**S - See Table 2**

DEPARTMENT OF THE ARMY
U. S. Army Corps of Engineers
Washington, D. C. 20314-1000

EC 11-2-187

CECW-B

Circular
No. 11-2-187

31 March 2004

EXPIRES 31 MARCH 2005
Army Programs
CORPS OF ENGINEERS CIVIL WORKS DIRECT PROGRAM
PROGRAM DEVELOPMENT GUIDANCE
FISCAL YEAR 2006

1. **Purpose.** This Engineer Circular (EC) provides guidance for development and submission of the Corps of Engineers direct Civil Works Program for Fiscal Year 2006 (FY06).

This guidance departs significantly from FY05 guidance. We are no longer developing our program by the nine functions, namely:

General Investigations (GI);
Construction, General (C,G);
Operation and Maintenance, General (O&M,G);
Flood Control and Coastal Emergencies (FC&CE);
General Expenses (GE);
Regulatory Program (RP);
Revolving Fund (RF) (Plant Replacement and Improvement Program (PRIP));
Automation Program (AP); and
Formerly Utilized Sites Remedial Action Program (FUSRAP);

Instead, we are developing our program by eight business lines, namely:

Emergency Management (EM);
Environment (EN);
Flood and Coastal Storm Damage Reduction (F&CSDR);
Hydropower (H);
Navigation (N);
Recreation (RC);
Regulatory (RG); and
Water Supply (WS),

and three functions, namely:

General Expenses (GE);
Revolving Fund (RF) (Plant Replacement and Improvement Program (PRIP)); and
Automation Program (AP).

Specifically excluded from coverage are mandatory program activities, such as those funded by Permanent Appropriations (PA) and the Coastal Wetlands Restoration Trust Fund (CWRTF).

Annexes I - VIII provide guidance for program development by each of the eight business lines within the Civil Works Program. Appendices A - C provide generic guidance on GI; C,G; and O&M,G Program

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This EC supersedes EC 11-2-184, dated 31 Mar 03.

matters, cutting across all business lines, as applicable. Appendices D - F provide guidance for program development for each of the three functional programs.

2. **Applicability.** This EC applies to all headquarters elements, major subordinate commands (MSCs) districts, and field support activities having Civil Works Program responsibilities.

3. **References.**

a. Public Laws:

| | | |
|---|---|---|
| (1) | PL 84-99 | Flood Control and Coastal Emergencies |
| (2) | PL 91-190 | National Environmental Policy Act of 1969 |
| (3) | PL 92-500 | Federal Water Pollution Control Act Amendments of 1972 |
| (4) | PL 93-251 | Water Resources Development Act of 1974 |
| (5) | PL 97-348 | Coastal Barrier Resources Act |
| (6) | PL 99-662 | Water Resources Development Act of 1986 |
| (7) | PL 100-676 | Water Resources Development Act of 1988 |
| (8) | PL 101-508 | Revenue Reconciliation Act of 1990 |
| (9) | PL 101-591 | Coastal Barrier Improvement Act of 1990 |
| (10) | PL 101-601 | Native American Graves Protection and Repatriation Act |
| (11) | PL 101-640 | Water Resources Development Act of 1990 |
| (12) | PL 102-580 | Water Resources Development Act of 1992 |
| (13) | PL 103-62 | Government Performance and Results Act of 1993 |
| (16) | PL 104-303 | Water Resources Development Act of 1996 |
| (17) | PL 105-33 | Balanced Budget Act of 1997 |
| (18) | PL 106-53 | Water Resources Development Act of 1999 |
| (19) | PL 106-541 | Water Resources Development Act of 2000 |
| (20) | PL 108-137 | Energy and Water Development Appropriation Act, 2004 |

b. Executive Orders:

| | | |
|---|---|---|
| (1) | EO 11514 | Protection and Enhancement of Environmental Quality |
| (2) | EO 12088 | Federal Compliance with Pollution Control Standards, 1978 |
| (3) | EO 12512 | Federal Real Property Management, 1985 |
| (4) | EO 12893 | Principles for Federal Infrastructure Investment |
| (5) | EO 12906 | Coordinating Geographic Data Acquisition and Access: The National Spatial Data Infrastructure |
| (6) | EO 13148 | Greening the Government through Leadership in Environmental Management |

c. Office of Management and Budget (OMB) documents:

| | | |
|---|---|---|
| (1) | Budget of the United States Government, Fiscal Year 2005, Analytical Perspectives | |
| (2) | Budget of the United States Government, Fiscal Year 2005, Appendix | |
| (3) | OMB Circular A-11 | Preparation and Submission of Budget Estimates |

d. Department of the Army regulations:

| | | |
|---|---|---|
| (1) | AR 11-2 | Management Control |
| (2) | AR 385-10 | Army Safety Program |

e. Corps of Engineers Engineer Circulars, Manuals, Pamphlets, Regulations, and policy

announcements and letters

| | | |
|---|---|---|
| (1) | EC 11-1-4 | USACE Manpower - Corps of Engineers - Manpower Requirements Systems |
| (2) | EC 11-2-180 | Army Programs - Availability, Obligation and Use of General Expenses and Other Civil Funds in Fiscal Year 2001 |
| (3) | EC 200-1-2 | FUSRAP Policy |
| (4) | EM 1110-1-2909 | Geospacial Data and Systems |
| (5) | EP 1130-2-500 | Partners and Support (Work Management Guidance and Procedures) |
| (6) | ER 5-1-11 | Program and Project Management |
| (7) | ER 11-1-320 | Civil Works Emergency Management Programs |
| (8) | ER 11-2-220 | Civil Works Activities General Investigation |
| (9) | ER 11-2-240 | Civil Works Activities - Construction & Design |
| (10) | ER 11-2-290 | Civil Works Activities, General Expenses |
| (11) | ER 37-2-10 | Accounting and Reporting Civil Works Activities |
| (12) | ER 200-2-3 | Environmental Compliance Policies |
| (13) | ER 1105-2-100 | Guidance for Conducting Civil Works Planning Studies |
| (14) | ER 1110-1-8156 | Policies, Guidance, and Requirements for Geospacial Data and Systems |
| (15) | ER 1110-2-100 | Guidance for Conducting Civil Works Planning Studies |
| (16) | ER 1110-2-1302 | Civil Works Cost Engineering |
| (17) | ER 1130-2-500 | Partners and Support (Work Management Policies) |
| (18) | ER 1130-2-510 | Hydroelectric Power Operations and Maintenance Policies |
| (19) | ER 1130-2-540 | Environmental Stewardship Operations and Maintenance Policies |
| (20) | ER 1165-2-119 | Modifications to Completed Projects |
| (21) | ER 1165-2-131 | Local Cooperation Agreements for New Start Construction Projects |
| (22) | ER 1165-2-400 | Recreational Planning, Development, and Management Policies |
| (23) | policy announcement | Chief of Engineers announcement, 26 Mar 02, subject: USACE Environmental Operating Principles |
| (24) | policy letter | Policy Guidance Letter 61, 27 Jan 99, subject: "Application of Watershed Perspective to the Corps of Engineers Civil works Programs and Activities," |

f. Other.

(1) 2002 Federal Personnel Guide, Key Communications Group, Inc.

4. **Distribution.** This information is approved for public release. Distribution is unlimited.

5. **Conventions.** The following designations are used for selected one-year periods:

CCY = current calendar year
CFY = current fiscal year (extending from 1 October CCY to 30 September CCY+1 before 1 January, latest, and 1 October CCY-1 to 30 September CCY thereafter)
PY = program year (CFY+2 before 1 October, next, and CFY+1 thereafter) = FY06
PY - 1 = one year before PY = FY05
PY - 2 = two years before PY (CFY before 1 October, next, and CFY-1 thereafter) = FY04
PY - 3 = three years before PY (CFY-1 before 1 October, next, and CFY-2 thereafter) = FY03
PY + N = program year plus N fiscal years.

Note that 1 October of PY-1 is 1 October of CCY, until 1 January, next, when it becomes 1 October of CCY-1.

6. **Program Development.**

a. **Government Performance and Results Act Guidance.**

(1) **Guidance Development Status**. The "Government Performance and Results Act of 1993" (GPRA), PL 103-62 is the foundation for present-day program development within the federal government. GPRA requires that agencies develop strategic plans and annual performance plans for serving the nation, and reports on how effective and efficient performance actually was for any period just completed. This has led to establishment of results-oriented performance planning, measurement, and reporting throughout the federal government. The current Civil Works Strategic Plan was released in Mar 04, with the understanding that Army and OMB would continue to work on performance measures and targets tied to the strategic goals and objectives. Meanwhile, Army is developing its program based on projected merit of program investment increments. Guiding principles of its performance-based program development are presented below, under "Army Policy."

(2) **Initial Guidance.** The Operation and Maintenance, General, Program successfully established results-oriented business program development procedures for six business programs in 1996 as a Pilot GPRA Project for OMB. The business programs include EM, EN, F&CSDR, H, N, and RC. The development procedures were further evolved into today's procedures - models - and served as examples for development of models for the two other business lines - RG and WS. The program development procedures are presented in Annexes I - VIII.

b. **Presidential Policy.**

(1) **Presentation of Programming Results.** Congress established its appropriation accounts by program function, such as investigations, construction, and operation and maintenance. Consistently, OMB programs by program function. To this end, it maintains 10-year planning estimates, or ceilings, for each appropriation account of the Civil Works Program. The ceilings reflect long-term effects of the President's policies for the various programs, projects, and activities (PPAs) funded by each account, and serve as benchmarks for use in evaluating Congressional actions. The 10-year period accommodates adequate definition of long-term resource requirements. These ceilings are presented, for all accounts in OMB's MAX database.

(2) **Economic Assumptions.** Economic assumptions underlying Presidential policy of reference 3.c.(1), Budget of the United States Government, Fiscal Year 2005, Analytical Perspectives, are reflected in Table 1. These assumptions, along with related factors presented in the Federal Personnel Guide of Key Communications Group (KCG), Inc., and Civil Service Retirement System (CSRS) - to - Federal Employees Retirement System (FERS) workforce conversion data of HQUSACE Human Resources Office, are shown for PY-3 through PY+19. The assumptions and related data cover base rates for federal civilian permanent workers, reflecting pay and burden factors; pay raises for these workers applicable to both changing and fixed base rates; and inflation for "goods and services" of federal civilian temporary and nonfederal workers, and nonpay items.

(a) **Pay and Burden Rates.** Base rates (against which pay raises apply) reflect assumed pre-raise pay and burden rates. Pre-raise pay rates are 1.000, by definition, for regular pay, and assumed to be 0.02 for awards. Assumed burden rates reflect assumed government contributions for worker benefits. The rates comprise two parts - one part for government contributions under the CSRS; the other, under the FERS. The first part (including contributions for retirement, health insurance, Medicare, and life insurance) is shrinking, while the second part (including contributions for regular, "Thrift Savings," and Old

Age Survivors Disability Insurance (OASDI) retirement; health insurance; Medicare; and life insurance) is growing. This results from permanent force "attrition" and subsequent "turnover" through the hiring of more workers under FERS. With an annual permanent force attrition of 7 - 8% and associated turnover initially representing a considerable share of that, the CSRS part is expected to become negligible by FY21. Class 1 "updating factors" reflect the year-over-year change in base (resulting from change in burden), the associated year-over-year raises, and whatever raise absorption may pertain.

(b) **Pay Raise Assumptions.** Pay raise assumptions for federal civilian permanent workers are shown in reference 3.c.(1), Table 11-1, "Economic Assumptions." Assumed pay raise rates include base and locality components. (The base component is different from the base rate, discussed above, against which the base component applies.) Base components, reflecting the Employment Cost Index (ECI), apply nationally. Locality components, reflecting conditions of local markets, apply locally. Allocation of pay raise rates to base and locality components is based on the number and distribution of workers eligible for locality pay. For PY-2, the national allocation to these components was 0.027 and 0.014, or 64% and 36% of the 0.041 total raise rate. The national allocation for PY-1 has yet to be determined, therefore, the composite raise rate is used without refinement. Class 1 rates in Table 1 are based on composite raises for all years.

(c) **Inflation Rates.** Inflation rates reflect assumed price increases for "goods and services" of temporary federal and nonfederal workers, and for nonpay items. The "Balanced Budget Act of 1997," PL 105-33, requires that the Gross Domestic Product (GDP) percent change, year-over-year chained price index (1996 = 100) rates be used to develop "baseline estimates" reflecting, instead of Presidential policy, continued operations under current law and current year appropriations. (The baseline program based on these estimates is discussed in OMB's Circular A-11, "Preparation and Submission of Budget Estimates." At the recommendation of OMB, these rates were used as Class 2 rates of Table 1. Class 2 "updating factors" reflect the year-over-year inflation and whatever inflation absorption may pertain.

(3) **President's Management Agenda (PMA).** The President's Management Agenda addresses five initiatives, specifically:

(a) budget and performance integration,

(b) improved financial management,

(c) strategic management of human capital,

(c) competitive sourcing, and

(e) expanded e-government.

The first of these five initiatives deals squarely with program development. It entails using performance information to improve program management and investment decisions. To evaluate the effectiveness and efficiency of agency programs, OMB has developed the Program Assessment Rating Tool (PART) - an objective, easily understood questionnaire which facilitates reaching findings that are credible and useful in improving performance and decision-making. The PART includes performance measures.

Agency status and progress in addressing the PMA are monitored by OMB in a "scorecard" format. Status and progress each may be summarized by one of three possible overall ratings - green, yellow, and red, from best to worst. On its latest quarterly scorecard, the Corps' received a red rating for "status" of accomplishing all initiatives except strategic management of human capital, for which it received a yellow rating. However, the Corps received two green and three yellow ratings for "progress" in accomplishing the initiatives, including a yellow rating for the budget and performance integration

initiative. Our goal is to receive green ratings for status in accomplishment of all initiatives.

c. **Army Policy.**

(1) **Performance-based Program Development.** Performance-based program development is development of only those programs, and only those parts of those programs, that can be justified by the results produced, or to be produced. Results may be in the form of outputs or outcomes. Performance-based program development is designed not only to ensure prosecution of only clearly justified programs, but also, to ensure that business program increments are added such that the first-added increment provides the best results or returns, the second-added increment provides the second-best results or returns, etc. The general objective is "to optimize returns to the nation's taxpayers." Business program increments, described below, are to be added to an "initial" program. The initial program for any business line is defined, as applicable, in the annex covering the line and associated appendices. The increments are added in order of priority, both within and across business lines, to build total programs of whatever size, depending on available funding.

(2) **Business Line Programming.** In response to GPRA, the Corps established its business programs by program purpose, such as navigation, environment, and flood and coastal storm damage reduction, rather than by function (e. g. investigations, construction, operation and maintenance, etc.). Consistently, the Corps programs by program purpose, and, once Army finishes program development, assists Army in cross-walking results to appropriation accounts, set up by function, for use by OMB in developing the President's program. Business programs include, in addition to the Corps three primary purposes mentioned above, hydropower, recreation, regulatory, emergency management, and water supply. Each of these business programs is fully addressed in its own annex.

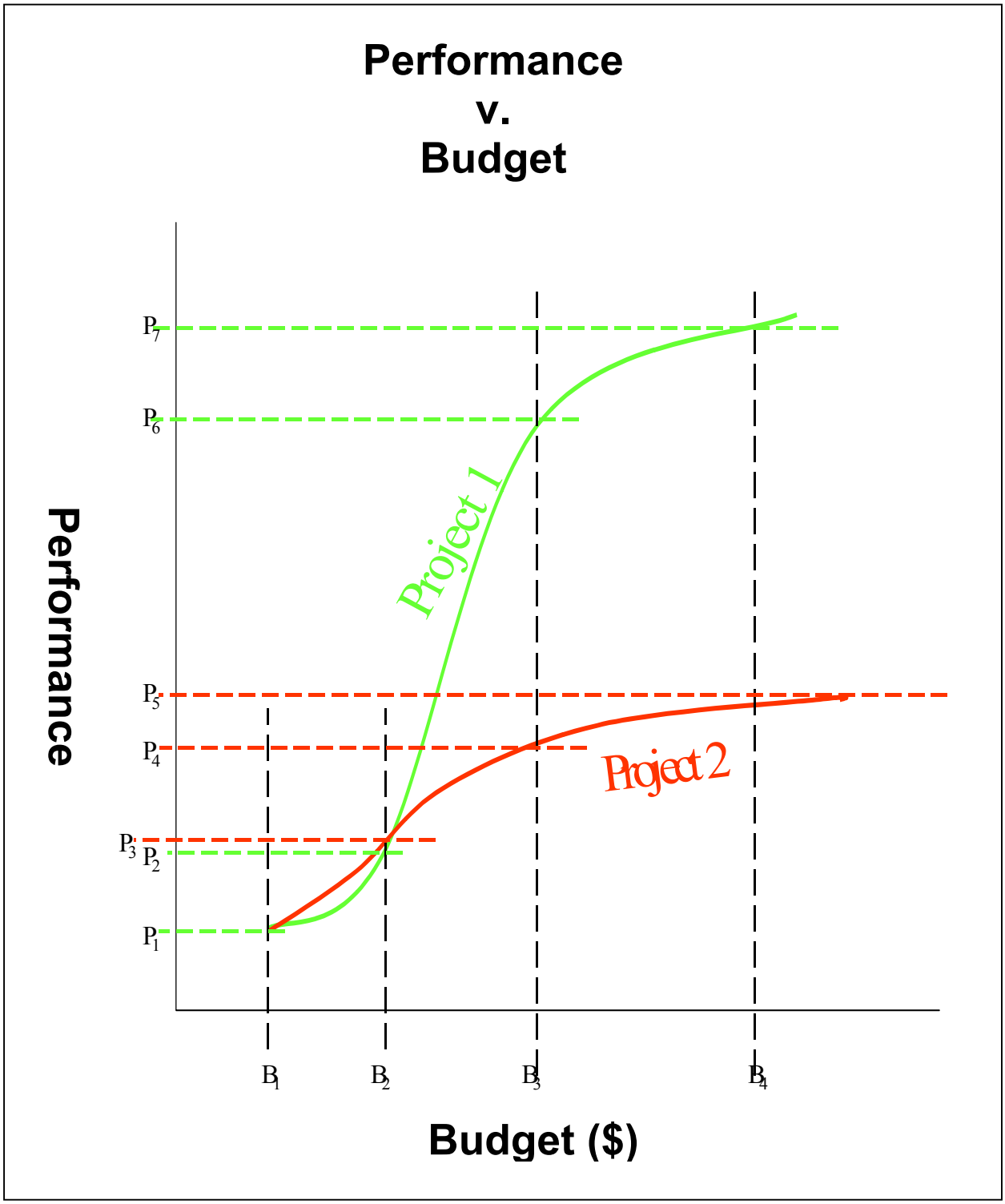
The FY 2006 Civil Works Program Development process is designed to build the Civil Works program from the bottom up by business program. The building blocks for the program will be work increments for GI studies, work increments for C,G projects, and O&M,G work packages. The business program managers will group these building blocks into business program increments. The goal of performance based budget development is to maximize the performance from the funds expended. The performance gained by these business program increments along with the cost of achieving the increment will be the basis for ranking and selecting the business program increments in Army recommendations.

