

For: State Offices

FY 2010 Budget Frequently Asked Questions (FAQ's)

Approved by: Associate Administrator for Operations and Management

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1 FY 2010 FAQ's

A Background

Notice BU-716 provided policy and full-year FY 2010 Federal and non-Federal State and County Office allotments.

B Purpose

This notice provides FAQ's about the FY 2010 full year salary and expenses (S&E) allotments and budget cycle. See Exhibit 1.

C Contact

If there are questions about this notice, contact 1 of the following.

| IF located in... | THEN contact... |
|-----------------------------|--|
| Southwest area | Tracey Blom, BUD, by 1 of the following: <ul style="list-style-type: none"> • e-mail at tracey.blom@kcc.usda.gov • telephone at 816-926-3447 • FAX at 816-926-1588. |
| Northwest or Midwest area | Beth Hill, BUD, by 1 of the following: <ul style="list-style-type: none"> • e-mail at elizabeth.hill@wdc.usda.gov • telephone at 202-720-9862 • FAX at 202-690-0591. |
| Northeast or Southeast area | Kim Floehr, BUD, by 1 of the following: <ul style="list-style-type: none"> • e-mail at kim.floehr@wdc.usda.gov • telephone at 202-720-3356 • FAX at 202-690-0591. |

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| Disposal Date | Distribution |
| October 1, 2010 | State Offices |

FY 2010 Budget FAQ's

- Q1.** Will National Office travel and overtime be reimbursed?
- A1.** Yes. According to Notice BU-716, subparagraph 2 D, travel and overtime in conjunction with Washington directed travel, such as Consent Decree, SCOAPERS, or task forces, is reimbursable to the State. Overtime that has already occurred through December 2009 has been included in the initial overtime allotment. National Office travel will require the State to submit a request for additional funds through the allotment change request (ACR) model in the Profitability and Cost Management (PCM). States can be assured when DAFO contacts a State requesting an employee to travel for National Office directed travel and overtime, they will be reimbursed once the travel is completed.
- Q2.** Will travel costs for Association travel be eligible for reimbursement?
- A2.** Yes. States will be reimbursed for employee Association travel for certain individuals as prescribed by consultative agreements and as pre-approved by DAFO. States will follow the same process to request reimbursement through the ACR model in PCM.
- Q3.** What is the status of bulk buying of toner cartridges?
- A3.** A National Office bulk buy is currently being reviewed for cost saving measures. National Office bulk buying of toner cartridges was suspended because of the cost of shipping the toner cartridges from the warehouse in Kansas City to the State/County Offices.
- As a cost saving measure, States may purchase toner cartridges in bulk and costs shall be reconciled to the individual County Office, if the cartridges are distributed to County Offices. The cost can also be prorated across to each County Office. A forthcoming IRM notice will provide additional information on purchasing IT supplies and toner cartridges.
- Q4.** What is the process for requesting equipment funding this FY?
- A4.** Notice BU-716, subparagraph 3 L is incorrect. The equipment allotment provided covers obligations through December 31, 2009. A small equipment reserve is being held. BUD will be processing equipment requests through a separate process and will distribute the reserve based on critical need requests.
- Note:** State Offices should follow previously issued procedures for purchasing IT equipment and supplies.
- Q5.** Will States be able to receive FY 2010 average staff year cost for personnel?
- A5.** Yes. States were provided the average staff year cost for Federal, Fund 84 and non-Federal County, Fund 87 from their budget analyst.

FY 2010 Budget FAQ's (Continued)

