

2012 Explanatory Notes

Departmental Management

Office of Budget and Program Analysis
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DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

Purpose Statement

The Office of Budget and Program Analysis (OBPA) was established in June 1981. Its predecessor organization was established on July 8, 1922 (Secretary's Memorandum No. 389), under the provisions of the Budget and Accounting Act of 1921, which designated that a Budget Officer was to have charge of the preparation of estimates and other appropriations for the Department.

The mission of OBPA is to provide analyses and information to the Office of the Secretary and other policy officials to support informed decision-making regarding the Department's programs and policies, budget, legislative, and regulatory actions.

The Office of Budget and Program Analysis is located in Washington, D.C. As of September 30, 2010, there were 43 permanent full-time employees.

OBPA did not have any Office of Inspector General or Government Accountability Office evaluation reports during the past year.

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Available Funds and Staff Years
2010 Actual and 2011 and 2012 Estimated

Item	2010		2011		2012	
	Actual		Estimated		Estimated	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Salaries and Expenses	\$8,033,967	48	\$9,436,000	58	\$9,436,000	58
Lapsing Balances	752,033	--	--	--	--	--
Transferred to WCF	650,000	--	--	--	--	--
Total, Salaries and Expenses.....	9,436,000	48	9,436,000	58	9,436,000	58

Permanent Positions by Grade and Staff Year Summary
2010 Actual and 2011 and 2012 Estimated

Grade	2010	2011	2012
	Washington, D.C.	Washington, D.C.	Washington, D.C.
ES	5	5	5
GS-15	10	10	10
GS-14	10	10	10
GS-13	17	17	17
GS-12	3	3	3
GS-11	3	3	3
GS-10	1	1	1
GS-9	6	6	6
GS-8	1	1	1
GS-7	0	0	0
GS-4	4	4	4
GS-3	0	0	0
Total Permanent Positions	60	60	60
Unfilled Positions end-of-year	-17	-2	-2
Total, Permanent Full-Time Employment, end-of-year	43	58	58
Staff Year Estimate.....	48	58	58

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Appropriation Language

For necessary expenses of the Office of Budget and Program Analysis \$9,436,000.

Lead-off Tabular Statement

Annualized Continuing Resolution, 2011	\$9,436,000
Budget Estimate, 2012	<u>9,436,000</u>
Change in Appropriation	<u>0</u>

Summary of Increases and Decreases
(On basis of appropriation)

<u>Item of Change</u>	<u>2011 Estimated</u>	<u>Program Change</u>	<u>2012 Estimated</u>
Office of Budget and Program Analysis	\$9,436,000	0	\$9,436,000

Project Statement
(On basis of appropriation)

	<u>2010 Actual</u>		<u>2011 Estimated</u>		<u>Increase or Decrease</u>	<u>2012 Estimated</u>	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>		<u>Amount</u>	<u>Staff Years</u>
Office of Budget and Program Analysis.....	\$8,033,967	48	\$9,436,000	58	--	\$9,436,000	58
Unobligated Balance.....	<u>752,033</u>	--	--	--	--	--	--
Total Available or Estimate.....	8,786,000	48	9,436,000	58	<u>--</u>	<u>9,436,000</u>	<u>58</u>
Transfer to Working Capital Fund.....	<u>650,000</u>	--	--	--			
Total, Appropriation.....	<u>9,436,000</u>	<u>48</u>	<u>9,436,000</u>	<u>58</u>			

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Geographic Breakdown of Obligations and Staff Years
2010 Actual and 2011 and 2012 Estimated

	2010		2011		2012	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
District of Columbia	\$8,033,967	48	\$9,436,000	58	\$9,436,000	58
Unobligated balance	752,033	--	--	--	--	--
Total, Available or Estimate	8,786,000	48	9,436,000	58	9,436,000	58

Classification By Objects
2010 Actual and 2011 and 2012 Estimated

	2010	2011	2012
Personnel Compensation:			
Washington, D.C.....	\$5,549,459	\$6,570,000	\$6,636,000
11 Total personnel compensation.....	5,549,459	6,570,000	6,636,000
12 Personnel benefits	1,398,082	1,846,000	1,868,000
Total pers. comp. & benefits.....	6,947,541	8,416,000	8,504,000
Other Objects:			
21 Travel	3,169	4,000	4,000
23.3 Communications, utilities, and misc. charges	73,068	75,000	75,000
24 Printing and reproduction.....	114,002	115,000	115,000
25.2 Other services.....	256,233	258,000	260,000
25.3 Purchases of goods and services from Government Accounts.....	514,902	441,000	350,000
26 Supplies and materials.....	122,018	123,000	123,000
31 Equipment	3,034	4,000	5,000
Total other objects.....	1,086,426	1,020,000	932,000
Total direct obligations	8,033,967	9,436,000	9,436,000
Position Data:			
Average Salary, ES positions	\$153,715	\$161,147	\$161,147
Average Salary, GS positions	\$103,872	\$103,872	\$103,872
Average Grade, GS positions.....	13.6	13.6	13.6

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS
STATUS OF PROGRAM

The Office of Budget and Program Analysis (OBPA) coordinates the preparation of Departmental budget estimates, regulations, and legislative reports; administers systems for the allotment and apportionment of funds; provides analysis of U.S. Department of Agriculture (USDA) program issues, draft regulations, and budget proposals; participates in strategic planning; and provides assistance to USDA policy makers in the development and execution of desired policies and programs. The Director serves as the Department's Budget Officer and Performance Improvement Officer.

