

1 August 2002

Financial Administration
PLANNING, PROGRAMMING, BUDGETING
AND EXECUTING OPERATIONS

1. **Purpose.** This memorandum establishes the policies, responsibilities and basic procedures for the management of U.S. Army Corps of Engineers (USACE) resources (Executive Direction and Management & Operation and Maintenance, Army) (ED&M & OMA). Resources include all funds and all manpower made available to the USACE. Also included within this regulation are the functional charters of various Headquarters, USACE (HQUSACE) organizations and committees and the Humphreys Engineer Center Support Activity (HECSA) that have responsibilities in this corporate resource management process.
2. **Applicability.** This memorandum applies to all organizational elements of HQUSACE and Major Subordinate Commands (MSC), and where specifically indicated, the Humphreys Engineer Center Support Activity (HECSA).
3. **Distribution.** Approved for public release; distribution is unlimited.
2. **References.**
 - a. AR 1-1, Planning, Programming, Budgeting and Execution System.
 - b. ER 37-1-24, Operating Budgets.
 - c. EP 37-1-3, Budget Officer's Handbook.
 - d. EP 37-1-5, Budget and Manpower Resource Management Cycle.
 - e. CEHEC-RM-B memo, 17 August 1998, subject: Use of FADs and MIPRs in HQUSACE.
5. **General.** The basic resource management responsibility of HQUSACE is the acquisition, allocation and control of resources, whether these are to be used by the headquarters itself or by subordinate USACE commands and activities. To accomplish this effectively, there must be a sound HQUSACE corporate process for planning, programming, budgeting, and executing these resources so that the commander's current and future intents are satisfied and that current operations reflect command priorities.

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a. Within that context a number of key officials and several organizations and committees must discharge selected responsibilities. These are delineated in this regulation.

b. This regulation only specifically addresses the composition and conduct of the Junior Program and Budget Advisory Committee (JPBAC) and the Senior Program Budget and Advisory Committee (SPBAC). Other boards and committees that may be formed will have a role in supporting the operations and the deliberations of both the JPBAC and the SPBAC. Most notably they could include: Cross Functional Assessment Team (CFAT) to oversee USACE Information Technology (IT) corporate requirements and priorities; the Human Resource Development Steering Committee with focus on resources applied to Corps-wide training and executive development; a Plant Investment Board (PIB) with a focus on uses and allocation of PRIP authority; and a Manpower Review Panel to analyze FTE allocations, current and projected, within USACE.

6. **Definitions.** For the purposes of this regulation, the following terms will apply:

a. Program Budgets: the total funding and manpower authority received or estimated to be available by USACE for Corps execution in the current or future fiscal years. This authority includes both the allocations directly allotted to USACE as well as reimbursable orders from Corps customers. Routinely suballocations of these budgets will be issued or otherwise assigned to commanders Corps-wide, as well as to HQUSACE. In this sense, HQUSACE and HECSA are treated the same as the Major Subordinate Commands.

b. HQUSACE Operating Budget: that portion of the Program Budget allocated or assigned by the SPBAC to HQUSACE, including those items pertaining to HQUSACE operations that are assigned to HECSA and funded as part of the HECSA operating budget. Although the preponderance of these funds will be 96X3124 (General Expenses) and 21*2020 (Operation and Maintenance, Army), this budget will in fact include many diverse authorities, both civil and military, both direct and reimbursable. The comprehensive HQUSACE Budget also includes any amounts residing in the HQUSACE CEFMS database for activities centrally managed at HQ on behalf of all USACE commanders. The HQUSACE will employ the CEFMS Operating Budget Module in its formulation and execution of this budget.

c. The annotation "CY" means "Current Year," defined as the present fiscal year in which USACE is executing its programs and budgets. "BY" means "Budget Year," defined as the fiscal year beginning on 1 October immediately following the Current Year which ends on 30 September. "BY+1" means "Budget Year Plus 1 Year," defined as the fiscal year beginning on 1 October immediately following the Budget Year. Hence, if today were 15 August 2002 the CY would be FY2002, the Budget Year would be FY2003, and the BY+1 would be FY2004.