- Q6.** Why has my non-GSA rent allotment changed?
- A6.** According to Notice BU-716, non-GSA rents were allotted based on information at the time allotments were issued. After initial allotments were issued, non-GSA rents were adjusted to reflect rent obligations through the end of January 2010. BUD understands that lease activity throughout the year will have an impact on rent costs and will work closely with the States to make adjustments as necessary throughout FY.
- Q7.** Will BUD review lease amounts throughout the year and provide an increase to States because of lease renewals? Part of doing business is to allow for increases in rent. Do State Budget Contacts add any increases to the monthly forecast or will States need to find the funds within their current allotment?
- A7.** States should forecast rents as accurately as possible. This means when the State becomes aware of a rent change, it should be shown in the forecast model with a note in the justification section. If additional funding is needed, States should request additional funding through the ACR model. BUD will work with States to ensure that the State has the funding available to cover rent obligations. All increases or reprogramming to funding will be processed through the ACR model.
- Q8.** There are times when a one-time tax escalation payment is issued as part of the lease contract and can be significant. These payments are issued by Kansas City and are listed on the lease spreadsheet submitted to Kansas City. Will BUD cover this type of payment or do States need to find the monies within current allotments?
- A8.** The reserve held at headquarters is extremely limited but if funding cannot be absorbed through reprogramming, States will be able to request the funding through the ACR model to cover the costs.
- Q9.** Clarify relocation policy, such as what if the State already had vacancy announcements in place offering relocation before allotments were issued? Can States still authorize relocation expenses?
- A9.** If a vacancy announcement was posted **before** January 25, 2010, which was the date of issuance of Notice BU-716, with relocation being authorized, relocation costs can be requested for reimbursement from BUD. Relocation extensions shall not be approved. All vacancy announcements issued after January 25, 2010, should be posted stating relocation is not authorized unless the State has the available resources in FY 2010 allotments to fund these expenses. This includes the permanent placement of FLOT's and COT's. There are no relocation funds reserved at the National Office level to reimburse States for authorizing relocation expenses after the posting of Notice BU-716.

FY 2010 Budget FAQ's (Continued)

- Q10.** If a vacancy announcement specifically states **no** relocation expenses will be authorized, do managers have any flexibility to authorize the payment of any relocation expenses to a final selectee?
- A10.** No. If the vacancy announcement states no relocation, the manager/selecting official **cannot** offer or authorize relocation.
- Q11.** If the vacancy announcement does not mention the payment of relocation expenses, can a manager offer and authorize the payment of relocation expenses to the final selectee and if so, can a manager modify/negotiate what is offered and authorized, such as house hunting, no temp quarters, or no moving of household good? What expenses would be considered discretionary?
- A11.** Yes. If the vacancy announcement does not mention the payment of relocation expenses, and the person selected is not within the local commuting area the assumption is that relocation expenses will be paid. However, the 2 discretionary items are house hunting and temporary quarters; everything else is an entitlement and must be paid if you authorize a relocation. If the person selected is a current federal employee the entitlements are as follows: En Route Travel Expenses (FTR § 302-4), Shipment of Household Goods (HHG) and Temporary Storage of HHG (FTR § 302-7), Residence Transactions/Real Estate Expenses (FTR § 302-11), Miscellaneous Expenses Allowance (FTR § 302-16), Transportation of Mobile Home in lieu of Shipment of Household Goods (FTR § 302-10), and Relocation Income Tax Allowance (RITA) (FTR § 302-17).
- Q12.** If the vacancy announcement states that payment of relocation expenses **may be** authorized, is the final selectee eligible for the payment of **all** relocation expenses the Government can pay, or can a manager modify/negotiate with the selectee because of budget constraints?
- A12.** If the vacancy announcement states that payment of relocation expenses may be authorized, the selecting/approving official may or may not offer relocation expenses. As stated in question 11, if a relocation is authorized you must pay all entitlements if they are a current federal employee. Those entitlements include En Route Travel Expenses (FTR § 302-4), Shipment of Household Goods (HHG) and Temporary Storage of HHG (FTR § 302-7), Residence Transactions/Real Estate Expenses (FTR § 302-11), Miscellaneous Expenses Allowance (FTR § 302-16), Transportation of Mobile Home in lieu of Shipment of Household Goods (FTR § 302-10), and Relocation Income Tax Allowance (RITA) (FTR § 302-17). Discretionary items include house hunting and temporary quarters.

FY 2010 Budget FAQ's (Continued)

