a Statutory Earmark and that is otherwise authorized, so long as any statutory language does not otherwise limit the amount of Funding that may be applied to that PPA from the applicable Program Year.

(3) Creation or Initiation of a PPA. Funding appropriated in Title I of any Act may not be reprogrammed in order to create or initiate a PPA. This is an absolute prohibition in section 101(a)(1) of Public Law 114-113. To ensure compliance with this provision, CECW-IP Appropriation Manager approval is required for any Reprogramming or Reallocation to a Program Code (other than within a Parent Program or otherwise designated as a non-PPA) that apparently has never received an Initial Work Allowance in the applicable appropriation. See paragraph 5.i.

(4) Elimination of a PPA. Funding appropriated in Title I of any 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 114-113. This prohibition does not apply to Reallocations, Reconciliations, Rescissions, or Transfers.

(a) Generally, a Reprogramming of Funding from a PPA “eliminates” the PPA when no Funding that could be used on the PPA remain, or so little Funding remains 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 cost sharing partner.

(b) The prohibition does not apply to Supplemental Funding that is surplus to the PPA and is not a Statutory Earmark for that PPA, and any such Funding may be reprogrammed from the PPA. The reason is that Supplemental Funding is appropriated for certain purposes, and surplus Supplemental Funding could not be used for any other purpose on the PPA.

(c) To ensure compliance with Section 101(a)(2), CECW-IP Appropriation Manager approval is needed for any Reprogramming that would leave less than $1,000 in non-Supplemental Funding on the donating Program Code.

(5) Cases Where Reprogramming of Regular Funding Does Not Result in Elimination of a PPA. In the cases enumerated below, no further work on the PPA is possible, and the Reprogramming of all or any amount of Regular Funding from the PPA does not eliminate it. In these cases, all or any amount of Regular Funding may be reprogrammed from the PPA so long as the Reprogramming is otherwise permissible. It is not an elimination of a PPA if:

(a) The PPA has been deauthorized.

(b) The following conditions are met for a terminated study or project PPA: no Funding was provided for the PPA in Public Law 114-113 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.

(c) For C or MR&T (C), the PPA has been physically completed, the final operation, maintenance, repair, replacement, and rehabilitation (OMRR&R) manual has been provided to the non-federal cost sharing partner (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

(d) For I or MR&T (I), the PPA has been converted to, and funded as, a CAP project, or the PPA has received C or MR&T (C) appropriations for implementation; or

(e) For O&M or MR&T (M), all of the following criteria are met: the PPA has not received any positive net allotments in the current or past three FY's; the PPA has not had any obligations in the current or past three FY's; and the Reprogramming would not have a significant effect on project performance.

c. Statutory Restriction on Increases to Funding or Personnel:

(1) Pursuant to Section 101(a)(3) of Public Law 114-113, absent prior notification by the ASA(CW) to the Committees, Funding appropriated in Title I of any Act may not be reprogrammed to a PPA to increase Funding or personnel for the PPA, if Funding for the PPA has 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 or Reconciliations.

(2) Funding is “denied” to a PPA if:

(a) The Funding is expressly denied in Public Law 114-113; or

(b) The Funding is expressly denied in the narrative in the Statement of Managers, or in the narrative in the House Report or the Senate Report if not superseded by the Statement of Managers; or

(c) The President’s Budget for FY 2016 included Funding for the PPA, and the Statement of Managers for FY 2016 did not, or the PPA is listed in a table within the FY 2016 Statement of Managers but provided $0. There are two exceptions: new starts that are funded from Project Funding Pots pursuant to Public Law 114-113; and projects that are reduced to zero due to reduced capability.

(3) Funding is “restricted” to a PPA if:

(a) Public Law 114-113 states that the Funding provided to the PPA shall not exceed a certain amount; or

(b) The narrative in the Statement of Managers, or the narrative in the House or Senate Report if not superseded by the Statement of Managers, states that the Funding provided to the PPA shall not exceed a certain amount.

d. Statutory Restriction on Purpose:

(1) Pursuant to Section 101(a)(4) of Public Law 114-113, absent prior notification by the ASA(CW) to the Committees, any Funding that was appropriated in Title I of any Act and for which a purpose was stated by that 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 Funding provided for a PPA is to be used, or how any portion of such Funding is to be used, the Funding, or the affected portion thereof, may not be reprogrammed from the PPA absent notification by the ASA(CW). This restriction applies even when Funding is excess to the needs for a specific PPA. This restriction applies to Funding restricted as to purpose in FY 2016 or in any prior FY, and it applies until the restricted Funding is 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) For FY 2016, projects and programs with limitations on purpose include the Aquatic Plant Control Program in the Construction appropriation, and Monitoring of Completed Navigation Projects and Water Operations Technical Support in the O&M appropriation. To identify projects for which Funding has purposes specified by Act or Committee language for previous fiscal years, refer to the Acts or accompanying reports for that fiscal year.

e. Statutory Restriction on Augmentation or Reduction:

(1) Pursuant to Sections 101(a)(5) through (10) and 101(b) of Public Law 114-113 as modified by Section 101(b) (the de minimis rule) of that Act, 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 (rounded to the nearest dollar). These restrictions apply to Reprogrammings to and from PPAs in the I, C, O&M, and MR&T appropriations, and Reprogrammings to PPAs in the FUSRAP appropriation, that take place during the period when the current Baselines apply. Reprogrammings that comply with these restrictions are coded as REP. Reprogrammings that do not comply are coded as CGR, unless they qualify as CLM or EMR. These restrictions do not apply to Reallocations, Reconciliations, or Transfers. See Appendix I for examples of Reprogramming limit calculations.

(2) As Reprogrammings of any of this Funding to or from a PPA take place during the period when the current Baselines apply, the amounts reprogrammed are included in the Cumulative Net Amount for that PPA and applied toward a Reprogramming limit for the PPA. The Reprogramming limit is derived from the Baseline. The limits for each appropriation are discussed below.

(3) Special rules apply in the case of any receiving PPA that previously Received an Appropriation but that did not Receive an Appropriation for FY 2016. The special rules are discussed in specific locations below.

(4) Investigations and MR&T Investigations. Prior notification to the Subcommittees is required (the Reprogramming is a CGR for the applicable PPA rather than a REP) when:

(a) For a donating PPA, or for a receiving PPA that Received an Appropriation for FY 2016, the absolute value of the sum of the Cumulative Net Amount of REP and CGR Reprogrammings plus the amount of the planned Reprogramming exceeds the higher of $49,999 or 25 percent of the Baseline, or exceeds $150,000.

(b) For a receiving PPA that previously Received an Appropriation but that did not Receive an Appropriation for FY 2016, the sum of the Cumulative Net Amount of REP and CGR Reprogrammings plus the amount of the planned Reprogramming is positive (the PPA is a net recipient) and its absolute value exceeds $49,999, irrespective of the amount of the Baseline.

(5) Construction and MR&T Construction:

(a) Prior notification to the Subcommittees is required (the Reprogramming is a CGR for the applicable PPA rather than a REP) when:

(i) For a donating PPA, or for a receiving PPA that Received an Appropriation for FY 2016, the absolute value of the sum of the Cumulative Net Amount of REP and CGR

Reprogrammings plus the amount of the planned Reprogramming exceeds the higher of $300,000 or 15 percent of the Baseline, or exceeds $3,000,000.

(ii) For a receiving PPA that previously Received an Appropriation but that did not Receive an Appropriation for FY 2016, the sum of the Cumulative Net Amount of REP and CGR Reprogrammings plus the amount of the planned Reprogramming is positive (the PPA is a net recipient), and, irrespective of the amount of the Baseline, its absolute value either exceeds $49,999 (if the planned Reprogramming is not for Existing Obligations and Concomitant Administrative Expenses, or exceeds $300,000 (if the planned Reprogramming is for Existing Obligations and Concomitant Administrative Expenses). See paragraph 8.a.(3)(c).

(b) Notwithstanding the foregoing paragraphs, a maximum Cumulative Net Amount of CLM Reprogrammings of $3,000,000 may be reprogrammed, during the period when the current Baselines apply, to a recipient PPA or from a donor PPA when the recipient PPA Received an Appropriation for FY 2016 or a previous FY, irrespective of the amount of the Baseline. A CLM Reprogramming must be for settled contractor claims, Changed Conditions, or real estate deficiency judgments on the recipient PPA, including the costs of associated engineering and design and supervision and administration. A CLM Reprogramming does not count toward the REP limits described in the foregoing paragraphs. See paragraph 8.a.(5), above, for guidance on the appropriate use and processing of CLM Reprogrammings.

(6) O&M Appropriation and MR&T Maintenance Sub-Account:

(a) Prior notification to the Subcommittees is required (the Reprogramming is a CGR for the applicable PPA rather than a REP) when:

(i) For a donating PPA, or for a receiving PPA that Received an Appropriation for FY 2016, the absolute value of the sum of the Cumulative Net Amount of REP and CGR Reprogrammings plus the amount of the planned Reprogramming exceeds the higher of $150,000 or 15 percent of the Baseline, or exceeds $5,000,000.

(ii) For a receiving PPA that previously Received an Appropriation but did not Receive an Appropriation for FY 2016, the sum of the Cumulative Net Amount of REP and CGR Reprogrammings plus the amount of planned Reprogramming, is positive (the PPA is a net recipient) and its absolute value 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. The costs of responding to an Emergency that may be funded with such a Reprogramming include the costs of associated engineering and design and supervision and administration. Such a Reprogramming does not count toward the limits in the foregoing paragraphs. See paragraph 8.a.(6), above, for guidance on the appropriate use and processing of these Reprogrammings using the EMR code.

(7) Formerly Utilized Sites Remedial Action Program. Prior notification to the Subcommittees is required (the Reprogramming is a CGR for the recipient rather than a REP) when the sum of the Cumulative Net Amount plus the amount of the planned Reprogramming for a receiving PPA is positive and its absolute value exceeds the higher of $49,999 or 15 percent of the Baseline.

f. Other Annual Appropriations. There are no PPAs in the other annual appropriations (Flood Control and Coastal Emergencies, Expenses, and Regulatory Program) other than rare Statutory Earmarks, so all movements of Funding within these appropriations are Reallocations, with the exception of Reprogramming to Statutory Earmarks, where permitted under paragraph 8.b.(1) and 8(b)(2).

g. Permanent Appropriations. Maintenance and Operation of Dams and the other permanent appropriations do not receive Funding in Title I of Acts. Consequently, all movements of Funding within these appropriations are Reallocations.

h. Bonneville Power Administration Funding. Within the O&M appropriation, Funding with category-class-subclass 390 is derived from the Bonneville Power Administration and is not appropriated in Title I of Acts. This Funding is not included in O&M Reprogramming Baselines and is not included in Cumulative Net Amounts, and all movements of this Funding are processed using the Other (O) work allowance code.

i. The Division or Laboratory must approve or disapprove the following:

(1) Any Reprogramming transaction in its area of responsibility that requires CECW-IP approval and was not created by HQUSACE. Division or Laboratory approval is required before CECW-IP approval.

(2) For a Division, any Reprogramming transaction created by a District in its area of responsibility.

j. CECW-IP must approve or disapprove the following:

(1) Any transaction that involves Supplemental Funding. This is to ensure that the recipient project qualifies for the Supplemental Funding, that the amount of Supplemental Funding from donors exactly offsets the amount of Supplemental Funding to recipients, that the amount of Supplemental Funding from donors under each Contingency Code exactly offsets the amount of Supplemental Funding to recipients under that Contingency Code, and that the Supplemental Funding is put to the best use Nation-wide.

(2) Any transaction in which the amount from donors of Funding with a combination of Program Year and Appropriation Expiration Fiscal Year is not exactly offset by the amount from recipients of Funding with the same combination of Program Year and Appropriation Expiration Fiscal Year.

(3) Any transaction in which the Baseline Override or the Transaction Type Override is used, including any Reallocation (RLC) between Program Codes (other than Program Codes in the Parent Programs) in the I, C, O&M, MR&T, or FUSRAP appropriation.

(4) Any Reallocation in the Maintenance and Operation of Dams appropriation.

(5) Any transaction involving the EMR, CLM, O, or REC Work Allowance code. This is to ensure that the use of the code in the transaction is appropriate.

(6) Any transaction involving the CGR Work Allowance code. The approval must follow completion of the Committee notification process.

(7) Any transaction in the I, C, O&M, MR&T, or FUSRAP appropriation in which the recipient Program Code has never before been funded in the appropriation, according to available financial data. This is to avoid inadvertent "Creation or Initiation of a PPA." Exceptions are Parent Programs, and Program Codes in the O&M or MR&T (M) appropriation that previously were funded in the C or MR&T (C) appropriation.

(8) Any transaction in the I, C, O&M, MR&T, or FUSRAP appropriation, other than within a Parent Program, that leaves less than $1,000 on a Program Code. This is to avoid inadvertent "elimination" of a PPA.

(9) Any transaction in the I or C appropriation, involving a REP to a receiving Program Code that did not Receive an Appropriation in FY 2016, in which the Cumulative Net Amount of REP and CGR Reprogrammings, including the proposed REP, since enactment of the last Act is greater than $49,999. Such a REP depends on a finding by the HQUSACE Appropriation Manager that the REP is For Existing Obligations and Concomitant Administrative Expenses.

(10) In the I or MR&T I appropriation, a Reprogramming to a Program Code that has received funding previously, but using a PED Category-Class-Subclass that has not received an Initial Work Allowance previously for that Program Code. This is to ensure that the PED phase is not initiated without Washington-level review. However, Reprogramming of one dollar will be permitted if the previous phase is fiscally closed out and the Reprogramming is needed to make the study eligible for Funding under a future short-term or full-year Continuing Resolution.

(11) Any transaction involving a REP into or out of a CAP Section.

(12) Any transaction in the C appropriation involving inland waterway construction and rehabilitation projects (CCS 220, 310, and 814), to ensure that Funding derived from the general fund and Funding derived from the IWTF remain in balance.

(13) Any transaction in the O&M appropriation in which there is a net change in the CCS for emergency activities. These CCS are 11E, 12E, 21E, 22E, and 31E.

(14) A Reallocation within a CAP Section under any of the following circumstances:

(a) To a Program Code that neither has an executed agreement for the phase, nor already has received a Reallocation in the current FY.

(b) To a Program Code that has already received $100,000 for the phase and does not have an executed agreement for the phase.

(c) To a Program Code that is not Active.

