

For: State Offices

FY 2005 Full-Year Non-Federal County Office Allotments

Approved by: Deputy Administrator, Management



1 Overview

A Background

On December 8, 2004, the President signed the Consolidated Appropriations Act, 2005, Resolution, 2005, Pub. L. 108-447, which provided FSA with full-year appropriations. FSA's appropriation is approximately \$24.9 million below the President's budget request and FSA is required to absorb a higher pay cost level than was requested in the budget creating a total shortfall of \$42.1 million. Before full-year funding could be allotted, there was a need to further analyze:

- FY 2005 total fund availability
- FY 2004 final accounting data
- FY 2004 actual workload and FY 2005 estimated workload information
- FY 2005 agency ADP costs and other County Office operating expense needs
- FY 2005 staffing ceilings.

Analysis has been completed and full-year (261 paid-for workdays) allotments are being provided to fund non-Federal County Office staff years that includes:

- 9,129 permanent staff years
- 1,258.75 staff years for all temporary and COC/MS employees
- approximately 116 permanent staff years above the budgeted ceiling for FY 2005.

DAFO has issued individual memorandums to all State Offices designating FY 2005 permanent and temporary ceiling levels. States with current employment levels above their FY 2005 ceiling level must make every effort to manage their staffing levels to the DAFO-approved permanent ceiling level.

Disposal Date	Distribution
October 1, 2005	State Offices

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1 Overview (Continued)

B Purpose

This notice:

- includes all previous allotments issued in prior continuing resolutions
- issues full-year allotments for FY 2005 County Office administrative expenses, non-Federal payroll, and non-payroll operating expenses, through September 30, 2005
- issues a County Office travel guideline
- obsoletes Notice BU-678.

C Contact

For questions about:

- personnel and travel allotments, contact Robert Flores at 202-720-9068
- other operating expense allotments, contact Elizabeth Hill at 202-720-9862.

2 Personnel and Travel Allotments

A FY 2005 Guidelines and Levels

The FY 2005 non-Federal County Office personnel allotment for States in Exhibit 1 is based on the following:

- if all the FY 2003, 2004, and 2005 ceilings are greater than the number of onboard permanent full-time employees as of February 19, 2005, the funded ceiling will be the smallest of the 3 ceilings

Note: If any of the 3 ceilings are less than the number onboard employees, the funded ceilings will be the number onboard.

- DAFO-approved FY 2005 other staff year ceilings for temporary employees and COC employees provided in FY 2005 Temporary Staff Ceiling and Additional Guidance memorandum from DAFO to SED's issued October 1, 2004, or as later revised by DAFO

Note: SED's shall manage temporary employees, including COC and overtime for all employees within the temporary payroll allotment provided.

- an estimate for County Office employee travel

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2 Personnel and Travel Allotments (Continued)

A FY 2005 Guidelines and Levels (Continued)

- an estimate for within grade increases, promotions, and the average pay cost increase of 3.5 percent beginning in January 2005.

Payroll allotments include funding for expenses paid through NFC.

Payroll is not allotted to County Offices. County Offices shall refer to BRIO report DW1701CT to monitor payroll expenses and compare it to the total available payroll allotment.

B Personnel Allotment

Personnel allotments are calculated as follows:

- salaries and benefits for all non-Federal CO employees and COC's are based on the average staff year cost for permanent, temporary, and COC/MS employees in FY 2005 for each State
- any other personnel costs that would be included on an employee's W-2.

Lump sum leave expenses for temporary employees will be handled on a case-by-case basis. States should request lump sum funds through DAFO, as needed. No lump sum allotment has been provided at this time.

C Travel

Travel allotments in this notice cover:

- routine travel generally associated with activities within State boundaries such as county travel (trips to the post office, compliance and field visit activity, etc.)
- SED-directed travel such as District meetings
- COC travel paid through the T&A process.

BUD is assuming 60 percent of the travel funds are associated with routine travel as listed. The remaining 40 percent is being held for Nationally-directed travel. Nationally-directed travel is defined as travel that is directed by the National Office, related to a National training event, or other National issue priority directed by the National Office. As these events occur, discussions will be held with the program areas to determine the amount of training required and the required travel allotments will be issued at that time.