7. **Responsibilities.** The principal staff responsibilities for the management of all USACE resources include all planning, programming and budgeting events and documents - related to both military and civil works missions - that effect or affect the allocation of funds and manpower throughout USACE, including HQUSACE. Responsibilities of the resource management committee process will include MACOM-wide issues and HQ/HECSA Operating Budget issues, to provide a comprehensive corporate process to address all USACE resource issues in a structured, timely manner.

a. The list of responsibilities includes, but is not limited to:

- (1) the development, review and analysis of USACE Consolidated Command Guidance (CCG);
- (2) Civil Works budgetary instructions;
- (3) Command Operating Budgets(COB)/Command Budget Estimates (CBE) or Resource Management Updates (RMU);
- (4) Program Objective Memoranda (POM);
- (5) Tables of Distribution and Allowances (TDA);
- (6) Total Army Analysis (TAA);
- (7) the Information Technology Investment Portfolio System (ITIPS);
- (8) the Plant Replacement and Improvement Program (PRIP);
- (9) and the HQUSACE Operating Budget, to include HECSA's Headquarters-related Operating Budget.

b. As the Commanding General's (CG) principal advisor on management and finances, the Director of Resource Management (D/RM) has broad responsibility to exercise staff supervision over long-range planning; distribution and proper expenditure of funds; and the distribution, management and control of manpower resources. As the overall coordinator, the D/RM will:

(1) Exercise staff supervision over all USACE resources to ensure a proper resource balance is developed and maintained, and resources are appropriately allocated in support of established priorities.

(2) In concert with the Director of Military Programs (D/MP), the Director of Research and Development (D/RD), and the Director of Real Estate (D/RE), obtain, interpret and disseminate DOD and Headquarters, Department of the Army (HQDA) guidance.

(3) In concert with the Director of Civil Works (D/CW), the Director of Research and Development, and the Director of Real Estate, will assure that similar actions are performed for USACE's civil works missions. Guidance also includes fiscal and accounting instructions.

(4) In concert with the Deputy Chief of Staff, Support (DCS (Spt)) and the Director, HECSA, develop corporate position for HQ operating and programmatic resourcing (staffing and funding) levels consistent with MACOM resourcing and program priorities.

(5) Direct and coordinate development of a unified USACE resource position. Recommend distribution of available dollar and manpower resources to USACE programs.

(6) Initiate data calls including MSC input. The written submissions by the proponent should clearly identify funding priorities ranked by number and corporate priority. The priority criticality is as follows: 1.1, 1.2, 2.1, 2.2, etc. The first digit is mission criticality (1 = must fund, mandatory, critical to mission accomplishment; 2 = mission essential but not mission failure.) Second digit is ranking of internal staff element priority within critical requirements category.

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(7) Analyze plans, programs, budgets and all other resource-related documents for conformance with HQDA and Office of Management and Budget (OMB) guidance.

(8) Conduct analysis of all programs to include execution data, mid-year review, year-end close out, and new starts.

(9) Chair a Resource Steering Group comprised of representatives from D/RM, D/CW, D/MP, DCS(Spt), D/RE, Director of Corporate Information (D/CI), D/RD who will conduct one-on-one meetings with each proponent, organization, or program manager to review requirements against corporate policies, priorities, and resources available and develop an intergrated priority list (IPL) as guidance for the MACOM JPAC. Final IPL will be established and approved by the Deputy Commanding General (DCG) and fully coordinated prior to the SPAC.

(10) Serve as command point of contact on resource matters and advise both the Commanding General and the Deputy Commanding General of changes in resource guidance and reprogrammings.

(11) Issue Resource Guidance to USACE Field Commanders and Directors in support of priorities established by the Commanding General.

(12) Release all official authorizations and allocations of funds and manpower to all USACE commands and then manage.

(13) Conduct independent horizontal and vertical analysis of program execution and accomplishment.

(14) Manage the Program Budget Advisory Committee (PBAC) process, and serve as Executive Secretary on the Senior PBAC, and as Co-Chairperson of the Junior PBACs.

(15) Receive direct support from the HECSA Director for formulation and execution of the HQUSACE Operating Budget, to include HQ costs paid by HECSA.

c. The HQ General Officers, Directors, and Chiefs of HQUSACE offices and Commanders of Major Subordinate Commands (MSC), have been, or supervise others who have been, designated as Program Directors or Managers in their areas of responsibility. Each program director will:

(1) Develop requirements and objectives, define programs, establish priorities, and propose alternatives for resource allocation within the scope of their functional responsibility.

