

**Forest Service Manual
National Headquarters (WO)
Washington, DC**

Forest Service Manual 1900 – Planning

Chapter 1930 - Program Development and Budgeting

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Approved by: Tina Terrell, Associate Deputy Chief, NFS

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Responsible Staff:

Explanation of changes: Following is an explanation of the changes throughout the directive by section.

Posting Instructions: Amendments are numbered consecutively by title and calendar year. Post by document; remove the entire document and replace it with this amendment. Retain this transmittal as the first page(s) of this document. The last amendment to this title was 1900-2013-1 to FSM 1930.

1930.44b: Changes the caption from “Forest Supervisors and Research Work Unit Leaders” to “Forest Supervisors, Research Work Unit Leaders, National Technology & Development Program and Geospatial Technology & Applications Center Directors” and sets forth responsibilities for the National Technology & Development Program Director and Geospatial Technology & Applications Center Director.

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The program development and budgeting manual includes the communication of annual program budget policy direction and targets; preparation of program budget proposals; development of annual budgets; allocation of targets and funds; annual work planning; and accomplishment reporting. It documents and schedules the specific means for achieving different rates of implementing agency goals and objectives. The supporting Program Development and Budgeting Handbook, FSH 1909.13, includes the service-wide operational guidance.

1930.1 - Authority

Program development and budgeting is done within the framework of authorities listed in FSM 1900 and the following:

1. Office of Management and Budget (OMB) Circular A-11. Provides direction on preparation, submission, and execution of the budget.
2. OMB Circular A-19, Legislative Coordination and Clearance, dated September 20, 1979. This circular outlines procedures for the coordination and clearance by OMB of agency recommendations on proposed, pending, and enrolled legislation. It also includes instructions on the timing and preparation of agency legislative programs.
3. OMB Circular A-45, Rental and Construction of Government Quarters, dated October 20, 1993. This circular sets forth policies and administrative guidance to be used by executive agencies in establishing and administering rental rates and other charges for Government rental quarters and related facilities located within the fifty States, the District of Columbia, and the territories and possessions of the United States. It also sets forth policies and administrative guidance to be used by executive agencies respecting construction of federally-owned housing (exclusive of military barracks) for civilian and military personnel, as well as for employees of Government contractors, whether provided on a rental basis or free of charge, both in the United States and overseas.
4. OMB Circular A-76, Performance of Commercial Activities, dated May 29, 2003, including technical correction made by OMB Memorandum M-03-20, dated August 15, 2003. This circular establishes federal policy for the competition of commercial activities.

1930.2 - Objective

The objectives of program development and budgeting are:

1. To ensure realistic program and budget information within a planning framework.
2. To schedule annual priorities to implement long range plans.
3. To effectively and efficiently allocate funds and targets.
4. To develop and use annual work plans.

5. To accomplish agreed-upon goals and objectives.

1930.3 - Policy

1. Prepare program budget proposals consistent with long range direction provided by the U.S. Department of Agriculture (USDA) Strategic Plan and the Forest Service Strategic Plan.
2. Follow the USDA Strategic Plan and the Forest Service Strategic Plan goals and objectives except where justified by new legislation, changes in congressional or executive direction, or new demands and problems not anticipated in the USDA Strategic Plan and the Forest Service Strategic Plan.
3. Use approved program components and selected standard definitions and codes found in the Annual Program Direction to develop budget information.
4. Use standard appropriation and function codes found in FSM 6510 and FSM 6550.

1930.4 - Responsibility

The interdisciplinary approach to planning described in FSM 1900 is mandatory for program development and budgeting.

1930.41 - Chief

The Chief is responsible for:

1. Formulating and approving the national budget alternatives to be used in the development of the Agency's request submitted to the Secretary of Agriculture, as well as assisting and advising the Department on presentations to the Office of Management and Budget.
2. Assigning annual performance goals for the Agency including those associated with carryover funds.
3. Reporting to Congress, annually, the Agency's accomplishments and associated costs.
4. Presenting to Congress and testifying on the programs contained in the President's Budget.
5. Formulating and approving the Washington Office Budget.
6. Issuing the annual initial program direction to units after the President's Budget has been transmitted to Congress and issuing final program direction to units after passage of an Appropriations Act.
7. Establishing policies and objectives for execution of the budget.
8. Providing direction annually for development of program budget proposals.

9. Approving allocations of funds and targets to meet the Agency's objectives and targets. In addition, the Chief reserves the right, after consultation with Line Officers, to withdraw carryover balances to address critical National issues. This authority cannot be redelegated.