(15) Reprogramming in the I, C, MR&T I, or MR&T C appropriation to a Program Code that has received Funding previously, but has not received a positive Initial Work Allowance with the Program Year of the current FY or the previous four FYs. This is to ensure that funds are focused on completion of priority projects and studies, and that projects and studies that might become eligible for deauthorization are not reactivated without sufficient justification. Under 33 U.S.C. 579a, as amended, and Section 710 of Public Law 99-662, the Secretary of the Army each year is to submit to Congress a list of specifically authorized construction projects, separable elements, and environmental infrastructure assistance projects and programs on which no obligations have been made for planning, design, or construction in the current or preceding five fiscal years, and a list of specifically authorized studies that have not received positive Initial Work Allowances in the current or preceding five fiscal years. Exceptions may be approved by CECW-IP as follows:

(a) For within-scope modifications, settled claims, or judgments.

(b) For completion of a nearly completed study phase, project, separable element, or functional portion.

(c) For fiscal closeout of a completed or terminated study phase, project, or separable element.

(d) For a study phase, project, or separable element that is included in a President's Budget for the current fiscal year or the next fiscal year.

(e) One dollar, to enable the PPA to be eligible for Funding in a work plan under a full-year Continuing Resolution.

(f) Other exceptions case-by-case.

(16) Any proposed Reprogramming from a Dam Safety Action Classification (DSAC) I, II, or III safety of dams project (dam safety assurance, seepage control, or static instability correction). Such a Reprogramming must be coordinated with the Division Dam Safety Officer, the Chief, CECW-I, and the Chief, CECW-CE.

(17) A transaction resulting in a net reduction of Funding for one of the remaining items shown in the following table. These are the remaining items executed by an organization or organizations different from that of the remaining item proponent / manager. CECW-IP will coordinate any such proposed transaction with the proponent / manager:

CCS	AMSCO	Remaining Item
		INVESTIGATIONS
	328393	Access to Water Data
	053919	AIS Support Tri-CADD
	053836	Coastal Field Data Collection
	190097	Disposition of Completed Projects
	053856	Environmental Data Studies
250		Flood Plain Management Services
	053820	Hydrologic Studies
	053900	International Water Studies
	053907	Other Coord -- Coord w/ Other Agencies
	053857	Other Coord -- FERC Licensing Activities
	053921	Other Coord -- Interagency / International
	014713	Other Coord -- Interagency Water Res. Dev.
	014405	Other Coord -- Inventory of Dams
	017250	Other Coord -- Special Investigations
186		Planning Assistance to States
	151558	Planning Support Program
	088039	Precipitation Studies
	031293	Remote Sensing/GIS Support
300's		Research and Development
	053850	Scientific & Technical Info Centers
	053890	Stream Gaging (USGS)
	076371	Tribal Partnership Program
		CONSTRUCTION
	075098	Aquatic Plant Control Program
517		CAP Section 14
420		CAP Section 103
216		CAP Section 107
232		CAP Section 111
792		CAP Section 204
516		CAP Section 205
732		CAP Section 206
518		CAP Section 208
722		CAP Section 1135
240-242, 540-542, 640-642		Dam Safety & Seepage/Stability Correction Prg

750		Employees Compensation
737		Estuary Restoration Program
	031323	Shoreline Erosion Control Devel and Demo
		OPERATION AND MAINTENANCE
	145759	Actions for Change to Improve Operations (IPET/HPDC)
	008329	Asset Management/Facilities and Equipment Maintenance
	008258	B/M Support for O&M -- Perf Based Budgeting Support
	007855	B/M Support for O&M -- Recreation Mgmt Support Prg
	150609	B/M Support for O&M -- Stewardship Support Program
		Civil Works Water Management System
	190012	Coastal and Ocean Data System
	060000	Coastal Inlet Research Program
	008252	Cultural Resources (NAGPRA/Curation)
	330117	Dredge McFarland Ready Reserve
	008304	Dredge Wheeler Ready Reserve
	088926	Dredging Data and Lock Performance Monitoring System
	089500	Dredging Operations and Environmental Research
	086000	Dredging Operations Technical Support Program (DOTS)
	081369	Facility Protection
	329431	F&WL Operating Fish Hatchery Reimbursement
	008315	Inland Waterway Navigation Charts
221		Inspection of Completed Federal Flood Control Projects AND ICW listed under States
	008321	Monitoring of Completed Navigation Projects
	030745	National (Levee) Flood Inventory
	008242	National Coastal Mapping Program
	088935	National Dam Safety Program (Portfolio Risk Assess)
500's		National Emergency Preparedness Program (NEPP)
	008270	National Natural Resources Management Activities
	116676	Nationwide Evaluation of Hydropower Rehabilitation
420		Protection of Nav – Snagging, Clearing, Straightening
421		Protection of Nav – Removal of Sunken Vessels
	008303	Regional Sediment Management Program
	008241	Water Operations Technical Support (WOTS)

k. HQUSACE must approve or disapprove the following. The approver is the manager of the appropriation, and is not necessarily CECW-IP:

(a) In the Regulatory Program appropriation, a Reallocation among EROCs.

(b) In the Regulatory Program appropriation, a Reallocation involving activities with CCS in the 300, 400, or 500 series.

(c) In the Expenses appropriation, any Reallocation.

(d) In the Flood Control and Coastal Emergencies appropriation, any Reallocation.

l. See Appendices I through L.

9. <u>Policy on Response to Emergencies</u>:

a. O&M and MR&T (M) Funding reprogrammed using the EMR code pursuant to Sections 101(a)(8) and (9) of Public Law 114-113, the one percent of Funding set aside pursuant to the O&M title of Public Law 114-113, and Supplemental Funding in all appropriations all are authorized for limited purposes related to response to Emergencies. Accordingly, additional controls, including approval of Work Allowances by the CECW-IP Appropriation Manager, are placed on the allocation and Reprogramming of this Funding to ensure that the intended uses are consistent with these purposes.

b. Response to an Emergency could include immediate response under Emergency conditions, including actions to prevent or mitigate an imminent event, or later repair of damaged project features or restoration of degraded project functions resulting from an actual Emergency event. However, use of the EMR authority is time-sensitive; see paragraph 8.a.(6)(b).

c. The costs eligible for Funding with EMR Reprogrammings, the one percent set-aside, and Supplemental Funding are limited to the costs of the response to an Emergency. Any costs attributable to additional maintenance and repairs, over and above costs of response to an Emergency, must be funded otherwise. Where necessary, repair and restoration costs must be apportioned between response to an Emergency and additional maintenance and repairs, and funded accordingly.

d. EMR Reprogrammings. Reprogrammings to enable USACE to respond to Emergencies are discussed in paragraphs 8.a.(6).

e. One Percent Set-Aside:

(1) A proviso in the O&M title in Public Law 114-113 specifies that one percent of the Funding provided for each PPA under that heading shall not be allocated to a FOA prior to the beginning of the fourth quarter of the FY 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 proviso states that the Chief of Engineers shall allocate during the fourth quarter any remaining Funding that has 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 9.b.

(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 or CRA transaction code. At the

same time, a Work Allowance equal to negative one percent of the amount issued with the CRA 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 Funding 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 2016, the retained Funding will be available for emergency activities. In the fourth quarter of FY 2016, remaining retained Funding, if any, will be allocated to the original PPAs on a pro-rata basis.

f. Supplemental Funding:

(1) Work accomplished with Supplemental Funding must be within the statutory purposes of the appropriations that they supplement. Further, Supplemental Funding is to enable USACE to respond to Emergencies, or certain types of Emergencies. The language of each Supplemental Act specifies the purposes of the Supplemental Funding. For instance, the FY 2012 Supplemental Funding is for disaster relief as defined in the Stafford Act, and the FY 2013 Supplemental Funding is for Hurricane Sandy relief.

(2) Recent Supplemental Acts have specified that O&M Supplemental Funding is “to dredge navigation channels and repair other Corps projects related to natural disasters.” Therefore, in these cases, the O&M Supplemental Funding is authorized to be used only for responses to natural events (or specified natural events, as the case may be), but is not authorized to be used for responses to project component failures unrelated to natural events.

(3) The work accomplished with Supplemental Funding must be within the scope of work upon which the Initial Work Allowance is based. This ensures that Supplemental Funding is applied to the best uses nationwide. Supplemental Funding surplus to that work should be offered for revocation.

(4) Reprogramming of supplemental O&M or MR&T (M) Funding should be coded as REP or CGR, unless the criteria in paragraph 8.a.(6) are met for use of the EMR code.

10. <u>Contracting</u>:

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 Funding.

(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) Continuing contracts may be used only for construction or operation and maintenance of specifically authorized Civil Works projects, including post-authorization planning, engineering, and design costs associated with construction.

(2) Section 102 of Public Law 114-113 provides that: “None of the funds made available in this title may be used to award or modify any contract that commits funds beyond 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.”

(3) To address Section 102 and its predecessors, the Director, Defense Procurement and Acquisition Policy (DPAP), approved a permanent class deviation from DFARS 232.705-70 and DFARS Clause 252.232-7007 (Reference 4.d.) to authorize USACE contracting officers to use UAI Clause 52.232-5001, Special Continuing Contract for Civil Works Project Managed by the USACE [DEVIATION], and its alternate (Reference 4.e.) in solicitations and contracts that are identified as supporting civil works projects that are not fully funded.

c. Approval authorities for contracts are as follows:

CONTRACT TYPE / CONDITIONS	APPROVER	TIMING OF REQUEST
Contract is not a continuing contract, and is for a work package included in President's Budget or cleared work plan, or is for emergency FRM/NAV/HYD repairs	District	Prior to solicitation
Contract is not a continuing contract, and is for a work package not included in President's Budget or cleared work plan, and is not for emergency FRM/NAV/HYD repairs	HQUSACE, CECW-I	Prior to solicitation
Contract is a continuing contract using UAI clause 52.232-5001 in the O&M appropriation, where the contract has been partially funded in the budget or work plan for the current FY, and funding to fully fund the balance of the contract is already included in the President's Budget for the forthcoming FY	Division	Prior to solicitation
Other uses of the UAI clause 52.232-5001	ASA(CW)	See Program Development EC
Contract is a continuing contract using the UAI clause 52.232-5001, Alternate 1 and is for unbudgeted work specifically added by Congress	District	Prior to solicitation
Contract is a continuing contract using the UAI clause 52.232-5001, Alternate 1 and is not for unbudgeted work specifically added by Congress	HQUSACE, CECW-I	Prior to solicitation

d. Availability of Funding for Contract Solicitation and Award. Funding 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 Funding is available at the time of solicitation, Army Federal Acquisition Regulation Supplement (AFARS) 5132.7, Contract Funding, 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 Funding must be available at the time of bid opening or proposal receipt.

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

11. Financing of Inland Waterway Projects.

a. Work Allowances for Inland Waterways Trust Fund (IWTF) Projects:

(1) All regularly appropriated Funding for inland waterway construction and rehabilitation projects will be issued in the Construction appropriation, 96X3122. Work Allowances for Funding to be derived from the general fund are issued using CCS 220

or 814, and Work Allowances for Funding to be derived from the IWTF are issued using CCS 310.

(2) Work Allowances for projects funded in part from the IWTF will be issued in increments on a periodic basis. The remainder will be withheld (see Appendix H). The reason for periodic Work Allowances is that the FADs (which equal the sum of Work Allowances) for IWTF Funding 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.

b. Inland waterway construction projects authorized before enactment of the Water Resources Development Act (WRDA) of 1986, Public Law 99-662, and lock and dam construction projects on waterways that are not part of the designated inland waterway system (see Section 206 of the Inland Waterways Revenue Act of 1978 as amended by Section 1404 of WRDA 1986) are financed 100 percent from the general fund.

c. In each FY 2009 through 2013, the applicable Act specified which inland waterway construction and rehabilitation projects were to be funded 50 percent from the Inland Waterways Trust Fund. For those projects, the Funding from the applicable fiscal year was derived 50 percent from the Trust Fund, even if the Funding were not obligated until a subsequent fiscal year. For other projects, the Funding from the applicable fiscal year was derived 100 percent from the general fund, even if the Funding were not obligated until a subsequent fiscal year.

d. Funding from FY 2014 provided to Olmsted Locks and Dam, Illinois and Kentucky, pursuant to Public Law 113-76 was derived 25 percent from the Trust Fund, even if the Funding is not obligated until a subsequent fiscal year.

e. In accordance with Section 2006(a)(2) of the Water Resources Reform and Development Act of 2014, Funding for Olmsted Lock and Dam, Illinois and Kentucky, with a Program Year of FY 2015 and thereafter is to be derived 15 percent from the Trust Fund.

f. Except as provided in paragraphs 11.b. through 11.e., all inland waterway construction and rehabilitation projects will be funded 50 percent from the Trust Fund.

g. The Funding provided (over and above carry-in) under a Continuing Resolution for a given fiscal year to an inland waterway construction or rehabilitation project is financed (general fund and/or Trust Fund) in the same manner as under the Act for the previous fiscal year. However, once the Act for that fiscal year has been enacted, the Funding provided under the Continuing Resolution is merged with the Funding provided under the Act and is financed accordingly. In some cases this means that the financing must be re-balanced between the general fund and the Trust Fund.

h. For Program Year 2015 and thereafter, Funding reprogrammed from an inland waterway project will be derived from the IWTF and the general fund in the same proportions as the Funding for that Program Year was provided to the project, and Funding reprogrammed to an inland waterway project will be derived from the IWTF and the general fund in the same proportions as the Funding for that Program Year would have been provided to the project under the applicable Act. Since all Funding enacted before FY 2015 is assigned the Program Year of 2014, assume that any Program Year 2014 funding reprogrammed to or from an inland waterway project was enacted in the latest FY through FY 2014 that the recipient project or the donor project, respectively, received an Initial Work Allowance.

i. Projects that are out of balance with respect to the above guidance should be rebalanced through reallocations between the general fund (CCS 220 or 814) and the Trust Fund (CCS 310).

12. Temporary Sequestration of Rivers and Harbors Contributed Funds:

a. On 2 February 2015, pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended by the Budget Control Act of 2011, Public Law 112-90 and the American Taxpayer Relief Act of 2012, Public Law 112-240, Title IX, the President ordered a sequestration of FY 2016 funding in mandatory accounts.

b. The Rivers and Harbors Contributed Funds account is a mandatory account. The account is sequesterable to the extent it funds administrative expenses, as defined by the Office of Management and Budget. The sequestration of the account is temporary.

c. FY 2015 funding estimated for the account is $350 million, of which $137 million was identified for administrative expenses and sequestered at a 6.8 percent sequestration rate. This is equal to an effective sequestration rate of 2.66 percent.

d. Each Division will ensure that, at each point in time during FY 2016, a sum equal to 2.66 percent of the cumulative total funding provided to its districts in the account in FY 2016 remains unobligated. Any funding otherwise available in the account across its districts (including funding received in previous fiscal years) may be used to meet the Division's 2.66 percent requirement. The mix of projects contributing to the 2.66 percent requirement may change over time. The 2.66 percent requirement will grow through FY 2016 as the cumulative total funding provided in FY 2016 grows.

e. On 1 October 2016, the 2.66 percent sequestered in FY 2016 will become available for obligation.