Consider two projects, Project 1 and Project 2, with performance curves as shown in the illustration entitled "Performance v. Budget, below, where the vertical scale is linear. The greatest unconstrained "bang for the buck" is obtained by investing in Project 1 to funding level $B_3$. However, for business program-specific reasons funding at level $B_2$ for both projects is in the "initial program." Based on performance per additional dollar, the first-added project funding increment above the initial program will be to increase funding for Project 1 from level $B_2$ to level $B_3$. This project funding increment will be included in, say, the first-added business program increment, along with funding increments for other projects that provide similar performance. For the second-added project funding increment, investing in Project 2 to funding level $B_3$ appears to provide slightly better performance per additional dollar than investing in Project 1 to funding level $B_4$, but they are close. These two project funding increments will be included in, say, the second- or third-added business program increment.

In this manner, those study or project funding increments or O&M,G work packages that provide the largest gain in performance per dollar will be given a higher priority within a business program and among all business programs as the national budget request is developed.

In developing the study and project funding increments, consideration must also be given to the absolute size of the increments. There should be a sufficient number of increments to cover the range of

performance. For instance, in the example, Project 1 and Project 2 each have three funding increments.



This table shows how the Civil Works program will be constructed and displayed for decision makers. The example does not show all business programs or appropriations or a complete set of business program increments. The table is an example to illustrate the new presentation of the Civil Works budget.

# Business Program Development by Performance Increments

| Incremental Cost (K$) | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Inc06 | | | | | **Functional Program** | |
| | Inc02 | | | | | | O&M,G |
| | Inc05 | | | | | | C,G |
| | Inc04 | | | | | | GI |
| | Inc03 | Inc03 | | | | | |
| | Inc02 | Inc02 | Inc03 | | | | |
| | Initial | Inc02 | Inc02 | | | | |
| | Initial | Inc02 | Inc02 | | | | |
| | | Initial | Inc02 | | | | |
| | Initial | Initial | Initial | | Inc02 | | |
| | | Initial | Initial | Inc02 | Initial | | |
| | | | Initial | Initial | Initial | | |
| | **N** | **F&CSDR** | **EN** | **H** | **RC** | | |
| | **Business Program** | | | | | | |

Each column represents a business program. The different color blocks represent business program increments. The height of the block represents the total of the study funding increments, project funding increments, and O&M,G work packages contained within the increment. The colors of the blocks indicate the appropriation account for the business program increment. Each business program increment will contain work under only one appropriation. The specifications for creating an initial work package for each business program for each appropriation are stated in the EC annexes for each business line and in

associated appendices.

The business program increments are stacked on top of the initial program increments in priority order within the business program. The set of funding increments and work packages within each business program increment should provide similar types of results (have similar performance attributes) and should provide commensurable results or returns for each added dollar (perform similarly). For example, business program increment 2 for hydropower might be maintenance work to increase reliability of generating units at projects where the risk of failure indicated by past forced outage rate is above a certain threshold. The performance gain represented by increased reliability and reduced expectation of future outages from conducting the work within increment 2 must be described and used to justify the funding of that business program increment. A lower-ranked business program increment could be comprised of additional funding to further increase generating reliability, but with presumably lower returns per dollar.

Each business program continues to stack business program increments until the capability funding level for the business program is attained. The ordering of the business program increments on the stack represents the priority of the business program increments. Those business program increments on the bottom of the stack have a higher priority than those higher up. Once each business program has created its stack of business program increments, Corps headquarters in collaboration with ASA(CW) and OMB will have to determine how much of each stack can be included in the Civil Works program. The black line that snakes across each business program in the table shows <u>one possible</u> demarcation for the Civil Works program. Multiple lines of demarcation can be drawn to represent different levels and program mixes for the Civil Works program.

It is important to remember that the business program increments will be built from study funding increments, project funding increments, and O&M,G work packages provided by program and project managers from each Regional Business Center (RBC). Each business program manager will be able to access PRISM and/or ABS to see the details of the work that comprises each business program increment.

All study funding increments, project funding increments, and O&M,G work packages should be ranked based upon performance measures from top to bottom within a business program. The MSCs will rank across projects and districts. The MSC rankings will provide an indication of the overall importance of individual increments to the MSC. HQ will rank across MSCs. Each business program manager will create business program increments that best reflect the priority of each business and show the best performance gains. The business program increments will be “stacked” within each business program and ultimately compared to one another to develop the national program.

The most important information that must be provided for each study funding increment, construction funding increment, or O&M,G work package (or, as applicable, for the underlying study or project) is the information contained in the output indicators. Many of the new indicators provide information to be used in establishing the performance gains that may be realized by completing the work. The information contained in these indicators, as well as justification statements, will be used by business program managers to help construct business program increments. Care should be taken to complete the output indicators required by each business program.

This is the first time the overall budget is being developed in this manner so be as complete as possible but recognize that we are operating in a learning environment.

(3) **Watershed Perspective.** The Army Corps of Engineers Civil Works Strategic Plan, released in Mar 04, emphasizes use of the watershed perspective, also known as “integrated water resources management.” The watershed perspective requires Corps team thinking about water resources

development and management in the context of multiple purposes rather than single purposes, and, thus, facilitates the search for comprehensive and integrated solutions. This perspective will be used whether the work is for Corps studies, projects, or other activities, or for the Corps' parts of comprehensive multi-agency studies, projects, or other activities. Policy Guidance Letter 61, 27 Jan 99, subject: "Application of Watershed Perspective to the Corps of Engineers Civil works Programs and Activities," presents watershed perspective principles. These principles apply across business lines and functions and will be applied as we develop the program and associated budget.

(4) **Performance.**

(a) **Measures.** Performance measures are written criteria by which to gauge progress in accomplishment of any particular performance objectives, goals, and missions. For the Civil Works Program, the Corps has eight sets of performance measures - one for each business line. They are used, not only as standards by which to judge performance based on project or program results, but also, to project performance contributions of investment increments, discussed later, for consideration in prioritization of increments to be added in program development.

(b) **Results.** Performance results are products of operation of the PPAs. They are determined through collection of data, by performance measure, describing the extent to which performance objectives, goals, or missions, were met through operation of the PPA. They are used, not only to evaluate program performance and judge program worthiness after the fact, but also, to evaluate the reasonableness of performance measures.

(5) **FC,MR&T Project.** Programs for the FC,MR&T Project will be developed in accordance with guidance provided for comparable functions of other programs.

(6) **Specifically Authorized Studies and Projects.** For specifically authorized studies and projects the emphasis is on maintaining continuity in the workflow once a new start decision has been made. In general, there are only two new start decision points for all Army proposed cost-shared projects - initiation of the reconnaissance phase study and project construction. Likewise, Preconstruction Engineering and Design (PED) studies may be budgeted before release of the Division Engineer's (DE's) notice provided the DE's notice will be released. However, if any feasibility study (other than for inland waterways) was not subject to efficiencies and controls of cost-sharing, a new start review and approval would be needed for PED. Likewise, a new start decision would be needed for a feasibility study being initiated after, say, an O&M-funded appraisal without an intervening reconnaissance new start decision.

d. **Corps Policy.**

(1) **General.** In response to GPRA, the Corps established its business lines by program purpose, such as emergency management, environment, flood and coastal storm damage reduction, rather than by function. Consistently, the Corps programs by program purpose, and, once Army finishes program development, assists Army in translating results to program function for use by OMB in developing the President' program.

(2) **Environmental Operating Principles.** By reference 3.e.(23), 26 Mar 02, the Chief of Engineers announced the USACE Environmental Operating Principles. These principles apply across all business lines and functions. They are:

(a) strive to achieve environmental accountability, in order to maintain the environment in a healthy, diverse, and sustainable condition necessary to support life;

(b) recognize the interdependence of life and the physical environment, proactively considering

environmental consequences of Corps programs and acting accordingly in all appropriate circumstances;

(c) seek balance and synergy among human development activities and natural systems by designing economic and environmental solutions that support and reinforce one another;

(d) continue to accept responsibility and accountability under the law for activities and decisions under our control that impact human health and welfare and the continued viability of natural systems;

(e) seek ways and means to assess and mitigate cumulative impacts to the environment, bringing systems approaches to the full life cycle of our processes and work;

(f) build and share an integrated scientific, economic, and social knowledge base that supports a greater understanding of the environment and impacts of our work; and

(g) respect the views of individuals and groups interested in Corps activities, listen to them actively, and learn from their perspective in the search to find innovative win-win solutions o the nation's problems that also protect and enhance the environment.

(3) **Geospatial Data and Systems.** Key to successful implementation of the Watershed Perspective will be the sharing of data internally and with others. To ensure that data and information technology are consistent and compatible throughout the Corps, each District shall develop an Enterprise Geospatial Information System (eGIS) initiative that fits into the Division's Enterprise GIS Program Management Plan and the Corp's Geospatial Enterprise Architecture (CeA), as outlined in Engineer Manual 1110-1-2909, Geospatial Data and Systems. As part of the eGIS initiative, each MSC shall establish, and maintain for easy access, its own geospatial database repository into which its districts shall input their project data and other data essential to multi-purpose water and related land resources management within their watersheds. Such other data might include data on water and land use regulation, water control, and environmental and emergency management. Furthermore, to the fullest extent practicable, all districts will prioritize historical program and project data and input it into the E-GIS databases.

(4) **Micro-computer Assisted Cost Estimating System (M-CACES).** A complete and reliable Micro-computer Assisted Cost Estimating System (M-CACES) baseline cost estimate and realistic workflow and funding schedule are essential to preparing a 10-year program. Projections of work and funding requirements will be consistent with the President's PY-1 budget, as modified by any Congressional action in the meantime. However, the funding schedules should be reviewed and adjusted continuously to reflect the sponsor's financial capability and project progress.

e. **Alternative Multiyear Programs.**

(1) **Introduction.** OMB ceilings reflect intent of the President's 10-year program from a national perspective. However, Army may recommend the distribution of funding within the ceiling for Civil Works and may elect to recommend alternative funding levels. To this end, it can select alternative work mixes and associated funding levels, by functional account, that best meet scheduled commitments, program priorities, and capabilities. Emphasis or de-emphasis of programs, projects, and activities should always provide for the most efficient and productive use of funds.

(2) **Programs Developed by Corps.** In the interest of developing an optimum Civil Works Program within funding constraints (as yet undefined), headquarters, U. S. Army Corps of Engineers (HQUSACE) must develop two alternative multiyear programs - an "initial program," based on Army policy and a "capability program," based on capability-level production by project. Absent Congressional action on PY-1 appropriations, we assume that the President's PY-1 program will be enacted and that funds will be appropriated and made available by 1 October of the current year.

(a) **Business Program Increments.** Business program increments are the building blocks by which HQUSACE develops its Civil Works Program. They are mutually exclusive collections of one or more items of like work defined and prioritized by MSCs for each of their business lines, then, reviewed and modified or approved by HQUSACE and, ultimately, ASA(CW). As discussed in paragraph 6.(c), they are added to the "initial" program in order of priority within each business program. Their priorities are based on their relative efficiencies and effectiveness in accomplishing approved performance objectives, goals, and missions. The objectives, goals, and missions include serving specific water and related land resource management purposes, meeting statutory requirements, and promoting national heath and safety. Justification statements present the relationships between investment increments, incremental contributions to achieving objectives, goals, and missions, and incremental funding. Making these relationships clear to all parties within the Corps, OMB, Congress, and the public is important to gaining support for recommended programs.

(b) **Initial Program.** The initial program is the first business program increment for each business program. Criteria for initial programs of business lines are presented, as applicable, in Annexes I - VIII. For each business line and functional program, HQUSACE must develop a realistic, multiyear initial program reflecting PY-2 work allowances and projected current year appropriations and meeting further requirements for program formulation presented in the annexes and/or appendices covering the programs. (Note that this is not the same program represented by "baseline estimates" required by reference 3.a.(8), PL 101-508, and discussed in reference 3.c.(3) OMB's Circular A-11.)

(c) **Capability Program.** For each of its GI; C,G; and FC,MR&T accounts, as applicable, each MSC must develop a realistic PY program reflecting PY-2 work allowances and capability-level production. Additional new starts, non-cost-shared elements of studies and projects, separable elements, and restudies should be considered for this program. Any proposal to advance the latest schedule submitted to Congress for a particular study, project, or activity should be specifically identified. Supporting data should justify the need for the increase(s). Program year funding amounts for studies and projects of the capability program will be approved as program year capability amounts.

(3) **Programs Developed by Army.** OASA(CW) will develop a "ceiling program," based on Presidential policy, by adding the highest-return business program increments nationwide to HQUSACE's initial program. Additional increments will be added to develop an above-ceiling "recommended" program. Remaining increments will be added to the recommended program to get the capability program.

7. **Cost Estimates.**

a. **Economic Assumptions.** As explained above, the Administration's economic assumptions address inflation and adjustments through PY-1. Table 1 provides cost estimate updating rates based on these assumptions, extrapolated through PY+19. These rates may be extended beyond PY+19 using the procedures described in Footnote 16 of the table. They are used, as explained below, to update all study and project cost estimates.

b. **Updating.** As shown in Table 1, all costs of Corps work are grouped into just two "classes" - Class 1 and Class 2. Class 1 includes only costs of Corps civilian permanent workers. Class 2 includes all other costs, including costs of Corps civilian temporary workers. Each class has its own set of rates for cost estimate updating. Nevertheless, each set is used in the very same way - through execution of the "algorithm" described in the table. The two cost classes and their rates are discussed next.

(1) **Corps Civilian Permanent Worker Cost.** The Class 1 rates in Table 1 are applicable to the PY-1 pay raise base. They derive from "updating factors" incorporating effects of then-year pay raises and a changing pay raise base. The pay raises reflect standard nationwide pay raises and locality pay

increments. The breakdown between the two is based on local pay gaps and must be determined each year. Use these rates to update Corps civilian permanent worker cost estimates for all programmed work of all studies, projects, and activities.

(2) **Corps Civilian Temporary and NonCorps Worker and Nonpay Cost.** The Class 2 rates of Table 1 are applicable to the PY-1 base of all costs other than those for Corps civilian permanent workers, ranging from costs of Corps civilian temporary workers, and consultants and AEs used in the various preconstruction planning and construction stages of work, to real estate costs. They derive from "updating factors" reflecting standard nationwide inflation. Use these rates to update Corps civilian temporary and nonCorps worker and nonpay cost estimates for all programmed work of all studies, projects, and activities.

8. **Project Economics.**

a. **Discount Rates.** A discount rate of 5 5/8% will be used to determine the "current" economics of any project. For projects funded for construction, the "applicable" rate is the one in effect when construction funds were first appropriated. For projects never funded for construction, the applicable rate is the "current" rate, unless the project qualifies for the 3 1/4% rate under the "grandfather" clause in Section 80 of the Water Resource Development Act of 1974, PL 93-251.

b. **Evaluation.**

(1) **Benefit/Cost Ratios.** As required, in support of funding requests, benefit-cost ratios will be evaluated based on the benefits in the latest approved official document, such as a Feasibility Report, Chief of Engineers Report, Limited or General Reevaluation Report (LRR or GRR), Engineering Documentation Report (EDR), or other report. In computing BCRs, deflate the current project costs to the price levels of such benefits.

(a) **New Start and Continuing PED Projects.** For new start PED projects, the fiscal year of the approval date of the latest economic analysis must not precede the fiscal year of the MSC program submission by more than 3 years. For example, for any new PED project recommended in your June submission, the approval date of the document containing the most recent economic analysis can be no earlier than 1 October CCY-4 - the first day of PY-5. This point in time precedes the start of the fiscal year in which you are making your submission by 3 years. If the fiscal year of the approval date is more than 3 years ago, you must perform a reevaluation to show that the project remains justified. Such reevaluation will be the first item of work upon receipt of funds and will be documented in an LRR to be submitted in support of any request for follow-on funding. The reevaluation will involve no major new analysis. It will be limited to reviewing and updating previous assumptions and limited surveying, sampling, and application of other techniques to develop a reasonable estimate of project benefits. For any continuing PED project, in order to assure currency of economic justification and sponsor acceptance, the fiscal year of the date of the latest approved economic analysis, or update, must not precede the fiscal year of the MSC submission by more than 3 years. Provided updates are performed in accordance with the plan in the feasibility report and/or the Project Management Plan, MSCs may approve them.

(b) **New Start Construction Projects.** For any project or element proposed as a new construction start, the fiscal year of the approval date of the latest economic analysis must not precede the fiscal year of the MSC program submission by more than 3 years. For example, for any new start construction project or element in your initial submission, the approval date of the document containing the most recent economic analysis can be no earlier than 1 October CCY-4 - the first day of PY-5. This point in time precedes the start of the fiscal year in which you are making your submission by 3 years. If the fiscal year of the approval date is more than 3 years ago, you must perform a reevaluation to show that the

project remains justified. Such reevaluation will be the first item of work upon receipt of funds and will be documented in an LRR to be submitted in support of any request for follow-on funding. The reevaluation will involve no major new analysis. It will be limited to reviewing and updating previous assumptions and limited surveying, sampling, and application of other techniques to develop a reasonable estimate of project benefits. If the limited reevaluation uncovers major changes that could affect project formulation or sizing, then additional PED rather than construction funds must be requested to undertake a complete GRR.

(2) **Approval of Post-authorization Documents.** MSCs have approval authority for post-authorization documents that are certified as being in accordance with law and policy for projects not requiring a Washington-level decision or additional congressional authorization. Decision documents for projects not in accordance with policy or those requiring action by the Chief or ASA(CW), or requiring additional congressional authorization, must be submitted to headquarters, U. S. Army Corps of Engineers (HQUSACE).

9. **Report to Congress of Benefit/Cost Ratios.** Executive Order 12893, "Principles for Federal Infrastructure Investment," requires that benefits, costs, and benefit-cost ratios for new infrastructure investments of all federal agencies be evaluated at a discount rate of 7% to facilitate comparison and decisionmaking. This rate approximates the average real pretax return to capital in the private sector. The total benefit/cost ratios and remaining benefit / remaining cost ratios for all continuing and new construction projects, each based on a 7% discount rate, will be input into PRISM. A list of these projects and ratios will be reported to Congress as part of the PY budget request.