(2) Exercise general staff supervision over program execution against an approved plan within his/her functional responsibility.

(3) Develop recommendations for formulating and adjusting USACE programs to improve the utilization of resources and support new or modified programs.

(4) Assist the D/RM in maintaining the proper balance in operating programs in accordance with the priorities approved by the Commanding General.

(5) Develop and maintain his/her functional input to USACE long-range plans.

d. The Director of Humphreys Engineer Center Support Activity (HECSA) will:

(1) Provide direct support to the D/RM and the DCS (Spt) in the development of the HQUSACE Operating Budget, the HQ support costs included in the HECSA Operating Budget, and the execution of the PBAC process described herein applicable to HQUSACE and HECSA operations.

(2) Maintain the complete and official manpower, budgetary and accounting records of all funds and all associated obligations and expenditures regarding both the formulation and execution of the HQUSACE Operating Budget and the HECSA paid HQUSACE operating cost. Also see the discussion of the 3-year profiles in paragraph 9 below.

e. The Director, Corporate Information will:

(1) Provide direct support to the D/RM and the Chief of Staff (CoS) with the prioritization process of the Corps-wide IT investments. The prioritization process analyzes IT investments based on business value and risk, and it is called the Information Technology Investment Management process. The prioritized IT investments will be part of the PBAC process.

(2) Maintain the sole official USACE portfolio of information technology investments called ITIPS.

f. The Deputy Chief of Staff for Support (DCS(Spt)), representing the Office of the Chief of Staff will:

(1) Provide oversight of HECSA-RM in managing the day-to-day Headquarters Internal Operating Budget, and use the JPAC process to reprogram resources internally to satisfy requirements to the extent possible.

(2) Provide a summary of internal reprogramming decisions in periodic execution reviews to the D/RM (quarterly JPAC/SPAC execution reviews).

(3) Raise new operating or programmatic requirements that cannot be accommodated within current or proposed resourcing through the CoS to the D/RM for inclusion in MACOM JPAC issues for review and recommendation to the SPAC.

(4) Coordinate internal HQ and HECSA HQUSACE related mid-year and year-end execution reviews consistent with timing of corporate mid-year and year-end decision points.

(5) Chair for the Headquarters Operating Prioritization Group (HOP). The HOP Group is comprised of representatives from D/RM, D/CW, D/MP, D/CI, and HECSA RM (non-voting). This panel will conduct one-on-one meetings with each proponent, organization, or program manager to review requirements against corporate policies, priorities, and resources available and develop an integrated prioritized list (IPL) as guidance for the HQ Operating JPBAC.

(6) Serves as Co-Chair with the Deputy Director, Resource Management for the HQ Operating Budget JPBAC. Facilitate PBAC prioritization meetings to establish and/or approve the IPL consistent with corporate policies and priorities.

(7) Serves as Co-Chair with the Director, Resource Management for the MACOM JPBAC.

8. **Senior Program and Budget Advisory Committee (SPBAC)**. This committee (chaired by the CG) makes final decisions on planning, programming, budgeting and manpower resource matters to ensure balance between command missions and the distribution of resources. See Appendix A for key decision points and dates. The composition of the SPBAC is listed at Appendix B. It is established to ensure consistency in command planning, objectives, capabilities and requirements. The SPBAC reviews, addresses, and approves:

a. Planning, programming and resource concepts, strategy, objectives, policies and priorities.

b. Major changes in resourcing of USACE missions and associated impacts.

c. Assumptions in methodology used for distribution of resources for non-IT and prioritized IT resources.

d. Other MACOM or HQ resource-related matters as directed by the Commanding General or as requested by field commanders or directors/chiefs of HQUSACE elements.

9. **MACOM Junior Program and Budget Advisory Committee (JPBAC)**. This committee assists the SPBAC and meets when called by the JPBAC chairperson to provide an opportunity for reclamation, review, validate and make recommendations for the corporate integrated priority list, and prepare papers, studies or recommendations for submission to the SPBAC for consideration and approval. The JPBAC can act in the name of the SPBAC, when appropriate and delegated by the SPBAC. Composition of the JPBAC to include the MSCs is also listed at Appendix B (to avoid the risk of losing funding, subject matter experts should be available to explain their requirements). In addition, the JPBAC will:

a. Discharge the functions set forth in Appendix A.

b. Review formally and make recommendation on any matter that must be presented to the SPBAC.