13. Scheduling and Execution:

a. In accordance with the Project Management Business Process, each Project Manager and the Project Management Team are to create and maintain a network analysis schedule for each project in P2 based on the FY 2016 Funding provided as well as carry-in Funding. 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).

b. 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 2016. 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.

c. Value Engineering (VE) Workshops will be performed in accordance with ER 11-1-321, Value Engineering for Army Programs. 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. Performance will be evaluated in Civil Works Directorate Management Reviews (DMRs) based on attainment of objectives for obligations and for key milestones in project delivery. The guidance on DMR metrics is provided in Appendix A.

e. Agreements:

(1) A District may execute a cost sharing agreement for a specifically authorized project or project element, or for a study phase, only if the project, element, or study phase has received an Initial Work Allowance sufficient to fund substantive work on the project, element, or study. Reallocation within a study or project and Reprogramming to a study or project do not count as authorizing execution of an agreement. Exceptions must be approved by CECW-P for studies and CECW-I for projects.

(2) Funding for Preconstruction Engineering and Design prior to execution of the Design Agreement is limited to $100,000. Remaining Funding allocated to a project will be withheld (see Appendix H) until execution of the agreement. Exceptions must be approved by CECW-P.

(3) Environmental infrastructure assistance projects and programs are inconsistent with Executive Branch policy for Civil Works. Any funding provided for such a project or program in an OMB-cleared Work Plan is for a useful increment of work. Accordingly, Districts should execute cost sharing agreements only for the funded useful increments

of work. No agreements should be signed that contemplate future, unfunded increments of work.

f. Initial Work Allowances for Review Plans. To receive an Initial Work Allowance, each specifically authorized water resources development PPA in feasibility (except feasibility new starts in their first FY of funding), PED, construction, or operation and maintenance must have an actual date for Milestone CW035 in its P2 schedule representing the date that the approved review plan applicable to the PPA was posted on the District's review plan web site. Until Milestone CW035 is populated, H Work Allowances will be used to offset the C or CRA Work Allowance at the District and to place the Funding on the project in HQUSACE. If the PPA has received allotments in CEFMS, this imbalance must be rectified through a Reprogramming or (to the extent that Funding not covered by a Work Allowance was obligated during a Continuing Resolution period) through a Reconciliation. Once Milestone CW0035 is populated, H Work Allowances will be used to move the Funding from HQUSACE to the District.

g. Priorities for Use of Funding:

(1) More restricted Funding should be used first. For instance, Funding earmarked by statute or Supplemental Funding (if the work to be funded qualifies for the Supplemental Funding) should be used before regular, non-earmarked Funding.

(2) Funding that expires should be used before Funding that does not expire. Among expiring Funding, that with the earliest Appropriation Expiration Fiscal Year should be used first once annual or full-year appropriations are enacted. Furthermore, in the Appropriation Expiration Fiscal Year of expiring Funding, the expiring Funding should be obligated preferentially on labor, to avoid contract deobligations late in the expiration FY.

(3) Subject to the above paragraphs, Funding with the earliest Program Year should be used before Funding with a later Program Year.

h. Sustainability and Energy:

(1) Each P2 project receiving Sustainability and Energy Funding must be scheduled in P2, with a new activity (or a new Work Breakdown Structure (WBS) section with subordinate activities) for each funded work package (line item), with a descriptive title as provided in separate guidance. Each new activity in P2 will be used to create separate Ordering Work Item(s) (OWIs) and/or Funded Work Item(s) (FWIs) in CEFMS.

(2) Each of the new OWIs/FWIs in CEFMS will use the Command Indicator Code (CIC) "SUSXX," where XX stands for the last two digits of the FY, e.g. SUS14, to enable complete and accurate centralized pulls of Sustainability and Energy funding and execution data.

(3) All reasonable efforts should be made to completely execute the Sustainability and Energy work packages in the FY funded. Any execution delays must be tracked in P2. Surplus Funding may be reallocated or reprogrammed to or from funded Sustainability and Energy work packages subject to paragraph 8.i. The objective is to accomplish all funded work despite changes in cost estimates.

(4) On a quarterly basis, HQ USACE will pull data from P2 and CEFMS via the Enterprise Data Warehouse (EDW) to track progress on each Sustainability and Energy activity. Initial projected cost and final/actual cost will be reported in P2 for each activity. Proper coding of OWIs and FWIs will avoid the necessity of data calls. The EDW query is available upon request to the CECW-CO POC, John Coho.

(5) HQUSACE may request periodically from the Division-level Sustainability POC, on an exception basis, execution status updates for Sustainability and Energy activities that incur particularly lengthy or recurring delays.

i. Asset Management. To facilitate integrated management of Civil Works assets, program development guidance requires that each non-routine maintenance work package map to a Facilities and Equipment Management (FEM) asset, and for each such work package the “FEM Asset ID #" field must be populated in CWIFD. Furthermore, during execution:

(1) The "Work Package ID #" field must be populated for each P2 Activity in the O&M account, which in turn maps to a CEFMS Work Item.

(2) "CEFMS Work Item" field must be populated for each O&M FEM Work Order.

j. HQUSACE is monitoring execution in the O&M appropriation, and comparing it to allocations in the O&M appropriation to ensure that allocation decisions are being followed or that deviations can be explained (for instance, to address accidents, outages, and flood damage repairs). Program development guidance requires that the MSC or Lab must ensure that all work in an O&M work package in the Civil Works Integrated Funding Database is in the same business line as all other work in that work package. If the work in one work package belongs to more than one business line, the work package must be replaced with two or more work packages. Likewise, all work in an O&M work package assigned a “joint activities” Work Category Code must be truly joint and not specific to any business line. This guidance applies to multipurpose projects as well as other projects, and applies to Increment 1 and 2 work packages as well as other work packages. Furthermore, during execution:

(1) The MSC or Lab must ensure that each P2 Activity in a P2 schedule for an O&M project is assigned the correct WCC.

(2) The MSC or Lab must ensure that each Purchase Request and Commitment funded from O&M is assigned the correct WCC.

FOR THE COMMANDER:

STEVEN L. STOCKTON, P.E.
Director of Civil Works

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APPENDIX A

Civil Works DMR Metrics

1. Goals:

a. Carry out commitments by doing what we say we will do.

b. Execute funding effectively.

2. Overview of Metrics:

a. There are six metrics used in the HQUSACE Directorate Management Reviews:

(1) Percent of Available Funds Currently Scheduled for Execution in CFY by account and Division (metric CW01, CW01A).

(2) Actual Obligations/Expenditures Year to Date (YTD) against Basic Scheduled Obligations/Expenditures YTD (metric CW02, CW02A).

(3) Schedule Performance of Study Phases with Completion Commitments (metric CW03).

(4) Schedule Performance of Fully Funded Construction Projects and Separable Elements (CW04).

(5) Schedule Performance of Agreement Execution (CW05).

(6) Value Engineering Statutory Compliance (CW06B).

b. In addition, a Basic schedule is set for “key” milestones to facilitate management by the Divisions and Laboratories, but milestone execution is not tracked in the DMRs. Details are in paragraph 9 below.

3. Percent of Available Funds Currently Scheduled for Execution by Account and Division (metric CW01, CW01A):

a. Metric. The metric measures the Funding scheduled for obligation in the CFY in the Adjusted Current 2101 obligation schedules, as a percent of Funding available for obligation. However, for the Regulatory Program appropriation, Expenses appropriation, and the Dam Safety and Seepage/Stability Correction Program (Wedge) funding managed by IWR under CCS 241, 541, 640, and 641, the metric measures Regular Funding scheduled for expenditure as a percent of Funding available for expenditure. Until appropriations are enacted and a work plan is approved, the amount available is estimated based on actual carry-in plus the Budget amount for each study, project, or programmatic remaining item (or its capability, if lower than the Budget

Amount). An overall rating for all accounts combined is computed by summing all amounts available and all amounts scheduled.

b. Application of Metric. The metric is applied to each Division or FOA and HQUSACE at the account level. Regular and supplemental Funding each are rated separately. Statutory Earmarks of supplemental Funding for long-term programs are excluded. These include Hurricane Katrina Recovery (Construction and FCCE), Hurricane Sandy recovery (Construction and Investigations), and similar earmarks. Both Continuing Authorities Program (CAP) and Dam Safety Wedge Program are scored separately from other Construction. For the Dam Safety Wedge Program, only IWR (Risk Management Center) execution is measured. The ratings for CFY-1 also are displayed to provide insight on progress in improving performance against the standard. Work packages that were planned in the cleared CFY work plan for execution in the CFY + 1, over and above EDC and S&A on awarded contracts, are to be considered as deliberate carryover from the CFY. In these cases, deliberate carryover will be netted out by hand to determine the amount available in the Division. Expired Funds are excluded from Funding available for expenditure. Ratings for Divisions and FOA or HQUSACE with less than $1 million available are not displayed, but are included in the overall rating.

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

Account	Green	Amber
Investigations	85%	75% < 85%
Construction/CAP	85%	75% < 85%
O&M	95%	90% < 95%
MR&T	90%	80% < 90%
FUSRAP	95%	90% < 95%
FCCE	85%	75% < 85%
Regulatory	95%	90% < 95%
Expenses	95%	90% < 95%
Dam Safety Wedge	85%	75% < 85%
Overall	90%	80% < 90%

d. Update of Ratings. The ratings are updated quarterly to reflect changes in available Funding and in the Adjusted Current schedules.

4. Actual Obligations/Expenditures Year to Date (YTD) against Basic Scheduled Obligations/Expenditures YTD (metric CW02, CW02A):

a. Adjusted Current 2101 obligation and expenditure schedules are maintained for the CFY and CFY+1 for all Funding. When “Basic” schedules are set or re-set, the Adjusted Current schedule for the affected universe of projects and activities is copied to “Basic,” which is archived. For all Funding except the Expenses appropriation, the Regulatory Program appropriation, and the Dam Safety Wedge funding managed by IWR under CCS 241, 541, 640, and 641, Basic schedules are for obligations. For the latter, Basic schedules are for expenditures. Basic schedules for budgeted work are set at the beginning of each FY. Basic schedules may be re-set selectively after a Statement of Managers (for projects receiving less funding in the Statement of Managers than in the Budget), after clearance of a work plan (for projects receiving additional Funding in the work plan), after major allocation decisions for supplemental Funding (for projects receiving additional supplemental funding), or, in conjunction, for projects donating or receiving reprogrammed Funding across Divisions or FOAs.

b. Metric. The metric measures actual CFY obligations to date as a percentage of obligations planned in Basic 2101 schedules for the CFY to date. However, the metric is based on expenditures for the Expenses and Regulatory accounts and for Dam Safety Wedge Funding at IWR in CCS 241, 541, 640, and 641.

c. Application of Metric. The metric is applied at the account and Division level. Regular and supplemental are rated separately. The previous quarter'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. CAP is broken out from other Construction. Funding for the Dam Safety Wedge program at IWR in CCS codes 241, 541, 640 and 641 also is broken out from other Construction. Ratings for Divisions and FOA or HQUSACE with less than $1 million scheduled in Basic are not displayed, but are included in the overall rating.

d. Calculation of Ratings. Each organization's score is computed as follows:

Green: $\geq$ 95%
Amber: $\geq$ 90% < 95%
Red: < 90%

e. Update of Ratings. The ratings are updated quarterly.

5. Schedule Performance of Study Phases with Completion Commitments (CW03):

a. Metric. The metric provides the status of commitments to complete study phases. This metric is one of three, along with CW04 and CW05, that measures performance against commitments for completion of key milestones.

b. Application of Metric. The metric applies to study phases that have received funds to complete in FY 2013 and thereafter, and to Feasibility phases first funded in FY 2015 or thereafter.

(1) Feasibility Phase First Funded in FY 2015 or thereafter. The milestone is completion of the Chief's Report (CW270). The commitment date will be no later than 36 months after execution of the FCSA, unless a later date is approved by the DCG-CEO pursuant to an exemption request.

(2) Other Study Phases. For Feasibility, the milestone is completion of the Chief's Report (CW270). For a General Reevaluation Report, the milestone is completion of the Chief's Report, if any, or the applicable report. For PED, the milestone is completion of the plans and specifications for the first significant construction contract. The commitment date is the date for completion of the phase identified at the time that Funding to complete the phase is provided in a Budget or, for an unbudgeted phase, in a work plan.

c. Calculation of Ratings. Study phases that are on schedule to complete as committed and do not require additional funds score as green. Study phases that are not on schedule but can complete with available funding score as amber. Study phases that need additional funding to complete score as red. Each organization's score is computed as follows:

Green: $\geq$ 50% of study phases are green and none are red
Amber: $\geq$ 75% of study phases are green or amber
Red: < 75% of study phases are green or amber

d. Update of Ratings. Status of the current schedule against the commitment date is self reported by the Division quarterly. The universe of tracked studies is reset at the beginning of each FY. Study phases that were completed or terminated in the previous FY are removed from tracking. Study phases that were fully funded in the Budget for the current FY are added. The universe is also reset after clearance of a work plan, when study phases funded for completion in the work plan are added. Once set, commitment dates will not change without DCG-CEO approval of an exemption request.

6. Schedule Performance of Fully Funded Construction Projects and Separable Elements (CW04):

a. Metric. The metric provides the status of commitments to complete fully funded, specifically authorized projects and separable elements. This metric is one of three, along with CW03 and CW05, that measures performance against commitments for completion of key milestones.

b. Application of Metric. Each specifically authorized project or separable element that has received funding estimated to complete construction is scored. Completion is measured by the Notice of Project Completion/Turnover milestone (CW480). The commitment date is the date for completion of the project or element identified at the time that Funding to complete the project or element is provided in a Budget or, for an unbudgeted project or element, in a work plan.

c. Calculation of Ratings. Projects and separable elements that are on schedule to complete as committed and do not require additional funds score as green. Projects and separable elements that are not on schedule but can complete with available funding score as amber. Projects and separable elements that need additional funding to complete score as red. Each organization's score is computed as follows:

Green: $\geq$ 50% of study phases are green and none are red
Amber: $\geq$ 75% of study phases are green or amber
Red: < 75% of study phases are green or amber

d. Update of Ratings. Status of the current schedule against the commitment date is self reported by the Division quarterly. The universe of tracked projects and elements is reset at the beginning of each FY. Projects and elements that were completed or terminated in the previous FY are removed from tracking. Projects and elements that were fully funded in the Budget for the current FY are added. The universe is also reset after clearance of a work plan, when projects and elements funded for completion in the work plan are added.

7. Schedule Performance of Agreement Execution (CW05):

a. Metric. The metric measures the extent to which agreements that are expected to be executed in the current FY according to a standard are scheduled for execution in the current FY. This metric is one of three, along with CW03 and CW04, that measures performance against commitments for completion of key milestones.

b. Application of Metric. The universe of agreements is as follows:

(1) Specifically authorized or Tribal Partnership studies, projects, separable elements, and environmental infrastructure assistance projects funded for post-agreement (Feasibility FCSA, GRR FCSA, Design Agreement, or Project Partnership Agreement) work in the current FY.