Note: States are requested to review usual methods of management meetings, training delivery, and other processes that impact on costs in terms of both funding and time.

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2 Personnel and Travel Allotments (Continued)

C Travel (Continued)

Relocation expenses will be handled on a case-by-case basis. States should request relocation funds through DAFO, as needed. No relocation allotment has been provided at this time.

BUD will closely monitor travel usage by State at the National Office. A BRIO travel report was developed by BUD to aid the State Offices in monitoring travel expenditures. All State Offices shall review this report to determine if there are any erroneous obligations against the travel authorization.

To ensure that final C-Type vouchers do not continue to show excessive obligations against travel authorizations, State Offices shall ensure that County Offices ENTER a "Y" in block 54, "Final Voucher Indicator," on travel vouchers. Unused travel obligations will expire if the Final Voucher Indicator code is used on the processed voucher.

D Awards

No awards allotment will be issued at this time. An awards allotment may be issued at a later date, but FSA must first assess the full impact of the constrained budget and FSA's ability to operate within the budget. No monetary awards are allowed without an allotment.

Note: Time-off awards are available and should be considered instead of monetary rewards.

3 Other Operating Expense Allotments

A FY 2005 Guidelines and Levels

Other operating expense allotments include available funding for expenses paid through the County Office Expense system.

Personnel costs are non-discretionary and must be covered. Discretionary operating expenses will be impacted most by the constrained budget. Although State Offices will continue to be afforded maximum flexibility to manage operating expense funds to meet the needs of the Agency, they are encouraged to operate within the various operating expense levels as much as possible to ensure equitable treatment from State to State.

State Offices shall estimate and issue operating expense allotments to County Offices. County Offices shall enter the other operating expense allotment in the automated CCC-514 ledger, County Office Expense system. BUD strongly suggests that State Offices refer to BRIO Report D1702CT to monitor and control other operating expenses by comparing expenses to the total available other operating expense allotment amount.

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3 Other Operating Expense Allotments (Continued)

B Rent and Utilities

The National average inflation increase for rent is approximately 5 percent. Funds will be distributed between States based on their specific inflation rates for the entire FY, not to exceed the National allotment level.

C Postage

Annual allotments will be issued showing an approximate 5 percent reduction from FY 2005 spending levels.

D Supplies and Materials

Allotments will be issued using \$763 per permanent full-time staff year. This allotment reflects a 43 percent reduction from FY 2004 spending levels. It is recognized that Type 1 offices have historically purchased supplies for the GS employees with CO funds. In order to ensure that funding levels are adequate to continue field office operations, the full-year allotment will be based on the FY 2005 ceilings, including the portion of the GS field ceiling assumed to be in the County Offices. "Excess" employees will not be included.

E Equipment and Furniture

Allotments will be issued using \$334 per permanent full-time staff year. This allotment reflects a 21 percent reduction from FY 2004 spending levels. It is recognized that Type 1 offices have historically purchased supplies for the GS employees with CO funds. In order to ensure that funding levels are adequate to continue field office operations, the full-year allotment will be based on the FY 2005 ceilings, including the portion of the GS field ceiling assumed to be in the County Offices. "Excess" employees will not be included.

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4 Action

A State Office Action

State Offices shall follow this table.

Step	Action
1	Determine and issue initial nonpayroll allotments in Exhibit 1 to County Offices to pay administrative operating expenses for FY 2005.
2	Hold a reasonable reserve at the State Office to cover non-Federal expenditures made for County Offices.
3	Use the proper transaction code on all State Office checks written for County Office administrative expenses.
4	Advise County Offices, by a single State Office notice: <ul style="list-style-type: none"> • to adjust FY 2005 CCC-514, by recording the additional nonpayroll allotment using Menu NAA000, option 6, "Check Limitation and Ledger Control" • that all FY 2005 administrative payments issued to date, before receiving this additional allotment, are to be applied to the total allotment.
5	Monitor all payroll and nonpayroll expenses within their respective allotment totals and ensure that neither fund exceeds the respective County Office allotment.
6	Remind County Offices to use the proper transaction code on checks issued for all operating expenses according to 115-FI. Note: Correct coding on checks, as opposed to the general use of "OE", can be a major factor in determining the proper allotment for each State in the current and succeeding years.
7	FAX additional nonpayroll allotments issued to County Offices on FSA-510 to: <ul style="list-style-type: none"> • Vicki Stroer, KCFO, at 816-823-1343 • Robert Flores, BUD, at 202-690-0591.
8	Advise BUD, through DAFO, in writing, of any needed adjustments to the total County Office allotment and provide justification for requests to increase the allotment amount.

