

**For:** State Offices

**FY 2011 Initial Allotments for the Continuing Resolution (CR)**

**Approved by:** Associate Administrator for Operations and Management



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**1 Overview**

**A Background**

On September 30, 2010, the President signed Pub. L. 111-242, Continuing Appropriations Act, 2011. The CR is effective October 1, 2010, through December 3, 2010.

**B Purpose**

This notice:

- provides guidance for FSA operations during CR
- issues initial allotments for non-Federal County Office administrative expenses through December 3, 2010 (Exhibit 1)
- issues initial State Office allotments for Federal administrative expenses through December 3, 2010 (Exhibit 2)
- provides information on how CR allotments were calculated.

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<b>Disposal Date</b>	<b>Distribution</b>
January 1, 2011	State Offices

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10-27-10

## Notice BU-724

### 1 Overview (Continued)

#### C Contacts

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

IF located in...	THEN contact...
Southwest and Northwest areas and Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, and Tennessee	Tracey Blom, BUD, by 1 of the following: <ul style="list-style-type: none"><li>• e-mail to <b>tracey.blom@kcc.usda.gov</b></li><li>• telephone at 816-926-3447</li><li>• FAX at 816-926-1588.</li></ul>
Northeast and Midwest areas and Florida, North Carolina, Puerto Rico, South Carolina, and Virginia	Kim Floehr, BUD, by 1 of the following: <ul style="list-style-type: none"><li>• e-mail to <b>kim.floehr@wdc.usda.gov</b></li><li>• telephone at 202-720-3356</li><li>• FAX at 202-690-0591.</li></ul>

### 2 FY 2011 Budget Execution

#### A CR Calculation

CR funding is calculated by taking the number of calendar days in CR (64) divided by the total calendar days in the year (365). The approved CR covers 17.53 percent of FY. That percentage is then multiplied against the FY 2010 appropriation level and assumed FY 2010 reimbursement levels to determine total available funding levels for the period of CR.

It is important to stress that this calculation, only provides funding through December 3, 2010. It is not known what the final appropriation will be or how that will impact operations after December 3, 2010. All offices are encouraged to use fiscally responsible operating practices.

#### B Nondiscretionary Operations

To begin the process of distributing the available funding, FSA-wide monthly requirements for nondiscretionary operations were documented. Items considered **nondiscretionary** include the following:

- personnel
- rent and utilities
- postage
- certain contractual requirements
- some information technology (IT) requirements.

Funding availability under CR is insufficient to cover each office's FY 2010 personnel ceiling. As a result, allotment levels include only funding levels needed to fund current employment for each office as of September 25, 2010.

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### 2 FY 2011 Budget Execution (Continued)

#### C Discretionary Operations

Once all the nondiscretionary items were identified, the remaining funds available determined the funding for discretionary operating expenses. For the purpose of CR allotments, discretionary operating expenses are defined as any operation expense **not** listed in subparagraph B as nondiscretionary. **This includes travel.**

#### D National Office Directed Travel

Only specific events approved during CR will be considered Washington directed. Only in those cases will offices be allowed to request travel reimbursement. For example, if a State is contacted by DAFO for use of a SCOAPER, that would be considered Washington directed travel. National training events notices will contain a statement or an announcement will be made at the session.

In those cases, budget contacts will be able to submit a funding increase in the Allotment Change Model after the end of each month when the PCM models are available for use. All requests will be for the actual amount of travel costs.

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### 3 Allotments

#### A Salaries and Benefits (Object Class (OC) 11 and 12)

CR allotment levels for salary and benefits for permanent full-time employees for both Federal and non-Federal were calculated as follows.

- Salary and benefit obligations through August 2010 were averaged with the cumulative staff year usage through August 2010, to determine the average staff year cost then multiplied by current employment.

**Note:** Current employment levels as of September 25, 2010, were used.

- This average staff year cost per day was multiplied by the current employment divided by 261 (number of work days in FY 2011) then multiplied by 46 (number of paydays in CR).

CR allotment levels for salary and benefits for other (temporary and COC) employees for non-Federal were calculated as follows.