(2) Specifically authorized or Tribal partnership studies, projects, separable elements, and environmental infrastructure assistance projects funded for post-agreement work in a previous FY, but for which the agreement was not executed in the previous FY.

(3) CAP projects for which HQUSACE, by 31 May of the current FY, authorized execution of a FCSA or PPA, unless the agreement was executed in the previous FY. Each agreement is scored as either within standard (scheduled for execution within the current FY) or not.

The score for each organization is based on the percentage of agreements in the universe that have milestone CW130 scheduled for the current FY. The scores for the fourth quarter of the current FY measure actual execution of milestone CW130 as a percentage.

The universe of tracked agreements is reset at the beginning of each FY. Agreements that were executed in the previous FY are removed from tracking. Unexecuted agreements on studies and projects funded in the current FY Budget for post-agreement work, other than new starts, are added. Additional unexecuted agreements on studies and projects funded for post-agreement work in the work plan are added after clearance of the work plan. Newly authorized but unexecuted agreements on CAP projects are added through 31 May.

c. Calculation of Rating. Each organization's score is computed as follows:

Green: ≥ 90%
Amber: ≥ 80%
Red: < 80%

d. Update of Ratings. Status of agreements against the standard is monitored by querying P2 milestone CW130 data for the universe of tracked agreements.

8. Value Engineering Statutory Compliance (CW06B):

a. Metric. The metric measures the extent to which the VE program complies with applicable laws and regulations including Public Law 104-106 (Federal Procurement Policy Act, 41 USC 432) & Public Law 111-350 (41 USC 1711), OMB Circular A-131 (A-11 & A-123), Defense Acquisition Guidance, DoD Instructions 4245.14 and ER 11-1-321 (Change 1). All projects/contracts greater than $2M are to address VE requirements by conducting a VE study or demonstrating low opportunity/bridge/scan or waiver is required.

b. Application of Metric. Applicable across the entire CW program. The metric is a Lagging Indicator and assesses USACE compliance with statutory and regulatory requirements. Failure indicates a possible breakdown in accountability.

c. Calculation of Ratings. VE Activities milestones completed is the percent of VE Study Finish Actual (CW195) plus Low Opportunity/Bridge/Scan/Waiver (CW290) measured against Construction Contract Award milestones (CC800 A). Each organization's rating is computed as follows:

Green: ≥ 95%
Amber ≥ 85% < 95%
Red < 85%

d. Update of Ratings. The ratings are updated quarterly and reported annually to OMB (OFPP) & OSD (AT&L). Contracting and National Program Managers are to ensure applicable Contract Award milestones are identified and recorded in corporate automated information systems (P2/EDW).

9. Basic Schedules for Key Milestone Types:

a. A Basic snapshot is taken of "key" milestones to assist Divisions to manage their programs. However, milestone execution is not tracked in DMRs, except as discussed in paragraph 7.

b. Key program milestones for Investigations and MR&T (I) Feasibility Studies are:

Milestone Description	Milestone Code	WBS
Execution of Feasibility Cost Sharing Agreement	CW130	21000 (including children), 22000 (including children), 30000 (including children)
Project Management Plan Approval	CW040	00500 (including children)
Alternatives Milestone	CW261	22000 (including children), 30000 (including children)
Tentatively Selected Plan (TSP) Milestone	CW262	22000 (including children), 30000 (including children)
Release of Draft Feasibility Report for Public Review	CW250	22000 (including children), 30000 (including children)
Agency Decision Milestone	CW263	22000 (including children), 30000 (including children)
District Submit Final Feasibility Report	CW160	22000 (including children), 30000 (including children)
Division transmittal letter with Final Feasibility Report	CW260	22000 (including children), 30000 (including children)
Civil Works Review Board	CW245	22000 (including children), 30000 (including children)
Signed Chief's Report	CW270	22000 (including children), 30000 (including children)

c. Key milestones for Investigations PED and MR&T (I) PED are:

Milestone Description	Milestone Code	WBS
Execution of Design Agreement	CW130	30000 (including children)
Contract Request to Advertise Other Contract Request to Advertise	CW401, CW402	30000 (including children)

d. Key milestones for C, MR&T (C), and O&M are:

Milestone Description	Milestone Code	WBS
Design Agreement Execution or PPA Execution	CW130	30000 (including children)
Contract Award	CC800	30000 (including children) , 60000 and 61000
Project Physical Completion	CW450	30000 (including children)
Notice of Project Completion	CW480	30000 (including children)

Note: 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.

e. Key milestones for CAP are:

Milestone Name	Milestone Code	WBS
Federal Interest Determination Approval	CW170	21V00
Feasibility Cost Share Agreement (FCSA)	CW130	21V0C
Alternative Formulation Briefing or Division Decision Meeting (MDM)	CW190	21V00
Approval of Final CAP Decision Document	CW170	2200C
Project Partnership Agreement (PPA) Execution	CW130	22V00
Contract Award	CC800	CAP – 30000 (including children)
Project Physical Completion	CW450	30000 (including children)

f. Key milestones for FCCE 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)

g. Key milestones for FUSRAP are:

Milestone Name	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

Note: The reports for the PRB/DMR's will pull for any WBS.

h. Key milestones for Dam Safety Wedge projects are:

Milestone Name	Milestone Code	WBS
Issue Evaluation Study (IES)		
Project Data Report Complete	DS110	30000 (including children) DS4000 (Including children)
Draft SQRA/IES Report Submittal	DS130	30000 (including children) DS4000 (Including children)
Final IES Report Approval	DS140	30000 (including children) DS4000 (Including children)
Dam Safety Modification (DSM)		
Future Without Action Condition / Existing Condition Risk Assessment	DS220	30000 (including children) DS5000 (Including children)
Tentatively Selected Plan (TSP) Milestone	DS240	30000 (including children) DS5000 (Including children)
Final DSM Report Approval by USACE DSO	DS280	30000 (including children) DS5000 (Including children)

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

j. 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)”.

10. Point of Contact. POC is Jim Wojtala, CECW-IP, 202-761-4133.

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APPENDIX B

Standard Operating Procedures for Continuing Authorities Programs

1. Guidance. Implementation of the FY 2016 Continuing Authorities Program (CAP) is based on the Committee direction provided in the Statement of Managers accompanying the Energy and Water Development Appropriations Act, Division D of the Consolidated Appropriations Act, 2016, guidance contained in Appendix F, Amendment 2, dated 31 Jan 07, of the Planning Guidance Notebook, ER 1105-2-100, and the CECW-P Memorandum, dated 3 December 2014, subject: Implementation Guidance for Section 1030 of the Water Resources Reform and Development Act (WRRDA) of 2014, Continuing Authorities.

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

3. CAP Project/Stage Classification:

a. Active. An Active project is a project that received a Reallocation in the applicable FY or either of the two previous FYs, or a project for which the CAP data base reflects that non-Federal sponsor provided a reaffirmation letter in the applicable FY or either of the two previous FY's in accordance with paragraph 4, or a project with an executed agreement, apart from any project classified by the District as Converted, Terminated, or Completed. However, the District may reclassify an Active project as Deferred.

b. Deferred. A Deferred project is a project that qualifies as an Active project, but that the District has reclassified as Deferred because no work is scheduled for the CFY.

c. Suspended. A formerly Active or Deferred project is suspended in accordance with paragraph 5. In accordance with paragraph 5, a Suspended project either should be reaffirmed and returned to Active status, or should be Terminated.

d. Unstarted. An Unstarted project is a project for which Funding never has been provided. An Unstarted project is also referred to as a New Start.

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

f. 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.

g. 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.

h. Districts at any time may reclassify projects, other than Unstarted projects, to Converted, Terminated, or Completed. Districts at any time may reclassify Active projects to Deferred, and vice versa. Suspension of projects and their return to Active or Deferred status are discussed in paragraph 5.

4. CAP Database:

a. Capability estimates for CAP should conform to the definition of capability in the latest Civil Works Program Development Policy EC. Specifically, capability estimates should be consistent with law and policy. This means, for instance, that if an agreement is required for a project phase, capability beyond a cumulative $100,000 may not be expressed unless the agreement is scheduled for execution in the applicable FY.

b. Data in the CAP database include estimates of project-specific capabilities for the CFY through the CFY+3, plus planned or actual agreement execution dates. CAP data are used to prioritize projects, select projects for Funding and determine Funding amounts, to report National Program Level summaries and statistics to support/defend CAP Value to the Nation, among other things. Poor data jeopardizes the opportunities for otherwise qualified projects to receive Funding. 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 Funding, and will reflect the results in the CAP data.

5. Processes for Suspension and Reaffirmation:

a. As of 1 October of the CFY, an Active or Deferred project is automatically moved to Suspended status if it meets all of the following criteria:

(1) According to Work Allowance data, it did not receive Funding in either CFY-1 or CFY-2;

(2) According to the CAP database, it did not have a cost sharing agreement executed in either CFY-1 or CFY-2; and

(3) According to the CAP database, it was not reaffirmed in writing by the Non Federal Sponsor in either CFY-1 or CFY-2.

b. During the CFY, a Suspended project is returned to Active status if it is reaffirmed in writing by the Non-Federal Sponsor, and the date is entered in the CAP database.

c. During the CFY, the CECW-IP Program Manager will notify the Divisions of the additional Active and Deferred projects that would be suspended as of 1 October of CFY+1 unless they were reaffirmed by the Non-Federal Sponsor during the CFY.

d. For each Suspended project and each Active or Deferred project that would be suspended as of 1 October of CFY+1, the District may 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: 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. 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. 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. 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 /

e. If and when the project is reaffirmed in writing, the District will enter the reaffirmation date in the CAP database and reclassify the project to Active or Deferred status.

f. If the Non-Federal Sponsor indicates that it does not wish to reaffirm the project, or fails to reaffirm an already-Suspended project in a reasonable time as determined by the District, the District will conduct the following actions:

(1) Notify the Non-Federal Sponsor and the local offices of the affected Members of Congress of the pending Termination of the project.

(2) Thereafter, reclassify the project in the CAP database as Terminated, unless the Non-Federal Sponsor reaffirms the project within a reasonable time after notification.

6. <u>Funding Priorities</u>:

a. In accordance with the following priorities, the CECW-IP Program Manager may reallocate to project phases the Funding available or projected to be available in each Section for obligation in the applicable FY. Funding will not be reallocated to projects or phases classified as Deferred, Converted, Terminated, or Suspended. The term reallocated in this appendix means moving to the project phase Funding from either the Master Program Code or from projects within the same Section:

(1) Approximately twenty percent of the available Funding will be reallocated to Feasibility phases and eighty percent will be reallocated to D&I phases; provided, that minor deviations from exactly 80/20 are expected due to project capabilities and useful increments.

(2) Funding for each type of phase will be reallocated first 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, of monitoring for completed construction, and of Coordination.

(3) Funding for each type of phase will be reallocated to the next added project phase until all Funding for that type of phase has been reallocated or remaining Funding for that type of phase is not sufficient to fund useful work on the next-added project phase. However, the CECW-IP Program Manager may reserve Funding for post-agreement work on project phases for which agreements have been authorized.

(4) The amount reallocated to each project phase will not exceed the capability for that project phase for the applicable fiscal year. In addition:

(a) No more than $50,000 cumulative will be reallocated to a Feasibility phase until a positive Federal Interest Determination has been made.

(b) Except in the case of a phase that does not require an agreement or a Section 204 Feasibility study, no more than $100,000 may be reallocated to a project phase until the agreement for that phase has been executed.

b. Section 14. Subject to paragraph 5 above, project phases that address the most significant risks and adverse consequences have priority, irrespective of agreement or phase status. Data on risks and consequences are in the CAP database.

c. Other Sections. Subject to paragraph 5 above, and notwithstanding paragraph F-25.d. of ER 1105-2-100:

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

(2) Among previously funded project phases:

(a) Project phases with executed agreements (except for project phases with agreements authorized under paragraph 9.d. but for which the CECW-IP Program Manager has not yet provided, reserved, or planned Funding for post-execution work) have priority over project phases without executed agreements.

(b) Among previously funded phases without executed agreements and previously funded project phases with agreements authorized under paragraph 9.c. but for which the CECW-IP Program Manager has not yet provided, reserved, or planned Funding for post-execution work, priority is given first to project phases for which execution of an agreement is scheduled for the applicable FY or has taken place, and last to project phases for which execution of a required agreement is not scheduled for the applicable FY.

(3) Subject to the foregoing paragraphs, project phases that are the highest-performing and that are closest to fiscal completion (that is, cumulative obligations for the phases, as a percent of total Federal costs for the phases are the highest) have priority. For Section 107, projects for which CECW-Z has concurred in the fact sheet will be treated as highest-performing, projects with no CECW-Z action will be treated as next-highest performing, and projects in which the CECW-Z has non-concurred should be terminated by the District.

7. Funding Processes. Consistent with paragraph 5 above:

a. At the beginning of the CFY, CECW-IP Program Manager will provide an Initial Allocation Plan for the Program based on carry-in Funding and anticipated CFY Funding during a Continuing Resolution period, if applicable. The CECW-IP Program Manager will determine acceptable risks to ensure a proactive approach to managing the program with the goal of maximizing project delivery and execution.

b. Projects funded in the Initial Allocation Plan that did not receive carry-in Funding shall be executed using Funding made available by “paper FAD” under the Continuing Resolution Act.

c. Upon the enactment of an annual or full year appropriations bill, the CECW-IP Program Manager will provide a Final Allocation Plan and work allowances for the Program.

d. After enactment, an assessment will be undertaken to determine if it is appropriate to initiate any new Start CAP Feasibility phases. This assessment will consider if such projects can be funded over time based on historical averages of the appropriation for that Section. A decision to fund any new Start CAP Feasibility phases will be coordinated with the Committees on Appropriations of the House of Representatives and the Senate. This new start assessment may be performed quarterly, depending on availability of funds. New starts for section 14 will be prioritized in accordance with paragraph 6.b.

8. Reprogramming and Reallocation:

a. Approval of the CECW-IP Program Manager is required to reprogram Funding into or out of a CAP Section, which is a PPA.

b. During the CFY, HQUSACE will reallocate to the applicable Master Program Code all project Funding not scheduled for obligation or solicitation in the CFY.

c. Districts and MSCs may reallocate Funding, as needed, to the applicable CAP Section Coordination account.

d. The District may approve a Reallocation to a project phase that has received a reallocation already in the current FY, provided that no more than $50,000 cumulative will be reallocated to a Feasibility phase until a positive Federal Interest Determination has been made, and no more than $100,000 cumulative will be reallocated to any project phase until the agreement for the phase has been executed.

e. Other Reallocations require the approval of the MSC and the CECW-IP Program Manager.

