

2013 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, 2011, 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
(Dollars in thousands)

Item	2010 Actual		2011 Actual		2012 Estimate		2013 Estimate	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Salaries and Expenses:								
Discretionary Appropriations.....	\$9,436	48	\$9,436	48	\$8,946	48	\$9,049	48
Rescission.....	-	-	-19	-	-	-	-	-
Transfers Out.....	-650	-	-1,400	-	-	-	-	-
Total Available.....	8,786	48	8,017	48	8,946	48	9,049	48
Lapsing Balances.....	-752	-	-409	-	-	-	-	-
Obligations.....	8,034	48	7,608	48	8,946	48	9,049	48

Permanent Positions by Grade and Staff Year Summary

Item	2010 Actual		2011 Actual		2012 Estimate		2013 Estimate	
	Wash. D.C.	Wash. D.C.	Wash. D.C.	Wash. D.C.	Wash. D.C.	Wash. D.C.	Wash. D.C.	Wash. D.C.
ES.....	5	5	5	5	5	5	5	5
GS-15.....	10	9	9	9	9	9	9	9
GS-14.....	10	15	15	15	15	15	15	15
GS-13.....	17	17	17	17	17	17	17	17
GS-12.....	3	2	2	2	2	2	2	2
GS-11.....	3	3	3	3	3	3	3	3
GS-10.....	1	1	1	1	1	1	1	1
GS-9.....	6	3	3	3	3	3	3	3
GS-8.....	1	1	1	1	1	1	1	1
GS-5.....	0	4	4	4	4	4	4	4
GS-4.....	4	0	0	0	0	0	0	0
Total Permanent Positions.....	60	60	60	60	60	60	60	60
Unfilled, Positions EOY.....	17	15	15	15	12	12	12	12
Total, Perm. Full-Time Employment, EOY.....	43	45	45	45	48	48	48	48
Staff Year Est.....	48	48	48	48	48	48	48	48

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Salaries and Expenses:

For necessary expenses of the Office of Budget and Program Analysis, [\$8,496,000] \$9,049,000.

Lead-off Tabular Statement

Appropriations Act, 2012.....	\$8,946,000
Budget Estimate, 2013	<u>9,049,000</u>
Change from 2012 Appropriation.....	<u>+103,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

	2010	2011	2012	2013	2013
Discretionary Appropriations:	<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
Office of Budget and Program Analysis..	\$9,436	-\$19	-\$471	+\$103	\$9,049

Project Statement

(On basis of appropriations)

(Dollars in thousands)

Program	<u>2010 Actual</u>		<u>2011 Actual</u>		<u>2012 Estimate</u>		<u>Change</u>		<u>2013 Estimate</u>	
	Staff		Staff		Staff		Staff		Staff	
	Amount	Years	Amount	Years	Amount	Years	Amount	Years	Amount	Years
Discretionary Appropriations:										
Office of Budget and										
Program Analysis.....	\$8,786	48	\$8,017	48	\$8,946	48	+\$103 (1)	-	\$9,049	48
Rescissions and Transfers (Net)...	650	-	1,419	-	-	-	-	-	-	-
Total Appropriation.....	9,436	48	9,436	48	8,946	48	+103	-	9,049	48
Transfers Out: WCF.....	-650	-	-1,400	-	-	-	-	-	-	-
Rescission.....	-	-	-19	-	-	-	-	-	-	-
Total Available.....	8,786	48	8,017	48	8,946	48	+103	-	9,049	48
Lapsing Balances.....	-752	-	-409	-	-	-	-	-	-	-
Total Obligations.....	8,034	48	7,608	48	8,946	48	+103	-	9,049	48

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

Project Statement
(On basis of obligations)
(Dollars in thousands)