OBPA supports the USDA mission by contributing guidance, sound analysis, and objective information regarding the Department's budget, programs, and legislative and regulatory actions.

Current Activities:

- Develop and maintain instructions and guidance for budget formulation, presentation and execution;
- Improve program delivery and effectiveness, by assisting the Secretary in ensuring agencies: continually improve performance; implement program improvement plans; regularly assess progress; and are held accountable for results.
- Prepare materials, including the USDA Budget Summary and Annual Performance Plan, and Explanatory Notes, for presentation and justification of the budget to the Congress, news media, interest groups, and the public;
- Coordinate Departmental response to Congressional questions for the record regarding Secretarial and agency Appropriations hearings;
- Develop alternatives and supporting data for use by policy officials in making budget decisions, including reprogramming and reallocation of funding;
- Serve as liaison with the Office of Management and Budget (OMB) and Appropriations Committees of the Congress to explain, justify and defend USDA's budget request;
- Maintain close working relationships with the Congressional Budget Office and Congressional authorizing committees related to funding of mandatory programs;
- Conduct reviews of current programs, proposed programs, organizational plans, and reorganization proposals, including reviews of problem areas perceived to affect management efficiency, program outcomes, and implementation of statutory requirements and Administration policy;
- Ensure agency-developed material requiring action by the Office of the Secretary is analytically-sound, consistent with Administration policy, program, and budget requirements, and consistent with statutory authorities;
- Develop and maintain the Departmental Manual (DM 1260-1) governing the preparation, review, and clearance of legislative reports and the annual legislative program and ensure consistency in agency development of legislative information;

- Provide comprehensive analyses of the potential costs, benefits, and programmatic implications of proposed legislation to assist in the formulation of the Department's views;
- Coordinate the clearance of legislative proposals and reports, and regulations through USDA policy officials and OMB, including responding to inquiries, providing documentation to OMB to support proposals, maintaining transmittal and clearance records, and notifying agencies of policy decisions and OMB action;
- Develop and maintain Departmental Regulation (DR 1512-1) governing the preparation, review and clearance of regulatory actions and ensure consistency with Departmental standards, as well as Congressional and Administration requirements, in agency regulatory development;
- Review regulatory actions for consistency with regulatory requirements, Executive Orders, and authorizing statutes and prepare analytical and explanatory information for policy officials to facilitate clearance of documents; and
- Coordinate and provide appropriate assistance in the preparation of the USDA portion of the Administration's Regulatory Plan and the Semi-Annual Regulatory Agenda.

Selected Examples of Recent Progress:

Performance Management. The Director of OBPA serves as USDA's Performance Improvement Officer (PIO) and is a member of the Government-wide Performance Improvement Council. The PIO is charged with supervising the performance management activities of the Department and developing a performance based budget. In 2010, the Department finalized the USDA Strategic Plan for fiscal years 2010-2015. OBPA participated in revising the Strategic Plan and worked with senior staff and OMB to develop the Department's High Priority Performance Goals, performance measures, and program outcomes. OBPA developed budget materials to display funding information based on the Strategic Goals.

Budget Summary and Related Information. OBPA prepared the 2011 Budget Summary and Annual Performance Plan which provides an overview of the Department's programs and budgets, and provides funding highlights. In addition, the document provides targets for key performance measures that support the Department's strategic objectives for fiscal year 2011. The 2011 Budget Summary and Annual Performance Plan was released to the public on February 1, 2010, and is available at <http://www.obpa.usda.gov/budsum/FY11budsum.pdf>. OBPA also produced detailed budget justifications for the 2011 Explanatory Notes, which are also available to the public through the USDA web site.

Review of Regulatory Actions. During fiscal year 2010, OBPA was actively involved in the review and clearance of approximately 174 regulatory workplans. In addition, OBPA was actively involved in the review and clearance of approximately 105 regulations, including regulations involving: 2008 Farm Bill programs on renewable energy, conservation, crop disaster assistance, and emergency forest restoration; dairy economic loss assistance; crop insurance coverage; rural microentrepreneur assistance; and the designation of biobased items for Federal procurement.

Review of Legislative Actions. During fiscal year 2010, OBPA assisted in the preparation and review of approximately 480 legislative reports. These reports were reviewed to ensure consistency with the program, policy and budgetary objectives of the Administration; based on adequate analysis, and programmatic soundness.

Farm Bill Implementation. OBPA continued to provide leadership to assist with implementation of the 2008 Farm Bill. OBPA coordinates the clearance of Farm Bill regulations with subcabinet officials and OMB; ensures that implementation efforts are coordinated across mission areas; and tracks progress and reports to policy officials and Congress.