- Q13.** If the vacancy announcement states that payment of relocation expenses **are** authorized, is the final selectee eligible for the payment of **all** relocation expenses the Government can pay, or can a manager modify/negotiate with the selectee because of budget constraints?
- A13.** If the vacancy announcement states that payment of relocation expenses is authorized, the selecting/approving official must pay all entitlements including En Route Travel Expenses (FTR § 302-4), Shipment of Household Goods (HHG) and Temporary Storage of HHG (FTR § 302-7), Residence Transactions/Real Estate Expenses (FTR § 302-11), Miscellaneous Expenses Allowance (FTR § 302-16), Transportation of Mobile Home in lieu of Shipment of Household Goods (FTR § 302-10), and Relocation Income Tax Allowance (RITA) (FTR § 302-17). Discretionary items include house hunting and temporary quarters and the entitlements are limited for new hires.
- Q14.** In a directed reassignment situation, may a manager negotiate which relocation expenses are authorized?
- A14.** In a directed reassignment situation, the reassignment must be more than 50 miles to authorize a relocation, if it is not the selecting/approving official must request in writing an exception to the 50 mile rule. Once that has been established and/or approved, the current federal employee must be paid for all the following entitlements: En Route Travel Expenses (FTR § 302-4), Shipment of Household Goods (HHG) and Temporary Storage of HHG (FTR § 302-7), Residence Transactions/Real Estate Expenses (FTR § 302-11), Miscellaneous Expenses Allowance (FTR § 302-16), Transportation of Mobile Home in lieu of Shipment of Household Goods (FTR § 302-10), and Relocation Tax Allowance (RITA) (FTR § 302-17). House hunting and temporary quarters are discretionary items.
- Q15.** Will relocation expenses be covered by the National Office for direct reassignment?
- A15.** Yes. Relocation expenses for certain direct reassignments will be covered at the National Office level based on the best interest of FSA and as pre-approved by DAFO.

FY 2010 Budget FAQ's (Continued)

- Q16.** What about using recruitment bonuses/incentives when filling State and County Office vacancies?
- A16.** States may use recruitment bonuses/incentives subject to the normal approval processes in 32-PM, **if** they have the available resources in FY 2010 allotments to fund these expenses. States will **not** receive reimbursement for other relocation and recruitment bonuses from BUD.
- Q17.** Is there a problem with the salary and benefits model?
- A17.** Yes. There is a problem with the salary and benefit projection (SBP) model. BUD is currently working with the contractors to correct the forecasting calculations in the SBP model so the software will forecast correctly before the models are opened with February 2010 data.
- Q18.** Why were States not provided exhibits showing allotments for all States? If the goal is to be open and transparent, the National Office needs to share other States allotments as done in the past. Such openness will benefit States as they cope with budget constraints.
- A18.** The exhibit would have been difficult to fit all BOC categories within a single exhibit that would have been legible. BUD will be forwarding by e-mail a spreadsheet reflecting the FY 2010 State Office initial allotments to the Administrative Officers by March 17, 2010.
- Q19.** Will States be able to transfer funds from one BOC to another, such as from personnel to nonpersonnel?
- A19.** States will be able to transfer funds between different BOC's and between personnel and nonpersonnel BOC's with approval from BUD. The exception to this is the awards allotment must be used only to cover performance awards within the State and cannot be transferred. In addition, every effort shall be made to use funds allotted for temporary staff years and other personnel needs before moving funds to nonpersonnel BOC's.
- Q20.** Can funds be transferred from Federal allotments to non-Federal allotments or vice versa?
- A20.** Funds cannot be transferred between Federal allotments and non-Federal allotments. Once FSA receives an appropriation, the funds must be apportioned by treasury account and approved by OMB. The funds for the Federal allotment are apportioned to a 1 year annual account and non-Federal allotments are apportioned to a no-year account. Since the funds are apportioned to 2 different accounts, the funds cannot be transferred from 1 account to another account.

FY 2010 Budget FAQ's (Continued)

- Q21.** Our State has nonceiling FLOT/COT's that have not been hired and therefore have not been funded. Will the State receive funding when FLOT/COT's are hired?
- A21.** Yes. According to Notice BU-716, previously issued nonceiling COT and FLOT positions on board as of December 2009, were included in the funded FY 2010 salaries and benefits for permanent ceiling levels. Previously issued nonceiling COT and FLOT positions that were not hired as of December 2009 will be funded as employees are brought on board. Funding adjustments for any previously allotted, nonceiling COT or FLOT positions will need to be requested through BUD and additional funding will be allotted for the remaining months for FY. States must notify DAFO as any nonceiling COT or FLOT positions are filled, vacated, or hired in a permanent ceiling position.
- Q22.** Why make States request reimbursement for the National Office directed travel? Why will the National Office not allot TDY dollars to the respective National Office/Kansas City divisions and then have them spend against their TDY allotments for TDY travel that benefited that particular division/branch? The division/branch could provide their accounting to the TDY traveler, thus eliminating the frustrations of requesting reimbursements, and forcing the cost to the proper organization and eliminating excess time spent by the traveler, States, and budget analysts to go through this reimbursement process. The way it is going, States are going to be reluctant to send employees to the National Office on detail.
- A22.** In any given FY, the different divisions in the National Office and Kansas City can have significantly different requirements for assistance from State and County Office employees. It would be extremely difficult to allot funding to the National Office and Kansas City offices for National Office directed travel. In GovTrip, accounting codes are assigned to each employee based on their employing office. To use the National Office's line of accounting, the employee would need to be removed from their current office GovTrip profile and be attached to the National Office they are traveling for. Once the employee completes and vouchers for the trip, their GovTrip profile will then need to be removed from the National Office and re-attached to their home office. This process is time consuming and there is a strong possibility that a large amount of errors could occur during this process.
- Q23.** We have a Real Property Leasing Officer (RPLO) headquartered in our State that works with leases for multiple States. Does the State absorb all of the travel expended when making visits to other States?
- A23.** Yes. The State to which the RPLO employee is assigned must pay the travel costs for travel within the RPLO's assigned area.
- Q24.** Who pays the travel when a COR is sent to another State to do a review?
- A24.** Notice COR-108 provides "in cases where COR travels to another State to perform reviews, COR's home State should enter an allotment change request in PCM to transfer money from the hosting State to the home State and submit to BUD for an adjustments."