9. Quarterly Reviews:

a. MSCs will ensure that Districts update data in the CAP Database on phase, capabilities, agreement dates, the unfunded costs of already-awarded and already-solicited contracts, Coordination costs, and the like. For consistency purposes, the MSCs will ensure the data is updated by the 10th day of the month preceding the next quarter: (i.e.10 Dec, 10 Mar, 10 Jun, 10 Sep).

b. The CECW-IP Program Manager will carry out “sweeps” of Funding not scheduled for obligation in the CFY. However, the Program Manager may permit a project to retain Funding needed in the next FY for contract management, known claims, and known within-scope modifications on already-solicited or already-awarded contracts, or may permit any project to retain Funding scheduled for obligation in the first quarter of the next FY. The CECW-IP Program Manager may approve Reallocation of Funding within the Division, if consistent with paragraph 5, in lieu of revocation to the applicable Master Program Code.

c. The CECW-IP Program Manager will reallocate Funding to project phases for the applicable FY in accordance with paragraph 7 above, and notify the MSCs of newly reallocated Funding.

d. The CECW-IP Program Manager will determine and coordinate New Starts projects with the Appropriations Committees.

10. 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 CECW-IP Program Manager. Each authorized agreement will be negotiated, 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 agreement under ER 1105-2-100, Appendix F are two separate actions.

b. The CECW-IP Program Manager will authorize an agreement for a project phase if the agreement is scheduled for execution in the applicable FY, the CECW-IP Program Manager has reserved Funding to the project phase for post-agreement work in the applicable FY or has planned the use of budgeted Funding for post-agreement work in the next FY, and, in the case of a Section 107 project, CECW-Z has concurred in the fact sheet.

c. Should an MSC request authorization of an agreement for a previously funded project phase for which execution of the agreement alone (without necessarily obligating Funding after execution) prevents non-Federal cost sharing Funding from being lost, the CECW-IP Program Manager will authorize the agreement after verifying the necessity of execution. Such authorization does not create a commitment to fund post-agreement work.

d. Once an agreement is authorized, the authorization will not be rescinded. However, continued authorization of the agreement does not exempt the project from Reallocation of project Funding that is not scheduled for the CFY.

11. Point of Contact. POC is Joseph Mose, 202-761-4825.

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APPENDIX C

Investigations Execution Guidance

1. References:

a. CECW-P Memorandum, dated 9 April 2015, subject: Implementation Guidance for Section 1001 of the Water Resources Reform and Development Act of 2014 (WRRDA 2014) – Vertical Integration and Acceleration of Studies

b. CECW-P Memorandum, dated 9 April 2015, subject: Implementation Guidance for Section 1001 of the Water Resources Reform and Development Act of 2014 (WRRDA 2014) – Consolidation of Studies.

c. Planning Bulletin 2012-04, 3x3x3 Rule Exemption Process.

2. Vertical Team Alignment. All studies and assessments funded in the Statement of Managers or work plan will follow SMART (Specific, Measurable, Attainable, Risk Informed, and Timely) Planning principles. This ability to think critically, identify risks, and move out on decisions allows for efficient execution of our planning program. Obtaining vertical alignment on the scope and schedule is a critical aspect of SMART Planning. The outcome of that vertical team coordination is documented in the Decision Log and in the form of a compliance memorandum.

a. Initial alignment on single phase studies. All authorized feasibility studies, including GRRs, watershed assessments, and comprehensive study assessments, that were started after the passing of WRRDA 2014, 10 June 2014, will follow a single phase process. For these studies, vertical team alignment will occur throughout the study, but initially at the Alternatives Milestone. Prior to the Alternatives Milestone, the Project Delivery Team (PDT) will verify Federal interest and conduct and document a preliminary analysis of the Federal interest and the rough order of magnitude of costs, benefits, and environmental impacts. Documentation of the Alternatives Milestone will record the Scope and schedule of the study, including the review plan. The documentation of the Alternatives Milestone will no longer use the Standard Funding Stream. Instead, a study specific funding stream will be identified and will receive vertical team concurrence. The MSC Planning Chief will provide the RIT and CECW-P a signed memo documenting the aligned scope, funding stream and schedule of the study and will either verify compliance or explain the need and path ahead for an exemption.

b. Changes to Scope, Schedule and/or Funding Streams. As the study progresses, changes in the scope, schedule and budget will be coordinated within the vertical team for alignment and captured in an updated Project Management Plan and Decision Management Plan. The HQUSACE review manager will brief the Chief of the Office of Water Policy Review, who will assess and determine continued compliance. The continued compliance determination will be shared with the district and MSC Chiefs of

Planning via email and the HQUSACE review manager will ensure that the Project Delivery team accurately reflects the decision in the Decision Log. The MSC Planning Chief will provide the RIT and CECW-P a signed memo documenting the aligned scope, funding stream and schedule of the study and will either verify compliance or explain the need and path ahead for an exemption.

3. WRRDA 2014 Section 1002 Reporting Requirement:

a. For each study initiated after 10 June 2014, the District Engineer must provide the study milestone schedule to each non-Federal sponsor via certified mail within ninety days of signing the FCSA.

b. By 15 August of each year, the MSC will provide the RIT a comprehensive list of detailed study schedules. By 30 August of each year, each RIT will provide CECW-P a comprehensive list of detailed study schedules from its respective major subordinate command, based upon full funding capability, in accordance with the established feasibility study milestones. This comprehensive list will include the explanations for missed milestones during the year. CECW-P will compile a comprehensive list and submit it to the Secretary by 30 September of each year for submittal to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

c. Should the District fail to meet any of the scheduled milestone dates for studies described in paragraphs a. and b. above, the District Engineer will submit a letter to the non-Federal Sponsor within 30 days of the missed deadline. The letter will include reasons why the District Engineer failed to meet the deadline and a revised schedule reflecting amended dates for the remaining feasibility study milestones. The revised milestone schedule will be made publicly available, including on the District's Internet. In addition, the District Engineer must provide a copy of the missed deadline letter to their respective MSC and HQUSACE Regional Integration Team.

4. Exemptions and WRRDA Section 1001:

a. The Corps exemption process must be followed for any and all studies that will likely go over $1.5M (for 50/50 cost shared studies) and/or 3 years. The vertical team should be engaged as soon as the PDT identifies the potential cost or schedule change. Follow the process in the Planning Bulletin (PB) 2012-04 3x3x3 Rule Exemption Process. In addition, f or studies started after the passage of WRRDA 2014 and exceeding $3M federal or lasting longer than three years (36 months), the exemption requires approval by the ASA(CW).

b. The established vertical alignment process is required to be completed and documented in an affirmative Compliance Memo or Exemption Memo before additional funding can be supported in a work plan or budget, or in a reprogramming requiring Congressional notification.

APPENDIX D

Executive Direction and Management

Expenses (E) Program Execution Guidance

1. General:

a. 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), Divisions, and selected Field Operating Activities (FOAs) that receive Expenses manpower allocation. ED&M functions include command and control, 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.

b. In FY12, the Energy and Water Development (E&WDA) enacted appropriation law which for the first time made the Expenses (e) appropriation 2-year Funding. Under the terms of Energy and Water Development Appropriations Act, 2016 (Division D of the Consolidated Appropriations Act, 2015), PL 114-113, FY16 Expenses Funding is for a comparable period of availability (annual), although the appropriation, FY16/17, expires on 30 September 2017. The Expenses (E) appropriation authorizes funding for supervision and general administration of HQUSACE and its Division Offices, as well as the cost of management and operation of the FOAs Humphreys Engineer Center Support Activity (HECSA), Institute for Water Resources (IWR), Engineer Research and Development Center (ERDC), ACE IT, USACE Logistics Activity (ULA) and USACE Finance Center (UFC), to remain available until 30 September 2017. 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 not otherwise restricted as to use, 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.

2. Program Challenges:

a. 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.

b. Executive Order 13514, signed October 2009, required Federal agencies to set a 2020 Greenhouse gas (GHG) emissions reduction target and to meet energy, water and petroleum reduction goals established in EO 13423, the Energy Independence and Security Act of 2007, and the Energy Policy Act of 2005. ASA(CW) submits annually to OMB and CEQ the USACE-wide Sustainability Plan and the Comprehensive Greenhouse Gas Inventory, Annual Energy Management Report, and Sustainability and Energy scorecard. To this end, the Corps established USACE-wide policies, plans, processes, and tools, required to improve USACE performance and support annual reporting requirements related to greenhouse gases (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.

c. Many of the Corp's aging workforce, possessing required knowledge, abilities, and skills, are retiring on a regular basis. The surge in 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 will continue.

3. <u>Highlights of Initiatives and Priorities</u>:

a. The USACE strategy plan is called the "Campaign Plan". The Corps' Campaign Plan describes its vision, strategy, goals and objectives for the entire organization. The Commanding General's four priorities are:

(1) Support the War Fighter: Deliver innovative, resilient, and sustainable solutions to DoD and the Nation;

(2) Transform Civil Works: Deliver enduring and essential water resource solutions using effective transformation strategies;

(3) Reduce Disaster Risks: Deliver support that responds to, recovers from, and mitigates disaster impacts to the Nation; and

(4) Prepare for Tomorrow: Build resilient People, Teams, Systems, and Processes to sustain a diverse culture of collaboration, innovation, and participation to shape and deliver strategic solutions.

b. These four goals are compatible with the accomplishment of the Civil Works Program. They are accomplished through Strategic Goals one through five:

(1) Assist in providing for safe and resilient communities and infrastructure.

(2) Help facilitate commercial navigation in an environmentally and economically sustainable fashion.

(3) Restore degraded aquatic ecosystems and prevent future environmental losses.

(4) Implement effective, reliable, and adaptive life-cycle performance management of infrastructure.

(5) Build and sustain a high quality, highly dedicated workforce.

4. Civil Works Strategic Plan: The Expenses appropriation is aligned with all of the Civil Works Strategic Plan goals that guide, inform, and shape Civil Works objectives and priorities.

a. Relevant Goal(s):

(1) Transform the Civil Works program to deliver sustainable water resources solutions through integrated water resources management.

(2) Improve the safety and resilience of communities and water resources infrastructure.

(3) Facilitate the transportation of commerce goods on the Nation’s coastal channels and inland waterways.

(4) Restore, protect, and manage aquatic ecosystems to benefit the Nation.

(5) Manage the life-cycle of water resources infrastructure systems in order to consistently deliver sustainable services.

b. Relevant Objective(s):

(1) Modernize the Civil Works project planning process

(2) Identify and pursue watershed solutions using a systems approach, in collaboration with all stakeholders.

(3) Improve Methods of Delivery in order to produce quality solutions and delivery of services, on schedule and within budget.

(4) Develop a ready and resilient workforce through innovative talent management and leader development strategies and programs.

(5) Reduce the Nation's flood risk and increase resilience to disasters.

(6) Improve national economic efficiency through targeted investments in the Nation's coastal channels and inland waterways.

(7) Reduce adverse impacts to the Nation's wetlands and waterways through an effective, transparent, and efficient Regulatory process.

(8) Support the Nation and the Army in achieving our energy security and sustainability goals.

(9) Capitalize, recapitalize, operate, and maintain water resources infrastructure to provide maximum value to the Nation.

(10) Provide reliable, renewable, hydropower to the Nation.

(11) Provide water supply storage in partnership with state and local interests.

c. Relevant Performance Measure(s)

(1) Execution of labor against workload.

(2) Effectively describe deliverables.

(3) Decreased recoveries.

(4) Liquidation of obligations

5. Expenses Strategic Priorities:

a. Improve the current ability to develop and defend Civil Works labor funding within the Administration.

b. To align available ED&M Resources at the Headquarters, Field Operating Agencies, and Major Subordinate Commands with the most appropriate CW Program Business Line Requirements, in order to best address Goals and Priorities outlined in the CW Strategic Plan.

c. Directly support the five ED&M functions: Command and Control, Policy Guidance, Program Management, National/Regional Interface, and Quality Assurance.

d. Establish and update policy, develop guidelines, review performance and manage the direction of work accomplished by other organizations in the Corps of Engineers, in support of CWP objectives.

e. Maintain the appropriate level of management and oversight over all CW Program business lines such that CWP Priorities/Goals are achieved at an efficiency that is superior to other Government and Industry benchmarks.

6. Performance under Various Levels: The Expenses appropriation funds ED&M labor, Mandatory costs, and Discretionary costs for HQUSACE, eight Divisions, and six FOAs. The six FOA with personnel performing command and control functions and who receive Expenses manpower allocation are: HECSA, ERDC, ULA, ACE-IT, IWR and UFC. The proposed Funding and Full Time Equivalents (FTE) have remained constant at the FY12 level and does not provide for inflation or growth in labor or mandatory items such as rent, utilities and communication costs. FY15 Appropriation funding for the Enterprise Requirements, formerly program accounts/campaign accounts, will be recognized as remaining item and will be funded by the Expense program, in separate bins.

7. Execution. Appropriations for the Expenses Program are insufficient to fully fund mandatory labor requirements and provide for a sufficient amount of discretionary funding. Funding for non-labor requirements is required 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 of the Expenses Program is accomplished through subdivision of work among HQUSACE, eight Divisions, and six FOAs. 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 Chief of Staff.

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

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

d. Allocation of Expenses Program Funding among work subdivisions (HQ and non-HQ) 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. Sub-allocations within HQUSACE work subdivisions and USACE Commands are accomplished for both labor and non-labor items at the discretion of the managers, mindful of need to maintain adequate force strength.

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

g. Execution of Expenses Program Funding is 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 Chief of Staff.

h. Allocations for any given year must be obligated in that year to the fullest extent practicable to include obligations by performing organizations in receipt of funding provided by Corps-to-Corps government orders. Labor purchased from other others is to be executed by cross charge labor purchase requests. Unobligated amounts are to be returned to DRM IAW dates of the close out plan.

i. DRM establishes deadlines for completion, by work subdivision, 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.

j. The DCW will review performance of all work subdivisions at monthly Project Review Board (PRB) meetings and Directorate Management Reviews (DMRs) in terms of actual versus scheduled milestones and obligations. DRM also will host quarterly execution reviews.

8. ED&M of the Regulatory Program performed by Division Regulatory Program Managers should be charged to the Expenses appropriation, not the Regulatory Program appropriation. The following activities pertaining to the Regulatory Program are ED&M and should be charged to Expenses:

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).

9. Details and Developmental Assignments. Persons detailed to vacant allocated positions are detailees for whom labor obligation authority is provided through cross charge PR&C from the host offices to home offices. Temporary duty (TDY) costs will be provided by MIPR to the home office. 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 hiring lag provided within the annual funding allocation.

