

2014 Explanatory Notes
Departmental Management
Office of Budget and Program Analysis

Contents

Purpose Statement	4-1
Statement of Available Funds and Staff Years.....	4-2
Permanent Positions by Grade and Staff Year Summary	4-2
Salaries and Expenses	
Appropriations Language.....	4-3
Lead-off Tabular Statement	4-3
Project Statement	4-3
Justifications.....	4-4
Geographic Breakdown of Obligations and Staff Years	4-5
Classification by Objects.....	4-5
Status of Programs	4-6
Summary of Budget and Performance	
Statement of Goals and Objectives.....	4-8
Full Cost by Strategic Objective	4-10

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, 2012, there were 45 permanent full-time employees.

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

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

Available Funds and Staff Years (SY)
(Dollars in thousands)

Item	2011 Actual		2012 Actual		2013 Estimate		2014 Estimate	
	Amount	SY	Amount	SY	Amount	SY	Amount	SY
Salaries and Expenses:								
Discretionary Appropriations..	\$9,436	48	\$8,946	47	\$9,001	49	\$11,129	53
Rescission.....	-19	-	-	-	-	-	-	-
Adjusted Appropriation.....	9,417	48	8,946	47	9,001	49	11,129	53
Transfers Out: WCF.....	-1,400	-	-1,000	-	-	-	-	-
Total Available.....	8,017	48	7,946	47	9,001	49	11,129	53
Lapsing Balances.....	-409	-	-586	-	-	-	-	-
Subtotal Obligations, OBPA....	7,608	48	7,360	47	9,001	49	11,129	53

Permanent Positions by Grade and Staff Year Summary

Item	2011 Actual		2012 Actual		2013 Estimate		2014 Estimate	
	Wash. D.C.		Wash. D.C.		Wash. D.C.		Wash. D.C.	
SES.....	5		5		5		5	
GS-15.....	9		9		9		10	
GS-14.....	15		15		12		14	
GS-13.....	17		17		12		13	
GS-12.....	2		3		2		2	
GS-11.....	3		2		1		1	
GS-10.....	1		1		1		1	
GS-9.....	3		3		2		2	
GS-8.....	1		1		1		1	
GS-7.....	0		4		4		4	
GS-5.....	4		0		0		0	
Total Permanent Positions.....	60		60		49		53	
Unfilled, EOY.....	15		15		0		0	
Total, Perm. Full-Time								
Employment, EOY.....	45		45		49		53	
Staff Year Est.....	48		47		49		53	

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

The estimates include appropriation language for this item as follows:

Salaries and Expenses:

For necessary expenses of the Office of Budget and Program Analysis, \$11,129,000.

Lead-off Tabular Statement

2013 Estimate.....	\$9,001,000
Budget Estimate, 2014.....	<u>11,129,000</u>
Change in Appropriation.....	<u>+2,128,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

	2011 <u>Actual</u>	2012 <u>Change</u>	2013 <u>Change</u>	2014 <u>Change</u>	2014 <u>Estimate</u>
Discretionary Appropriations:					
Office of Budget and Program Analysis.....	\$9,417	-\$471	+\$55	+\$2,128	\$11,129

Project Statement

Adjusted Appropriations Detail and Staff Years (SY)

(Dollars in thousands)

Program	<u>2011 Actual</u>		<u>2012 Actual</u>		<u>2013 Estimate</u>		<u>Inc. or Dec.</u>		<u>2014 Estimate</u>		
	Amount	SY	Amount	SY	Amount	SY	Amount	SY	Amount	SY	
Discretionary Appropriations:											
Office of Budget and											
Program Analysis.....	\$9,417	48	\$8,946	47	\$9,001	49	+\$2,128	(1)	+4	\$11,129	53
Rescissions.....	19	-	-	-	-	-	-	-	-	-	-
Total Appropriation.....	9,436	48	8,946	47	9,001	49	+\$2,128	4	-	11,129	53
Transfers Out: WCF.....	-1,400	-	-1,000	-	-	-	-	-	-	-	-
Rescission.....	-19	-	-	-	-	-	-	-	-	-	-
Total Available.....	8,017	48	7,946	47	9,001	49	+\$2,128	4	-	11,129	53
Lapsing Balances.....	-409	-	-586	-	-	-	-	-	-	-	-
Total Obligations.....	7,608	48	7,360	47	9,001	49	+\$2,128	4	+	11,129	53