10. **Manpower.** No manpower data is required by this EC. CERM-M will use current resourcing standards of reference 3.e.(2), “USACE Manpower - Corps of Engineers - Manpower Requirements Systems,” and PY-2 through PY+3 workload to develop PY manpower requirements by appropriation account for the OMB program submission. In early CCY+1, once the President’s Program has been resolved for PY, then manpower data compatible with the program will be input in accordance with the then current EC (to be published in January of CCY+1).

11. **Submissions.**

a. **Summary.** Required MSC submissions, recipients, means of input, numbers of copies, and due dates are discussed at length in the appendices and summarized in Table 2. Due dates are designed to spread the workload. They must be met.

b. **Input Instructions.** Input instructions are provided by various means, including, in addition to this EC, User's Manuals, and messages by e-mail, file transfer protocol (FTP), or hardcopy.

c. **ADP Databases.** Data is input to databases of up to four ADP systems. These include the Automated Budget System (ABS), Project and Resource Information System for Managers (PRISM), Information Technology Investment Portfolio System (ITIPS), and Recreation Budget Evaluation System (RecBEST). These database are open; they will close on the various dates shown in Table 2.

(1) **General Provisions of ABS and PRISM.**

a. Work packages for O&M,G; RG; and the O&M,G portion of FC,MR&T will be loaded into ABS by MSC/Districts. "Remaining Items" in these accounts will be handled separately by HQUSACE.

b. Funding increments for GI and C,G (and corresponding portions of FC,MR&T) studies and projects will be loaded into PRISM by MSC/Districts. "Remaining Items" in these accounts will be handled separately by HQUSACE.

c. When a district or MSC completes the loading of work packages in ABS, it will run a PRISM procedure which will transfer selected ABS data elements at an appropriate level of detail into PRISM. Each MSC must also upload a DVBUD cycle submission in ABS.

d. The MSC/District will then use PRISM to enter certain additional performance indicators, and to provide an MSC ranking within each business program of all project funding increments across appropriation accounts.

e. Upon completion of the submission by MSC/Districts, data for each business program will be extracted from PRISM and/or ABS by HQUSACE staff and provided to each HQUSACE business program manager for development of the nationwide program.

(2) **ABS.**

(a) **Project Funding Increments.** An output/indicator data element named "Project Funding Increment" will be used in ABS to identify groupings of work packages within a project. The valid values for this data element are: I, 2, 3, 4, 5, 6, 7. One of these values should be assigned to each work package. For all business programs, value "I" indicates that the work package belongs to the "Initial" increment as defined in the applicable business program annexes. It is possible that a project will not have any work packages coded as "I".

For the N and F&CSDR programs, and Environmental Stewardship part of the EN program, assign project funding increment "I" to all work packages in the Initial increment. Values 2-7 are for additional groupings of work packages within each project which demonstrate a performance enhancement attributable to the grouping. The number and meaning of these project funding increments may vary from one project to another.

For the RC program, assign project funding increment "I" to all work packages in the Initial increment. All work packages that accommodate the 25% of existing visitation not included in the Initial increment should be identified as project funding increment "2". All remaining work packages should use value "3".

For the H program, assign project funding increment "I" to all work packages in the Initial increment, "2" to all "Critical Operations" work packages, "3" to all "Additional O&M,G" packages, and "4" to all remaining work packages within "Capability". See Annex IV for definitions of these increments.

For the N, H, and F&CSDR programs, the ABS-to-PRISM transfer procedure will use the "Project Funding Increment" to aggregate work packages. For each project that has at least one work package assigned to a business program, all work packages assigned to that business program that are also assigned identical "Project Funding Increment" values will be rolled together and stored as one item in PRISM. However, every work package in the H program which has a value entered in the output/indicator named "Unit Life Extension / De-Rated Unit Capacity Restored" and every work package which is in the Capability increment will be transferred to PRISM as an individual work package without aggregation.

For the RC program and Environmental Stewardship part of the EN programs, the ABS data will be transferred to PRISM at work package level of detail without any aggregation.

The sum of all requested amounts for all work packages within a project should represent the project's funding capability.

(b) **Funding Levels.** The data element called "Funding Level" is required in ABS. Three funding levels have been defined for the RG submission, but for O&M,G the funding levels are undefined this

year. It is recommended that all O&M,G work packages be loaded into funding level 1. This implies that all ABS ranks for O&M,G work packages will have a '1' in the first digit.

(c) **Work Package Rankings.** As in past years, each work package must have a rank number assigned to it, and duplicate ranks are not allowed. However, there is no HQUSACE requirement this year for MSCs/Districts to rank across business programs but only the requirement to rank within each business program. Ranking across business programs is an option for MSCs/Districts. Each MSC is required to upload a DVBUD cycle submission in ABS as in previous years. (An MSC ranking will be required in PRISM within each business program across the GI; C,G; O&M,G and FC,MR&T appropriation accounts. An MSC ranking in PRISM will be considered by HQUSACE as the final MSC ranking.)

(d) **Performance Output/Indicators.** Several new performance output/indicator codes will be entered into ABS:

**Hydropower**:
Project level:
- Forced Outage Rate (numeric %)
- Peak Season Availability (numeric %)
- Average Unit Age (numeric)
- Number of De-Rated Units (numeric)
- Total Number of Units (numeric)

Work Package level: (available on work category codes (wcc) 603xx, 613xx, 606xx, 616xx)
- Unit Life Extension/De-Rated Unit Capacity Restored (numeric)
- Avoid Legal, Treaty or ESA Violation in Budget Year (y/n)
- Avoid Public/Workplace Safety Item (y/n)
- Avoid Forced Facility Closure (y/n)

**Recreation**: (available on wcc 605xx and 615xx)
Work Package level:
- Recreation Unit Day Availability (numeric)
- Facility Condition Index (numeric)
- National Economic Development Benefit (numeric)

**Environment:**
**Stewardship**:
Work Package level: (available on wcc 604xx and 614xx)
- Endangered Species Act Activity (y/n)
- Natural Resources Degradation/Loss Prevention (y/n)
- Maint of Current Health/Safety of Natural Resources Conditions (y/n)
- Mitigation Activities (y/n)
- Other Natural Resources Protection Mandate / Legal Responsibility (y/n)
- Level One Natural Resources Inventory (y/n)
- Master Plan Update/Supplement (y/n)
- Natural Resources Improvement (y/n)
- Cultural Resources - Effective Management (y/n)
- Other Cultural Resources Mngt Mandate / Legal Responsibility (y/n)

**Compliance:**
Work Package level: (available on wcc 60x6x and 61x6x)
- Environmental Management Systems (y/n)
- Correction of Significant Environmental Compliance Findings (y/n)

**Water Supply:**
Work Package level: (available on wcc 60210, 60221)
- Water Supply Activity (y/n)

(The N, F&CSDR, and H programs will require a number of additional performance measure data elements which will be entered into PRISM at the project funding increment level. See the applicable business program annexes for details.)

(e) **Joint Activity Work Packages.** Joint activity work packages on multi-purpose projects will be entered into ABS, as in previous years, under work category codes 606xx and 616xx. In the ABS-to-PRISM transfer procedure, the entire amount for each joint work package will be entered into PRISM under the project's primary purpose. The project's primary purpose will be defined as the business program which has the largest allocation share for the project in the ABS joint allocation formula table.

(f) **ABS Web Site.** Detailed instructions concerning operation of the ABS system are available on the ABS web site at http://www.iwr.usace.army.mil/ABS/ .

(3) **ABS to PRISM Transfer Procedure.** Specific instructions concerning how to run the ABS-to-PRISM transfer procedure will be provided separately in an updated PRISM User's Manual, accessible at http://www.usace.army.mil/inet/functions/cw/cecwb/prism/. The procedure will be available by 1 June 2004.

The transfer procedure may be run separately for each business program. The procedure may be run one district at a time using the ABS DSBUD cycle, or for an entire MSC using the ABS DVBUD cycle.

A primary purpose of the transfer procedure is to establish a linkage between the O&M,G items in PRISM and the work packages in ABS in order to avoid the problem we experienced in the FY05 PRISM submission of not being able to identify any correlation between ABS work packages and PRISM O&M items.

Work packages in work category codes 60210 and 60221 which are flagged as Water Supply activities in ABS show up under the F&CSDR program in ABS. In PRISM these packages will be placed in a separate Water Supply program rather than in the F&CSDR program.

(4) **PRISM.**

(a) **Program and Budgeting System (PBS) Module.** This module provides data entry screens for reconnaissance, feasibility, and PED studies, and Construction project data. The PRISM Performance Measure / Business Program module which was used for the FY05 re-submission is being modified to tie it more closely to the PRISM PBS module. On the traditional PBS data entry screens, two funding levels will be displayed: Initial and Capability. The FY06 federal (Corps) amounts in those two levels will be computed and derived from the amounts entered in the Performance Measure / Business Program data entry screens.

(b) **Performance Measure / Business Program Data Entry Screens.** On the Performance Measure / Business Program data entry screens, a particular study or project can be split into one or more business programs, and one or more project funding increments for each applicable business program. Valid values for the project funding increment code are: I, 2, 3, 4, 5, 6, 7. Value "I" is used to identify an "Initial" business program increment as defined in the applicable business program annex. Values 2-7 are used as needed for additional project funding increments which demonstrate a performance enhancement attributable to the increment. The number of project funding increments used

will vary from one project to another. It is possible that a project will not have an increment coded as "I", in which case the project's first increment will be coded as "2".

For each business program and project funding increment, the FY06 federal Corps (and FY06 Inland Waterway Trust Fund, if applicable) funding request amount will need to be entered, along with the MSC rank. MSC ranking is required only within each business program, and not across business programs. In the ABS-to-PRISM transfer procedure, the ABS work package rankings will not be brought over to PRISM for the N, H, and F&CSDR programs because these programs will come over to PRISM at an aggregated level. For the RC program and Environmental Stewardship part of the EN program, the ABS work package rankings will be brought over to PRISM. An MSC ranking in PRISM will be considered by HQUSACE as the final MSC ranking.

The sum of all FY06 funding requirements for all increments and business programs on a project will be displayed on the PBS "Grunt Sheet" reports as the Capability amount.

The Performance Measure / Business Program data entry screens will also provide for entry of performance measure ranking criteria as defined in the applicable business program annex. This is primarily for the N, F&CSDR, and EN programs. The ranking criteria data for Environmental Stewardship part of the EN program will come directly from the data entered in ABS. The same is true for the RC program which is primarily O&M,G, although PRISM entry of performance measure data will be required for the few studies and construction projects with RC program increments. Performance measure ranking criteria data for the H program will also be primarily entered via ABS for O&M,G projects, although some entries (such as BCR, RB/RC, annual net benefits, justification) will be required in PRISM for C,G projects and O&M,G specific maintenance items in the H program.

Additional instructions concerning the PRISM data entry screens will be provided separately in an updated PRISM User's Manual accessible at http://www.usace.army.mil/inet/functions/cw/cecwb/prism/. Modifications to the PRISM screens should be completed and available by 1 June 2004.

(5) **ITIPS.** Instructions for input to the ITIPS database were provided by CECI-TR in the latest ITIPS User's Manual, accessible at http://www.usace.army.mil/itips. These instructions cover input of automation requirements, discussed in Appendix F. This database remains open; but input is required by the date shown under “Automation Program” in Table 2.

(6) **RecBEST.** A web-based tool has been developed for field use in calculating recreation performance measures for O&M activities. RecBEST **MUST** be used to develop recreation O&M budget packages for FY 06. RecBEST may be accessed at https://wwwel.wes.army.mil/nrm/rec-best/ along with directions for its use. See Annex VI for further information concerning RecBEST.

d. **E-mail and FTP Data.**

(1) **Justification Statements and Books.**

(a) **General.**

Complete your updates of illustrations A-2.1 through A-2.4, B-2.4, B-4, C-2.1, C-2.5a through C-2.5c, C-3.1, C-3.2, C-4, and I-1.1 of the appendices for GI, CG, O&M, FC,MR&T, and FUSRAP items, as applicable, by dates specified in Table 2.

Use 10-point regular Arial font, automatic line height, line spacing of 1, and margins of 1" top and bottom, and 0.5" both sides. (In "File," "Page Setup," "Margins," set bottom margin at 1.5" and footer margin at 1.0" from bottom edge of page. This provides a 0.5" footer height for printing the footer and page

number.) Number all pages at the bottom right.

Develop project completion schedules consistent with the President's budget funding amounts to be provided later, and reflect these schedules in your PB-2As by dates to be specified later. These schedules will be provided to the Appropriations Committees for the record. Do not show future advanced appropriations in the summarized financial data on your justification sheets. Prepare the summarized financial data in accordance with the examples in Illustration B-2.4 of Appendix B.

Major rehabilitation projects started after FY91 are part of the CG program; those started earlier are part of the O&M program.

Submit justification statements, as completed, via e-mail to your RIT, as appropriate, for review. Coordinate e-mailing logistics with your RIT, beforehand.

(b) **Initial Submission.** Submit justification statements for GI, CG, and FC,MR&T new starts, only. For GI, these include reconnaissance, feasibility, and PED study new starts. For CG, these include major rehabilitation, reimbursement, resumption, deficiency correction, reconstruction, and unstarted projects, and unstarted separable elements new starts. For FC,MR&T, these include all of the above.

(c) **Revised Submission.** Between the times of the initial and Congressional submissions, revised submissions may be required for various reasons, including changes in funding for PY-1 effected by appropriations. Submit these as specifically requested later.

(d) **Congressional Submission.** The ultimate products of the justification development process are nine justification books for Congress - one for each division and one for Remaining Items. Each division is responsible for developing its own book using whatever software it chooses, such as computer-aided design (CAD), and Microsoft Word and Excel software. However, ultimately, each division must convert its book to an Adobe Acrobat 5.0 file for efficient electronic transmission and publication. In order to ensure that your book will "present" in the Adobe Acrobat file as it does in the development software file, you must select the Adobe Acrobat printer in the development software before finalizing your product in that software. For example, to ensure that what you see in Word is what you get in Adobe Acrobat, you must select "File," "Print," "Printer," "Acrobat PDFWriter" in Word before finalizing in Word. Doing this first of all will spare you untold lost time and frustration. Of course, if you want to print your finalized file at a local printer, simply select the printer and print, but do not modify the file while the local printer is selected.

In the table of contents, use lower case Roman numerals; on all other pages, beginning with the summary, use Arabic numerals. On each page of the document and maps, show the date of Army's press conference (to be provided later) centered in the bottom margin, 1" from its bottom edge. Prepare status maps in accordance with reference 3.e.(10), Appendix L, paragraph 1, except, do not include the disclosure statement noted in paragraph 1 on the maps.

Justification documents for O&M major rehabilitation projects are the same (except Illustration B-2.1) as required for CG projects, including justification statements, status maps (included at the end of the O&M justification package), and PB-2As. For major rehabilitation of inland waterways locks and dams and associated structures, show half of funding from the Inland Waterway Trust Fund.

For other O&M projects, show funding for "operations" and "maintenance" work separately. Copy PY funding for these parts from guidance to be provided later, ensuring that the total of amounts copied matches your division's total. Update individual project amounts to reflect your latest projection of PY-1 obligations. (All of these amounts will be included in the ABS database and accessible then.) Round all funding amounts to the nearest $K. Add the following statement (less quotation marks) after the

introductory paragraph for each category, as applicable:

”For recreation areas, part of the requested amount will be offset by a transfer from the Special Recreation Use Fees Special Fund (SRUF) special fund."

Include major rehabilitation requirements for projects as part of single line item entries on the justification of estimate statements with the following remark (less quotation marks) under "Reason for Change and Major Maintenance Items:"

"Includes Major Rehabilitation at $XXX. See justification following this table."

Identify States for each of the following items: Scheduling Reservoir Operations, Inspection of Completed Works, Project Condition Surveys, and Surveillance of Northern Boundary Waters. Refer to Appendix C.

Submit these as specifically requested later. Submit final versions, printed front to back and collated into a single book (with a cover like last year's, including the disclosure statement, and paginated and dated table of contents, budget summary, and status maps, as applicable) in a single Adobe Acrobat 5.0 file.

(2) **Other.** The Emergency Management Business Line Manager (BLM) will provide instructions to cover FC&CE activities of former Appendix D, requiring input by e-mail or FTP directly to that office by dates specified in Table 2.

e. **Hardcopy Data.** Provide hardcopy items required (e. g., certifications, etc.) by dates specified in Table 2.

f. **Document Marking.** All submissions required by this EC are not to be released outside the Department of the Army. See reference 3.e.(10), ER 11-2-240, “Civil Works Activities - Construction & Design,” Appendix L, paragraph 1, for instructions regarding the marking of documents for restricted distribution.

12. **Balance-to-Complete Report.** Districts will update the Balance-to-Complete Report (PRISM/PBS Report 15) for PED and construction projects by the date shown under “Main Part” in Table 2. Records for active status PED and construction projects must include total estimated federal costs. (PED balances-to-complete must include the federal costs of PED plus construction.) Give special attention to active status PED and construction projects, as they are the subject of periodic Congressional questions on project balances-to-complete. CECW-IN is the proponent of this report; however, CECW-IP functional program managers will review the contents of the report when necessary to meet requirements. Beginning in FY05, both inflated and uninflated balances-to-complete will be input to PRISM.