10. Point of Contact. POC is Gloria Bell, 202-761-1822.

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APPENDIX E

Flood Control and Coastal Emergencies Execution Guidance

1. The Flood Control and Coastal Emergencies (FCCE) appropriation funds all Public Law (PL) 84-99 activities, includes responsibility for disaster preparedness, inspection of non-Federal flood risk management projects, emergency operations, rehabilitation of damaged flood risk management projects, emergency dredging, emergency water assistance, Advance Measures for the imminent threat of unusual flooding, and participation in the hazard mitigation program.

2. Previously appropriated Funding, Funding previously transferred from other appropriations for flood control, and new FY 2015 Funding will be used to fund these purposes.

3. Roles and Responsibilities:

a. CECW-HS will:

(1) Provide guidance on prioritization and execution of FCCE Funding;

(2) Maintain data on Funding needs for preparedness, operations, and emergency water, Advance Measures, inspections of eligible non-Federal flood risk management projects, and preparation of Project Information Reports (PIRs);

(3) Provide FCCE work allowances quarterly for priority preparedness activities, inspections, and participation in the hazard mitigation program;

(4) Provide FCCE work allowances upon request for priority emergency operations, emergency water, Advance Measures, and preparation of PIRs;

(5) Revoke Funding surplus to current FY preparedness and operational requirements.

b. CECW-I will:

(1) Maintain data on Civil Works project repair requirements and PL 84-99 project rehabilitation requirements;

(2) Provide FCCE work allowances as directed/requested by CECW-HS, for PL 84-99 rehabilitations and project repairs determined by CECW-HS to be eligible for FCCE Funding;

(3) Revoke Funding surplus to current FY rehabilitation and repair requirements;

(4) Manage transfers into the FCCE appropriation of Funding from other flood control appropriations as needed.

4. Primavera project schedules and obligation/expenditure (2101) schedules are to be developed in P2 for all FCCE activities funded under the CCS codes having the first two digits of 31, 32, 33, 41, 42, and 51.

5. Point of Contact. POCs are Willem Helms, CENAD-DD, 202-761-5909, Carrie Hill, CECW-HS, 202-761-4717, and Jim Wojtala, CECW-IP, 202-761-4133.

APPENDIX F

Regulatory Program Execution Guidance

1. Purpose. 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 and navigation capacity while allowing reasonable development through fair and balanced decisions. 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 Wetlands.

b. Avoidance and Minimization of Impacts to Aquatic Resources.

c. Permit Processing Timeframes.

2. USACE Campaign Plan (UCP). In accordance with the UCP, Regulatory aims at minimizing adverse impacts to waters of the U.S. through balanced permit decisions that are timely, predictable, consistent, transparent, rooted in sound science and compliant with applicable laws (the desired Regulatory end state). The following two metrics are established to indicate progress towards meeting the UCP goals and objectives for Regulatory:

a. Percent of permits authorizing permanent impacts of one acre or less: As part of the permit evaluation process, avoidance and minimization of impacts to aquatic resources is required. A metric for permits authorizing impacts of less than one acre is a good indicator of Regulatory Program success in minimizing adverse impacts to aquatic resources.

b. Percent of General Permit (GP) decisions reached within 60 days: The use of GPs demonstrates the effectiveness of the Regulatory Program. Furthermore, the number of days it takes to complete the evaluation of GPs is an indicator of the efficiency of the Program.

3. Focus. Funding will be utilized by the Regulatory Community of Practice (CoP) to focus on providing Regulatory Project Managers with the tools they need to advance the Regulatory end state. Efforts will be organized along four lines: science and technology initiatives, technical and leadership training, program efficiencies, and ORM2/public website updates. These lines of effort will support the six conceptual Regulatory pillars: transparency, program efficiencies, training and development, science and technology, strong leaders, and knowledge management. The Regulatory CoP will continue to work together with districts/divisions to deliver a Regulatory Program in accordance with the national goals noted above.

4. Appropriation. The appropriation for FY 2016 is $200,000,000 and will expire on 30 September 2017.

5. 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 2016 execution and are reported on quarterly at Directorate Management Review meetings. Ensure schedules are accurate before the schedules are locked. Adjustments may be made to the basic schedule once the appropriation has been received.

6. Programmed Carryover. Carryover should be scheduled and includes funding obligated on contracts, labor, or other actions that are not scheduled to be completed or expended until the next fiscal year. Funding provided in FY 2016 should not be programmed beyond FY 2017. Expiring funds should be utilized first and fully expended on labor before the end of the second quarter of the FY, unless otherwise directed.

7. Work Allowances. See guidance provided in the main body of this circular.

8. Execution Metrics:

a. 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 eight external and two internal 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.

b. The Regulatory Program goals and eight external performance measures were developed through a collaborative process with the Office of Management and Budget (OMB) and have an equal focus on all of the Program's goals. The eight performance measures enable USACE to report on program effectiveness and results which directly correlate to adequate levels of funding for district staff. In addition to these measures, two metrics are used to measure the degree to which the UCP goals and end state for the Regulatory Program have been advanced. To enable monitoring and analysis of district/division/program performance and budget execution, all metrics are included in the Command Monitoring Requirements (CMR) via the Strategic Management System (SMS).

c. In addition to the eight external performance measures, although not related to budget execution, the Regulatory Program has developed three internal metrics to measure the efficiency of the administrative appeals program and are provided below.

d. Compliance, Permit, and Administrative Appeals Data. Districts and divisions are required to enter all data into the ORM2 database and report performance for each of the performance measures each quarter. 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 ensure that all district/division data are current.

e. For FY 2016, district Regulatory programs and division administrative appeal Review Officers will receive funding based on a $200 million appropriation for the national Regulatory Program. The districts' FY 2016 base allocations do 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.

f. To assist in determining whether USACE is meeting its commitments to customers, stakeholders, and Congress, Regulatory will continue to utilize the OMB Program Assessment and Rating Tools eight performance measures. In addition, the Regulatory Program will implement two internal metrics to track progress in achieving the UCP goals through SMS, and three internal measures for appeals. Note that the increases in OMB Performance Measures 2, 3, and 7, first implemented in FY 2014 due to increased funding, will continue in FY 2016.

Regulatory National Program USACE Campaign Plan Objective Metrics	**FY 2016 Targets – Tracked in SMS**
1) Percent of permits authorizing permanent impacts of one acre of less.	85% of permits issued authorized permanent impacts of less than one acre.
2) Percent of general permit decisions reached within 60 days.	80% of GP decisions reached in 60 days or less.

Regulatory Appeal Program Performance Measures (Internal)	**FY 2016 Targets**
1. Completion of Appeals of Approved Jurisdictional Determinations: The Corps shall complete the review of XX% of all accepted appeals of Approved Jurisdictional Determinations in 90 days.	25%
2. Completion of Appeals of Declined Proffered Permits: The Corps shall complete the review of XX% of all accepted appeals of Declined Proffered Permits in 90 days.	25%
3. Completion of Appeals of Permits Denied with Prejudice: The Corps shall complete the review of XX% of all accepted appeals of Permits Denied with Prejudice in 90 days.	25%

Regulatory Program Performance Measures (External)	FY 2016 Targets
1. Individual Permit Compliance The Corps shall complete an initial compliance inspection on XX% of the total number of all individual permits (including Standard Permits and Letters of Permission (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 NWPs) issued during the preceding FY where authorized work is underway.	10%
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).	10%
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.	80%
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%

9. Reallocation. There are no restrictions on district reallocation of funding among the Permit, Compliance, Enforcement, and district Appeals accounts, except for those items detailed in 11(c) and 11(f) below. 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. Please note this is not the same as re-baselining. Re-baselining is a more labor intensive process requiring division approval and a review at Headquarters including a detailed plan with current and future workload projections, performance, staffing, and historic budget information. The plan should support the re-baseline recommendations provided to Headquarters for review and approval.

10. Division Level Funding:

a. Headquarters will distribute Work Allowances to the divisions' administrative appeals account CCS 600 (013579), to administer the administrative appeals program and related costs incurred by the Division Engineer's designated Review Officer. In accordance with the 16 April 2013 CECW-CO-R memorandum, entitled Guidance on the Use of Administrative Appeals Funds in the Regulatory Program, this funding may be used by the Division Engineer's designated Review Officer for expenses, except when specifically assigned duties are not related to the Regulatory administrative appeals program. Please refer to Appendix D, item 8(h) of this EC for additional guidance on Review Officer charging practices.

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

c. 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 reviewing those appeals.

d. Unless acting as the Division Engineer's designated Review Officer, other division staff may not charge to the Regulatory appropriation, including the administrative appeals account, without prior Headquarters approval.

e. Divisions should not distribute division Appeals account funding to the districts via Military Interdepartmental Purchase Request (MIPR) or Work Allowances to support district staff work on appeal related activities.

11. District Level Funding:

a. In accordance with the 7 October 2004 memorandum to USACE Commanders regarding Regulatory Work Category Codes, districts may no longer program funding in the following CCS codes: 110, 120, and 130.

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

c. 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. As a reminder, districts should not expend more than 25% of their overall allocation in the unauthorized and compliance categories combined.

d. District Level Appeals - CCS 600 (0135790). All district level administrative appeal related work items must be established under CCS 600 in the district's P2 work breakdown structure. This includes district costs for assembling, copying, and transmitting the administrative record to the division assigned Review Officer, as well as other appropriate costs as listed in Section 2 of the 16 April 2013 Memorandum from CECW-CO-R, entitled Guidance on the Use of Administrative Appeals Funds in the Regulatory Program.

e. Compliance Activities - CCS 800 (010688). All compliance related work items must be established under CCS 800 in the district's P2 work breakdown structure. See above expenditure limits for this CCS code.

f. Headquarters Approval - Funding may not be programmed into or out of the Studies account CCS 300 (088870), EIS account CCS 500 (088890), or 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, entitled Guidance on EIS Preparation, Corps Regulatory Program. This guidance also applies during any continuing resolution authority periods.

12. Obligation Schedule and Fund Distribution. Funding is 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.

e. Qualitative factors and MSC recommendations.

13. HQ Priorities. Funding has been retained at Headquarters for national Regulatory Program priorities, including: policy support, science and technology tool development (e.g., ORM2, Regulatory In-lieu Fee and Banking Information Tracking System (RIBITS), Cumulative Effects Analysis (CEA), Knowledge Management (KM), development of an integrated training program, ERDC wetland delineation manual update and regional supplements, Hydrogeomorphic (HGM) guidebooks, National Wetland Plant List, Tech Notes and Tech Reports, and the Wetlands Regulatory Assistance Program (WRAP), etc.), litigation and emerging requirements during the year. District Regulatory chiefs are expected to manage their funding to avoid furloughs and meet the performance measure targets. Districts and divisions should not expect to receive additional funding from Headquarters to cover normal operating expenses near the end of the fiscal year. Prior year funding should be obligated by 31 December of the current fiscal year. Any amounts not obligated may be deducted from the current FY allocation.

14. Funding From External Sources:

a. Section 214 of the Water Resources Development Act of 2000, as amended (WRDA 214) and 23 U.S.C. Section 139(j), provide for the acceptance of funding from non-Federal public entities, public-utility companies, and natural gas companies into the Regulatory Program under certain conditions.

b. Tracking of Section 214 and Section 139(j) Funding. All funding received in accordance with local agreements under Section 214 or Section 139(j) shall be programmed under the 96 2016/2017 3126 appropriation code for FY 2016. A new two year funding code shall be established each fiscal year. Districts shall fully expend any Section 214 or Section 139(j) funding in the 96 X 3126 appropriation code prior to expending Section 214 or Section 139(j) funding in any of the two-year appropriation codes IAW the 5 March 2013 memorandum, subject: Programming of Funds Accepted from a Reimbursable Agreement within the Regulatory Program. Districts shall establish a separate work item for each funding agreement. The following CCS codes will be used for tracking of this funding: CCS 991 – Section 214, and CCS 992 – Section 139(j).

c. Tracking and acceptance of other Federal/Non-federal funding arrangements. All funding received in accordance with local agreements that may be established under public law, executive order or judiciary finding shall be programmed under the 96 2016/2017 3126 appropriation code for FY 2016. Districts shall expend any other reimbursable carryover funding in the 96 X 3126 appropriation code prior to expending other reimbursable funding in any two-year appropriation codes. Districts will establish a separate work item for each funding agreement. The following CCS code will be used for the tracking of funding: 999 – All other reimbursables.

15. Point of Contact. POC is Jennifer Moyer, 202-761-4598.

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APPENDIX G

Civil Works use of Army Management Structure Code and Program Code

1. With few exceptions (see paragraph 7 in the main EC) each PPA has a unique Army Management Structure Code (AMSCO) and Program Management Information Systems (*PROMIS*) *Version 2* (P2) Program Code. AMSCO Name and Program Code Name fields contain the "official" project name as shown in the authorizing legislation, including the state(s) in which the project is located. Funding is budgeted and allocated using the AMSCO / Program Code only.

2. All Primavera projects should be mapped to (populate the Program Code field in P2 with) a Program Code.

3. To request a new AMSCO / Program Code, or to edit an existing AMSCO / Program Code name to match the "official" project name as shown in the authorizing legislation, users must submit a request to the Headquarters, National Programs Branch (CECW-IN). Requests should include the "official" project name as shown in the authorizing legislation and the appropriation(s) that may provide funding for the AMSCO / Program Code. Other than for AMSCOs / Program Codes for "children" within the Parent Programs, concurrence of Headquarters, Project Programs Branch (CECW-IP) is required for creation or editing of an AMSCO / Program Code. After CECW-IP concurrence, CECW-IN will manage the process of assigning new codes and the coordination with ACE-IT and the USACE Finance Center (CEFC-AF) for inclusion in CEFMS.

4. After a Program Code has been assigned it will be made available within each AIS. Please refer to the AIS-specific guidance for requirements.

5. In most cases, the AMSCO in CEFMS will also be the P2 Program Code There may be exceptions, particularly in FCCE, Regulatory, and in some Labs and Centers, an individual Primavera project is funded from multiple AMSCOs. In these cases, we usually recommend that a "primary" AMSCO be assigned as the Program Code.

6. Point of Contact. POC is Jon Soderberg, 202-761-7763.

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APPENDIX H

Standard Operating Procedures for Recording Work Allowances for Project-Based Appropriations

1. Work Allowance transactions, including within-Program Code transactions that move Funding between CCS, EROCs, or Program Activities, must be loaded into the Work Allowance Module in CEFMS.

2. Regular Funding of I, C, O&M, and MR&T (other than Parent Programs and Project Funding Pots):

a. Initial Work Allowances:

(1) Funding identified in the Act or Statement of Managers for a PPA is issued to the Program Code for the PPA using the C Work Allowance code. Funding identified for the PPA under a full-year Continuing Resolution is issued to the Program Code for the PPA using the CRA Work Allowance code. Where the PPA spans multiple EROCs, the total is distributed in multiple C- or CRA-coded Work Allowances.