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

Project Statement
Obligations Detail and Staff Years (SY)
(Dollars in thousands)

Program	<u>2011 Actual</u>		<u>2012 Actual</u>		<u>2013 Estimate</u>		<u>Inc. or Dec.</u>		<u>2014 Estimate</u>		
	Amount	SY	Amount	SY	Amount	SY	Amount	SY	Amount	SY	
Discretionary Obligations:											
Office of Budget and											
Program Analysis.....	\$7,608	48	\$7,360	47	\$9,001	49	+\$2,128	(1)	+4	\$11,129	53
Total Obligations.....	7,608	48	7,360	47	9,001	49	+2,128		4	11,129	53
Lapsing Balances.....	409	-	586	-	-	-	-		-	-	-
Total Available.....	8,017	48	7,946	47	9,001	49	+2,128		+4	11,129	53
Transfers Out: WCF.....	1,400	-	1,000	-	-	-	-		-	-	-
Rescission.....	19	-	-	-	-	-	-		-	-	-
Total Appropriation.....	9,436	48	8,946	47	9,001	49	+2,128		+4	11,129	53

Justification of Increases and Decreases

Base funds will allow the Office of Budget and Program Analysis (OBPA) to continue to provide analyses and information to the Secretary and other senior policy officials to support informed decision-making regarding the Department's programs and policies, and budget, legislative, and regulatory actions. Additionally, it will allow OBPA to serve the key function of providing information to the Office of Management and Budget and the Appropriations Committees related to the USDA budget and providing relevant information to the Authorizing Committees.

- (1) An increase of \$2,128,000 and 4 staff years for the Office of Budget and Program Analysis (\$9,001,000 and 49 staff years available in 2013) consisting of:
 - (a) An increase of \$65,000 for pay costs (\$9,000 for annualization of the 2013 pay increase and \$56,000 for the 2014 pay increase).
The proposed funding level is needed to cover pay and benefit cost increases for existing staff. This will ensure adequate resources are available to coordinate the preparation and submission to Congress of a performance-based budget, and to provide analyses and information to support decision-making regarding budgetary, legislative, and regulatory proposals. Over 80 percent of OBPA funds are needed to cover salary and benefit costs.
 - (b) An increase of \$2 million and 4 staff years to establish the position of Chief Evaluation Officer and provide program evaluation coordination and services for the Department (no funding available in 2013).
The 2014 Budget includes an Administration initiative to develop agencies' capacity for robust evaluation and data analysis. As part of this initiative, the Department is requesting \$2 million and four staff years to establish the position of Chief Evaluation Officer within the Office of Budget and Program Analysis. This office will help support rigorous research focused on key policy priorities, and will work closely with program offices to develop and implement evaluation agendas set by policy officials to help assess the effectiveness of the Department's programs. The office will be the Department's lead in expanding the use of program evaluation within USDA, and will collaborate with other federal agencies and the private sector to advance high-quality evaluations of USDA activities.

DEPARTMENTAL MANAGEMENT

OFFICE OF BUDGET AND PROGRAM ANALYSIS

(c) An increase of \$63,000 for operating costs.

This increase in funding is necessary to continue the current level of analyses and information provided to the office of the Secretary to support informed decision-making regarding the Department's programs and policy, budget, legislative and regulatory actions.

Geographic Breakdown of Obligations and Staff Years (SY)

(Dollars in thousands)

State/Territory	2011 Actual		2012 Actual		2013 Estimate		2014 Estimate	
	Amount	SY	Amount	SY	Amount	SY	Amount	SY
District of Columbia.....	\$7,608	48	\$7,360	47	\$9,001	49	\$11,129	53
Lapsing Balances.....	409	-	586	-	-	-	-	-
Total, Available.....	8,017	48	7,946	47	9,001	49	11,129	53

Classification by Objects

(Dollars in thousands)