13. **Certifications of Compliance.** You must submit, to CECW-ID, at least two, and possibly four, certifications that your program submission complies with laws and an Executive Order. The two certifications always required include one by district commanders regarding compliance with an Executive Order on data sharing, and one by the MSC directors of programs management regarding compliance with law on use of management controls. The other two possibly required are both by district commanders - both regarding compliance with coastal barrier laws. Each certification is discussed below.

a. **Executive Order on Geospatial Data.** Reference 3.e.(10), ER 1110-1-8156, "Policies, Guidance, and Requirements for Geospatial Data and Systems," and EM 1110-1-2909, "Geospatial Data and Systems," assist USACE in protecting its investment in geospatial data and systems and in complying with Executive Order 12906, "Coordinating Geographic Data Acquisition and Access - The National Spatial Data Infrastructure." USACE collects a variety of geospatial data to produce products such as river and harbor maps, charts, and drawings; real estate maps; environmental and economic

studies; and engineering studies and drawings. Paragraph 7.g(4) of the ER explains that, beginning with the FY97 Civil Works program cycle, each district commander will submit a certification, modeled after Illustration 2, certifying that his command has documented new geospatial data that it has created and made this documentation (metadata) available via the National Geospatial Data Clearinghouse on the Internet. (Illustration 2 is included in Appendix B of the ER.) The certification is due by the date shown under “Main Part” in Table 2.

b. **Coastal Barrier Laws.** OMB's Circular A-11, Section 12.5(s) states that estimates must not include any new federal expenditures or financial assistance prohibited by the “Coastal Barrier Resources Act” (CBRA), PL 97-348. In addition, the ”Coastal Barrier Improvement Act of 1990,” PL 101-591, amending CBRA, requires that the Corps certify annually to Congress and the Secretary of Interior that it was in compliance with the provisions of CBRA, as amended, during the previous fiscal year. Therefore, each District Commander whose district includes areas covered by the Coastal Barrier Resources System will submit two certifications - one modeled after each Illustration 3A and 3B certifying, respectively, that his program request is in compliance with these laws and that no funds were obligated in the past fiscal year (PY-2) for purposes prohibited by them. Note that PL 101-591 added new units to the Coastal Barrier Resources System. The certifications are due by dates shown under Main Part in Table 2.

c. **Management Control Law.** Federal agencies are required by law to establish "management controls" for the activities they manage, and to provide assessments of their effectiveness to the President and Congress, annually. To this end, functional proponents identify requirements for compliance with law, including safeguarding assets, ensuring adequate records, and promoting efficiency and effectiveness of program accomplishment, and reflect them in checklists. Army's management control effort, implemented by AR 11-2, “Management Control,” specifically includes the Civil Works Program. The new management control checklist for Civil Works Program Development is provided as Illustration 4. This is for use by programs management organizations in MSCs and districts, as explained below:

(1) Use the checklist during development of your program submission. District commands will use it first; then MSCs, when reviewing and modifying district submissions.

(2) A "no" response to a checklist question *suggests* a *potential* management weakness. However, if it is the result of a special case or specific exception, then probably there is no management weakness. You are the judge. If you determine that a weakness exists, you must correct it as quickly as resources and essential mission priorities permit. No upward reporting is required.

(3) If a management weakness requires the attention or awareness of the next higher level of management, it is a *"material weakness."* This is a judgment call on the relative seriousness of the problem. It is made at each progressive echelon, based on each manager's professional judgment. Material weaknesses discovered by districts are reported to the MSCs, which determine whether to report them to CECW-BD. The reports must specify corrective actions taken or planned. The highest echelon receiving the report will evaluate the corrective actions, provide assistance, if needed, and track progress. Consult AR 11-2 for help in determining whether a weakness is "material."

(4) Do not send checklists to HQUSACE.

Each MSC director of programs management will submit a certification, modeled after Illustration 5, certifying that the checklist was used by the districts, as applicable, and MSC. The certification is due by the date shown in Table 3.

14. **Coordination.** The CECW staff will work closely with MSC office staffs throughout the program development process to assure that the CECW recommended program, as well as alternative programs,

are thoroughly coordinated. Coordination will continue after receipt of OMB's passback and during development of Army's proposed appeal. The 10-year program will be revised, as necessary, to reflect resolution of the passback appeal and final President's Program.

FOR THE COMMANDER:

| | | |
|---|---|---|
| 8 Annexes | | ROBERT F. VINING |
| ANNEX I | Emergency Management | Chief, Programs Management Division |
| ANNEX II | Environment | Directorate of Civil Works |
| ANNEX III | Flood and Coastal Strom Damage Reduction | |
| ANNEX IV | Hydropower | |
| ANNEX V | Navigation | |
| ANNEX VI | Recreation | |
| ANNEX VII | Regulatory | |
| ANNEX VIII | Water Supply | |
| 6 Appendices | | |
| APPENDIX A | General Investigations | |
| APPENDIX B | Construction, General | |
| APPENDIX C | Operation and Maintenance, General | |
| APPENDIX D | General Expenses | |
| APPENDIX E | Revolving Fund (Plant Replacement and Improvement Program (PRIP)) | |
| APPENDIX F | Automation Program | |

**Table 1**

**FY05 PROGRAM**
**COST ESTIMATE UPDATING**
**RATES**

| COST ITEM 1/ | CY/FY 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | ECONOMIC ASSUMPTIONS 2/ | | | | | | | | | | | | | | | | | | | | | | |
| **Class 1** | | | | | | | | | | | | | | | | | | | | | | | |
| **Base** | | | | | | | | | | | | | | | | | | | | | | | |
| **Pay** | | | | | | | | | | | | | | | | | | | | | | | |
| **Regular** | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| **Awards** | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 |
| **Total** | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 |
| **Burden 3/** | | | | | | | | | | | | | | | | | | | | | | | |
| **CSRS** | | | | | | | | | | | | | | | | | | | | | | | |
| **Retirement** | 0.075 | 0.071 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 |
| **Health Insurance 4/** | 0.050 | 0.074 | 0.081 | 0.089 | 0.095 | 0.102 | 0.109 | 0.117 | 0.125 | 0.134 | 0.143 | 0.153 | 0.164 | 0.175 | 0.187 | 0.200 | 0.214 | 0.229 | 0.246 | 0.263 | 0.281 | 0.301 | 0.322 |
| **Medicare 5/** | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 |
| **Life Insurance 6/** | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 |
| **Total** | 0.142 | 0.162 | 0.168 | 0.176 | 0.182 | 0.189 | 0.196 | 0.204 | 0.212 | 0.221 | 0.230 | 0.240 | 0.251 | 0.262 | 0.274 | 0.287 | 0.301 | 0.316 | 0.333 | 0.350 | 0.368 | 0.388 | 0.409 |
| **FERS** | | | | | | | | | | | | | | | | | | | | | | | |
| **Retirement** | | | | | | | | | | | | | | | | | | | | | | | |
| **Regular** | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 |
| **Thrift Savings Plan** | | | | | | | | | | | | | | | | | | | | | | | |
| **Basic** | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 |
| **Match** | 0.035 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 |
| **Total** | 0.045 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 |
| **Old Age Survivors Disability Insurance** | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 |
| **Health Insurance 4/** | 0.050 | 0.074 | 0.081 | 0.089 | 0.095 | 0.102 | 0.109 | 0.117 | 0.125 | 0.134 | 0.143 | 0.153 | 0.164 | 0.175 | 0.187 | 0.200 | 0.214 | 0.229 | 0.246 | 0.263 | 0.281 | 0.301 | 0.322 |
| **Medicare 5/** | 0.015 | 0.015 | [illegible] | [illegible] | 0.015 | 0.015 | 0.015 | [illegible] | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | [illegible] | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 |
| **Life Insurance 6/** | 0.002 | 0.002 | [illegible] | [illegible] | 0.002 | 0.002 | 0.002 | [illegible] | 0.002 | 0.002 | [illegible] | 0.002 | 0.002 | 0.002 | 0.002 | [illegible] | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 |
| **Total** | 0.281 | 0.310 | [illegible] | [illegible] | 0.331 | 0.338 | 0.345 | [illegible] | 0.361 | 0.370 | [illegible] | 0.389 | 0.400 | 0.411 | 0.423 | [illegible] | 0.450 | 0.465 | 0.482 | 0.499 | 0.517 | 0.537 | 0.558 |
| **Composite** | | | | | | | | | | | | | | | | | | | | | | | |
| **Force 7/** | | | | | | | | | | | | | | | | | | | | | | | |
| **Total** | 24,800 | 24,800 | [illegible] | 24,800 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 |
| **Temporary** | 762 | 762 | 762 | 762 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 762 | 762 | 762 | 762 | 762 | 762 | 762 |
| **Permanent** | 24,038 | 24,038 | [illegible] | 24,038 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 24,03[illegible] | [illegible] | [illegible] | 24,038 | [illegible] | [illegible] | [illegible] | 24,038 | 24,038 | 24,038 | 24,038 | 24,038 | 24,038 | 24,038 |
| **Attrition 8/** | 0.070 | 0.070 | [illegible] | 0.070 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 |
| **CSRS** | | | | | | | | | | | | | | | | | | | | | | | |
| **Turnover 9/** | 0.042 | 0.039 | [illegible] | 0.035 | [illegible] | [illegible] | 0.027 | [illegible] | [illegible] | 0.020 | [illegible] | [illegible] | 0.014 | 0.011 | [illegible] | [illegible] | 0.005 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| **Total** | 8,521 | 7,576 | [illegible] | 5,858 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 913 | [illegible] | [illegible] | [illegible] | 125 | 0 | 0 | 0 | 0 | 0 | 0 |
| **FERS** | | | | | | | | | | | | | | | | | | | | | | | |
| **Anniversary 10/** | 18 | 19 | [illegible] | [illegible] | 22 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 29 | [illegible] | [illegible] | [illegible] | [illegible] | 34 | 35 | 36 | 37 | 38 | 39 | 40 |
| **Total** | 15,517 | 16,462 | [illegible] | [illegible] | 18,954 | [illegible] | [illegible] | [illegible] | 21,48[illegible] | [illegible] | 22,415 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 23,913 | 24,038 | 24,038 | 24,038 | 24,038 | 24,038 | 24,038 |
| **Allocation** | | | | | | | | | | | | | | | | | | | | | | | |
| **CSRS** | 0.050 | 0.051 | 0.047 | 0.043 | 0.038 | 0.034 | 0.030 | 0.026 | 0.022 | 0.019 | 0.016 | 0.012 | 0.010 | 0.007 | 0.005 | 0.003 | 0.002 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| **FERS** | 0.181 | 0.212 | 0.229 | 0.246 | 0.261 | 0.276 | 0.292 | 0.307 | 0.322 | 0.338 | 0.353 | 0.369 | 0.385 | 0.400 | 0.415 | 0.431 | 0.447 | 0.465 | 0.482 | 0.499 | 0.517 | 0.537 | 0.558 |
| **Total** | 0.232 | 0.263 | 0.275 | 0.288 | 0.299 | 0.311 | 0.322 | 0.334 | 0.345 | 0.357 | 0.369 | 0.381 | 0.394 | 0.407 | 0.420 | 0.434 | 0.449 | 0.465 | 0.482 | 0.499 | 0.517 | 0.537 | 0.558 |
| **Total (composite burden)** | 0.232 | 0.263 | 0.275 | 0.288 | 0.299 | 0.311 | 0.322 | 0.334 | 0.345 | 0.357 | 0.369 | 0.381 | 0.394 | 0.407 | 0.420 | 0.434 | 0.449 | 0.465 | 0.482 | 0.499 | 0.517 | 0.537 | 0.558 |
| **Total (burden)** | 0.232 | 0.263 | 0.275 | 0.288 | 0.299 | 0.311 | 0.322 | 0.334 | 0.345 | 0.357 | 0.369 | 0.381 | 0.394 | 0.407 | 0.420 | 0.434 | 0.449 | 0.465 | 0.482 | 0.499 | 0.517 | 0.537 | 0.558 |
| **Total (total pay and burden)** | 1.252 | 1.283 | 1.295 | 1.308 | 1.319 | 1.331 | 1.342 | 1.354 | 1.365 | 1.377 | 1.389 | 1.401 | 1.414 | 1.427 | 1.440 | 1.454 | 1.469 | 1.485 | 1.502 | 1.519 | 1.537 | 1.557 | 1.578 |
| **Raise 11/** | | | | | | | | | | | | | | | | | | | | | | | |
| **Applicable to Then-year Base** | | | | | | | | | | | | | | | | | | | | | | | |
| **Gross** | 0.046 | 0.041 | 0.020 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 |
| **Absorption 12/** | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| **Net** | 0.046 | 0.041 | 0.020 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 |
| **Applicable to PY-1 Base** | | | | | | | | | | | | | | | | | | | | | | | |
| **Pay** | 0.046 | 0.041 | 0.020 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 |
| **Burden** | 0.047 | 0.047 | 0.021 | 0.036 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 | 0.035 |
| **Base** | 0.046 | 0.042 | 0.020 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 | 0.034 |
| **Updating Factor 13/** | 0.052 | 0.067 | 0.030 | 0.044 | 0.043 | 0.043 | 0.043 | 0.043 | 0.043 | 0.043 | 0.043 | 0.043 | 0.044 | 0.043 | 0.044 | 0.044 | 0.044 | 0.045 | 0.046 | 0.046 | 0.046 | 0.047 | 0.048 |
| **Class 2** | | | | | | | | | | | | | | | | | | | | | | | |
| **Inflation** | 0.027 | 0.013 | 0.015 | 0.015 | 0.017 | 0.017 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 |
| **Absorption 12/** | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| **Updating Factor 14/** | 0.027 | 0.013 | 0.015 | 0.015 | 0.017 | 0.017 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 | 0.018 |

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EC 11-2-184
31 Mar 03

**Table 1**

**FY05 PROGRAM**
**COST ESTIMATE UPDATING**
**RATES**

| COST ITEM 1/ | | CY/FY 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | ECONOMIC ASSUMPTIONS 2/ | | | | | | | | | | | | | | | | | | | | | | |
| | | SIMPLE 15/ | | | COMPOUND 16/ | | | | | | | | | | | | | | | | | | | |
| **Class 1** | | 1.046 | 1.050 | 1.063 | 1.105 | 1.150 | 1.200 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.496 |
| **Oct** | | 1.051 | 1.044 | 1.052 | 1.135 | 1.138 | 1.201 | 1.251 | 1.305 | 1.360 | 1.419 | 1.479 | 1.544 | 1.609 | 1.679 | 1.753 | 1.829 | 1.909 | 1.994 | 2.083 | 2.178 | 2.279 | 2.383 | 2.494 |
| **Nov** | | 1.051 | 1.044 | 1.052 | 1.135 | 1.138 | 1.201 | 1.251 | 1.305 | 1.360 | 1.419 | 1.479 | 1.544 | 1.609 | 1.679 | 1.753 | 1.829 | 1.909 | 1.994 | 2.083 | 2.178 | 2.279 | 2.383 | 2.494 |
| **Dec** | | 1.051 | 1.044 | 1.052 | 1.135 | 1.138 | 1.201 | 1.251 | 1.305 | 1.360 | 1.419 | 1.479 | 1.544 | 1.609 | 1.679 | 1.753 | 1.829 | 1.909 | 1.994 | 2.083 | 2.178 | 2.279 | 2.383 | 2.494 |
| **Jan** | | 1.044 | 1.052 | 1.067 | 1.095 | 1.154 | 1.199 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.497 |
| **Feb** | | 1.044 | 1.052 | 1.067 | 1.095 | 1.154 | 1.199 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.497 |
| **Mar** | 17/ | 1.044 | 1.052 | 1.067 | 1.095 | 1.154 | 1.199 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.497 |
| **Apr** | | 1.044 | 1.052 | 1.067 | 1.095 | 1.154 | 1.199 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.497 |
| **May** | | 1.044 | 1.052 | 1.067 | 1.095 | 1.154 | 1.199 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.497 |
| **Jun** | | 1.044 | 1.052 | 1.067 | 1.095 | 1.154 | 1.199 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.497 |
| **Jul** | | 1.044 | 1.052 | 1.067 | 1.095 | 1.154 | 1.199 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.497 |
| **Aug** | | 1.044 | 1.052 | 1.067 | 1.095 | 1.154 | 1.199 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.497 |
| **Sep** | | 1.044 | 1.052 | 1.067 | 1.095 | 1.154 | 1.199 | 1.251 | 1.304 | 1.361 | 1.419 | 1.480 | 1.543 | 1.610 | 1.680 | 1.753 | 1.829 | 1.910 | 1.994 | 2.084 | 2.179 | 2.279 | 2.384 | 2.497 |
| **Class 2** | | 1.033 | 1.027 | 1.013 | 1.028 | 1.044 | 1.061 | 1.079 | 1.099 | 1.119 | 1.139 | 1.159 | 1.180 | 1.201 | 1.223 | 1.245 | 1.267 | 1.290 | 1.313 | 1.337 | 1.361 | 1.386 | 1.411 | 1.436 |
| **Oct** | | 1.002 | 1.001 | 1.001 | 1.029 | 1.045 | 1.063 | 1.081 | 1.100 | 1.120 | 1.140 | 1.161 | 1.182 | 1.203 | 1.225 | 1.247 | 1.269 | 1.292 | 1.315 | 1.339 | 1.363 | 1.388 | 1.413 | 1.438 |
| **Nov** | | 1.005 | 1.002 | 1.003 | 1.031 | 1.047 | 1.064 | 1.083 | 1.102 | 1.122 | 1.142 | 1.163 | 1.184 | 1.205 | 1.227 | 1.249 | 1.271 | 1.294 | 1.317 | 1.341 | 1.365 | 1.390 | 1.415 | 1.440 |
| **Dec** | | 1.007 | 1.003 | 1.004 | 1.032 | 1.048 | 1.066 | 1.084 | 1.104 | 1.124 | 1.144 | 1.164 | 1.185 | 1.207 | 1.228 | 1.251 | 1.273 | 1.296 | 1.319 | 1.343 | 1.367 | 1.392 | 1.417 | 1.442 |
| **Jan** | | 1.009 | 1.004 | 1.005 | 1.033 | 1.050 | 1.067 | 1.086 | 1.105 | 1.125 | 1.146 | 1.166 | 1.187 | 1.209 | 1.230 | 1.252 | 1.275 | 1.298 | 1.321 | 1.345 | 1.369 | 1.394 | 1.419 | 1.445 |
| **Feb** | | 1.011 | 1.005 | [illegible] | [illegible] | 1.051 | 1.069 | 1.087 | [illegible] | 1.127 | 1.147 | 1.168 | 1.189 | 1.210 | 1.232 | 1.254 | [illegible] | 1.300 | 1.323 | 1.347 | 1.371 | 1.396 | 1.421 | 1.447 |
| **Mar** | 17/ | 1.014 | 1.007 | [illegible] | [illegible] | 1.052 | 1.070 | 1.089 | [illegible] | 1.129 | 1.149 | 1.1[illegible] | 1.191 | 1.212 | 1.234 | 1.256 | [illegible] | 1.302 | 1.325 | 1.349 | 1.373 | 1.398 | 1.423 | 1.449 |
| **Apr** | | 1.016 | 1.008 | .009 | 1.03[illegible] | 1.054 | 1.072 | 1.091 | [illegible] | 1.130 | 1.151 | 1.1[illegible] | 1.193 | 1.214 | 1.236 | 1.258 | [illegible] | 1.304 | 1.327 | 1.351 | 1.375 | 1.400 | 1.425 | 1.451 |
| **May** | | 1.018 | 1.009 | .010 | 1.038 | 1.055 | 1.073 | 1.092 | [illegible] | 1.132 | 1.152 | 1.1[illegible] | 1.194 | 1.216 | 1.238 | 1.260 | [illegible] | 1.306 | 1.329 | 1.353 | 1.377 | 1.402 | 1.428 | 1.453 |
| **Jun** | | 1.020 | 1.010 | .011 | 1.040 | 1.057 | [illegible] | 1.094 | [illegible] | [illegible] | [illegible] | [illegible] | 1.196 | [illegible] | 1.239 | [illegible] | [illegible] | 1.308 | 1.331 | 1.355 | 1.380 | 1.404 | 1.430 | 1.455 |
| **Jul** | | 1.023 | 1.011 | .013 | 1.041 | 1.058 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 1.1[illegible] | 1.199 | [illegible] | [illegible] | [illegible] | [illegible] | 1.310 | 1.333 | 1.357 | 1.382 | 1.406 | 1.432 | 1.458 |
| **Aug** | | 1.025 | 1.012 | .014 | 1.042 | 1.060 | 1.078 | [illegible] | [illegible] | [illegible] | 1.1[illegible] | 1.1[illegible] | 1.2[illegible] | 1.221 | [illegible] | [illegible] | [illegible] | 1.312 | 1.335 | 1.359 | 1.384 | 1.409 | 1.434 | 1.460 |
| **Sep** | | 1.027 | 1.013 | .015 | 1.044 | 1.061 | 1.079 | [illegible] | [illegible] | [illegible] | 1.15[illegible] | 1.1[illegible] | 1.2[illegible] | 1.223 | [illegible] | [illegible] | [illegible] | 1.313 | 1.337 | 1.361 | 1.386 | 1.411 | 1.436 | 1.462 |