(2) Where Funding is allocated to a PPA but is to be withheld temporarily, the Funding is allocated to the PPA, but on the HQUSACE (S0) database with a CCS of 033 indicating that the Funding is not distributed for use. Later, the funding is reallocated within the PPA from HQUSACE to the District.

(3) Funding for a new start is retained in the Project Funding Pot until the conditions specified in paragraph 6.d. or 6.e. of this EC are met, at which point the Initial Work Allowance is issued.

b. Corrections are accomplished by issuing a negative Work Allowance in the original code. The Funding is then available for issuance.

c. A Reduction is applied on a pro-rata basis to each PPA using negative Work Allowances with the SEQ (Sequestration), ATB (Across the Board), DED (One Percent Reduction in the O&M appropriation), or S&S (Reduction for Anticipated Savings and Slippages) Work Allowance code. The pro-rata requirements are in the Balanced Budget and Deficit Control Act, each annual appropriations act with an across the board reduction, the Operation and Maintenance title of each annual appropriations act, and Section 503 of Public Law 102-377, respectively. Funding from DED Reductions is issued to the Emergency Activities Funding Pot (Program Code 190013, CCS 640) using a positive DED Work Allowance code and further distributed from there in accordance with paragraph 4 below. The S&S Work Allowance code currently is not used.

d. Funding to be transferred to or from another appropriation is revoked or issued using the T (Transfer) Work Allowance code in the original appropriation. Program Year and Appropriation Expiration Fiscal Year travel with the transferred Funding. In the case of a transfer to the FC&CE appropriation, if and when the transfer is reimbursed from the FC&CE appropriation, a T Work Allowance is used to restore the Funding.

e. Reprogramming to or from a PPA is coded as CLM, CGR, EMR, or REP. To determine whether a Reprogramming exceeds Reprogramming limits for an REP, P2 computes the Baseline for the PPA, computes the Reprogramming limit based on the Baseline, and compares the absolute value of the cumulative net amount of REP and CGR Reprogrammings, including the proposed Reprogramming, to the limit. Both regular Funding and supplemental Funding are included in the computations, and the Baselines, limits, and cumulative net Reprogrammings combine regular and supplemental Funding. 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.

f. Undistributed Balance and Non-Offsetting Work Allowances.

(1) The undistributed balance is comprised of Funding previously reprogrammed from PPAs in one-way Reprogrammings and not yet reprogrammed to other PPAs in one-way Reprogrammings. When Funding previously reprogrammed from PPAs by HQ and included in the undistributed balance is reprogrammed (reissued) to PPAs, the applicable Reprogramming Work Allowance code of CLM, CGR, EMR, or REP is used for receiving PPAs. This Funding is not the same as previously unissued Funding, and Initial Work Allowance codes are not used.

(2) The undistributed balance is also used to accumulate Funding revoked from projects using the RES Work Allowance code in preparation for a reduction in the undistributed balance to implement a Rescission.

(3) CECW-IP Appropriation Manager approval is required for any non-offsetting Work Allowance, since this would affect the undistributed balance.

3. Regular Funding of I, C, O&M, and MR&T (Parent Programs).

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 Funding provided in the Act or Statement of Managers is issued to the Master Program Code using the C Work Allowance code. Funding identified for the PPA under a full-year Continuing Resolution is issued to the Master Program Code using the CRA Work Allowance Code.

c. Funding is reallocated to, from, and among Children using the RLC Work Allowance code. Funding may be reallocated over time.

d. Reprogrammings arise only when Funding is moved into or out of the CCS or set of CCS for the Parent Program. In that case the CEFMS Work Allowance Module checks compliance with Reprogramming limits for the entire CCS or set of CCS.

e. Corrections, Reductions, Transfers, and non-offsetting Work Allowances among Parent Programs are managed in the same manner as for specifically authorized studies and projects, as described in paragraph 1 above.

4. Regular Funding of I, C, O&M, and MR&T (Project Funding Pots).

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. All regularly appropriated Funding provided by the Act or Statement of Managers is issued to the Master Program Code using the C Work Allowance code. Funding identified for the PPA under a full-year Continuing Resolution is issued to the Master Program Code using the CRA Work Allowance Code. Thereafter, Funding is 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. Once Funding is passed through to a recipient study or project, the Funding becomes part of the Reprogramming Baseline for the recipient.

d. Once all never-issued Funding has been passed through to eligible PPAs from the Master Program Code, then the Master Program Code may be used to facilitate Reprogrammings. Funding may be reprogrammed into or out of the Master Program Code for a Project Funding Pot (except in the case of earmarks) in the same manner as described in paragraph 1 above. Funding previously reprogrammed into a Master Program Code in turn either may be reprogrammed to eligible PPAs, in which case there will not have been a net Reprogramming into or out of the Master Program Code, or may be passed through to qualifying studies or projects using the ALL Work Allowance code, just as is other Funding in the Master Program Code, in which case there will have been a net Reprogramming into the Master Program Code.

e. Corrections, Reductions, Transfers, and non-offsetting Work Allowances for Project Funding Pots are managed in the same manner as for specifically authorized studies and projects, as described in paragraph 1 above.

5. Regular Funding of Flood Control and Coastal Emergencies:

a. There are no PPAs in the FC&CE appropriation, except for Statutory Earmarks.

b. Regularly appropriated Funding is carried in the undistributed balance. This Funding is issued (reallocated) to qualifying Civil Works and Public Law 84-99 rehabilitation projects and to preparedness and response activities using the RLC Work Allowance code. Regular Funding also is revoked (reallocated) from projects and activities using the RLC code. The undistributed balance fluctuates based on these transactions.

6. Regular Funding of FUSRAP:

a. Initial Work Allowances are issued using the ALL code, except that the C code is used where the Act or Statement of Managers has specified an amount. All appropriated Funding is issued in Initial Work Allowances.

b. The undistributed balance is comprised of Funding reprogrammed from projects in one-way Reprogrammings. This funding would be issued using Work Allowance codes for Reprogrammings (REP or CGR).

c. Corrections, ATBs, and SEQs are managed as under paragraph 1 above. There are no statutory deductions or transfers for FUSRAP.

7. Supplemental Funding for Appropriations Other than FC&CE:

a. The Funding from each Public Law has a unique Public Law Code. If there is a Statutory Earmark, the earmarked Funding has a separate Contingency Code as well as the applicable Public Law Code.

b. Each supplemental appropriation and each Statutory Earmark within that supplemental appropriation has its own Master Program Code. The Public Law Code and the Contingency Code, if applicable, are assigned to the Funding when it is distributed to the Master Program Code. The Public Law Code and the Contingency Code follow the Funding. This is done to facilitate tracking of the Funding and to help ensure that the total distributed to projects and the total in the Master Program Code add to the total appropriated for that combination of Public Law and Contingency Code.

c. Supplemental Funding is distributed to the applicable Master Program Code using the SUP Work Allowance code. The CCS for undistributed Funding in the Master Program Code is 033, representing Funding not distributed for use.

d. A Master Program Code without a Contingency Code is not a PPA, because it is established for management convenience and does not represent a Congressional line item. However, Statutory Earmarks are PPAs and have Contingency Codes.

e. Funding is passed through to individual PPAs by issuing to the Master Program Code a negative Work Allowance using the SUP (instead of ALL) Work Allowance code, and, using the SUP code, issuing to the Program Codes of the recipient PPAs positive Work Allowances summing to the same amount.

f. Once Funding is passed through to a recipient PPA, the Funding becomes part of the Reprogramming Baseline for the recipient.

g. Once all supplemental Funding in a Master Program Code without a Contingency Code has been passed through to eligible PPAs, then the Master Program Code may be used as a "clearing house" to facilitate Reprogrammings by serving alternately as the recipient and the source of reprogrammed Funding. However, since the Master Program Code is not a PPA, the Funding enters or leaves the Master as a reallocation, RLC. Funding reallocated into and out of the Master Program Code retains its Public Law Code and Contingency Code.

h. The Public Law Code and Contingency Code of the recipient must match that of the donor. This prevents the identity of the supplemental Funding from being changed.

i. Corrections, ATBs, SEQs, and Transfers are managed in the same manner as for regular Funding, as described in paragraph 1 above. There are no statutory deductions for supplemental Funding.

8. Supplemental Funding for FC&CE. The principles and procedures applicable to FC&CE are the same as described in paragraph 6 above, with the following exceptions: a) there are no PPAs in the FC&CE appropriation except for Statutory Earmarks; and b) FC&CE Funding is issued using the Reallocation (RLC) Work Allowance code instead of the SUP code. Funding is moved among FCCE work activities using the RLC code instead of Reprogramming codes.

9. Additional Resources. Remaining Items and other Project Funding Pots are shown in the "Remaining Items and Funding Pots" file at https://workplan.usace.army.mil/. Work allowance codes are displayed in Table H-1.

11. Point of Contact. POC is William Caldwell, 202-761-4094.

TABLE H-1
P2 Work Allowance Types

CODE	TYPE	DESCRIPTION 1/
ALLOCATION (HQ ONLY)		
ALL	FURTHER ALLOCATE	Revocation of Funding from Funding Pot, or equal and offsetting allocation of revoked Funding to a PPA.
ATB	ACROSS THE BOARD	Deduction of a pro-rated amount from each PPA pursuant to enacted across the board reduction of current-year Funding. Negative number.
C	ALLOCATE CONFERENCE	Allocation of amount from Statement of Managers table accompanying latest annual E&W appropriations Act.
CRA	ALLOCATE FULL-YEAR CRA	Allocation of amount from work plan for full-year Continuing Resolution Act.
DED	STATUTORY DEDUCTION	Deduction of a pro-rated amount from each PPA pursuant to current-year Act, or allocation of deducted Funding to Funding Pot.
RES	RESCISSION	Cancellation in current-year Act of prior-year Funding. Negative number.
SEQ	SEQUESTRATION	Sequestration of a pro-rated amount from each PPA under Balanced Budget Enforcement and Deficit Control Act, as amended by the Budget Control Act.
SUP	ALLOCATE SUPPLEMENTAL	Revocation of supplemental funds from supplemental Funding Pot, or equal and offsetting allocation to a PPA.
T	TRANSFER	Revocation of Funding to be transferred out of the appropriation. Negative number.
REPROGRAMMING CODES		
CGR	REPROGRAM – PRIOR CONGRESSIONAL	A reprogramming requiring prior Congressional notification (does not qualify as REP, CLM, or EMR). The CGR code may apply to donor, recipient, both, or neither.
CLM	REPROGRAM – SETTLED CLAIM, CHANGED CONDITIONS, OR REAL ESTATE JUDGMENT	A reprogramming within CLM limit in C or MR&T (C) for a settled contractor claim, changed conditions, or real estate deficiency judgment on the recipient. The CLM code applies to donor as well as recipient.
EMR	REPROGRAM – RESPOND TO EMERGENCY	A reprogramming in O&M or MR&T (M) to respond to an emergency on the recipient. Requires post-facto Congressional notification. The EMR code applies to donor as well as recipient.
REP	REPROGRAM – OTHER	A reprogramming other than CLM or EMR and within REP limit. The REP code may apply to donor, recipient, both, or neither.
OTHER CODES		
O	OTHER	Allocation or reallocation of Bonneville Power Administration (3123 CCS 390) Funding
REC	RECONCILIATION	An increase in the current Program Year work allowance above the Conference amount to match the obligation of current Program Year Funding under the short-term Continuing Resolution, together with the offsetting reduction in work allowances for donor projects to finance the increase. The REC code applies to donor as well as recipient.
RLC	REALLOCATION	A movement of Funding 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 I

Examples for Calculation of Reprogramming Limits

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 without changing the sign of the Cumulative Net Amount (that is, Reprogrammings that partially offset the Cumulative Net Amount).

Reprogramming Example No. 1 (Investigations), PPA needs $100,000 to fully fund award of an A-E contract. No Funding has been reprogrammed during the period in which the Baseline under the FY 2016 Act applies.

Program Year 2016 Initial Allocations:	$ 0
Prior Unexpended Amount:	$551,477
Baseline under FY 2016 Act:	$551,477
Reprogramming Limit under FY 2016 Act:	$ 49,999

Cumulative Net Amount = $0 + $100,000 = $100,000 > $49,999

Committee notification required because receiving PPA did not Receive an Appropriation for FY 2016 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. Funding in the amount of $250,000 has been reprogrammed to the PPA during the period in which the Baseline under the FY 2016 Act applies.

Program Year 2016 Initial Allocations:	$2,487,000
Prior Unexpended Amount:	$ 312,354
Baseline under FY 2016 Act:	$2,799,354
Reprogramming Limit under FY 2016 Act:	$ 419,903.

Cumulative Net Amount = $250,000 + $800,000 = $1,050,000 > $419,903

Committee notification required.

Reprogramming Example No. 3 (O&M), PPA needs a third Reprogramming action for $1,200,000 to fully fund a contract. Previous Reprogrammings during the period in which the Baseline under the FY 2016 Act applies include:

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

Program Year 2016 Initial Allocations:	$20,230,000
Prior Unexpended Amount:	$ 354,488
Baseline under FY 2016 Act:	$20,584,488
Reprogramming Limit under FY 2016 Act:	$ 3,087,675.

Cumulative Net Amount = $3,000,000 - $600,000 + $1,200,000 = $3,600,000 > $3,087,675

Committee Notification NOT required for first or second actions because in both cases the Cumulative Net Amount did not exceed $3,087,675. Committee notification required for third action.

Point of Contact is Mark Mugler, CECW-IP, 202-761-4103.