10. **HQ Operating JPBAC.**

a. This committee reviews the recommendations of the HOP Group and their IPL, provides an opportunity for reclamation, and makes final decisions on resource issues of the internal HQ Operating Budget. Assume corporate oversight for the HQUSACE Operating Budget, including internal reallocations of funding authorities, within the overall resource ceilings established for HQUSACE by the SPBAC. (The JPBAC may establish its own procedures for dealing with internal directorate/office reallocations.) This oversight function in effect makes the JPBAC act on behalf of the "command" called "HQUSACE" in the context of USACE-wide programming and budgeting. It will therefore, just as any Corps field command, react and respond to USACE-wide budget calls; and, to the extent that it cannot accommodate HQUSACE funding requirements from within its prescribed resource ceilings, it necessarily must submit such "out-of-cycle requests" and "unfunded requirements" through the DCS(Spt) to D/RM to be presented to the SPBAC.

b. Operating Budget issues requiring corporate or executive office intervention or decision will be raised to the SPBAC; e.g., need for hiring freeze, inability to support minimal mission requirements, funding shortfalls, new initiatives requiring executive office approval, outyear budget impacts, etc. Makes final decisions on resource issues within capability; e.g., midyear review, allotment distribution, year-end funding issues. Assists the SPBAC as needed. MSCs do not participate in internal HQ Operating Budget decisions. (Composition of the JPBAC is also listed at Appendix B.) In addition, the JPBAC will:

c. Discharge the functions set forth in Appendix A.

d. Review formally and make recommendation on any matter that must be presented to the SPBAC.

11. **Three-Year Profiles.** Throughout all deliberations on the balance of USACE resources versus its missions and responsibilities, the CG, the DCG, CoS, HQUSACE Staff Principals, various HQUSACE program managers and various supporting boards and committees must have as clear a vision as possible on the current and prospective resources available. To that end:

a. The D/RM will maintain a three-year profile of funding (and manpower) authorities - delineated by appropriation and by program - available or estimated to be available for USACE execution. The three years are defined as current fiscal year (CY), budget year (BY) and budget year plus one (BY+1). The latest updated profile will be furnished each JPBAC and SPBAC member when requested and at least prior to any formal meeting of those committees. Information on prior year (PY) actual execution should also be available, to the extent the committees require.

b. The above profile will serve as the basis for the D/RM to construct or update the Three-Year Consolidated Command Guidance (CCG) issued to the HQUSACE and to Field Commanders. As a minimum, changes to the CCG shall be released Corps-wide three times per year based on the following events:

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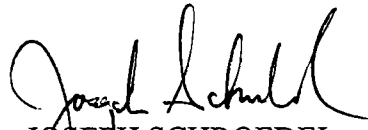
- (1) Receipt of appropriation (November)
- (2) Approval of President's Budget (February)
- (3) HQ guidance to MSC (July)

c. The Director of HECSA will maintain a three-year profile of funding (and manpower) authorities - delineated by appropriation, program and object classification - available or estimated to be allocated by the SPBAC to HQUSACE and HECSA for HQUSACE related cost. The three years are defined as current fiscal year (CY), budget year (BY) and budget year plus one (BY+1). Additionally, the Director of HECSA will display for the CY the cumulative amount of obligations, the cumulative amount of expenditures and the manpower consumed by each HQUSACE organization, matched against previously established schedules of execution, to the extent that this information is available in CEFMS reports or other approved systems that interface with CEFMS. The latest updated profile will be furnished each member of the JPBAC when requested and at least prior to any formal meeting of that committee.

d. In addition to the above, the Director of HECSA, in coordination with the D/RM, will assure that the HQUSACE operating budget fully complies with the provisions of ER 37-1-24.