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1/ Class 1 or Class 2. Class 1 includes "permanent" hired labor items (includin[illegible] and benefits). Cl[illegible] includ[illegible] other items, including "t[illegible]ary" [illegible]abor and nonfederal labo[illegible]
2/ Class 1 "raise" rates are effective for calendar year; Class 2 "inflation" rates [illegible]ffective for fiscal [illegible]
3/ Generally, fraction of total pay contributed by the government for benefits. B[illegible] on fractions [illegible] articipatin[illegible] CSRS (Civ[illegible]e Re[illegible]nt Sys[illegible]nd FERS[illegible]l Em[illegible] Retire[illegible]stem). [illegible]ne[illegible]urnov[illegible]
4/ Not based on pay, however, expressed as fraction of "regular" pay.
5/ Based on "total" instead of "regular" pay; rates reflect adjustment for this.
6/ Only partially based on pay, however, expressed as fraction of "regular" pay.
7/ Manpower in fulltime equivalent employment years (FTEs).
8/ Fraction of permanent manpower lost, annually.
9/ Fraction of permanent manpower shifted (turned over) from CSRS to FERS coverage, annually.
10/ Number of FERS anniversary. (All federal permanent employees first hired after 1983 have been covered by FERS, created by Congress to bring federal workers under the Social Security System, beginning in 1984.)
11/ Applies to all permanent civilian workers, including SES, GM, GS, and Wage Board employees.
12/ Fraction of raise to be absorbed (not realized).
13/ Used in amounts of 1/4 for initial calendar year (CY) and 3/4 for final CY for any fiscal year (FY) of any period in calculating "Compound Rate" for final FY of the period. For example, in calculating the Class 1 compound rate for FY06, use rates for FY 02, FY03, FY04, and FY05 as follows:

[1+(1/4)(CY02 rate)+(3/4)(CY03 rate)][1 + (1/4)(CY03 rate) + (3/4)(CY04 rate)][1 + (1/4)(CY04 rate) + (3/4)(CY05 rate)] = [1+(1/4)(.052)+(3/4)(.067)][1 + (1/4)(0.067) + (3/4)(0.030)][1 + (1/4)(.030) + (3/4)(.044)] = 1.150

14/ Used for any FY of any period in calculating "Compound Rate" for final FY of the period. For example, in calculating the Class 2 compound rate for FY06, use rates for FY03, FY04 and 05 as follows:

(1 + FY03 rate)(1 + FY04 rate)(1 + FY05 rate) = (1 + .013)(1 + .015)(1 +.015) = 1.044

15/ Use FY04 annual rates to update estimates based on 1 Oct 02 prices to get estimates based on 1 Oct 03 prices. Use monthly rates in accordance with Footnote 17. (See first two points of Algorithm, and Example 1.)
16/ Use annual rates to update estimates based on 1 Oct 03 prices to get estimates based on 1 Oct prices for year of interest. Use monthly rates in accordance with Footnote 17. (See last two points of Algorithm, and Example 2 and 3.) Determine the rate for years beyond FY24 by multiplying the FY24 rate by: (1 + (FY24 rate - FY23 rate)/(FY23 rate))"n"th power, "n" being the integral number of years that the year of interest is greater than FY24. For example, determine the Class 1 rate for FY27 by evaluating:

[2.496][(1 + (2.496 - 2.384)/(2.384))4th power] = 2.999

Determine the Class 2 rate by evaluating:

[1.436][(1 + (1.436 - 1.411)/(1.411))4th power] =1.540

17/ Class 1 monthly rates are nonapplicable individually. They are included only to show month-wise parts of annual updating factors, reflecting annual start-of-calendar-year raises applicable for the full year. Do not use them to update estimates. On the other hand, Class 2 monthly rates are applicable individually. They reflect continually accruing inflation over the full year of interest. Use these rates for FY05 and beyond, to update estimates based on 1 Oct 03 prices to get estimates based on end-of-month prices for any month of interest. For improved accuracy, interpolate proportionally between successive rates.

**Table 1**

**FY05 PROGRAM**
**COST ESTIMATE UPDATING**
**RATES**

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**Algorithm:**

- o Update "work/workload." For each program/project/activity (PPA), revise the work/workload, as necessary, to best reflect reality.
- o Complete "base year cost estimates." For each PPA, given revised work/workload, inflate the cost estimate based on 1 Oct 02 prices to get the cost estimate based on 1 Oct 03 prices, by use of simple rates.
- o Update "execution schedules." For each PPA, revise the execution schedule to best reflect reality, spreading the cost estimate based on 1 Oct 03 prices accordingly.
- o Complete "full-inflation cost estimates." For each PPA, inflate the cost estimate based on 1 Oct 03 prices, as spread by the execution schedule, by use of compound rates.

**Examples:** (Methods shown provide minimum acceptable accuracy. Refinements in these, theoretically providing greater accuracy, are permissible. Monthly rates of each class are provided to accommodate such refiement .)

1. Estimate "base year cost estimate" for a Class 1 item with a 1 Oct 02 cost of $1M by evaluating:

   ($1M in 1 Oct 02 prices)(FY04 rate) = ($1M)(1.063) = $1.063M.

2. Estimate the remaining "full-inflation cost estimate" for a Class 1 item with scheduled multi-year cost, in base year prices, of $100K, monthly, from 1 Oct 03 through 30 Jun 06 by evaluating:

   ($1.2M in 1 Oct 03 prices) + ($1.2M in 1 Oct 03 prices)(FY05 rate) + ($0.9M in 1 Oct 03 prices)(FY06 rate) = ($1.2M) + ($1.2M)(1.105) + ($0.9M)(1.150) = $3.561M

3. Estimate the "full-inflation cost estimate" for a Class 2 item with scheduled multi-year costs, in base year prices, of $10M, from 23 Apr 12 through 26 Sep 14 by evaluating:

   - contract period midpoint FY (FY in which midpoint of contract falls):

     contract period = 23 Apr 12 through 26 Sep 14 = 2 years, 5 months, 3 days = 2.43 years;
     period from start to midpoint of contract period = 2.43 years / 2 = 1.22 years;
     date of midpoint of contract period = 23 Apr 12 + 1.22 years = 12 Jul 13
     midpoint FY = 13.

   - "full-inflation cost estimate" (reflecting inflation to start of midpoint FY

     ($10M in 1 Oct 03 prices)(FY13 rate) = $10M(1.180) = $11.80M.

   - "full-inflation cost estimate" (reflecting inflation to start of midpoint mo[illegible] midpoint year):

     ($10M in 1 Oct 03 prices)(June FY13 rate) = $10M(1.196) = $11.96M [illegible]te that June FY13 ra[illegible]ries [illegible]n to end of [illegible] FY13 [illegible]t of J[illegible]3)

Deleted

**Table 1**

**FY06 PROGRAM**
**COST ESTIMATE UPDATING**
**RATES**

| COST ITEM 1/ | CY/FY 03 | 04 | 05 | 06 | 07 | 08 | 09 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | ECONOMIC ASSUMPTIONS 2/ | | | | | | | | | | | | | | | | | | | | | | |
| **Class 1** | | | | | | | | | | | | | | | | | | | | | | | |
| **Base** | | | | | | | | | | | | | | | | | | | | | | | |
| **Pay** | | | | | | | | | | | | | | | | | | | | | | | |
| **Regular** | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| **Awards** | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 |
| **Total** | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 | 1.020 |
| **Burden 3/** | | | | | | | | | | | | | | | | | | | | | | | |
| **CSRS** | | | | | | | | | | | | | | | | | | | | | | | |
| **Retirement** | 0.071 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 |
| **Health Insurance 4/** | 0.074 | 0.079 | 0.087 | 0.096 | 0.102 | 0.109 | 0.117 | 0.125 | 0.134 | 0.143 | 0.153 | 0.164 | 0.175 | 0.187 | 0.200 | 0.214 | 0.229 | 0.246 | 0.263 | 0.281 | 0.301 | 0.322 | 0.322 |
| **Medicare 5/** | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 |
| **Life Insurance 6/** | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 |
| **Total** | 0.162 | 0.166 | 0.174 | 0.183 | 0.189 | 0.196 | 0.204 | 0.212 | 0.221 | 0.230 | 0.240 | 0.251 | 0.262 | 0.274 | 0.287 | 0.301 | 0.316 | 0.333 | 0.350 | 0.368 | 0.388 | 0.409 | 0.409 |
| **FERS** | | | | | | | | | | | | | | | | | | | | | | | |
| **Retirement** | | | | | | | | | | | | | | | | | | | | | | | |
| **Regular** | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 | 0.107 |
| **Thrift Savings Plan** | | | | | | | | | | | | | | | | | | | | | | | |
| **Basic** | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 | 0.010 |
| **Match** | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 | 0.040 |
| **Total** | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 | 0.050 |
| **Old Age Survivors Disability Insurance** | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 | 0.062 |
| **Health Insurance 4/** | 0.074 | 0.079 | 0.087 | 0.096 | 0.102 | 0.109 | 0.117 | 0.125 | 0.134 | 0.143 | 0.153 | 0.164 | 0.175 | 0.187 | 0.200 | 0.214 | 0.229 | 0.246 | 0.263 | 0.281 | 0.301 | 0.322 | 0.322 |
| **Medicare 5/** | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 |
| **Life Insurance 6/** | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 | 0.002 |
| **Total** | 0.310 | 0.315 | 0.323 | 0.332 | 0.338 | 0.345 | 0.353 | 0.361 | 0.370 | 0.379 | 0.389 | 0.400 | 0.411 | 0.423 | 0.436 | 0.450 | 0.465 | 0.482 | 0.499 | 0.517 | 0.537 | 0.558 | 0.558 |
| **Composite** | | | | | | | | | | | | | | | | | | | | | | | |
| **Force 7/** | | | | | | | | | | | | | | | | | | | | | | | |
| **Total** | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 | 24,800 |
| **Temporary** | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 | 624 |
| **Permanent** | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 | 24,176 |
| **Attrition 8/** | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 | 0.070 |
| **CSRS** | | | | | | | | | | | | | | | | | | | | | | | |
| **Turnover 9/** | 0.044 | 0.042 | 0.039 | 0.037 | 0.035 | 0.032 | 0.030 | 0.028 | 0.025 | 0.023 | 0.021 | 0.018 | 0.016 | 0.014 | 0.012 | 0.009 | 0.007 | 0.005 | 0.003 | 0.003 | 0.003 | 0.000 | 0.000 |
| **Total** | 9,665 | 8,653 | 7,698 | 6,800 | 5,960 | 5,177 | 4,451 | 3,781 | 3,169 | 2,612 | 2,112 | 1,668 | 1,279 | 944 | 664 | 436 | 261 | 134 | 54 | 0 | 0 | 0 | 0 |
| **FERS** | | | | | | | | | | | | | | | | | | | | | | | |
| **Anniversary 10/** | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 |
| **Total** | 14,511 | 15,523 | 16,478 | 17,376 | 18,216 | 18,999 | 19,725 | 20,395 | 21,007 | 21,564 | 22,064 | 22,508 | 22,897 | 23,232 | 23,512 | 23,740 | 23,915 | 24,042 | 24,122 | 24,176 | 24,176 | 24,176 | 24,176 |
| **Allocation** | | | | | | | | | | | | | | | | | | | | | | | |
| **CSRS** | 0.065 | 0.059 | 0.055 | 0.051 | 0.047 | 0.042 | 0.038 | 0.033 | 0.029 | 0.025 | 0.021 | 0.017 | 0.014 | 0.011 | 0.008 | 0.005 | 0.003 | 0.002 | 0.001 | 0.000 | 0.000 | 0.000 | 0.000 |
| **FERS** | 0.186 | 0.202 | 0.220 | 0.238 | 0.255 | 0.271 | 0.288 | 0.304 | 0.321 | 0.338 | 0.355 | 0.372 | 0.389 | 0.406 | 0.424 | 0.442 | 0.460 | 0.479 | 0.498 | 0.517 | 0.537 | 0.558 | 0.558 |
| **Total** | 0.250 | 0.261 | 0.275 | 0.290 | 0.301 | 0.313 | 0.325 | 0.337 | 0.350 | 0.363 | 0.376 | 0.390 | 0.403 | 0.417 | 0.432 | 0.447 | 0.463 | 0.481 | 0.498 | 0.517 | 0.537 | 0.558 | 0.558 |
| **Total (composite burden)** | 0.250 | 0.261 | 0.275 | 0.290 | 0.301 | 0.313 | 0.325 | 0.337 | 0.350 | 0.363 | 0.376 | 0.390 | 0.403 | 0.417 | 0.432 | 0.447 | 0.463 | 0.481 | 0.498 | 0.517 | 0.537 | 0.558 | 0.558 |
| **Total (burden)** | 0.250 | 0.261 | 0.275 | 0.290 | 0.301 | 0.313 | 0.325 | 0.337 | 0.350 | 0.363 | 0.376 | 0.390 | 0.403 | 0.417 | 0.432 | 0.447 | 0.463 | 0.481 | 0.498 | 0.517 | 0.537 | 0.558 | 0.558 |
| **Total (total pay and burden)** | 1.270 | 1.281 | 1.295 | 1.310 | 1.321 | 1.333 | 1.345 | 1.357 | 1.370 | 1.383 | 1.396 | 1.410 | 1.423 | 1.437 | 1.452 | 1.467 | 1.483 | 1.501 | 1.518 | 1.537 | 1.557 | 1.578 | 1.578 |
| **Raise 11/** | | | | | | | | | | | | | | | | | | | | | | | |
| **Applicable to Then-year Base** | | | | | | | | | | | | | | | | | | | | | | | |
| **Gross** | 0.041 | 0.041 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 |
| **Absorption 12/** | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| **Net** | 0.041 | 0.041 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 |
| **Applicable to PY-1 Base** | | | | | | | | | | | | | | | | | | | | | | | |
| **Pay** | 0.041 | 0.041 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 |
| **Burden** | 0.044 | 0.043 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.016 | 0.015 |
| **Base** | 0.042 | 0.041 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 | 0.015 |
| **Updating Factor 13/** | 0.057 | 0.050 | 0.026 | 0.026 | 0.024 | 0.024 | 0.024 | 0.024 | 0.025 | 0.024 | 0.025 | 0.025 | 0.025 | 0.025 | 0.025 | 0.026 | 0.026 | 0.027 | 0.027 | 0.027 | 0.028 | 0.029 | 0.015 |
| **Class 2** | | | | | | | | | | | | | | | | | | | | | | | |
| **Inflation** | 0.016 | 0.012 | 0.013 | 0.015 | 0.017 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 |
| **Absorption 12/** | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| **Updating Factor 14/** | 0.016 | 0.012 | 0.013 | 0.015 | 0.017 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 |