APPENDIX J

Processing and Approval of Reprogramming Actions for PPA's

	Committee Notification Required?	Who Approves in P2-OFA
Initiate a new PPA (move Funding into a PPA never before funded in the applicable appropriation, other than a PPA in O&M or MR&T M previously funded in C or MR&T C)	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 – Continuing PPA		
Except in the case of a receiving PPA that did not Receive an Appropriation for Program Year 2016		
Increase absolute value of Cumulative Net Amount of REP and CGR Reprogrammings to both $50,000 or more and > 25% of Baseline, or to > $150,000	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
In the case of a receiving PPA that did not Receive an Appropriation for Program Year 2016		
Increase absolute value of Cumulative Net Amount of REP and CGR Reprogrammings to receiving PPA to $50,000 or more	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
Construction & MR&T Construction – 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.)		
Increase absolute value of Cumulative Net Amount of CLM Reprogrammings to > $3,000,000	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	DIV/FOA, then HQ Manager
In any other case, except a receiving PPA that did not Receive an Appropriation for Program Year 2016		
Increase absolute value of Cumulative Net Amount of REP and CGR Reprogrammings 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 for Program Year 2016		
Increase absolute value of Cumulative Net Amount of REP and CGR Reprogrammings to receiving PPA to > $300,000	Before	DIV/FOA, then HQ Manager
Increase absolute value of Cumulative Net Amount of REP and CGR Reprogrammings to receiving PPA to $50,000 or more but ≤ $300,000, where reprogramming is NOT for Existing Obligations and Concomitant Administrative Expenses	Before	DIV/FOA, then HQ Manager
Increase absolute value of Cumulative Net Amount of REP and CGR Reprogrammings to receiving PPA to $50,000 or more but ≤ $300,000, where reprogramming IS for Existing Obligations and Concomitant Administrative Expenses	No	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
O&M and MR&T O&M – 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.)	After	DIV/FOA, then HQ Manager
In any case except a receiving PPA that did not Receive an Appropriation for Program Year 2016		
Increase absolute value of Cumulative Net Amount of REP and CGR Reprogrammings to both > 15% of Baseline and > $150,000, or to >$5,000,000	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
In the case of receiving PPA that did not Receive an Appropriation for Program Year 2016		
Increase Cumulative Net Amount reprogrammed to > $150,000	Before	DIV/FOA, then HQ Manager
Otherwise 1/	No	Dist/FOA
FUSRAP – Continuing PPA		
Increase absolute value of Cumulative Net Amount of REP and CGR Reprogrammings to receiving PPA to both $50,000 or more 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 without changing the sign, that is, that partially offsets the Cumulative Net Amount.

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APPENDIX K

Examples of Letters Providing Prior Notifications to Appropriations Committees

The Honorable Mike Simpson
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 $1,000,000 of Construction funds to the Anytown, Alaska, project, from the following sources: $800,000 from the Cityville, California, project; and $200,000 from the Someplace, Virginia, project.

The Anytown, Alaska, project was authorized under Section 101(a) of the Water Resources Development Act of 1986, Public Law 99-662. Thus far since enactment of the Energy and Water Development Appropriations Act, 2016, Division D of the Consolidated Appropriations Act, 2016, Public Law 114-113 (2016 Act), a cumulative net amount of $300,000 has been reprogrammed to the Anytown, Alaska, project. With this reprogramming, cumulative net reprogramming to the project since enactment would be $1,300,000. The reprogramming baseline is $500,000, and the reprogramming limit is $300,000. In accordance with Sections 101(a)(5) and 101(a)(7) of the 2016 Act, prior notification of the Appropriations Committees of the House of Representatives and the Senate is required for the Anytown, Alaska, project. The funds to be reprogrammed would be used to award the contract for the side channel, which would complete construction of the project.

Thus far since enactment of the 2016 Act, a cumulative net amount of $600,000 has been reprogrammed from the Cityville, California, project. With this reprogramming, the cumulative net reprogramming from the project since enactment of the 2016 Act would be $1,400,000. The reprogramming baseline is $8,000,000, and the reprogramming limit is $1,200,000. Consistent with Sections 101(a)(5) and 101(a)(7) of the 2016 Act, prior notification of the Appropriations Committees of the House of Representatives and the Senate is required for the Cityville, California, project.

Prior notification in accordance with Sections 101(a)(5) and 101(a)(7) of the 2016 Act is not required for the Someplace, Virginia, project.

The funds from the Cityville, California, project were appropriated in the Energy and Water Development Appropriations Act, 2014, Division D of the Consolidated Appropriations Act, 2014, Public Law 113-76.

All of the reprogrammed funds are excess to the current fiscal year's requirements for the projects from which they would be obtained, and no commitment has been made to restore these funds to those projects.

I am sending an identical letter to the Honorable Lamar Alexander, 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 Marcy Kaptur
Ranking Member

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

Dear Mr. Chairman:

This letter is to inform you that the Department of the Army plans to reprogram $1,000,000 of Construction funds to the Anytown, Alaska, project, from the following sources: $800,000 from the Cityville, California, project; and $200,000 from the Someplace, Virginia, project.

The Anytown, Alaska, project was authorized under Section 101(a) of the Water Resources Development Act of 1986, Public Law 99-662. Thus far since enactment of the Energy and Water Development Appropriations Act, 2016, Division D of the Consolidated Appropriations Act, 2016, Public Law 114-113 (2016 Act), a cumulative net amount of $300,000 has been reprogrammed to the Anytown, Alaska, project. With this reprogramming, cumulative net reprogramming to the project since enactment would be $1,300,000. The reprogramming baseline is $500,000, and the reprogramming limit is $300,000. In accordance with Sections 101(a)(5) and 101(a)(7) of the 2016 Act, prior notification of the Appropriations Committees of the House of Representatives and the Senate is required for the Anytown, Alaska, project. The funds to be reprogrammed would be used to award the contract for the side channel, which would complete construction of the project.

Thus far since enactment of the 2016 Act, a cumulative net amount of $600,000 has been reprogrammed from the Cityville, California, project. With this reprogramming, the cumulative net reprogramming from the project since enactment of the 2016 Act would be $1,400,000. The reprogramming baseline is $8,000,000, and the reprogramming limit is $1,200,000. Consistent with Sections 101(a)(5) and 101(a)(7) of the 2016 Act, prior notification of the Appropriations Committees of the House of Representatives and the Senate is required for the Cityville, California, project.

Prior notification in accordance with Sections 101(a)(5) and 101(a)(7) of the 2016 Act is not required for the Someplace, Virginia, project.

The funds from the Cityville, California, project were appropriated in the Energy and Water Development Appropriations Act, 2014, Division D of the Consolidated Appropriations Act, 2014, Public Law 113-76.

All of the reprogrammed funds are excess to the current fiscal year’s requirements for the projects from which they would be obtained, and no commitment has been made to restore these funds to those projects.

I am sending an identical letter to the Honorable Mike Simpson, 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 Dianne Feinstein
Ranking Member

APPENDIX L

Format for Reprogramming Data Sheet

	DONOR PROJECT	RECIPIENT PROJECT
APPROPRIATION (ACCOUNT)		
BUSINESS PROGRAM		
PROJECT NAME		
FY 2016 BASELINE (SUM OF ALLOCATIONS AND UNEXPENDED CARRY-IN)		
PROPOSED REPROGRAMMING AMOUNT		
WHY IS FUNDING SURPLUS (DONOR); PROPOSED USE OF FUNDING (RECIPIENT)		
IF FUNDING WERE NOT REPROG., IN WHICH FY COULD THE DONOR USE IT (ASSUME ENACTMENT OF PRES. FY 2016 BUDGET)		N/A
BUDGET HISTORY SINCE FY 2012 (NOT ENACTED HISTORY) (SHOW FY's BUDGETED)		
2013		
2014		
2015		
2016		
2017		
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	
NAMES AND CONGRESSIONAL DISTRICTS OF AFFECTED MEMBERS FOR DONOR PROJECT		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 M

Examples of Letters Providing Post-Facto Notifications to Appropriations Committees for Emergency Reprogramming

The Honorable Mike Simpson
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 notify you that the Department of the Army has reprogrammed $3,000,000 of Operation and Maintenance funds from five Civil Works projects to the Smallville, Alabama, project to enable the Army Corps of Engineers to respond to an emergency. This notification is provided pursuant to Section 101(a)(8) of the Energy and Water Development and Related Agencies Appropriations Act, 2016, Division D of Public Law 114-113.

The Smallville, Alabama, project was authorized by Section 101(a) of the Water Resources Development Act of 1986, Public Law 99-662. The reprogrammed funds were needed to repair a levee breach caused by recent floods.

The enclosed table lists the projects from which the funds were reprogrammed, the amount reprogrammed from each project, and the Public Law that provided the funds reprogrammed from each project. All of the reprogrammed funds are excess to the current fiscal year's requirements for the projects from which they were obtained, and no commitment has been made to restore these funds to those projects.

I am sending an identical letter to the Honorable Lamar Alexander, 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)

Enclosure

CF: Honorable Marcy Kaptur
Ranking Member

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

Dear Mr. Chairman:

This letter is to notify you that the Department of the Army has reprogrammed $3,000,000 of Operation and Maintenance funds from five Civil Works projects to the Smallville, Alabama, project to enable the Army Corps of Engineers to respond to an emergency. This notification is provided pursuant to Section 101(a)(8) of the Energy and Water Development and Related Agencies Appropriations Act, 2016, Division D of Public Law 114-113.

The Smallville, Alabama, project was authorized by Section 101(a) of the Water Resources Development Act of 1986, Public Law 99-662. The reprogrammed funds were needed to repair a levee breach caused by recent floods.

The enclosed table lists the projects from which the funds were reprogrammed, the amount reprogrammed from each project, and the Public Law that provided the funds reprogrammed from each project. All of the reprogrammed funds are excess to the current fiscal year’s requirements for the projects from which they were obtained, and no commitment has been made to restore these funds to those projects.

I am sending an identical letter to the Honorable Mike Simpson, 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)

Enclosure

CF: Honorable Dianne Feinstein
Ranking Member

APPENDIX N

Examples of Letters Providing Notifications to Authorizing and Appropriations Committees for Contributed Funds

The Honorable Bill Shuster
Chairman, Committee on Transportation
and Infrastructure
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This letter is to inform you that the Department of the Army has initiated negotiations for accepting contributed funds for maintenance work at the AAAAAA project from the [name of sponsor], which is the non-Federal sponsor for this project. The purpose of these negotiations is to enter into a memorandum of agreement (MOA) that would allow the non-Federal sponsor to provide funds to cover all of the costs of certain work. The U.S. Army Corps of Engineers (Corps) would perform this work in Fiscal Year[s] 20XX [and 20XX].

The proposed work involves [describe work]. [Choose one of the following: 1) The non-Federal sponsor is offering to contribute all funds needed to perform this work. 2) The non-Federal sponsor is offering to contribute up to $X,XXX,XXX.] The Corps estimates that this work will cost $Y,YYY,YYY.

The non-Federal sponsor is offering to contribute these funds voluntarily. The non-Federal sponsor understands that the MOA will recognize that no repayment or credit for such funds is authorized. In addition, the non-Federal sponsor understands that the MOA will provide that acceptance of these funds by the Department of Army will not constitute or imply any commitment to budget or appropriate funds for this project in the future. Therefore, execution of the MOA will not represent or give rise to obligations of the United States.

I am sending an identical letter to the Honorable James Inhofe, Chairman, Committee on Environment and Public Works, United States Senate.

Very truly yours,

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

CF: Honorable Peter A. DeFazio
Ranking Member

The Honorable James Inhofe
Chairman, Committee on Environment
and Public Works
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This letter is to inform you that the Department of the Army has initiated negotiations for accepting contributed funds for maintenance work at the AAAAAA project from the [name of sponsor], which is the non-Federal sponsor for this project. The purpose of these negotiations is to enter into a memorandum of agreement (MOA) that would allow the non-Federal sponsor to provide funds to cover all of the costs of certain work. The U.S. Army Corps of Engineers (Corps) would perform this work in Fiscal Year[s] 20XX [and 20XX].

The proposed work involves [describe work]. [Choose one of the following: 1) The non-Federal sponsor is offering to contribute all funds needed to perform this work. 2) The non-Federal sponsor is offering to contribute up to $X,XXX,XXX.] The Corps estimates that this work will cost $Y,YYY,YYY.

The non-Federal sponsor is offering to contribute these funds voluntarily. The non-Federal sponsor understands that the MOA will recognize that no repayment or credit for such funds is authorized. In addition, the non-Federal sponsor understands that the MOA will provide that acceptance of these funds by the Department of Army will not constitute or imply any commitment to budget or appropriate funds for this project in the future. Therefore, execution of the MOA will not represent or give rise to obligations of the United States.

I am sending an identical letter to the Honorable Bill Shuster, Chairman, Committee on Transportation and Infrastructure, United States House of Representatives.

Very truly yours,

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

CF: Honorable Barbara Boxer
Ranking Member

The Honorable Mike Simpson
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 has initiated negotiations for accepting contributed funds for maintenance work at the AAAAAA project from the [name of sponsor], which is the non-Federal sponsor for this project. The purpose of these negotiations is to enter into a memorandum of agreement (MOA) that would allow the non-Federal sponsor to provide funds to cover all of the costs of certain work. The U.S. Army Corps of Engineers (Corps) would perform this work in Fiscal Year[s] 20XX [and 20XX].

The proposed work involves [describe work]. [Choose one of the following: 1) The non-Federal sponsor is offering to contribute all funds needed to perform this work. 2) The non-Federal sponsor is offering to contribute up to $X,XXX,XXX.] The Corps estimates that this work will cost $Y,YYY,YYY.

The non-Federal sponsor is offering to contribute these funds voluntarily. The non-Federal sponsor understands that the MOA will recognize that no repayment or credit for such funds is authorized. In addition, the non-Federal sponsor understands that the MOA will provide that acceptance of these funds by the Department of Army will not constitute or imply any commitment to budget or appropriate funds for this project in the future. Therefore, execution of the MOA will not represent or give rise to obligations of the United States.

I am sending an identical letter to the Honorable Lamar Alexander, 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 Marcy Kaptur
Ranking Member

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

Dear Mr. Chairman:

This letter is to inform you that the Department of the Army has initiated negotiations for accepting contributed funds for maintenance work at the AAAAAA project from the [name of sponsor], which is the non-Federal sponsor for this project. The purpose of these negotiations is to enter into a memorandum of agreement (MOA) that would allow the non-Federal sponsor to provide funds to cover all of the costs of certain work. The U.S. Army Corps of Engineers (Corps) would perform this work in Fiscal Year[s] 20XX [and 20XX].

The proposed work involves [describe work]. [Choose one of the following: 1) The non-Federal sponsor is offering to contribute all funds needed to perform this work. 2) The non-Federal sponsor is offering to contribute up to $X,XXX,XXX.] The Corps estimates that this work will cost $Y,YYY,YYY.

The non-Federal sponsor is offering to contribute these funds voluntarily. The non-Federal sponsor understands that the MOA will recognize that no repayment or credit for such funds is authorized. In addition, the non-Federal sponsor understands that the MOA will provide that acceptance of these funds by the Department of Army will not constitute or imply any commitment to budget or appropriate funds for this project in the future. Therefore, execution of the MOA will not represent or give rise to obligations of the United States.

I am sending an identical letter to the Honorable Mike Simpson, 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 Dianne Feinstein
Ranking Member

APPENDIX O

Format for Request to Award a Continuing Contract Using UAI clause 52.232-5001

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. Availability of Full Funding. Demonstrate that Funding 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 UAI clause 52.232-5001.

5. Management Controls. Although UAI clause 52.232-5001 prohibits the Contractor from working beyond the exhaustion of available Funding, there must be management controls to ensure that the Contractor has adequate notice of exhaustion of Funding and is positioned to conclude work before exhaustion. Describe the management controls.

6. Recommendation. Describe the recommended course of action.

7. Point of contact is Jennifer Greer, CECW-IF, 202-761-4113.