1930.42 - Deputy Chiefs

The Deputy Chiefs are responsible for:

1. Approving all materials forwarded to the Director of Strategic Planning, Budget and Accountability.
2. Allocating performance goals to all units, as appropriate, including those associated with carryover funds.
3. Working with the Deputy Area Budget Coordinators and budget teams to construct a range of alternative program budgets.
4. Developing national program budget proposals based on field input for programs within their areas of responsibility that are consistent with direction and procedures established by the Chief.
5. Coordinating proposals that involve commitments of resources from other Deputy areas.
6. Coordinating through the Deputy Chief for Strategic Planning, Budget and Accountability all requests to the field for budget information or analysis that relate to program development and budgeting, or financial management.
7. Preparing and providing testimony to explain and justify Forest Service budget requests before Congress.
8. Monitoring and reporting accomplishments.
9. Ensuring agreements with external parties are submitted as part of the budget proposal for OMB approval and granting of reimbursable authority as part of the Agency budget formulation process.

1930.42a - Deputy Chief for Business Operations

In addition to the responsibilities set forth in section 1930.42, the Deputy Chief for Business Operations is responsible for:

1. Overseeing the processes conducted by the Washington Office of Strategic Planning, Budget and Accountability.

2. Developing, operating, and maintaining an effective and efficient national program development and budgeting process that contains minimum information needs for program formulation, justification, allocation, and accomplishment reporting.
3. Managing the national program development and budgeting process and database.
4. Coordinating development of budget proposals made to the Department of Agriculture, including assistance and advice to the Department in presentations to the Office of Management and Budget.
5. Ensuring reimbursable authority requested and obtained are based on signed agreements with external parties.

1930.42b - Deputy Area Budget Coordinators

It is the responsibility of the Deputy Area Budget Coordinators to analyze and validate all information provided to the Director of Strategic Planning, Budget and Accountability through their respective Deputy Chiefs.

1930.43 - Washington Office Staff Directors

Washington Office Staff Directors are responsible for:

1. Providing advice and recommendations on standards, policies, and guidelines applicable to program development.
2. Developing annual Washington Office program budget proposals for the staff.
3. Providing economic, social, and environmental analysis for decision making (FSM 1950).
4. Providing verification of unit costs in field budget proposals.
5. Reviewing carryover balances annually for excessive amounts.
6. Proposing appropriate performance expectations for the Chief's review and approval.

1930.43a - Director of Strategic Planning, Budget and Accountability

In addition to the responsibilities in section 1930.44, the Director of Strategic Planning, Budget and Accountability is responsible for:

1. Developing and managing a national level program development and budget process that defines the minimum standards and procedures necessary to schedule and implement land and resource management plans, State and private plans, research plans and administrative plans

within budgetary requirements of the Department of Agriculture, Office of Management and Budget (OMB), and Congress.

2. Establishing at a minimum, quarterly monitoring and analysis process that prevents anti-deficiencies and ensures that financial management policies and objectives, including proper fund use, are followed.
3. Preparing, for issuance by the Chief, initial Annual Program Direction based on the President's Budget and final Annual Program Direction based on the Appropriations Act for each fiscal year.
4. Establishing agency-wide requirements, processes, and procedures for all allocation and financial reporting activities (including service-wide carryover funds) throughout the fiscal year.
5. Developing and implementing methodology for financing indirect costs that are not associated with any specific program funds.
6. Maintaining a record of budget proposals and decisions relating to each step of the budget process.
7. Ensuring that Chief and Executive Leadership Team review and approve national budget alternatives.
8. Developing, improving, and managing policies and procedures that effectively achieve the program and budgeting objectives.
9. Assisting in presenting and justifying budget proposals to the Department of Agriculture, the Office of Management and Budget, and Congress.

1930.44 - Field Units

1930.44a - Regional Foresters, Station Directors, Institute Director, Forest Products Laboratory Director, and the Area Director

Regional Foresters, Station Directors, Institute Director, Forest Products Laboratory Director, and the Area Director are responsible for:

1. Providing direction that is responsive to the Chief's annual direction, and is consistent with national policy.
2. Supplementing local (for example, SOPs or Desk Guides) planning procedures and instructions to FSH 1909.13, Program Development and Budgeting Handbook, as necessary, to facilitate local administration of the Agency's budget formulation and execution process, and to include the following:
 - a. Responsibilities and delegations for leadership and participation in the process.