Program	<u>2010 Actual</u>		<u>2011 Actual</u>		<u>2012 Estimate</u>		<u>Change</u>		<u>2013 Estimate</u>	
	Staff		Staff		Staff		Staff		Staff	
	Amount	Years	Amount	Years	Amount	Years	Amount	Years	Amount	Years
Discretionary Obligations:										
Office of Budget and										
Program Analysis	\$8,034	48	\$7,608	48	\$8,946	48	+\$103 (1)	-	\$9,049	48
Total Obligations	8,034	48	7,608	48	8,946	48	+103	-	9,049	48
Lapsing Balances	752	-	409	-	-	-	-	-	-	-
Total Available	8,786	48	8,017	48	8,946	48	+103	-	9,049	48
Transfers Out: WCF	650	-	1,400	-	-	-	-	-	-	-
Rescission	-	-	19	-	-	-	-	-	-	-
Total Appropriation	9,436	48	9,436	48	8,946	48	+103	-	9,049	48

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 \$103,000 for the Office of Budget and Program Analysis (\$8,946,000 and 48 staff years available in 2012) consisting of:

(a) An increase of \$25,000 to fund increased pay costs.

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. About 90 percent of OBPA funds are needed to cover salary and benefit costs.

(b) An increase of \$78,000 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 policies, budget, legislative and regulatory actions. Without these additional funds, OBPA's ability to maintain the current level of services would diminish.

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

Geographic Breakdown of Obligations and Staff Years
(Dollars in thousands)

State/Territory	2010 Actual		2011 Actual		2012 Estimate		2013 Estimate	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
District of Columbia.....	\$8,034	48	\$7,608	48	\$8,946	48	\$9,049	48
Lapsing Balances.....	752	-	409	-	-	-	-	-
Total, Available.....	8,786	48	8,017	48	8,946	48	9,049	48

Classification by Objects
(Dollars in thousands)

	2010 Actual	2011 Actual	2012 Estimate	2013 Estimate
Personnel Compensation:				
Washington D.C.....	\$5,549	\$5,372	\$5,543	\$5,733
11 Total personnel compensation.....	5,549	5,372	5,543	5,733
12 Personnel benefits.....	1,398	1,441	1,780	1,693
Total, personnel comp. and benefits.....	6,947	6,813	7,323	7,426
Other Objects:				
21.0 Travel and transportation of persons.....	3	2	2	2
23.3 Communications, utilities, and misc. charges...	73	87	87	87
24.0 Printing and reproduction.....	114	88	88	88
25.2 Other services from non-Federal sources.....	257	192	945	945
25.3 Other purchases of goods and services from Federal sources.....	515	277	352	352
26.0 Supplies and materials.....	122	107	107	107
31.0 Equipment.....	3	42	42	42
Total, Other Objects.....	1,087	795	1,623	1,623
99.9 Total, new obligations.....	8,034	7,608	8,946	9,049

Position Data:

Average Salary (dollars), ES Position.....	\$153,715	\$169,429	\$169,429	\$171,801
Average Salary (dollars), GS Position.....	\$103,872	\$106,688	\$111,727	\$112,285
Average Grade, GS Position.....	13.6	13.7	13.9	13.9

DEPARTMENTAL ADMINISTRATION
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 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. OBPA works closely with USDA's Performance Improvement Officer (PIO) on organizational performance management, including Government Performance and Results Act (GPRA) Modernization Act requirements. The PIO is charged with supervising the performance management activities of the Department and developing a performance based budget. 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. USDA continued to work with senior staff and OMB in 2011 to implement the Department's Agency Priority Goals, performance measures, and program outcomes. In 2011, the Department prepared an Addendum to the USDA Strategic Plan for fiscal years 2010-2015 to meet the GPRA Modernization Act requirement that the Strategic Plan include the Agency Priority Goals. OBPA participated in preparing the Addendum and prepared information on the Agency Priority Goals to include in the Performance and Accountability Report.