FY 2010 Budget FAQ's (Continued)

- Q25.** How should the State be conducting mandatory new COC training within our States where funding is very limited?
- A25.** According to 16-AO, COC orientation training is mandatory for all newly elected COC members. It should be noted that this does **not** mean that all members must be brought to a central location, especially in light of the funding levels that FSA is experiencing. States should look at several options for conducting this training in the most cost effective manner. For example, DD's can conduct district training or CED's can team together to conduct training with adjoining County Offices.
- Q26.** Why did GSA cars get the same funding as FY 2009 but GSA trucks take a 28.5 percent cut?
- A26.** BUD realizes the funding distribution is not the same for GSA cars and GSA trucks. However, there is not any reserve funding to accommodate for the shortage for GSA trucks.
- Q27.** There is lots of concern over outreach allotments both in the National amount spent and the discrepancy between States in allocations. States need a better explanation and understanding. This also includes the Outreach Tracking and Information System (OTIS).
- A27.** Notice BU-716 was only an initial allotment based upon requests from States. A notice will be released in the near future with final allotments and a complete explanation of the funding process. Additional explanations on OTIS are also forthcoming in a notice.
- Q28.** What organizations are eligible for sponsorship under outreach?
- A28.** There is not a list of organizations that are eligible for sponsorship under outreach. It is not the organization that receives approval for funding but rather the demographic breakdown of participants at specific events that are being hosted by the organization. It is different in each State and each event (sponsorship) is individually approved in OTIS.
- Q29.** Explain how the outreach funding is being classified.
- A29.** Outreach funding was provided in BOC 25.1 (Other Services) this year. The allotment for public affair-related expenses was allotted in BOC 26 (Supplies). Although States may have outreach and public affair expenses in other object classes, the allotment is provided in BOC's 25 and 26. Budget Contacts should consider this when working on the monthly forecast. State Office Outreach/Public Affair Coordinators should be providing documentation about the purchases to the Budget POC for their office. The line of accounting for outreach activities/expenses should use the project code A026 and public affair activities/expenses should use project code A028.

FY 2010 Budget FAQ's (Continued)

- Q30.** Are offices allowed to sub-allot in the model or are offices still using the Excel spreadsheets provided during budget training?
- A30.** Offices shall continue to use the Excel spreadsheets that were provided during the budget training. However, the budget status and forecast models do reflect obligations by County Office/organization but the allotment capability is still being looked into. Budget Contacts can contact their Budget Analyst if a copy of the Excel spreadsheets is needed.
- Q31.** How will the Budget Contacts be notified that the forecasting models are available for use?
- A31.** Approximately 5 workdays after the close of the month, the Budget Contacts will receive an e-mail notifying that the models are open and any additional instructions that are needed for completing the forecast will also be provided at that time from a BUD representative.
- Q32.** Will County Offices be getting access to budget models?
- A32.** At this time, County Offices will not have access to the budget models. However, State Offices will be able to view their counties obligations and expenditures in the model.
- Q33.** Last year offices could update the salary and benefit model at any time during the month, but it seems to be closed now. When will the salary and benefit model be open to offices for use?
- A33.** Beginning in FY 2010, the salary and benefit model will become available for inputting data at the same time the Budget Status and Forecast (BSF) model is opened at the beginning of each month usually around the 5th workday of the month. The Budget Contacts will have 5 workdays to enter their office forecasts in the BSF model. The SBP model will be available for entering data through the 20th day of the month.