- b. Flow of events, decision points, and timing for the process in relation to the Forest Service management model.
 - c. Determination of minimum information requirements for the process consistent with the Chief's direction.
 - d. Determination of minimum support requirements, such as computer expertise, computer hardware, and telecommunications, to effectively operate the process.
- 3. Ensuring program budget proposals are efficient and consistent with direction and procedures established by the Washington Office and the Chief to reflect priorities for implementing long-range plans.
 - 4. Managing the program development and budgeting database for the Regions, Stations, Institute, Forest Products Laboratory, and Area, to assure reliable, timely information.
 - 5. Ensuring environmental, social, and economic factors are fully considered in the decision-making process (FSM 1950).
 - 6. Allocating funds and targets, as well as monitoring their use and management.
 - 7. Preparing requests for reprogramming funds and supporting data for submission to the Chief.
 - 8. Reviewing year-end unobligated balances annually for excessive amounts.
 - 9. Proposing appropriate performance expectations for the Chief's review and approval, while also monitoring and reporting accomplishments.
 - 10. Developing and managing standards and procedures to schedule and implement land and resource management plans, State and private plans, research plans, and administrative plans within budgetary constraints and direction.
 - 11. Providing the prescribed national program budget information as requested in the annual instructions.
 - 12. Adhering to the following process requirements for budget execution:
 - a. Establishing and maintaining sound budget execution practices consistent with the requirements, processes, and procedures prescribed by the Washington Office, Director of Strategic Planning, Budget and Accountability.
 - b. Issuing the Chief's final Annual Program Direction to subunits.
 - c. Prescribing methods allowing for a minimum of quarterly monitoring performance for compliance with Congressional requirements and the Chief's direction.

d. Providing a documented plan of work at each organizational level which includes an identification and description of approved projects.

e. Providing a financial plan at each organizational level.

f. Following Congressional intent.

13. Meeting due dates and deadlines for submission of information for inclusion in budget documents and as requested by the Washington Office of Strategic Planning, Budget and Accountability.

1930.44b - Forest Supervisors, Research Work Unit Leaders, National Technology & Development Program and Geospatial Technology & Applications Center Directors

Forest Supervisors, Research Work Unit Leaders, and National Technology & Development Program and Geospatial Technology & Applications Center Directors are responsible for:

1. Providing budget information consistent with forest land management plans in the manner required by the Regional Forester, Station Director, Area Director, and International Institute of Tropical Forestry (IITF) Director.

2. Preparing supporting data for requesting Washington Office approval on reprogramming funds requests.

3. Managing available finances in accordance with Washington Office and the Regional Forester's direction, approved budgets, and agency policy to accomplish the approved targets and program of work.

4. Establishing performance goals and objectives, and distributing available funds for all subunits, and other operating units within the framework of allocations and in accordance with agency policy.

5. Monitoring and reporting accomplishments.

6. Developing work and financial plans based on available funds, performance goals, and the Chief's direction contained in the program direction from the Regional Forester.

7. Establishing operating plans for all allocations and ensuring that obligation are limited to available allocations.

8. Executing Washington Office, USDA, and Congressional intent.

1930.5 - Definitions

Agency Request. Developed by the constituent agencies of the Department of Agriculture about 15 months in advance of the budget year, which represents the Agency Heads' budget recommendations to the Secretary of Agriculture.

Budget Authority. The authority provided by law to incur financial obligations that will result in outlays, such as appropriations, borrowing authority, contract authority, and spending authority from offsetting collections.

a. Appropriations. Statutory authority that allows Federal agencies to incur obligations and to make payments out of the Treasury for specified purposes. An appropriation usually follows enactment of authorizing legislation. An appropriation act is the most common means of providing budget authority, but in some cases the authorizing legislation itself provides the budget authority (for example: the Knutson Vandenberg Trust Fund, the Salvage Sale Fund, Brush Disposal, and so forth).

b. Contract authority. Statutory authority under which contracts or other obligations may be entered into prior to an appropriation for the payment of such obligations. The later enacted appropriation provides cash to liquidate such obligations.

Budget Justification. Formerly called "Explanatory Notes", describes how the Forest Service plans to use the funds included in the President's budget to accomplish the Agency's mission.

Continuing Resolution. When Congress cannot complete action on one or more of the thirteen regular appropriations bills by the start of the fiscal year, it provides temporary emergency funding for the affected Federal agencies through a continuing resolution (a joint resolution). Congress authorizes and appropriates money to keep government agencies in operation for short periods, typically 1 to 3 months, unless extended, until the passage of the appropriations bills.

Department Estimate. The estimate submitted by the Secretary of Agriculture to the Office of Management and Budget around 12 months in advance of the budget year pursuant to that office's formal "call" for estimates and represent the Secretary's official recommendations to the President.

Explanatory Notes. The budget justification to Congress that describes how the Forest Service plans to use the funds included in the President's budget to accomplish the Agency's mission. The Explanatory Notes is a detailed accounting of the information included in the Budget Appendix.

Permanent Authority. Budget authority made available each year by virtue of a one-time or standing legislation and does not require further action by the Congress. When Congressional action provides such authority, it is considered "current" in the first year in which provided and

"permanent" in succeeding years (for example: the Knutson Vandenberg Trust Fund, the Salvage Sale Fund, and Brush Disposal).