Budget Summary and Related Information. OBPA prepared the 2012 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 2012. The 2012 Budget Summary and Annual Performance Plan was released to the public on February 14, 2011, and is available at <http://www.obpa.usda.gov/budsum/FY12budsum.pdf>. OBPA also produced detailed budget justifications for the 2012 Explanatory Notes, which are also available to the public through the USDA website.

Review of Regulatory Actions. During 2011, OBPA was actively involved in the review and clearance of 197 regulatory workplans. In addition, OBPA was actively involved in the review and clearance of 73 regulations and 317 Executive Order (EO) 12866 review requests, including regulations involving: 2010 Healthy, Hunger-Free Kids Act; 2008 Farm Bill programs on renewable energy, crop disaster assistance, crop insurance coverage and rural broadband access; food safety; organic marketing; animal traceability; and the designation of biobased items for Federal procurement.

OBPA assisted the Department in meeting the new requirements announced in EO 13563, including a comprehensive retrospective review of existing regulations. This included drafting two Departmental plans for OMB review and publication on the White House website, drafting a related Federal Register Notice, and processing over 2,100 comments for review by USDA agencies. OPBA has continued to work with the agencies to meet new OMB reporting requirements related to the retrospective review process.

Review of Legislative Actions. During 2011, 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.

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.

DEPARTMENTAL MANAGEMENT
OFFICE OF BUDGET AND PROGRAM ANALYSIS

Summary of Budget and Performance
Statement of Agency Goals and Objectives

The Office of Budget and Program Analysis (OBPA) was established in June 1981. The mission of OBPA is to provide analysis and information to the Office of the Secretary and other policy officials to support informed decision-making regarding the Department's Programs and policy, legislative, and regulatory actions.

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

USDA Strategic Goal	Agency Strategic Goals	Agency Objectives	Programs that Contribute	Key Outcome
OBPA supports all USDA strategic goals.	Ensure that all USDA programs and activities are accessible and accountable.	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	1: The Secretary and other policy officials have the objective information necessary to make informed policy decisions in a timely manner.
	Transform Departmental Management into a sustainable, high performing organization.	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	2: 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. 3: The Department's legislative proposals and regulatory actions are analytically sound and consistent with Departmental and Administration policy.

Selected Accomplishments Expected at the 2013 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)

<u>Program/ Program Items</u>	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Actual</u>	<u>2012</u> <u>Estimate</u>	<u>Change</u>	<u>2013</u> <u>Estimate</u>
Agency Strategic Goal 1: Ensure that all USDA programs and activities are accessible and accountable.					
Office of Budget and Program Analysis.....	\$4,283	\$7,608	\$8,946	+\$103	\$9,049
Staff Years.....	48	48	48	-	48
Agency Strategic Goal 2: Transform Departmental Management into a sustainable, high performing organization.					
Office of Budget and Program Analysis.....	3,751	3,553	4,177	+48	4,225
Staff Years.....	23	23	23	-	23
Total Costs, All Strategic Goals.....	8,034	11,161	13,123	+151	13,274
Total FTEs, All Strategic Goals.....	71	71	71	-	71

Summary of Budget and Performance
Key Performance Outcomes and Measures

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

Agency Strategic Goal 2: Transform Departmental Management into a sustainable, high performing organization.

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 and is presented with associated performance information and linkages to the USDA Strategic Plan 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 Actual	2012 Target	2013 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%

Full Cost by Agency Strategic Goal

(Dollars in thousands)

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

Agency Strategic Goal 2: Establish a business-driven, unified architecture to create a more effective data and technical infrastructure that addresses business and technology needs.

Program/ Program Items	2010 Actual	2011 Actual	2012 Estimate	2013 Estimate
Administrative costs (direct).....	\$6,947	\$6,813	\$7,440	\$7,501
Indirect costs.....	1,087	795	1,506	1,548
Total Costs.....	8,034	7,608	8,946	9,049
FTEs.....	48	48	48	48

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%

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%