**Table 1**

**FY06 PROGRAM**
**COST ESTIMATE UPDATING**
**RATES**

| COST ITEM 1/ | | CY/FY 03 | 04 | 05 | 06 | 07 | 08 | 09 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | ECONOMIC ASSUMPTIONS 2/ | | | | | | | | | | | | | | | | | | | | | | |
| | | SIMPLE 15/ | | | | COMPOUND 16/ | | | | | | | | | | | | | | | | | | |
| **Class 1** | | 1.050 | 1.056 | 1.052 | 1.032 | 1.059 | 1.085 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.455 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **Oct** | | 1.044 | 1.052 | 1.057 | 1.050 | 1.059 | 1.087 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.418 | 1.455 | 1.494 | 1.535 | 1.576 | 1.620 | 1.666 |
| **Nov** | | 1.044 | 1.052 | 1.057 | 1.050 | 1.059 | 1.087 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.418 | 1.455 | 1.494 | 1.535 | 1.576 | 1.620 | 1.666 |
| **Dec** | | 1.044 | 1.052 | 1.057 | 1.050 | 1.059 | 1.087 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.418 | 1.455 | 1.494 | 1.535 | 1.576 | 1.620 | 1.666 |
| **Jan** | | 1.052 | 1.057 | 1.050 | 1.026 | 1.059 | 1.084 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.456 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **Feb** | | 1.052 | 1.057 | 1.050 | 1.026 | 1.059 | 1.084 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.456 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **Mar** | **17/** | 1.052 | 1.057 | 1.050 | 1.026 | 1.059 | 1.084 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.456 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **Apr** | | 1.052 | 1.057 | 1.050 | 1.026 | 1.059 | 1.084 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.456 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **May** | | 1.052 | 1.057 | 1.050 | 1.026 | 1.059 | 1.084 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.456 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **Jun** | | 1.052 | 1.057 | 1.050 | 1.026 | 1.059 | 1.084 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.456 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **Jul** | | 1.052 | 1.057 | 1.050 | 1.026 | 1.059 | 1.084 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.456 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **Aug** | | 1.052 | 1.057 | 1.050 | 1.026 | 1.059 | 1.084 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.456 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **Sep** | | 1.052 | 1.057 | 1.050 | 1.026 | 1.059 | 1.084 | 1.111 | 1.138 | 1.166 | 1.194 | 1.223 | 1.253 | 1.284 | 1.316 | 1.349 | 1.383 | 1.419 | 1.456 | 1.495 | 1.535 | 1.577 | 1.621 | 1.667 |
| **Class 2** | | 1.015 | 1.016 | 1.012 | 1.013 | 1.028 | 1.046 | 1.067 | 1.088 | 1.110 | 1.132 | 1.155 | 1.178 | 1.201 | 1.225 | 1.250 | 1.275 | 1.300 | 1.326 | 1.353 | 1.380 | 1.407 | 1.435 | 1.464 |
| **Oct** | | 1.001 | 1.001 | 1.001 | 1.001 | 1.030 | 1.047 | 1.068 | 1.090 | 1.112 | 1.134 | 1.156 | 1.180 | 1.203 | 1.227 | 1.252 | 1.277 | 1.302 | 1.328 | 1.355 | 1.382 | 1.410 | 1.438 | 1.467 |
| **Nov** | | 1.003 | 1.002 | 1.002 | 1.003 | 1.031 | 1.049 | 1.070 | 1.092 | 1.113 | 1.136 | 1.158 | 1.182 | 1.205 | 1.229 | 1.254 | 1.279 | 1.304 | 1.331 | 1.357 | 1.384 | 1.412 | 1.440 | 1.469 |
| **Dec** | | 1.004 | 1.003 | 1.003 | 1.004 | 1.033 | 1.051 | 1.072 | 1.093 | 1.115 | 1.138 | 1.160 | 1.183 | 1.207 | 1.231 | 1.256 | 1.281 | 1.307 | 1.333 | 1.359 | 1.387 | 1.414 | 1.443 | 1.472 |
| **Jan** | | 1.005 | 1.004 | 1.004 | 1.005 | 1.034 | 1.053 | 1.074 | 1.095 | 1.117 | 1.139 | 1.162 | 1.185 | 1.209 | 1.233 | 1.258 | 1.283 | 1.309 | 1.335 | 1.362 | 1.389 | 1.417 | 1.445 | 1.474 |
| **Feb** | | 1.007 | 1.005 | 1.005 | 1.006 | 1.035 | 1.054 | 1.075 | 1.097 | 1.119 | 1.141 | 1.164 | 1.187 | 1.211 | 1.235 | 1.260 | 1.285 | 1.311 | 1.337 | 1.364 | 1.391 | 1.419 | 1.447 | 1.476 |
| **Mar** | **17/** | 1.008 | 1.006 | 1.007 | 1.008 | 1.037 | 1.056 | 1.077 | 1.099 | 1.121 | 1.143 | 1.166 | 1.189 | 1.213 | 1.237 | 1.262 | 1.287 | 1.313 | 1.339 | 1.366 | 1.394 | 1.421 | 1.450 | 1.479 |
| **Apr** | | 1.009 | 1.007 | 1.008 | 1.009 | 1.038 | 1.058 | 1.079 | 1.101 | 1.123 | 1.145 | 1.168 | 1.191 | 1.215 | 1.239 | 1.264 | 1.290 | 1.315 | 1.342 | 1.368 | 1.396 | 1.424 | 1.452 | 1.481 |
| **May** | | 1.011 | 1.008 | 1.009 | 1.010 | 1.040 | 1.060 | 1.081 | 1.102 | 1.124 | 1.147 | 1.170 | 1.193 | 1.217 | 1.242 | 1.266 | 1.292 | 1.318 | 1.344 | 1.371 | 1.398 | 1.426 | 1.455 | 1.484 |
| **Jun** | | 1.012 | 1.009 | 1.010 | 1.011 | 1.041 | 1.061 | 1.083 | 1.104 | 1.126 | 1.149 | 1.172 | 1.195 | 1.219 | 1.244 | 1.268 | 1.294 | 1.320 | 1.346 | 1.373 | 1.400 | 1.428 | 1.457 | 1.486 |
| **Jul** | | 1.013 | 1.010 | 1.011 | 1.013 | 1.043 | 1.063 | 1.084 | 1.106 | 1.128 | 1.151 | 1.174 | 1.197 | 1.221 | 1.246 | 1.271 | 1.296 | 1.322 | 1.348 | 1.375 | 1.403 | 1.431 | 1.459 | 1.489 |
| **Aug** | | 1.015 | 1.011 | 1.012 | 1.014 | 1.044 | 1.065 | 1.086 | 1.108 | 1.130 | 1.153 | 1.176 | 1.199 | 1.223 | 1.248 | 1.273 | 1.298 | 1.324 | 1.350 | 1.377 | 1.405 | 1.433 | 1.462 | 1.491 |
| **Sep** | | 1.016 | 1.012 | 1.013 | 1.015 | 1.046 | 1.067 | 1.088 | 1.110 | 1.132 | 1.155 | 1.178 | 1.201 | 1.225 | 1.250 | 1.275 | 1.300 | 1.326 | 1.353 | 1.380 | 1.407 | 1.435 | 1.464 | 1.493 |

1/ Class 1 or Class 2. Class 1 includes "permanent" hired labor items (including pay and benefits). Class 2 includes all other items, including "temporary" hired labor and nonfederal labor.
2/ Class 1 "raise" rates are effective for calendar year; Class 2 "inflation" rates are effective for fiscal year.
3/ Generally, fraction of total pay contributed by the government for benefits. Based on fractions of force participating in CSRS (Civil Service Retirement System) and FERS (Federal Employee Retirement System), and permanent force turnover rate.
4/ Not based on pay, however, expressed as fraction of "regular" pay.
5/ Based on "total" instead of "regular" pay; rates reflect adjustment for this.
6/ Only partially based on pay, however, expressed as fraction of "regular" pay.
7/ Manpower in fulltime equivalent employment years (FTEs).
8/ Fraction of permanent manpower lost, annually.
9/ Fraction of permanent manpower shifted (turned over) from CSRS to FERS coverage, annually.
10/ Number of FERS anniversary. (All federal permanent employees first hired after 1983 have been covered by FERS, created by Congress to bring federal workers under the Social Security System, beginning in 1984.)
11/ Applies to all permanent civilian workers, including SES, GM, GS, and Wage Board employees.
12/ Fraction of raise to be absorbed (not realized).
13/ Used in amounts of 1/4 for initial calendar year (CY) and 3/4 for final CY for any fiscal year (FY) of any period in calculating "Compound Rate" for final FY of the period. For example, in calculating the Class 1 compound rate for FY07, use rates for FY04, FY05, and FY06 as follows:

[1 + (1/4)(CY04 rate) + (3/4)(CY05 rate)][1 + (1/4)(CY05 rate) + (3/4)(CY06 rate)] = [1 + (1/4)(0.050) + (3/4)(0.026)][1 + (1/4)(.026) + (3/4)(.026)] = 1.059

14/ Used for any FY of any period in calculating "Compound Rate" for final FY of the period. For example, in calculating the Class 2 compound rate for FY07, use rates for FY05 and FY06 as follows:

(1 + FY05 rate)(1 + FY06 rate) = (1 + .013)(1 +.015) = 1.028

15/ Use FY05 annual rates to update estimates based on 1 Oct 03 prices to get estimates based on 1 Oct 04 prices. Use monthly rates in accordance with Footnote 17. (See first two points of Algorithm, and Example 1.)
16/ Use annual rates to update estimates based on 1 Oct 04 prices to get estimates based on 1 Oct prices for year of interest. Use monthly rates in accordance with Footnote 17. (See last two points of Algorithm, and Example 2 and 3.) Determine the rate for years beyond FY25 by multiplying the FY25 rate by: (1 + (FY25 rate - FY24 rate)/(FY24 rate))"n"th power, "n" being the integral number of years that the year of interest is greater than FY25. For example, determine the Class 1 rate for FY29 by evaluating:

[1.667][(1 + (1.667 - 1.621)/(1.621))4th power] = 1.864

Determine the Class 2 rate by evaluating:

[1.464][(1 + (1.464 - 1.435)/(1.435))4th power] =1.586

17/ Class 1 monthly rates are nonapplicable individually. They are included only to show month-wise parts of annual updating factors, reflecting annual start-of-calendar-year raises applicable for the full year. Do not use them to update estimates. On the other hand, Class 2 monthly rates are applicable individually. They reflect continually accruing inflation over the full year of interest. Use these rates for FY06 and beyond, to update estimates based on 1 Oct 04 prices to get estimates based on end-of-month prices for any month of interest. For improved accuracy, interpolate proportionally between successive rates.

**Table 1**

**FY06 PROGRAM**
**COST ESTIMATE UPDATING**
**RATES**

---

**Algorithm:**

- o Update "work/workload." For each program/project/activity (PPA), revise the work/workload, as necessary, to best reflect reality.
- o Complete "base year cost estimates." For each PPA, given revised work/workload, inflate the cost estimate based on 1 Oct 03 prices to get the cost estimate based on 1 Oct 04 prices, by use of simple rates.
- o Update "execution schedules." For each PPA, revise the execution schedule to best reflect reality, spreading the cost estimate based on 1 Oct 04 prices accordingly.
- o Complete "full-inflation cost estimates." For each PPA, inflate the cost estimate based on 1 Oct 04 prices, as spread by the execution schedule, by use of compound rates.

**Examples:** (Methods shown provide minimum acceptable accuracy. Refinements in these, theoretically providing greater accuracy, are permissible. Monthly rates of each class are provided to accommodate such refinement .)

1. Estimate "base year cost estimate" for a Class 1 item with a 1 Oct 03 cost of $1M by evaluating:

   ($1M in 1 Oct 03 prices)(FY05 rate) = ($1M)(1.052) = $1.052M.

2. Estimate the remaining "full-inflation cost estimate" for a Class 1 item with scheduled multi-year cost, in base year prices, of $100K, monthly, from 1 Oct 04 through 30 Jun 07 by evaluating:

   ($1.2M in 1 Oct 04 prices) + ($1.2M in 1 Oct 04 prices)(FY06 rate) + ($0.9M in 1 Oct 04 prices)(FY07 rate) = ($1.2M) + ($1.2M)(1.032) + ($0.9M)(1.059) = $3.392M

3. Estimate the "full-inflation cost estimate" for a Class 2 item with scheduled multi-year costs, in base year prices, of $10M, from 23 Apr 12 through 26 Sep 14 by evaluating:

   - contract period midpoint FY (FY in which midpoint of contract falls):

     contract period = 23 Apr 12 through 26 Sep 14 = 2 years, 5 months, 3 days = 2.43 years;
     period from start to midpoint of contract period = 2.43 years / 2 = 1.22 years;
     date of midpoint of contract period = 23 Apr 12 + 1.22 years = 12 Jul 13;
     midpoint FY = 13.

   - "full-inflation cost estimate" (reflecting inflation to start of midpoint FY):

     ($10M in 1 Oct 04 prices)(FY13 rate) = $10M(1.155) = $11.550M.

   - "full-inflation cost estimate" (reflecting inflation to start of midpoint month of midpoint year):

     ($10M in 1 Oct 04 prices)(June FY13 rate) = $10M(1.172) = $11.720M. (Note that June FY13 rate carries through to end of June FY13 - start of July FY13)

ILLUSTRATION 2

DATE:_____

CERTIFICATION OF COMPLIANCE WITH SECTION 3(D) OF EXECUTIVE ORDER 12906

and SECTION 7.g(4) of ER 1110-1-8156

I hereby certify that the PY program for the _____ (district, division, or laboratory name) Civil Works Program does not include an implicit or explicit request for funds to collect, produce, or acquire Geospacial data that is available through the National Geospacial Data Clearinghouse and that all possible data collection partnerships identified through the Clearinghouse were investigated. The _____ (district, division, or laboratory name) has also contributed metadata to the National Geospacial Data Clearinghouse in accordance with ER 1110-1-8156.

Colonel, Corps of Engineers

Commanding

FOR ILLUSTRATIVE PURPOSES ONLY

(TO BE TYPED AS NECESSARY)

ILLUSTRATION 3 A

DATE: _____

CERTIFICATION OF COMPLIANCE WITH COASTAL BARRIER RESOURCES ACT

I hereby certify that the PY program for the _____ (district name) District Civil Works Program does not include a request for funds which would result in any new federal expenditures or financial assistance prohibited by the Coastal Barrier Resources Act (PL 97-348), as amended by the Coastal Barrier Improvement Act of 1990 (PL 101-591).

Colonel, Corps of Engineers

Commanding

FOR ILLUSTRATION PURPOSES ONLY

(TO BE TYPED AS NECESSARY)

ILLUSTRATION 3 B

DATE: _____

CERTIFICATION OF COMPLIANCE WITH COASTAL BARRIER RESOURCES ACT

I hereby certify that no Civil Works Program funds were obligated in PY-2 by the _____ (district name) District for any new federal expenditures or financial assistance prohibited by the Coastal Barrier Resources Act (PL 97-348), as amended by the Coastal Barrier Improvement Act of 1990 (PL 101-591).

Colonel, Corps of Engineers

Commanding

FOR ILLUSTRATION PURPOSES ONLY

(TO BE TYPED AS NECESSARY)

ILLUSTRATION 4
MANAGEMENT CONTROL EVALUATION CHECKLIST

**FUNCTION.** The function covered by this checklist is Civil Works Program Development.

**PURPOSE.** The purpose of this checklist is to assist programs management organizations in USACE major subordinate commands (MSC) and districts in evaluating key management controls in development of their annual program requests. It is not intended to cover all controls.

**INSTRUCTIONS.** Become thoroughly familiar with the contents of the Program EC and read paragraph 12 before completing the checklist.

**TEST QUESTIONS:**

1. Are funding schedules continuously reviewed and adjusted to reflect Congressional actions, the local sponsors' financial capability, and project progress?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

2. Does development of the multi-year programs follow the guidance included in the applicable appendices of the Program EC?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

3. Are alternative multi-year program proposals fully documented?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

4. Is the multi-year Capability program independent of the other programs, yet consistent with Army policy and approved project cooperation agreements?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

5. Have the "Class 1" rates of Table 1, "PY Program, Cost Estimate Updating," been applied to the pay-related costs for civilian employees?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

6. Have the "Class 2" rates of Table 1, "PY Program, Cost Estimate Updating," been used to update costs for consultants and AEs used in the various preconstruction planning and construction stages of work?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

ILLUSTRATION 4 (Continued)
MANAGEMENT CONTROL EVALUATION CHECKLIST

7. Have the "Class 1" and “Class 2" rates of Table 1, “PY Program, Cost Estimate Updating,” been used for the period PY-1 through PY+19 for all activities?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

8. Has the procedure in Footnote 8 of Table 1, “PY Program, Cost Estimate Updating,” been used to determine rates for use in updating cost estimates beyond PY+19?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

9. Are the appropriate discount rates being used to compute the benefit-cost ratios of projects?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

10. Is the fiscal year of the approval date of the current economic analysis:

a. for new and continuing PED, not more than three years older than the fiscal year of the submission date of the program request to HQUSACE?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

b. for new construction starts, not more than three years older than the fiscal year of the assumed program decision date by the Administration and Congress?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

11. Were benefit-cost ratio computations based on benefits in the latest approved economic analyses and current project costs deflated to the price levels of such benefits?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

12. Are new start recommendations justified based on NED benefits, or responsive to restoration and protection of environmental resources, including fish and wildlife habitat, i. e., inland and coastal wetlands, other aquatic and riparian habitat?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

ILLUSTRATION 4 (Continued)
MANAGEMENT CONTROL EVALUATION CHECKLIST

13. Do recommended new construction starts have firm M-CACES baseline cost estimates?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

14. Have new start recommendations been screened according to the criteria established in the Program EC?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

15. Are data in the Construction, General, and General Investigations illustrations compatible, showing that:

a. construction capability is shown for the fiscal year following PED completion?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

b. project cost estimates are identical?

**Response:** YES_____ NO_____ NA_____
**Remarks:**

[NOTE: Help make this a better tool for evaluating management controls. Submit suggestions for improvement to HQUSACE (CECW-BD), Washington, D. C. 20314-1000.]

ILLUSTRATION 5

DATE:_____

CERTIFICATION OF USE OF MANAGEMENT CONTROL EVALUATION CHECKLIST

I hereby certify that the PY _____ (major subordinate command name) Division Civil Works Program was developed making full use of the Management Control Evaluation Checklist.