	2011 Actual	2012 Actual	2013 Estimate	2014 Estimate
Personnel Compensation:				
Washington D.C.....	\$5,372	\$5,272	\$5,582	\$6,195
11 Total personnel compensation.....	5,372	5,272	5,582	6,195
12 Personnel benefits.....	1,441	1,521	1,593	1,757
Total, personnel comp. and benefits.....	6,813	6,793	7,175	7,952
Other Objects:				
21.0 Travel and transportation of persons.....	2	10	2	6
23.3 Communications, utilities, and misc. charges.....	87	87	87	95
24.0 Printing and reproduction.....	88	79	88	90
25.2 Other services from non-Federal sources.....	192	109	597	842
25.3 Other purchases of goods and services from Federal sources.....	277	251	903	1,977
26.0 Supplies and materials.....	107	31	107	115
31.0 Equipment.....	42	-	42	52
Total, Other Objects.....	795	567	1,826	3,177
99.9 Total, new obligations.....	7,608	7,360	9,001	11,129
Position Data:				
Average Salary (dollars), ES Position.....	\$169,429	\$167,486	\$169,429	\$171,801
Average Salary (dollars), GS Position.....	\$106,839	\$106,839	\$107,659	\$110,500
Average Grade, GS Position.....	13.7	13.7	13.8	13.9

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.

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;
- 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

DEPARTMENTAL MANAGEMENT

OFFICE OF BUDGET AND PROGRAM ANALYSIS

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:

Budget Summary and Related Information. OBPA prepared the 2013 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 2013. The 2013 Budget Summary and Annual Performance Plan was released to the public on February 13, 2012, and is available at <http://www.obpa.usda.gov/budsum/FY13budsum.pdf>. OBPA also produced detailed budget justifications for the 2013 Explanatory Notes, which are also available to the public through the USDA website.

Performance Management. The Associate Director is the Department's Performance Improvement Officer (PIO). The PIO is charged with supervising the performance management activities of the Department and developing a performance based budget. OBPA works closely with USDA's Chief Operating Officer on organizational performance management, including Government Performance and Results Act (GPRA) Modernization Act requirements. OBPA participates in the Government-wide Performance Improvement Council to ensure the guidance and tools developed by the council are utilized as appropriate by USDA. OBPA continued to work with agencies, senior staff and OMB in 2012 on performance management. This has included coordinating the completion of action plans for USDA's Agency Priority Goals for 2012-2013 and reporting to OMB quarterly on goal progress.

Review of Regulatory Actions. During 2012, OBPA was actively involved in the review and clearance of 126 regulatory work plans. In addition, OBPA was actively involved in the review and clearance of 50 regulations, 8 significant guidance documents, and 182 Executive Order (EO) 12866 review requests, including regulations involving: 2010 Healthy, Hunger-Free Kids Act; 2008 Farm Bill programs on renewable energy and rural broadband access; food safety; organic marketing; animal traceability; National Forest System land management planning; and the designation of biobased items for Federal procurement.

OBPA assisted the Department in meeting periodic OMB reporting requirements and implementation plan pursuant to EO 13563 on the retrospective review of existing regulations and EO 13610 on reducing paperwork and reporting burdens.

Review of Legislative Actions. During 2012, OBPA assisted in the preparation and review of 420 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.

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

Key Performance Target:

Performance Measure	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Target	2014 Target
Percent of legislative reports are reviewed and cleared within established timeframes.	80%	80%	80%	80%	80%	80%	80%
Percent of regulatory reviews are completed within established timeframes.	98%	98%	98%	98%	98%	98%	98%

Selected Accomplishments Expected at the 2014 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.

Strategic Goal Funding Matrix
(Dollars in thousands)

Program / Program Items	2011	2012	2013	2014	
	Actual	Actual	Estimate	Change	Estimate

Agency Strategic Goal 1: Ensure that all USDA programs and activities are accessible and accountable.

Office of Budget and Program Analysis.....	\$9,417	\$8,946	\$9,001	+\$2,128	\$11,129
Staff Years.....	48	47	49	+4	53

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

Full Cost by Strategic Objective
(Dollars in thousands)

Agency Strategic Goal 1: Ensure that all USDA programs and activities are accessible and accountable.

Program / Program Items	2011 Actual	2012 Actual	2013 Estimate	2014 Estimate
Administrative costs (direct).....	\$6,813	\$6,793	\$7,175	\$7,952
Indirect costs.....	795	567	1,826	3,177
Total Costs.....	7,608	7,360	9,001	11,129
FTEs.....	48	47	49	53
Performance Measure:				
Percent of legislative reports reviewed and cleared within established timeframes.				
Measure.....	80%	80%	80%	80%
Performance Measure:				
Percent of Regulatory reviews completed within established timeframes.				
Measure.....	98%	98%	98%	98%