- An average cost per staff year per State was established for other employees.
- This average cost per staff year was multiplied by the base temporary ceiling level as provided by DAFO divided by 261 then multiplied by 46.

#### B Awards (OC 1152 and 1153)

Award allotment will **not** be issued during the duration of CR. Office shall not issue any cash awards during the CR period.

FSA's Gainsharing Travel Savings Program pays a cash award to employees who save the Government money while on TDY travel. Funding for this award is covered by the savings in travel funds; therefore, State Offices must request that funds be transferred from travel to awards to cover the savings to the Government.

## Notice BU-724

### 3 Allotments (Continued)

#### C Overtime (OC 1170 Through 1180)

Overtime is allotted based on the percentage of the year covered by CR (17.53 percent), multiplied by FY 2010 obligations then reduced by 25 percent.

#### D Lump Sum and Other (OC 1183, etc.)

The lump sum allotment covers payments made to employees leaving Government service for their annual leave balances. Lump sum has **not** been allotted, but will be allotted as needs occur. Budget contacts should submit a budget change allotment request for additional funding through the appropriate BUD analyst.

#### E Travel and Relocation (OC 21)

Travel allotments include funding for routine in-State travel, as well as leased vehicles costs for GSA motor pool (MPOL) coded as **cars**. Estimated funding needs have been provided to applicable States.

CR allotments were calculated as follows.

- BOC 2162 (MPOL) – FY 2010 obligations divided by 12 (number of months) and multiplied by 3 (number of months within CR).
- All Other Travel excluding BOC 2162 – Average of FY 2010 Full Year Initial Allotment and FY 2010 Full Year Travel Obligations (without MPOL) multiplied by 17.53 percent.
- MPOL and All Other travel added together to create the CR travel allotment total.

BUD will closely monitor travel usage, by State, at the National Office level. State Offices should access the Hyperion FY 2011 Travel, Motor pool, and Relocation Report to monitor their travel obligations and expenditures. All State Offices shall review these reports to determine whether there are any erroneous obligations against the travel authorization.

Relocation was **not** allotted during the CR period. During CR, if an office chooses to offer relocation, there is no guarantee that it will be funded and the office may have to cover the cost within their full year allotments when issued.

#### F Transportation of Things (OC 22)

Transportation is allotted based on cumulative FY 2010 obligations for BOC 2232 divided by 12 and then multiplied by 3 to fund the cost of GSA leased trucks. Funding above the cost of GSA truck rental, such as FEDEX and UPS, has not been allotted.

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### 3 Allotments (Continued)

#### G Rent and Utilities and Telecommunications (OC 23)

Rent and utility allotments for Federal and non-Federal were based on cumulative FY 2010 obligations divided by 12 then multiplied by 3.

Contact the BUD analyst if a State has changes in the number of offices where FSA is the lead agency.

#### H Postage (OC 23.5)

The CR allotment will provide for 17.53 percent of FY 2010 cumulative obligations. The purchase of postage should be limited to only necessary items during CR.

#### I Printing and Reproduction (OC 24)

Printing and reproduction covers charges incurred for contractual printing for items such as newsletters, envelopes, letterhead, and training materials. The CR allotment will provide for 17.53 percent of FY 2010 cumulative obligations.

#### J Other Services (OC 25)

Other services cover the majority of the contractual services purchased by FSA. State Offices should no longer request reimbursement for Federal mediation services and must absorb those costs within their allotment. Funding for State fees for appraisers training and appraisers training tuition and books are **not** allotted during the CR period. The CR allotment is provided at 17.53 percent of FY 2010 obligations in all sub-BOC's except for 25.7 Equipment operations maintenance. Equipment operations maintenance is provided at 100 percent of FY 2010 obligations for October, November, and December in 2009 (first 3 months of FY 2010).

**Note:** Offices should refrain from entering into noncritical contracts during the CR period.

#### K Supplies and Materials (OC 26)

Supplies and materials allotments cover the purchase of non-IT office supplies. The CR allotment provides 17.53 percent of FY 2010 initial full year allotment.

**Note:** State Offices should follow previously issued procedure for purchasing IT equipment and supplies.

#### L Program Outreach Targeted Activities (Project Code A026)

Outreach targeted activities will not be allotted during the CR period. If an office chooses to fund any Outreach targeted activity, there is no guarantee that it will be funded when full year allotments are issued and the office may have to cover that cost within their full year allotments when issued.