Director of Programs Management

FOR ILLUSTRATION PURPOSES ONLY

(TO BE TYPED AS NECESSARY)

**TABLE 2**
**SUMMARY OF SUBMISSION REQUIREMENTS**
**FY 2006 BUDGET**

| EC PART | SUBMISSION | | | | | | |
|---|---|---|---|---|---|---|---|
| | ITEM | RECIPIENT 1/ | INPUT MEANS | | | COPIES 2/ | DUE DATE 3/ |
| | | | ADP DATA BASE | E-MAIL/ FTP | HARD COPY | | |
| **MAIN PART** | | | | | | | |
| **MAIN** | Final MSC rankings (PRISM) | | X | | | | 9 Jul |
| | Balance-to-Complete Report (PRISM/PBS) | CECW-ID | X | | | NA | 31 Dec |
| | Illustration 2, Certification of Compliance with Section 3(D) of Executive Order 12906 | CECW-ID | | | X | 1 | 15 Aug |
| | Illustration 3A, Certification of Compliance with Coastal Barrier Resources Act (Program Request) | CECW-ID | | | X | 1 | 15 Aug |
| | Illustration 3B, Certification of Compliance with Coastal Barrier Resources Act (Past Fiscal Year) | CECW-ID | | | X | 1 | 15 Oct |
| | Illustration 5, Certification of Use of Management Control Evaluation Checklist | CECW-ID | | | X | 1 | 9 Jul |
| **GENERAL INVESTIGATIONS** | | | | | | | |
| **A-2** | Illustration A-2.1, Reconnaissance Phase Study, Justification Statement<br>New<br>Initial<br>Revised<br>Congressional<br>Continuing<br>Initial<br>Revised<br>Congressional | RIT | | <br><br><br>4/<br>4/<br>5/<br><br>4/<br>4/<br>5/ | | 1 | <br><br><br>9 Jul<br>6/<br>6/<br><br>6/<br>6/<br>6/ |
| | Illustration A-2.2, Cost-shared Feasibility Study, Justification Statement<br>New<br>Initial<br>Revised<br>Congressional<br>Continuing<br>Initial<br>Revised<br>Congressional | RIT | | <br><br><br>4/<br>4/<br>5/<br><br>4/<br>4/<br>5/ | | 1 | <br><br><br>9 Jul<br>6/<br>6/<br><br>23 Jul<br>6/<br>6/ |

**TABLE 2**
**SUMMARY OF SUBMISSION REQUIREMENTS**
**FY 2006 BUDGET**
**(Continued)**

| EC PART | SUBMISSION | | | | | | |
|---|---|---|---|---|---|---|---|
| | ITEM | RECIPIENT 1/ | INPUT MEANS | | | COPIES 2/ | DUE DATE 3/ |
| | | | ADP DATA BASE | E-MAIL/ FTP | HARD COPY | | |
| **GENERAL INVESTIGATIONS (Continued)** | | | | | | | |
| | Illustration A-2.3, Full Federal Expense Feasibility Study, Justification Statement<br>New<br>Initial<br>Revised<br>Congressional<br>Continuing<br>Initial<br>Revised<br>Congressional | RIT | | <br><br>4/<br>4/<br>5/<br><br>4/<br>4/<br>5/ | | 1 | <br><br>9 Jul<br>6/<br>6/<br><br>23 Jul<br>6/<br>6/ |
| | Illustration A-2.4, Preconstruction Engineering and Design, Justification Statement<br>New<br>Initial<br>Revised<br>Congressional<br>Continuing<br>Initial<br>Revised<br>Congressional | RIT | | <br><br>4/<br>4/<br>5/<br><br>4/<br>4/<br>5/ | | 1 | <br><br>9 Jul<br>6/<br>6/<br><br>23 Jul<br>6/<br>6/ |
| | Illustration A-2.5, Data Summary Table (Initial Level) | NA | X | | | NA | 30 Jul |
| | Extension of PED Funding | CECW-IP | | 4/ | | 1 | 30 Jul |
| | | | | | | | |
| **A-3** | Illustration A-3.1, District Breakdown | CECW-IP | | 4/ | | 1 | 6 Aug |
| | Illustration A-3.2, Special Investigations - Work Accomplished | CECW-IP | | 4/ | | 1 | 6 Aug |
| | Illustration A-3.3, Planning Assistance to States - Priority Listing | CECW-IP | | 4/ | | 1 | 6 Aug |
| | Illustration A-3.4, International Water Studies | CECW-IP | | 4/ | | 1 | 6 Aug |

**TABLE 2**
**SUMMARY OF SUBMISSION REQUIREMENTS**
**FY 2006 BUDGET**
**(Continued)**

| EC PART | SUBMISSION | | | | | | |
|---|---|---|---|---|---|---|---|
| | ITEM | RECIPIENT 1/ | INPUT MEANS | | | COPIES 2/ | DUE DATE 3/ |
| | | | ADP DATA BASE | E-MAIL/ FTP | HARD COPY | | |
| **GENERAL INVESTIGATIONS (Continued)** | | | | | | | |
| | Illustration A-3.5, Floodplain Management Services | CECW-IP | | 4/ | | 1 | 6 Aug |
| **CONSTRUCTION, GENERAL** | | | | | | | |
| **B-2** | Baseline Level PB-2a | NA | X | | | NA | 9 Jul |
| | Environmental Information for Environmental Program Database | NA | X | | | NA | 9 Jul |
| | Illustration B-2.1, Project Data Summary | NA | X | | | NA | 9 Jul |
| | Illustration B-2.2A, Federal (Corps) Funding Requirements Summary | NA | X | | | NA | 9 Jul |
| | Illustration B-2.2B, Inland Waterways Trust Fund Requirements Summary | NA | X | | | NA | 9 Jul |
| | Illustration B-2.2C, Other Federal Agency Funding Summary | NA | X | | | NA | 9 Jul |
| | Illustration B-2.2D, Non-federal Cash Contributions and Other Costs Summary | NA | X | | | NA | 9 Jul |
| | Illustration B-2.2E, Harbor Maintenance Trust Fund Requirements Summary | NA | X | | | NA | 9 Jul |
| | Illustration B-2.3, Completions Summary – Construction | NA | X | | | NA | 9 Jul |
| | Illustration B-2.4, PY Justification Statement<br>New<br>Initial<br>Revised<br>Congressional<br>Continuing<br>Initial<br>Revised<br>Congressional | RIT | | <br><br>4/<br>4/<br>5/<br><br>4/<br>4/<br>5/ | | 1 | <br><br>9 Jul<br>6/<br>6/<br><br>6/<br>6/<br>6/ |

**TABLE 2**
**SUMMARY OF SUBMISSION REQUIREMENTS**
**FY** 2006 **BUDGET**
**(Continued)**

| EC PART | SUBMISSION | | | | | | |
|---|---|---|---|---|---|---|---|
| | ITEM | RECIPIENT 1/ | INPUT MEANS | | | COPIES 2/ | DUE DATE 3/ |
| | | | ADP DATA BASE | E-MAIL/ FTP | HARD COPY | | |
| **CONSTRUCTION, GENERAL (Continued)** | | | | | | | |
| | Illustration B-2.6, PY Proposed New Major Rehabilitation and Other New Work Summary | RIT | | 4/ | | 1 | 9 Jul |
| | Illustration B-2.7, Construction Eligibility Checklist | RIT | | 4/ | | 1 | 9 Jul |
| | Feasibility Report, EDR, LRR or GRR | RIT | | | X | 3 | 6/ |
| | Maps for Regular Construction, Reimbursement, Resumption, Major Rehabilitation, Dam Safety Assurance, Deficiency Correction, Reconstruction, Dredged Material Disposal Facilities, and Unstarted Projects, and Unstarted Separable Elements<br>New<br>Initial<br>Revised<br>Congressional<br>Continuing<br>Initial<br>Revised<br>Congressional | RIT | | 5/ | | 1 | <br><br><br><br>9 Jul<br>6/<br>6/<br><br>6/<br>6/<br>6/ |
| | Reconnaissance Report for New Deficiency Correction, Reconstruction, Dam Safety Assurance, and Dredged Material Disposal Facilities Projects | RIT | | | X | 3 | 9 Jul |
| | Evaluation Report for New Major Rehabilitation Projects | RIT | | | X | 3 | 9 Jul |
| | EDR or Reevaluation Report for Resumptions, Unstarted Projects, and Unstarted Separable Elements | RIT | | | X | 3 | 9 Jul |

**TABLE 2**
**SUMMARY OF SUBMISSION REQUIREMENTS**
**FY 2006 BUDGET**
**(Continued)**

| EC PART | SUBMISSION | | | | | | |
|---|---|---|---|---|---|---|---|
| | ITEM | RECIPIENT 1/ | INPUT MEANS | | | COPIES 2/ | DUE DATE 3/ |
| | | | ADP DATA BASE | E-MAIL/ FTP | HARD COPY | | |
| **CONSTRUCTION, GENERAL (Continued)** | | | | | | | |
| | Approved M-CACES baseline cost estimate (summary sheets) for New Start Regular Construction, Reimbursement, Resumption, Major Rehabilitation, Deficiency Correction, Reconstruction, and Unstarted Projects, and Unstarted Separable Elements | RIT | | 4/ | | 1 | 9 Jul |
| | | | | | | | |
| **B-3** | Continuing Authorities Program | NA | | | | 1 | 6/ |
| | | | | | | | |
| **B-4** | Illustration B-4 | CECW-IP | | | X | 1 | 9 Jul |
| **OPERATION AND MAINTENANCE, GENERAL** | | | | | | | |
| **C-2** | MSC uploading of ABS Division Program and Budget request (DVBUD) | NA | X | | | NA | 9 Jul |
| | Baseline Level PB-2a for O&M-Funded Major Rehabilitation Projects | RIT | | | | 1 | 9 Jul |
| | Evaluation Report for Major Rehabilitation Projects | RIT | | | X | 3 | 9 Jul |
| | Illustration B-2.4, PY Justification Sheet for O&M-Funded Major Rehabilitation Projects | RIT | | 5/ | | NA | 9 Jul |
| | Illustration C-2.1, Supplemental Justification - Major Maintenance | RIT | | X | | 1 | 9 Jul |
| | Illustration C-2-2, Dredged Material Management Plans | RIT | | X | | 1 | 9 Jul |

**TABLE 2**
**SUMMARY OF SUBMISSION REQUIREMENTS**
**FY 2006 BUDGET**
**(Continued)**

| EC PART | SUBMISSION | | | | | | |
|---|---|---|---|---|---|---|---|
| | ITEM | RECIPIENT 1/ | INPUT MEANS | | | COPIES 2/ | DUE DATE 3/ |
| | | | ADP DATA BASE | E-MAIL/ FTP | HARD COPY | | |
| **OPERATION AND MAINTENANCE, GENERAL (Continued)** | | | | | | | |
| | Illustration C-2.5, Justification of Estimate (Congressional Submission) | RIT | | 5/ | | 1 | 6/ |
| | | | | | | | |
| **C-3** | Illustration C-3.1, National Emergency Preparedness - Recommended Program | CECW-HS | | X | | 1 | 9 Jul |
| | Illustration C-3.2, National Emergency Preparedness - Recommended Program Supporting Data | CECW-HS | | X | | 1 | 9 Jul |
| | | | | | | | |
| **C-4** | Illustration C-4.1, Supplemental Information Sheet for Recreation Facilities at Completed Projects | CECW-CO | | X | | 1 | 9 Jul |
| **FLOOD CONTROL AND COASTAL EMERGENCIES** | | | | | | | |
| **I** | Illustration D-1, Program Request, Flood Control & Coastal Emergencies | CECW-HS | | X | | 1 | 9 Jul |
| | Illustration D-2, Supporting Data | CECW-HS | | X | | 1 | 9 Jul |
| | Illustration D-3, Emergency Management Program Data Sheet | CECW-HS | | X | | 1 | 9 Jul |
| **GENERAL EXPENSES** | | | | | | | |
| **D-2** | Illustration D-2.1, Appropriation Summary Justification | CECW-IN | | X | | 1 | 9 Jul |
| | Illustration D-2.2, Personnel Summary Justification | CECW-IN | | X | | 1 | 9 Jul |

**TABLE 2**
**SUMMARY OF SUBMISSION REQUIREMENTS**
**FY 2006 BUDGET**
**(Continued)**

| EC PART | SUBMISSION | | | | | | |
|---|---|---|---|---|---|---|---|
| | ITEM | RECIPIENT 1/ | INPUT MEANS | | | COPIES 2/ | DUE DATE 3/ |
| | | | ADP DATA BASE | E-MAIL/ FTP | HARD COPY | | |
| **REGULATORY PROGRAM** | | | | | | | |
| **VII** | Regulatory Program | CECW-CO | | X | | 1 | 9 Jul |
| | MSC uploading of ABS Division Program and Budget request (DVBUD) | NA | X | | | NA | 9 Jul |
| **REVOLVING FUND PLANT REPLACEMENT AND IMPROVEMENT PROGRAM** | | | | | | | |
| **E** | PRIP - Minor Items Request | CECW-IN | | X | X | 2 | 9 Jul |
| | New Major Items | CECW-IN | | X | X | 3 | 9 Jul |
| | Update of Continuing Major Items | CECW-IN | | X | X | 2 | 9 Jul |
| | Five-year PRIP<br>Initial<br>Midyear (FFY only)<br>Updates | CECW-IN | | X | X | 2 | 31 Jul<br>15 Apr<br>6/ |
| | Current Year Obligation Plan<br>Initial<br>Midyear<br>Updates | CECW-IN | | X | X | 2 | 1Nov<br>6/<br>15 Apr |
| | Category Transfer Report | CECW-IN | | X | X | 2 | 15 Jan<br>15 Apr<br>15 Jul<br>15 Sep |
| **AUTOMATION PROGRAM** | | | | | | | |
| **F** | Information Technology Investment Portfolio System (ITIPS) | NA | X | | | NA | 31 Jan |
| | Three-year PRIP (initial) | CECW-IN | | X | | 1 | 31Jul |

**TABLE 2**
**SUMMARY OF SUBMISSION REQUIREMENTS**
**FY** 2006 **BUDGET**
**(Continued)**

| EC PART | SUBMISSION | | | | | | |
|---|---|---|---|---|---|---|---|
| | ITEM | RECIPIENT 1/ | INPUT MEANS | | | COPIES 2/ | DUE DATE 3/ |
| | | | ADP DATA BASE | E-MAIL/ FTP | HARD COPY | | |
| **FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM (FUSRAP)** | | | | | | | |
| II | Illustration I-1.1, Formerly Utilized Sites Remedial Action Program, Justification Statement,<br>Initial<br>Revised<br>Congressional | CECW-IP | <br>4/<br>4/<br>5/ | | | 1 | <br>6/<br>6/<br>15 Dec |
| | Illustration I-1.3, Alternative Outyear Programs | CECW-IP | ~~X~~ | X | | NA | 9 Jul |

| **FOOTNOTES:** | |
|---|---|
| 1/ | All hardcopy submissions will be sent to the recipient shown, WASH, DC 20314-1000. |
| 2/ | Including original. |
| 3/ | If date shown falls on a weekend or holiday, the date of the next workday becomes the due date. |
| 4/ | Microsoft files. |
| 5/ | Adobe Acrobat files. |
| 6/ | As will be specified if and when item is requested. |

# ANNEX I
# EMERGENCY MANAGEMENT
# TABLE OF CONTENTS

| | Paragraph | Page |
|---|---|---|
| Background | I-1 | I-1 |
| Program Purpose | I-2 | I-1 |
| Program Objectives | I-3 | I-1 |
| FCCE Program Performance Measures | I-4 | I-2 |
| Program Budget Screening Criteria | I-5 | I-3 |
| Program Rating And Ranking Criteria for FY 06 Budget Development | I-6 | I-3 |
| Special Considerations or Special Rating Criteria | I-7 | I-3 |

| TABLES | Table | Page |
|---|---|---|
| Strategic Plan Objectives and Performance Measures | I-1 | I-1 |
| Flood Control & Coastal Emergencies Performance Measures & Criteria | I-2 | I-2 |

# ANNEX I
# EMERGENCY MANAGEMENT
# BUSINESS LINE

**I-1. Background.** The Flood Control and Coastal Emergencies (FCCE) program was established in 1955 by Public Law 84-99, as amended (33 USC 701n).

**I-2. Program Purpose.** The Corps FCCE Program purpose is to provide for Disaster Preparedness to include preparedness activities under Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), Emergency Operations, Rehabilitation of Flood Control Works damaged or destroyed by floods and the rehabilitation of Federally authorized and constructed Hurricane/Shore Protection Projects (HSPP) damaged or destroyed by wind, wave or water action of an other than ordinary nature, provision of Emergency Water, Advance Measures to prevent or reduce flood damage when there is an imminent threat of unusual flooding and participation in the Hazard Mitigation program.

**I-3. Program Objectives.** Table I-1 immediately below displays the FCCE Program Objectives and Performance Measures published in the March 2004 Civil Works Strategic Plan. The CW Strategic Plan was developed with an explicit assumption of an unconstrained resource environment to encourage an unconstrained assessment of the nation's water resources needs and potential Corps response. Preparation of the FY 06 Budget Request requires the recognition of a constrained budget environment and the ongoing effort to evolve better budget linked performance measures. Table I-2 displays the program performance measures and performance ranking and rating criteria which support and/or supplement Table I-1 program objectives and performance measures to reflect the near term realities of a constrained FY 06 budget environment.

**TABLE I-1**
**Strategic Plan Objectives and Performance Measures**

| Program Objectives | Performance Measures |
|---|---|
| 1. Attain and maintain a high, consistent state of preparedness. | – Planning Response Team Readiness index<br>– PL84-99 Response Team Readiness index<br>– Percent of scheduled inspections performed for all non-Federal Flood Control Works in RIP, as required by ER 500-1-1 |
| 2. Provide a rapid, effective, efficient all-hazards response. | – Percent of time solutions are developed and implemented (either repaired to pre-flood conditions or possible non-structural alternative) prior to next flood season |
| 3. Ensure effective and efficient long-term recovery operations. | – Percentage of Federal and non-Federal flood control works in the Rehabilitation and Inspection Program with a satisfactory condition rating |

**I-4. Program Performance Measures.**

1. The FCCE program is a well-established, multi-facetted program that encompasses disaster preparedness, response and recovery activities in support of federal, state and local stakeholders. Due to the emergency nature of this program, funding must be available for preparedness and response requirements. To achieve the FCCE goals, the following program budget objectives and rating criteria are established for the FY 2006 program. We have also established a system of ranking criteria that are more detailed than those in the Strategic Plan and will permit objective evaluation of expenditure of funds.

**TABLE I-2**
**Measures Rating Criteria**

| Program Measures | Measure Rating Criteria |
|---|---|
| Planning Response Team Readiness index. | This measure tracks the percent of the time that Planning Response Teams for a given mission area are in the Green state of readiness (trained, staffed, ready to deploy). |
| PL84-99 Response Team Readiness index. | This measure tracks the percent of the time that PL84-99 Response Teams are in the Green state of readiness at the beginning of flood/hurricane season (trained, fully staffed, ready to deploy). |
| FCW (Levees, floodwalls, etc.) inspections performed. | Percent of scheduled inspections performed for all non-Federal Flood Control Works in RIP, as required by ER 500-1-1. |
| Deployable Tactical Operations System (DTOS) Readiness Index | Measures the readiness status of the national deployable support equipment and teams. |
| Develop/maintain/exercise preparedness plans | Measures development/maintenance/exercising of contingency plans, SOPs, Guides, etc. IAW 1yr/5yr. MSC/District workplans (Flood/Hurricane/FRP (natural disasters), etc.) |
| Execution of the National Training, Exercise and Evaluation and Corrective Action | Measures the effective execution of the national (USACE-wide) readiness life cycle |
| Conditional rating of Federal and non-Federal flood control works | Tracks the condition of Federal and non-Federal FCW (approximately 3000) in the RIP. Provides an opportunity to judge program and expected project performance as the projects age and potentially deteriorate. Measurement reflects cumulative percent of projects with satisfactory rating (national database). |
| PRT Performance | Measures the performance of PRT mission/functional during response in support of FEMA/DHS under the FRP. |
| ESF #3 Cadre Performance | Measures the performance of ESF #3 TL/ATL during response in support of FEMA under the FRP. |
| Restoration of damaged FCW. | Percent of time solutions are developed and implemented (either repaired to pre-flood conditions or possible non-structural alternative) |

| | |
|---|---|
| | prior to the next flood season |

**I-5. Program Budget Screening Criteria.** Definition of desired performance targets developed with an understanding of past funding constraints and projected funding constraints. If funds are not sufficient to execute all program activities, the following criteria will be utilized to address deficiencies and prioritize the expenditure of available funds. (The following criteria is not intended to imply that all funding will necessarily be eliminated in a given category before moving to the next priority):

–Limit or eliminate training and exercises for response personnel
–Postpone the rehabilitation of damaged FCW
–Eliminate advance measures activities
–Limited emergency operations capability
–Reduce or eliminate funding for EM staff at all levels

**I-6. PROGRAM RATING AND RANKING CRITERIA FOR FY 06 BUDGET DEVELOPMENT**.

**INITIAL PROGRAM**. The FY2006 initial amount of $62M needed for Flood Control and Coastal Emergencies (FCCE) Program is the median annual expenditures during the period FY 87 to FY 03. The initial program will be used for preparedness to include planning, coordination, training and exercising with key local, state and other Federal stakeholders/partners under our own statutory authorities and in support of the Federal Emergency Management Agency (FEMA); training of USACE response personnel/teams; purchasing, stockpiling and maintenance of critical supplies and equipment; providing critical facilities support (Emergency Operations Centers and Deployable Tactical Operations Centers); emergency operations; and limited rehabilitation of damaged FCW and advance measures. This funding level has a 50% probability of being exceeded in any given year.