Initial FY 2005 Non-Federal County Office Allotments

FY 2005 Initial County Office Allotments							
STATE	Permanent Allotment	Temporary Allotment	Excess Allotment	Payroll Allotment	Travel Guideline /1	Non Payroll Allotment	Total Allotment 3/
ILLINOIS	\$ 29,568,000	\$ 2,081,000	\$ -	\$ 31,825,000	\$ 176,000	\$ 7,207,000	\$ 39,032,000
INDIANA	18,630,000	1,863,000	-	20,704,000	211,000	4,768,000	25,472,000
IOWA	34,479,000	2,156,000	-	36,962,000	327,000	7,634,000	44,596,000
MICHIGAN	12,288,000	910,000	-	13,360,000	162,000	3,954,000	17,314,000
MINNESOTA	23,109,000	1,549,000	411,000	25,403,000	334,000	5,190,000	30,593,000
MISSOURI /2	23,944,000	1,988,000	-	32,113,000	320,000	-	32,113,000
OHIO	18,195,000	1,724,000	-	20,175,000	256,000	4,013,000	24,188,000
WISCONSIN	17,849,000	852,000	120,000	19,027,000	206,000	4,007,000	23,034,000
MIDWEST	\$ 178,062,000	\$ 13,123,000	\$ 531,000	\$ 199,569,000	\$ 1,992,000	\$ 36,773,000	\$ 236,342,000
CONNECTICUT	\$ 839,000	\$ 65,000	\$ 129,000	\$ 1,042,000	\$ 9,000	\$ 320,000	\$ 1,362,000
DELAWARE	729,000	63,000	-	797,000	5,000	202,000	999,000
MAINE	1,784,000	119,000	124,000	2,056,000	29,000	1,028,000	3,084,000
MARYLAND	3,459,000	220,000	-	3,722,000	43,000	876,000	4,598,000
MASSACHUSETTS	1,164,000	129,000	65,000	1,407,000	49,000	368,000	1,775,000
NEW HAMPSHIRE	729,000	64,000	122,000	925,000	10,000	458,000	1,383,000
NEW JERSEY /2	911,000	250,000	365,000	2,179,000	20,000	-	2,179,000
NEW YORK	8,070,000	663,000	183,000	9,067,000	151,000	3,304,000	12,371,000
PENNSYLVANIA	9,464,000	875,000	-	10,471,000	132,000	2,542,000	13,013,000
RHODE ISLAND	243,000	48,000	-	297,000	6,000	14,000	311,000
VERMONT	1,294,000	364,000	-	1,677,000	19,000	572,000	2,249,000
WEST VIRGINIA	3,702,000	227,000	729,000	4,780,000	122,000	1,657,000	6,437,000
NORTHEAST	\$ 32,388,000	\$ 3,087,000	\$ 1,717,000	\$ 38,420,000	\$ 595,000	\$ 11,341,000	\$ 49,761,000
ALASKA	\$ 514,000	\$ 322,000	\$ -	\$ 895,000	\$ 59,000	\$ 100,000	\$ 995,000
IDAHO	6,289,000	497,000	123,000	7,061,000	152,000	1,751,000	8,812,000
MONTANA	11,771,000	675,000	547,000	13,244,000	251,000	2,833,000	16,077,000
NEBRASKA	22,986,000	1,758,000	661,000	25,650,000	245,000	4,462,000	30,112,000
NORTH DAKOTA	15,333,000	1,416,000	1,534,000	18,584,000	301,000	3,871,000	22,455,000
OREGON	4,767,000	680,000	63,000	5,572,000	62,000	1,697,000	7,269,000
SOUTH DAKOTA	16,811,000	1,286,000	1,214,000	19,613,000	302,000	3,623,000	23,236,000
