



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

MAY 17 2017

OFFICE OF THE
CHIEF FINANCIAL OFFICER

MEMORANDUM

SUBJECT: FY 2017 Operating Plan Development

FROM: 
David A. Bloom
Acting Chief Financial Officer

TO: Acting Assistant Administrators
Acting General Counsel
Inspector General
Associate Administrators
Acting Regional Administrators
Chief of Staff

On May 5, 2017, President Trump signed the Consolidated Appropriations Act, 2017. The FY 2017 Enacted Budget funds the U.S. Environmental Protection Agency at \$8.06 billion. This funding level is a reduction of \$81.4 million, or 1 percent below the FY 2016 enacted level. In a separate action, the EPA also was provided additional funding for FY 2017 in Public Law 114-254: \$100 million for the Drinking Water State Revolving Fund and \$20 million for the Water Infrastructure Finance and Innovation Program account. The FY 2017 appropriation also includes a rescission totaling \$90.348 million in the Environmental Program and Management, Science and Technology and State and Tribal Assistance Grants accounts. Attachment A provides the initial non-pay, rescission and total non-pay amounts by National Program Manager.

Using FY 2016 as the baseline, the operating plan for each NPM was prepared by first calculating payroll then determining the non-pay funding level in accordance with Congressional direction. The full-time equivalent ceiling in the FY 2017 Enacted Budget will remain at the FY 2016 Enacted FTE level, with small additions for WIFIA and the Administrator's protective detail. The operating plan includes payroll for all onboards within the FTE ceiling and includes 1.0 percent for General Schedule employee awards. Offices should continue to follow the hiring guidance in the Acting Deputy Administrator's memorandum dated April 17, 2017.

Congress directed that the rescission in the EPM and S&T accounts be prorated to the extent practicable and exclude Geographic Programs, National Estuary Program and Congressional priorities. For practical reasons, the rescission was not applied to programs with limited non-pay resources, e.g., Compliance, Enforcement, Office of General Counsel, and the Executive Management and Operations program project. There was a further adjustment to support the agency priority to meet deadlines in the new TSCA legislation. This was offset in the Climate Protection Program reflecting reduced activity. The STAG rescission was applied proportionately to the FY 2017 funding levels.

Senior leadership made decisions to allocate the carryover funds set aside earlier this year to address agency's priorities for incentive payments for workforce reshaping, support for the Office of Enforcement and Compliance, travel for the Administrator's protective detail, rent, continued space reduction efforts, eDiscovery, agency cloud services and the OGC's workforce support. Attachment B provides details of the carryover fund decisions. Similar to last year, Congress provided a limited exception to the reprogramming limits for carryover funds in the EPM account.

The agency is required to submit the FY 2017 Enacted Operating Plan to Congress on June 5, 2017. The Office of Management and Budget review is expected to begin no later than May 25, 2017. Your resource management staff will need to prepare the data under a challenging schedule to adhere to the deadlines. The Office of Budget will send technical guidance providing additional information necessary to develop the details for the Operating Plan.

We appreciate all of the sustained attention and leadership you have provided in carefully managing your resources to achieve the agency's mission.

Attachments (2)

cc: Acting Deputy Administrator
Acting Deputy Assistant Administrators
Acting Deputy Regional Administrators
Acting Deputy Associate Administrators
Deputy Chief of Staff
Associate Assistant Administrators
Assistant Regional Administrators
Deputy Assistant Regional Administrators
Howard Osborne
Holly Greaves
Program Management Officials
Senior Budget Officers
Regional Comptrollers
Lead Region Coordinators
NPM and Regional Planners

FY 2017 Operating Plan Nonpay and Rescission

All columns exclude STAG, B&F, WIFIA

All columns exclude Geographic Programs, National Priorities and National Estuary Programs

Adjustment to rescission described in memorandum

dollars in thousands

| NPM | 2016 ENA Nonpay | Initial 2017 ENA Nonpay | EPM and S&T Rescission | Total Nonpay |
|--------------------|----------------------------|------------------------------------|---------------------------------------|---------------------|
| OA | \$23,312 | \$22,848 | (\$925) | \$21,923 |
| OAR | \$176,856 | \$171,117 | (\$6,985) | \$164,132 |
| OARM | \$432,536 | \$425,187 | (\$5,941) | \$419,246 |
| OCFO | \$34,652 | \$34,528 | (\$1,181) | \$33,347 |
| OCSPP | \$47,798 | \$50,387 | (\$1,239) | \$49,148 |
| OECA | \$76,183 | \$79,524 | (\$26) | \$79,498 |
| OEI | \$102,942 | \$73,238 | (\$2,737) | \$70,501 |
| OGC | \$2,469 | \$2,303 | \$0 | \$2,303 |
| OIG | \$4,494 | \$3,018 | \$0 | \$3,018 |
| OITA | \$6,083 | \$6,280 | (\$280) | \$6,000 |
| OLEM | \$665,370 | \$663,305 | (\$1,271) | \$662,034 |
| ORD | \$256,166 | \$235,705 | (\$4,896) | \$230,809 |
| OW | \$89,528 | \$85,273 | (\$3,669) | \$81,604 |
| Grand Total | \$1,918,389 | \$1,852,713 | (\$29,150) | \$1,823,563 |

Carryover Funds Decisions

| Dollars in thousands | Office/project |
|-----------------------------|--|
| \$12,000 | VERA/VSIP Incentive Payments |
| \$5,000 | OECA -- case management and expert witnesses |
| \$2,000 | OARM - Rent |
| \$2,000 | OARM - continue space consolidation efforts |
| \$1,400 | OEI-eDiscovery and agency cloud service |
| \$800 | OGC-WCF and workforce support (HQ and RT) |
| \$800 | OECA- Travel for Administrator's Protective Detail |
| \$24,000 | TOTAL |