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### 3 Allotments (Continued)

#### **M Public Promotion of the Agency Outreach (Project Code A028)**

Outreach public promotion items will **not** be allotted during the CR period. If an office chooses to fund any public promotion items, there is no guarantee that it will be funded when full year allotments are issued and the office may have to cover that cost within their full year allotments when issued.

#### **N Equipment and Furniture (OC 31)**

Equipment and furniture allotments cover the purchase of non-IT furniture and equipment. Equipment allotments will **not** be issued under CR. If emergency equipment needs are encountered during CR, BUD contacts should contact the appropriate BUD analyst for assistance.

**Note:** State Offices should follow previously issued procedure for purchasing IT equipment and supplies.

#### **O Insurance Claims and Indemnities (OC 42)**

No allotment for insurance claims and indemnities is being provided. If there is a need, contact the appropriate BUD analyst.

#### **P Interest and Dividends (OC 43)**

No allotment for interest and dividends is being provided. If there is a need, contact the appropriate BUD analyst.

**Notice BU-724**

**4 Action**

**A Action on Non-Federal Allotment**

See Exhibit 1 for non-Federal CR allotments. State Offices shall administer County Office allotments according to the following.

<b>Step</b>	<b>Action</b>
1	Determine and issue CR operating expense allotments in Exhibit 1 to County Offices using the sub-allotment spreadsheet to pay administrative operating expenses for FY 2011 through December 3, 2010.
2	Hold a reasonable reserve at the State Office to cover non-Federal expenditures made for County Offices.
3	Monitor <b>all</b> payroll and nonpayroll expenses within their respective allotment totals and ensure the respective County Office allotment is not exceeded.

**B Action on Federal Allotment**

State Offices shall monitor all expenses through CR within their respective allotment totals and ensure that expenses do **not** exceed the total State Office CR allotment. See Exhibit 2 for State Office Federal CR allotments.

Non-Federal CR Allotments

The following provides the non-Federal CR allotments.