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Summary of Budget and Performance
Statement of Goals and Objectives

OBPA has two strategic goal, and two objectives that contribute to the strategic goals of the Department.

USDA Strategic Goal	DM Strategic Goal	Agency Objectives	Programs that Contribute	Key Outcome
OBPA supports all USDA strategic goals.	DM Goal 1: Ensure that all USDA programs and activities are accessible and accountable.	<u>Objective 1:</u> Ensure open and transparent policymaking by: • Identifying all constituents and potential constituents and inform them about USDA policymaking. • Developing methods to ensure equal opportunities for input to USDA policymaking.	N/A	<u>Key Outcome 1:</u> The Secretary and other policy officials have the objective information necessary to make informed policy decisions in a timely manner.
	DM Goal 2: Transform Departmental Management into a sustainable, high performing organization.	<u>Objective 2:</u> Promote efficient resource use to meet strategic Departmental Management goals by: • Aligning staffing and funding sources with responsibilities and priorities. • Establishing a unified budgeting and financial planning process to support responsible stewardship of resources.	N/A	<u>Key Outcome 2:</u> The final Departmental budget is consistent with policy decisions and allocates resources to agencies according to priorities and is presented with associated performance information and linkages to the USDA Strategic Plan, and applicable laws. <u>Key Outcome 3:</u> The Department's legislative proposals and regulatory actions are analytically sound and consistent with Departmental and Administration policy.

Selected Accomplishments Expected at the FY 2012 Proposed Resource Level:

- Assist policy makers in decision-making and policy implementation.
- Make significant contributions to the relevance and accuracy of controlled correspondence.
- Meet Circular A-11 requirements and submit budget materials to OMB and Congress on time.
- Complete 98 percent of regulatory reviews on time.
- Review and clear 80 percent of legislative reports on time.

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Key Performance Outcomes and Measures

Goal 1: Support the USDA mission of providing “leadership on food, agriculture, natural resources, rural development and related issues based on sound public policy, the best available science, and efficient management” by contributing guidance, sound analysis, and objective information regarding the Department’s budget, programs, and legislative and regulatory actions.

Key Outcome 1: The Secretary and other policy officials have the objective information necessary to make informed policy decisions in a timely manner.

Key Performance Measures:

- Yearly effectiveness rating in assisting policymakers in decision-making and policy implementation, as evidenced by annual informal assessment.
- Significant contribution made to the relevance and accuracy of controlled correspondence.

Key Performance Target: Effective in assisting policymakers in decision-making and policy implementation.

Key Outcome 2: The final Departmental budget is consistent with policy decisions and allocates resources to agencies according to priorities, performance and applicable laws.

Key Performance Measures:

- Relevant, accurate, and timely materials produced to present and support the budget.

Key Performance Target: Meet Circular A-11 requirements and the budget will be submitted to OMB and Congress on time.

Key Outcome 3: The Department’s legislative proposals and regulatory actions are analytically sound and consistent with Departmental and Administration policy.

Key Performance Measure:

- USDA legislative and regulatory proposals are reviewed and cleared within the assigned OBPA timeframe.

Key Performance Target:

Performance Measure	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Target	2012 Target
Percent of legislative reports are reviewed and cleared within established timeframes.	80%	80%	80%	80%	80%	80%
Percent of regulatory reviews are completed within established timeframes.	98%	98%	98%	98%	98%	98%

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Summary of Budget and Performance
Full Cost by Agency Strategic Objective

Dollars in thousands

	FY 2010	FY 2011	FY 2012
Strategic Objective 1.1: Assist the Office of the Secretary and other policy officials in decision-making and policy implementation by providing objective information and analyses regarding the Department's programs and policies.			
Administrative Costs (Direct)	\$2,582	\$3,032	\$3,032
FTE	17	19	19
Performance Measure:			
Percent of legislative reports reviewed and cleared within established timeframes.	80%	80%	80%
Percent of Regulatory reviews completed within established timeframes	98%	98%	98%
Strategic Objective 1.2: Ensure the Department's Budget is consistent with policy decisions and that resources are allocated to agencies consistent with priorities, performance, and applicable laws.			
Administrative Costs (Direct)	\$2,992	\$3,515	\$3,515
FTE	15	23	23
Performance Measure:			
Percent of legislative reports reviewed and cleared within established timeframes.	80%	80%	80%
Percent of Regulatory reviews completed within established timeframes	98%	98%	98%
Strategic Objective 1.3: Ensure the Department's legislative proposals and regulatory actions are analytically sound and consistent with Departmental and Administration policy.			
Administrative Costs (Direct)	\$2,460	\$2,889	\$2,889
FTE	16	18	18
Performance Measure:			
Percent of legislative reports reviewed and cleared within established timeframes.	80%	80%	80%
Percent of Regulatory reviews completed within established timeframes	98%	98%	98%
Total Cost all Strategic Objectives	\$8,034	\$9,436	\$9,436
Total FTEs	48	58	58