FOR THE COMMANDER:

2 Appendices
APP A – Calendar of Events
APP B – Composition of Committees


JOSEPH SCHROEDEL
Colonel, Corps of Engineers
Chief of Staff

Appendix A Program and Budget Committee Schedule

Month	Committee	Date	Time
1Q	<p>JPBAC: HQ Operating Budget & HECSA paid HQ Costs MACOM</p> <ul style="list-style-type: none"> • Access Impacts of OMA Funding Letter • Review Commander CY Issues • Review 1Q Program Execution <p>SPBAC:</p> <ul style="list-style-type: none"> • Review Prior Year Execution • Address Impacts of OMA Funding Letter and Final Appropriations and Approve Changes • Review and Approve Obligation and Expenditure Schedules for all Budgets 	<p>2nd week Jan 3rd week Jan</p> <p>4 week Jan</p> <p>(Variable depending on Appropriation Bill passage)</p>	
2Q	<p>JPBAC HQ Operating Budget & HECSA paid HQ Costs MACOM</p> <ul style="list-style-type: none"> • Present ITIPS changes and BY and BY+1 new starts • Review status CY PRIP • Mid-Year Review <p>SPBAC:</p> <ul style="list-style-type: none"> • Mid-Year Review/UFRs • Approve Commander's POM narrative s • Review ITIPS new starts and changes for CFY, BY and BY+1 • Review CY PRIP 	<p>2nd week Apr 3rd week Apr</p> <p>4th week Apr</p>	
3Q	<p>JPBAC: HQ Operating Budget & HECSA paid HQ Costs MACOM</p> <ul style="list-style-type: none"> • Review BY CCG • Review Commander's Statement and COB/RMU Schedules • Review Proposed BY and BY+1 ED&M Budget/Develop BY+1 recommended GE Budget <p>SPBAC:</p> <ul style="list-style-type: none"> • Approve BY CCG • Review and Guide Submittal of BY+1 CW Budget • Approve BY/BY+1 ED&M Budget and BY+1 GE President's Budget 	<p>1st week Jun 2nd week Jun</p> <p>3rd week Jun</p>	

4Q	<p>JPBAC: HQ Operating Budget & HECSA paid HQ Costs MACOM</p> <ul style="list-style-type: none"> • Review BY/BY+1 PRIP Budget • Review ITIPS and BY IT Budget • Review USACE Year-End Execution/UFRs <p>SPBAC</p> <ul style="list-style-type: none"> • Approve PRIP BY/BY+1 Budget • Approve BY ITIPS and BY+1 IT Budget • Approve USACE Year-End spending plan and CRA Planning • Approve BY/CY CRA Guidance • Approve BY+1 CW Program Memorandum 	<p>1st week Aug 2nd week Aug</p> <p>3rd week Aug</p>	

Appendix B Program and Budget Advisory Committee Committee Composition

Senior Program and Budget Advisory Committee (SPBAC)

Chairman

- Commanding General (Or delegated to Deputy Commanding General)

Executive Secretary

- Director of Resource Management

Members (cannot be re-delegated)

- All Chiefs of the respective HQUSACE Offices who are General Officers or members of the Senior Executive Service
 - All MSC Commanders (Or delegated to Deputy Commanders or SES) (1 vote each)
 - Chief of Staff (representing IWR, ERDC, UFC, HECSA & non-SES HQ offices)
 - Deputy Chief of Staff, Operations (non-voting)
 - Deputy Chief of Staff, Support (non-voting)
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MACOM Junior Program and Budget Committee (JPBAC)

Co-Chairman 1/

- Director of Resource Management
- Deputy Chief of Staff, Support

Executive Secretary

- Chief, Budget and Program Division

Members

- One Representative from each HQUSACE directorate and separate office, provided that the individual is either the Chief, the full-time Deputy, the Executive Director or equivalent (cannot be re-delegated further)
 - One Representative from each MSC Command, provided that the individual is either the Commander, Deputy Commander, Division Program Manager or Resource Manager (cannot be re-delegated further)
 - Deputy Director, Humphreys Center Support Activity (non-voting)
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HQ Operating JPBAC

Co-Chairman

- Deputy Director of Resource Management
 - Deputy Chief of Staff, Support

Executive Secretary

- Chief, Resource Management Office, HECSA

Members

- One Representative from each HQUSACE directorate and separate office, provided that the individual is either the Chief, the full-time Deputy, the Executive Director or equivalent (cannot be re-delegated further)
 - Deputy Director, Humphreys Center Support Activity (non-voting)

1/ Co-Chairs may not vote while presiding, but must designate a voting representative