STATE NAME	87 BOC 11.1 Perm Salary	87 BOC 11.3 Temp Salary	87 BOC 11.5 Overtime	87 BOC 12.1 Payroll Benefits	87 BOC 21.0 Travel	87 BOC 21.0 Education	87 BOC 21.0 Transportation	87 BOC 21.2 Non-GSA Rent	87 BOC 23.3 Comm/Util	87 BOC 23.3 Other Rental	87 BOC 23.3 Percentage	87 OC 24 Printing	87 BOC 25.1 Advisory Services	87 BOC 25.2 Other Services	87 BOC 25.3 Other Services	87 BOC 25.4 Fidelity	87 BOC 25.7 Oper/Maint	87 OC 25 Supplies	87 OC 23 Equipment	Totals
STATE OF ALABAMA	4,433,726	151,795	2,667	1,495,748	51,114	0	0	1,233,352	171,187	7,933	36,948	1,270	811	8,985	1,210	56,073	66,616	0	7,700,886	
STATE OF ALASKA	3,028,995	125,471	3,700	1,003,348	59,095	0	0	2,004,460	3,195	49,074	32,312	506	62	3,107	326	43	0	0	5,363,417	
STATE OF ARIZONA	3,064,550	154,514	4,703	1,069,690	67,515	0	0	1,862,248	8,868	8,986	21,861	775	2,294	1,850	152	0	0	0	5,393,023	
STATE OF ARKANSAS	1,864,250	75,314	2,500	500,000	37,240	0	0	1,162,246	6,868	6,868	13,735	1,105	1,390	1,328	244	0	0	0	3,090,258	
STATE OF CALIFORNIA	3,451,798	106,664	2,561	1,222,788	67,240	0	0	1,595,388	64,111	15,000	84,632	1,105	3,288	3,288	244	0	0	0	6,024,682	
STATE OF COLORADO	3,519,520	149,522	1,034	1,291,578	64,242	0	0	1,958,388	14,675	5,276	40,454	9,483	364	3,242	310	0	0	0	4,489,233	
STATE OF CONNECTICUT	2,800,507	156,551	1,314	972,370	48,833	0	0	985,148	1,165	20,813	61,157	7,093	302	3,166	310	0	0	0	5,484,196	
STATE OF DELAWARE	2,299,755	89,499	757	871,105	53,933	0	0	709,313	1,165	17,055	27,150	524	324	3,460	517	0	0	0	4,483,922	
STATE OF FLORIDA	1,592,971	11,040	0	36,445	1,928	0	0	1,546,526	2,712	413	568	207	0	340	230	0	0	0	3,109,628	
STATE OF GEORGIA	786,594	21,719	0	51,897	345	0	0	44,023	0	896	5,217	514	355	1,171	10	0	0	0	1,049,426	
STATE OF HAWAII	2,250,000	11,100	0	51,897	11,249	0	0	808,238	0	0	0	0	0	465	121	0	0	0	3,109,628	
STATE OF ILLINOIS	666,341	31,150	0	217,622	10,070	0	0	315,822	34	577	3,954	1,020	636	542	251	0	0	0	1,181,183	
STATE OF IOWA	1,141,412	11,150	47	52,016	8,936	0	0	80,230	24	289	1,817	30	1,190	435	145	0	0	0	2,517,288	
STATE OF KANSAS	119,448	11,388	0	37,604	1,785	0	0	80,230	0	864	1,759	37	87	1,591	24	0	0	0	463,213	
STATE OF KENTUCKY	2,068,038	11,310	174	69,074	4,498	0	0	1,564,732	11,633	7,055	17,234	671	1,271	3,460	425	0	0	0	2,416,902	
STATE OF LOUISIANA	1,170,235	56,465	374	377,815	22,951	0	0	613,766	0	17,105	27,150	524	324	3,460	517	0	0	0	2,645,897	
STATE OF MARYLAND	1,356,159	93,938	65	479,245	50,661	0	0	1,133	0	1,333	1,333	106	104	1,041	111	0	0	0	3,109,628	
STATE OF MASSACHUSETTS	2,282,911	3,934	0	9,348	1,462	0	0	1,547,064	773	2,525	6,375	1,995	391	924	157	0	0	0	4,483,922	
STATE OF MICHIGAN	567,707	22,925	0	72,115	3,735	0	0	420,500	2,472	1,124	2,028	640	527	407	405	0	0	0	1,180,628	
STATE OF MINNESOTA	4,507,207	332,446	\$295	\$1,616,883	\$28,052	\$0	\$1,800	4,207	\$35,212	\$22,028	\$2,028	\$4,403	\$2,200	\$2,200	\$4,200	\$2,200	\$2,200	\$2,200	8,109,628	
STATE OF MISSOURI	31,766	11,035	429	308,728	1,648	0	2,500	4,207	0	0	7,958	651	130	2,092	111	0	0	0	1,230,138	
STATE OF MONTANA	1,692,248	77,441	485	613,746	58,668	0	0	929,076	13,623	5,310	37,732	26	130	807	3,589	0	0	0	3,135,733	