WASHINGTON	5,279,000	319,000	-	5,655,000	57,000	1,705,000	7,360,000
WYOMING /2	3,034,000	162,000	243,000	4,188,000	69,000	-	4,188,000
NORTHWEST	\$ 86,784,000	\$ 7,115,000	\$ 4,385,000	\$ 100,462,000	\$ 1,498,000	\$ 20,042,000	\$ 120,504,000
ALABAMA	\$ 10,406,000	\$ 463,000	\$ 903,000	\$ 12,224,000	\$ 452,000	\$ 2,715,000	\$ 14,939,000
ARKANSAS	12,547,000	455,000	1,009,000	14,164,000	153,000	2,483,000	16,847,000
FLORIDA	5,335,000	689,000	-	6,111,000	87,000	1,607,000	7,718,000
GEORGIA	17,717,000	565,000	1,396,000	19,888,000	210,000	2,689,000	22,577,000
KENTUCKY /2	20,181,000	960,000	-	26,064,000	219,000	-	26,064,000
LOUISIANA	8,086,000	412,000	1,667,000	10,268,000	103,000	2,605,000	12,873,000
MISSISSIPPI	13,337,000	558,000	1,185,000	15,191,000	111,000	4,588,000	19,779,000
NORTH CAROLINA	20,508,000	800,000	-	21,548,000	240,000	3,342,000	24,890,000
PUERTO RICO	-	374,000	-	391,000	17,000	-	391,000
SOUTH CAROLINA	7,768,000	561,000	-	8,449,000	120,000	1,647,000	10,096,000
TENNESSEE	16,565,000	1,189,000	371,000	18,275,000	150,000	4,242,000	22,517,000
VIRGINIA /2	10,929,000	495,000	-	15,255,000	126,000	-	15,255,000
VIRGIN ISLANDS	-	-	61,000	64,000	3,000	-	64,000
SOUTHEAST	\$ 143,379,000	\$ 7,521,000	\$ 6,592,000	\$ 167,892,000	\$ 1,991,000	\$ 25,918,000	\$ 193,810,000
ARIZONA	\$ 1,699,000	\$ 327,000	\$ 243,000	\$ 2,335,000	\$ 66,000	\$ 737,000	\$ 3,072,000
CALIFORNIA	7,162,000	976,000	60,000	8,328,000	130,000	2,654,000	10,982,000
COLORADO	8,009,000	561,000	122,000	8,811,000	119,000	1,711,000	10,522,000
HAWAII	861,000	126,000	-	1,039,000	52,000	75,000	1,114,000
KANSAS /2	26,584,000	1,806,000	-	34,964,000	287,000	-	34,964,000
NEVADA	850,000	66,000	61,000	1,023,000	46,000	236,000	1,259,000
NEW MEXICO	3,720,000	208,000	64,000	4,074,000	82,000	905,000	4,979,000
OKLAHOMA	14,723,000	953,000	495,000	16,356,000	185,000	3,176,000	19,532,000
TEXAS	38,432,000	2,090,000	1,304,000	42,519,000	693,000	11,585,000	54,104,000
UTAH	3,095,000	313,000	310,000	3,792,000	74,000	844,000	4,636,000
SOUTHWEST	\$ 105,135,000	\$ 7,426,000	\$ 2,659,000	\$ 123,241,000	\$ 1,734,000	\$ 21,923,000	\$ 145,164,000
TOTAL ALL STATES	\$ 545,748,000	\$ 38,272,000	\$ 15,884,000	\$ 629,584,000	\$ 7,810,000	\$ 115,997,000	\$ 745,581,000

/1 Included with Payroll Allotment
 /2 COE replacement pilot state. Non-Payroll amounts included with Pay
 /3 Includes County Office Allotments issued in Notices BU-674, BU-676, BU-677 and BU-678

Dennis J. Tartano
 Director, Budget Division

3/21/05
 Date