Program. Sets of activities or projects with specific objectives, defined in terms of specific results and responsibilities for accomplishments.

Reprogramming. The use of funds in an appropriation account for purposes other than those contemplated at the time of appropriation. Reprogramming is generally preceded by consultation between the Agency, OMB, and the appropriate Congressional committees. It involves formal notification to the appropriate Congressional committees and subsequent approval by the committees.

Rescission. Enacted legislation that cancels the availability of budget authority (BA) previously provided by Congress before the time the BA would otherwise lapse. The Impoundment Control Act of 1974, as amended, requires the President to transmit a special message to Congress whenever a rescission of BA is proposed. Congress must then enact legislation to rescind the funds. If legislation is not completed within 45 days after a rescission proposal is received in Congress, the funds must be made available for obligation.

Sequestration. The cancellation of budgetary resources. The Statutory Pay-As-You-Go Act of 2010 requires such cancellations if revenue or direct spending legislation is enacted that, in total, increases projected deficits or reduces projected surpluses relative to the baseline. Under the law, selected mandatory programs would be subject to across-the-board cancellations.

Target. Quantifiable or otherwise measurable characteristic that tells how well or at what level a program aspires to perform, also known as "performance measurements" such as the number of acres re-forested.

1930.6 - Process Schedule and Documentation of Decisions

The program development and budgeting process is comprised of ten steps. The Washington Office, Director of Strategic Planning, Budget and Accountability manages the program development and budgeting process while also maintaining the following information as a record of the decisions relating to the Budget process.

Step 1. Development of Program Budget Instructions. The program development and budgeting process begins with the preparation of instructions for formulating budget proposals. The national direction provides the guidelines for:

- a. Meeting the long-term policy direction in the Forest and Rangeland Renewable Resources Planning Act of 1974.
- b. Implementing the Forest Land Management Plans, State Resource Plans, Research Plans, and Administrative Plans to the extent practical within the funding constraints provided.

Step 2. Development and Presentation of Alternative Program Budget Proposals. Regions, Stations, and the Area develop program proposals based on information from local units that respond to national and regional direction. The field forwards these proposals to the Washington Office where they are used to develop national program alternatives.

Step 3. Development of the Agency's Request-USDA. National program alternatives are used to formulate the Agency's budget request to the Secretary of Agriculture. In addition to the technical budget documents, the Program Development and Budget staff develops a presentation and justification package (a set of documents), to support and explain in more detail the Forest Service requested budget alternative.

Step 4. Development of the Department's Estimate-Office of Management and Budget. The Department of Agriculture submits an estimate for the Forest Service budget to the Office of Management and Budget, along with technical budget documents, special justifications, and tables. After consideration and resolution of appeals, the OMB allowance becomes the President's budget.

Step 5. Development of Budget Justification and Presentation-Congress. When the President's Budget is received from OMB, the Strategic Planning, Budget and Accountability staff prepares work on the Budget Appendix and Explanatory Notes. The Strategic Planning, Budget and Accountability staff also (a) briefs witnesses for committee hearings; (b) prepares displays for committee hearings; and (c) responds to appropriation subcommittee questions that continue until the appropriations bill is signed into law.

Step 6. Initial Annual Program Direction. The Strategic Planning, Budget, and Accountability staff prepares the Initial Program Direction that includes funding allocations, targets, and national program emphasis, and distributes to all units based upon the President's Budget.

Step 7. Final Program Direction. The Initial Program Direction (Step 6) is updated to reflect final allocations and information based on appropriations from Congress.

Step 8. Mid-year Reviews. All units submit mid-year financial and attainment reports, as appropriate. Chief and staff review these requests and the justifications for changes in accountability and make necessary adjustments.

Step 9. End of Fiscal Year Reports. All field units report final attainments (performance accomplishments). Attainment information is used in the management review process and in the preparation of yearend reports.

Step 10. Annual Report of the Forest Service. The Strategic Planning, Budget and Accountability Staff prepares the Annual Performance Report, which describes accomplishments related to annual appropriations and the USDA Strategic Plan and the Forest Service Strategic Plan.

1930.7 - Overview

1930.71 - Relationship With Land Management Planning and Resources Planning Act

1. Planning Process. Long-range planning occurs within the overall framework of the Forest and Rangeland Renewable Resources Planning Act, as amended by the National Forest Management Act, and their implementing regulations. Refer to FSM 1920 for Forest Land Management Planning.

In addition, State forest resource plans, developed by the States for State and private land, and Research plans are integral parts of the total planning process.

2. Program Development and Budgeting. Land management plans, State plans, Research plans and Administrative plans provide the basis for annual budget proposals. The rate and level of plan implementation depends on the funding and workforce made available through the annual budgeting and appropriation process.