STATE OF NEBRASKA	3,463,882	132,930	6,946	1,193,248	74,744	0	0	845,106	6,297	33,464	55,893	17,583	1,300	2,188	1,294	0	0	0	5,865,285	
STATE OF NEVADA	2,550,011	93,078	6,946	812,557	53,538	0	0	825,195	3	11,531	32,138	2,147	1,300	4,977	302	0	0	0	4,271,799	
STATE OF NEW HAMPSHIRE	2,295,410	60,055	626	828,041	23,938	0	0	282,510	0	5,902	48,976	2,235	879	1,144	5,033	0	0	0	4,271,799	
STATE OF NEW JERSEY	2,295,410	60,055	626	828,041	23,938	0	0	282,510	0	5,902	48,976	2,235	879	1,144	5,033	0	0	0	4,271,799	
STATE OF NEW YORK	1,170,235	56,465	374	377,815	22,951	0	0	613,766	0	17,105	27,150	524	324	3,460	517	0	0	0	2,645,897	
STATE OF NORTH CAROLINA	2,282,911	3,934	0	9,348	1,462	0	0	1,547,064	773	2,525	6,375	1,995	391	924	157	0	0	0	4,483,922	
STATE OF NORTH DAKOTA	2,282,911	3,934	0	9,348	1,462	0	0	1,547,064	773	2,525	6,375	1,995	391	924	157	0	0	0	4,483,922	
STATE OF OHIO	1,170,235	56,465	374	377,815	22,951	0	0	613,766	0	17,105	27,150	524	324	3,460	517	0	0	0	2,645,897	
STATE OF OKLAHOMA	2,282,911	3,934	0	9,348	1,462	0	0	1,547,064	773	2,525	6,375	1,995	391	924	157	0	0	0	4,483,922	
STATE OF OREGON	459,710	21,778	0	1,616,610	8,035	0	0	1,180,480	1,500	1,447	4,345	150	80	570	167	0	0	0	3,109,628	
STATE OF PENNSYLVANIA	1,592,971	11,040	0	36,445	1,928	0	0	1,546,526	2,712	413	568	207	0	340	230	0	0	0	3,109,628	
STATE OF RHODE ISLAND	1,592,971	11,040	0	36,445	1,928	0	0	1,546,526	2,712	413	568	207	0	340	230	0	0	0	3,109,628	
STATE OF SOUTH CAROLINA	1,837,965	57,444	875	608,618	29,340	0	5,984	485,146	5,920	23,469	24,048	957	561	1,482	1,651	0	0	0	3,109,628	
STATE OF SOUTH DAKOTA	1,837,965	57,444	875	608,618	29,340	0	5,984	485,146	5,920	23,469	24,048	957	561	1,482	1,651	0	0	0	3,109,628	
STATE OF TEXAS	726,477	20,520	202	266,235	24,189	0	875	359,570	4,207	0	7,958	651	130	2,092	111	0	0	0	1,441,009	
STATE OF UTAH	2,521,626	52,529	179	846,270	46,478	0	0	925,895	5,292	4,742	37,285	589	1,199	1,215	1,215	0	0	0	4,957,240	
STATE OF VERMONT	1,263,442	40,278	5	410,545	19,020	0	0	1,150,247	3,252	14,407	28,578	1,572	51	1,453	395	0	0	0	3,109,628	
STATE OF VIRGINIA	2,079,269	57,649	337	693,131	28,100	0	0	1,555,248	1,741	4,336	48,004	4,888	61	2,155	1,512	0	0	0	4,586,175	
STATE OF WASHINGTON	2,844,866	75,833	0	977,311	37,915	0	0	2,655,248	1,741	4,336	48,004	4,888	61	2,155	1,512	0	0	0	4,586,175	
STATE OF WEST VIRGINIA	1,266,674	38,527	40	775,867	27,575	0	0	728,510	6,230	2,993	24,273	1,625	8	115	293	0	0	0	3,109,628	
STATE OF WISCONSIN	1,592,971	11,040	0	36,445	1,928	0	0	1,546,526	2,712	413	568	207	0	340	230	0	0	0	3,109,628	
STATE OF WYOMING	1,592,971	11,040	0	36,445	1,928	0	0	1,546,526	2,712	413	568	207	0	340	230	0	0	0	3,109,628	
TOTAL NAVA	\$13,027,236	\$555,507	\$10,929	\$4,569,666	\$113,218	\$0	\$4,720	\$13,335	\$11,629	\$8,283	\$24,596	\$29,833	\$2,661	\$16,022	\$11,605	\$8,068	\$17,889	\$17,888	\$23,282,648	
TOTAL NSA	\$5,028,207	\$323,446	\$295	\$1,616,883	\$28,052	\$0	\$1,800	\$4,207	\$35,212	\$22,028	\$2,028	\$4,403	\$2,200	\$2,200	\$4,200	\$2,200	\$2,200	\$2,200	\$23,282,648	
TOTAL	\$18,055,443	\$878,953	\$11,924	\$6,186,549	\$141,270	\$0	\$6,520	\$17,542	\$15,241	\$16,511	\$49,122	\$34,236	\$4,861	\$18,224	\$15,805	\$10,266	\$20,089	\$20,088	\$46,565,296	