**PERFORMANCE BASED BUDGET INCREMENT(S**). Add additional budget item to perform all mission activities, such as training and exercises, advance measures, emergency response, recovery and rehabilitation. The additional requirement of $16M is based on the average annual expenditure from FY 87 to FY 03 for all FCCE activities (Preparedness, Emergency Operations, Rehabilitation, Advance Measures, Emergency Water, Hazard Mitigation). The initial program plus performance based increments of $78 million has approximately 25% probability of being exceeded in any given year.

**I-7 SPECIAL CONSIDERATIONS OR SPECIAL RATING CRITERIA.**

USACE plans for all natural disasters, but response and recovery under its own authority (FCCE) are limited to-- fights floods (direct and technical assistance), provision of emergency water, advance measures, and restoration of federal/non-federal flood control works. All other responses are funded by external authorities (i.e. Stafford Act).

Due to the uncertainty of the number and severity of disasters, it is difficult to determine the program funding requirements for activities other than the baseline operational and preparedness costs.

ANNEX II
ENVIRONMENT
TABLE OF CONTENTS


| | Paragraph | Page |
|---|---|---|
| **Sub-Annex II-1. Overview** | | II-1.1 |
| Introduction | II-1.1 | II-1-1 |
| Components of the Environment Business Line | II-1.2 | II-1-1 |
| Performance Based Budget Increment(s) | II-1.3 | II-1-1 |
| Additional Information | II-1.4 | II-1-2 |
| **Sub-Annex II-2, Ecosystem Restoration** | | II-2-1 |
| Background | II-2.1 | II-2-1 |
| Program Purpose | II-2.2 | II-2-1 |
| Civil Works Program Objectives | II-2.3 | II-2-1 |
| Ecosystem Restoration Program Performance Measures | II-2.4 | II-2-2 |
| Budget Screening Definitions | II-2.5 | II-2-4 |
| Ecosystem Restoration Program Criteria for Development of the Initial Level in the FY06 Budget | II-2.6 | II-2.4 |
| Performance Based Budget Increment(s) | II-2.7 | II-2-4 |
| Ecosystem Ranking Criteria and Additional Information | II-2.8 | II-2-4 |
| **Sub-Annex II-3, Environment-Stewardship Program** | | II-3-1 |
| Introduction | II-3.1 | II-3-1 |
| Purpose | II-3.2 | II-3-1 |
| Program Goals, Objectives and Performance Measures | II-3.3 | II-3-1 |
| Initial Program | II-3.4 | II-3-4 |
| Budget Increments | II-3.5 | II-3-5 |
| **Sub-Annex II-4, Formerly Utilized Sites Remedial Action Program** | | II-4-1 |
| Introduction | II-4.1 | II-4-1 |
| Purpose | II-4.2 | II-4-1 |
| Goals and Objectives | II-4.3 | II-4-1 |
| Ranking Process | II-4.4 | II-4-2 |
| Performance Based Budget Increments | II-4.5 | II-4-3 |
| Program Phases | II-4.6 | II-4-3 |

| **Tables** | Number | Page |
|---|---|---|
| Sub-Annex II-2 Ecosystem Restoration | | |
| Goals, Objectives and Performance Measures in the Civil Works Strategic Plan | II-2-1 | II-2-2 |
| Ecosystem Restoration Budget Ranking Criteria | II-2-2 | II-2-3 |
| Ecosystem Restoration Study and Project Information | II-2-3 | II-2-6 |
| Sub-Annex II-3 Environment-Stewardship Program | | |
| CW Strategic Plan Objectives and Performance Measures | II-3-1 | II-3-2 |
| FY06 Environment-Stewardship Budget Linked Objectives, Performance Measures and Ranking Criteria | II-3-2 | II-3-3 |
| Sub-Annex II-4 Formerly Utilized Sites Remedial Action Program | | |
| FUSRAP Environmental Performance Measures | II-4-1 | II-4-2 |

| **Illustrations** | Number | Page |
|---|---|---|
| Sub-Annex II-2 Ecosystem Restoration | | |
| Sample Spread Sheet: Ecosystem Ranking Criteria and Additional Data | II-2-1 | II-2-11 |
| Habitat Types and Codes to be Used for Ecosystem Restoration | II-2-2 | II-2-12 |
| | | |
| Sub-Annex II-3 Environment-Stewardship Program | | |
| Environment Stewardship FY 06 Performance Measure: Level One Natural Inventory | II-3-1 | II-3-8 |
| Environment Stewardship FY 06 Performance Measure: Master Plans | II-3-2 | II-3-9 |
| Environment Stewardship FY 06 Performance Measure: Healthy and Sustainable Acres | II-3-3 | II-3-10 |
| Environment Stewardship FY 06 Performance Measure: Mitigation | II-3-4 | II-3-12 |

## SUB-ANNEX II-1
## OVERVIEW

II-1.1. **Introduction.**
Numerous Federal laws and executive orders establish National policy for and Federal interest in the protection, restoration, conservation and management of environmental resources. These provisions include compliance requirements and emphasize protecting environmental quality. They also endorse Federal efforts to advance environmental goals, and a number of these general statements declare it national policy that full consideration is to be given to the opportunities that projects afford to ecological resources. Recent water resources authorizations have enhanced opportunities for Corps involvement in studies and projects to specifically address objectives related to the restoration of ecological resources and ecosystem management. Specific authorities for new individual studies and projects to restore ecological resources have also been provided in legislation. Examples of legislation that broadly supports Federal involvement in the restoration and protection of ecological resources include:

- Federal Water Project Recreation Act of 1965, as amended
- Water Resource Development Acts of 1986, 1988, 1990, 1992, 1996, 1999, and 2000
- Coastal Wetlands Planning, Protection and Restoration Act of 1990 (Title III of P.L. 101-646)

II-1.2. **Components of the Environment Business program**.

a. The Environment Business program includes the Corps Ecosystem Restoration studies and projects, the Stewardship Program and the Formerly Utilized Sites Remedial Action Program. A portion of the funding for Research and Development and corporate data collection activities will also be charged to the Environment Business program but these items will be budgeted similar to previous years. Environmental CAP (sections 1135, 204, and 206) will also be budgeted similar to previous years and data is not required to be submitted for CAP projects in response to this Annex.

b. The Ecosystem Restoration Program is funded from the General Investigations and Construction, General accounts and related budget development guidance is found in Appendixes A and B. The goal of ecosystem restoration is to restore degraded ecosystem structure, function, and dynamic processes to a less degraded, more natural condition. The program goal is to accomplish this in a cost effective manner.

c. The Stewardship Program is funded from the Operations and Maintenance Account and related budget development guidance is found in Appendix C. As a matter of law and good environmental practice, the Corps provides stewardship of its projects lands and waters to sustain healthy natural resources and cultural resources that occur on this federal estate and takes action to minimize adverse environmental impacts.

d. The Formerly Utilized Sites Remedial Action Program has its own account and information required to develop the initial and capability level funding programs is found in Sub-Annex 4 of this Annex. The purpose of the program is to clean up contaminated sites throughout the United States where work was performed as part of the Nation's early atomic energy program.

II-1.3. **Performance Based Budget Increment(s)**. Criteria have been developed for the initial funding level for each program and increments meeting these requirements will be identified in the budget submissions. The establishment of an initial level will assure a uniform starting point for building the PY budget. The criteria for the initial level are located in Appendixes A, B, and C as well as in each sub-annex of this annex. Basic eligibility criteria for construction new starts are found in Appendix B. To reach the capability level, add additional budget items for logical, needed increments that contribute to the program goals. The ranking criteria have been developed to aid in production of a budget that contributes

to achievement of the performance measures. The basis for adding increments in terms of budget request for a project will be based on the demonstrable benefits.

II-1.4. **Additional Information**. More detailed information on the budget development, including minimum eligibility requirements, the definitions of the initial and capability levels, and terms such as new start and new phase are found in the budget account Appendixes A, B, and C. The following sections describe the three programs included in the Environment business program in more detail, including performance measures, ranking criteria and data requirements for development of the PY budget.

## Sub-Annex II-2
## ECOSYSTEM RESTORATION

II-2.1. **Background**. In response to the increasing National emphasis on environmental restoration and preservation and project and programmatic authorities contained in various Water Resources Development Acts, the Corps recognizes ecosystem restoration as one of its primary mission areas within the Civil Works Program. This annex provides guidance for preparing the FY 06 budget request. It is consistent with and does not alter the plan formulation and project justification guidance contained in ER 1105-2-100.

II-2.2. **Program Purpose**. The goal of ecosystem restoration is to restore degraded ecosystem structure, function, and dynamic processes to a less degraded, more natural condition. Restored ecosystems should mimic, as closely as possible, conditions which would occur in the area in the absence of human changes to the landscape and hydrology with a minimum of continuing human intervention. This includes an emphasis on species native to the project location. Those restoration opportunities that are associated with wetlands, riparian and other floodplain and aquatic systems are most appropriate for Corps involvement. The focus of projects/activities implemented under this section of the guidance is the restoration of ecosystems and ecological resources and not restoration of cultural and historic resources, aesthetic resources, clean up of hazardous and toxic wastes or recreation.

II-2.3. **Civil Works Program Objectives**. Table II-1 immediately below displays the Ecosystem Restoration Objectives and Performance Measures published in the March 2004 Civil Works Strategic Plan. Preparation of the FY 06 Budget Request requires the recognition of a constrained budget environment and the ongoing effort to evolve better budget linked performance measures. Table II-2 displays the program objectives, performance measures and/or performance ranking and rating criteria which support and/or supplement Table II-1 program objectives and performance measures to reflect the near term realities of a constrained FY 06 budget environment. Additionally, the strategic plan emphasizes the development of projects within a watershed framework and collaboration with other agencies and organizations. This is reflected in several of the ranking criteria.

**TABLE II-2-1**
**Goals, Objectives and Performance Measures in the Civil Works Strategic Plan**

| **Goal 2: Repair past environmental degradation and prevent future environmental losses.** | |
|---|---|
| **Objective 2.1. Restore degraded, significant ecosystems structure, function, and process to a more natural condition.** | |
| Program Objective | Performance Measures |
| Ecosystem Restoration<br><br>2.1.1. Invest in restoration projects or features that make a positive contribution to the Nation's environmental resources in a cost-effective manner. | Acres of habitat restoration completed.<br><br>River miles of habitat restoration completed.<br><br>Acres/river miles of nationally significant habitat restoration completed per dollar invested. |

II-2.4. **Ecosystem Restoration Program Performance Measure**

a. Since 1986, the Corps has received increased authority to implement ecosystem restoration projects and the number of implemented projects has increased dramatically in the last decade. These projects range in size from a few acres to several thousand acres, such as the Everglades. A wide variety of ecosystems and habitat types are involved and the techniques used are as varied as the problems addressed. In order to support continued investment in ecosystem restoration activities the results need to be documented. The purpose of this budget guidance is to establish performance measures and ranking criteria, that when used to evaluate each study and project, will result in the formulation of a justified and supportable budget.

b. A nationwide perspective must be maintained to assure that available funding is used to provide the most cost effective restoration of significant ecosystems. It is also important to support timely completion of studies and projects so that the expected benefits may be achieved as soon as possible. As our knowledge of ecosystem benefits and feasible restoration techniques increases it is also important to have the capability to initiate new studies. The ranking criteria to be used in development of the PY budget are designed to assure that the available funding provides the greatest public benefit for the investment while continuing to investigate restoration opportunities and completing projects in a timely manner so that benefits may be achieved as soon as possible. To achieve the Ecosystem Restoration goal, the program budget objectives and ranking criteria contained in Table II-2-2 are established for the FY 2006 program. Each of the objectives and criteria are designed to demonstrate that each budget item makes sense and contributes to the Civil Works objectives and the Ecosystem Restoration Program goal.

**TABLE II-2-2**
**Ecosystem Restoration Budget Ranking Criteria**

| CW Program Objective | Budget Objective | Ranking Criteria |
|---|---|---|
| Invest in restoration projects or features that make a positive contribution to the Nation's environmental resources in a cost-effective manner | Keep ongoing studies or PEDs proceeding at an efficient rate if likely to produce recommendation for project (GI) | Significance –<br>- special status species<br>- scarcity<br>- connectivity<br>- extent of contribution to and level of watershed or basin plans<br>- tangible support<br>- technical reliability<br>- sustainability<br>Acres and/or Stream miles<br>Years to complete<br>Other purpose outputs |
| Same | Start new phase of studies or PED (GI) | Significance<br>Acres and/or Stream miles<br>Other purpose outputs |
| Same | Complete on-going studies and PEDs | Significance<br>Acres and/or Stream miles<br>Other purpose outputs |
| Same | Complete ongoing construction to start getting benefits (each contract should be line item) (CG) | Significance<br>Acres and/or Stream miles<br>Other purpose outputs |
| Same | Keep on-going construction proceeding at an efficient rate. (CG) | Significance<br>Acres and/or Stream miles<br>Years to complete<br>Other purpose outputs |
| Same | Initiate new construction | Significance<br>Acres and/or Stream miles<br>Other purpose outputs<br>Years to complete |

c. The information requested and ranking criteria developed will allow us to measure our performance. Acres/and or stream miles will be included for each study, project, or separable element. The last year of construction funding will be used to indicate that the project is completed. The eight performance components developed indicate support of the watershed principles and significance of the habitat being restored. For the purposes of budget development "Nationally Significant Habitat" will be defined as a performance component score of 40 points or more out of a possible 50 points, including the maximum score for a least one of the following three components. The three components are Special Status Species, Scarcity, and Significance of the Plan. Additional information about the ranking criteria is found in paragraph II-2.8 and in Table II-2-3.

d. In order to achieve the above objectives, we are establishing initial levels to assure uniformity across the country in building annual budgets from the same point. We have also established a system

of ranking criteria that are more detailed than those in the Strategic Plan and will permit objective evaluation of incremental investment choices to assure that budget requests above the initial level provide the greatest benefit for that investment. The initial level and the system of ranking criteria will facilitate making informed and wise budgetary decisions.

II-2.5. **Budget Screening Definitions.**

a. New Start Definition.

(1). New start is defined as an active authorized study or project which has not received an initial work allowance and that fits into at least one of the following business lines: commercial navigation; inland navigation; flood and storm damage reduction; environmental restoration, water supply, hydropower, or recreation.

(2). The New Start definition will apply to Recons, PEDs, and Construction Projects, as well as any new efforts under the Remaining Items category. Any PED, which has not been funded in the conference report for the past three years, will also be considered a New Start. For Feasibilities, see New Phase definition. Basic eligibility criteria for construction new starts are found in Appendix B.

b. New Phase Definition. A study or project is considered to be in a NEW PHASE once it has completed the current phase that is funded and ready for budgeting in the follow-on phase, e.g. from Reconnaissance to Feasibility or Feasibility to PED, e.g. Seamless PEDs are a new phase.

II-2.6. **Ecosystem Restoration Program Criteria for Development of the Initial Level in the FY06 Budget**. The initial level is defined by the criteria below for each appropriation.

a. GI:

(1) The initial level for studies and PED includes only phases continuing from FY 2005 for studies included in the President's FY 2005 budget (or in the FY 2005 Conference Report if available).The initial leel includes no new studies and no new phases of studies/PED.

(2) The initial level for Remaining Items will be established by HQ

b. CG:

(1) The initial level for line item-funded projects (includes specifically authorized project, major rehabilitation projects, and line item-funded dam safety/seepage projects, deficiency correction projects, etc.)includes all funding needed (no more, no less) in FY 2006 for estimated contractor earnings, plus associated costs of contract management and E&D during construction, on contracts scheduled for award by the end of FY2005 consistent with the FY 2005 budget (or the FY 2005 Conference Report if available). The intial level includes no new starts or resumptions, no projects without contracts continuing into FY 2006, and no funding for award of contracts in FY 2006. (2). –The initial level for Remaining Items will be established by HQ

II-2.7. **Performance Based Budget Increment (s).** Additional budget items above the initial level should consist of logical, needed increments that contribute to the program goals. Ranking will be based on ranking criteria shown in Table II-2-3. The basis for adding increments in terms of budget request for a project will be based on the demonstrable beneficial impact on increasing benefits by accelerating project completion and/or improved performance, such as cost savings achieved by combining work items.

II-2.8. **Ecosystem Program Ranking Criteria and Additional Information.**

a. The ranking criteria developed for use in preparing the FY 06 budget include a variety of factors to do with readiness, timeliness, cost, scale and performance. For the PY, eight performance components have been developed. We believe these items provide an indication of the significance of the resources being restored and will have a substantial bearing on how projects are ranked. Our goal will be to put together a budget that, overall, has the highest ranking possible using these criteria while still reflecting sound fiscal policy. The eight performance components are: Special Status Species; Scarcity; Connectivity; Significance of Plan; Level of Contribution to the Plan; Additional Tangible Support; Reliability; and Operation and Maintenance. Scarcity and Operation and Maintenance will each have a maximum point total of ten. The others will each have a maximum point total of five. Significance of Plan and Level of contribution to the Plan are linked and a zero in either will result in a zero in the other one. The physical scale of the project is also a critical factor, since from a systems perspective larger projects produce ecosystem benefits more effectively. The number of years to completion of the phase is also important. It may be more efficient to add increments that will allow completion of a project than to initiate a new start. Information about the physical scale of the restoration, cost, phase, relation to other purposes for multipurpose projects, and status of cost-share agreement will also be used to arrive at a balanced budget recommendation that insures continued positive contributions to the Nation's resources. For the PY the environmental Continuing Authorities and Upper Mississippi River System Environmental Management Program will continue to be budgeted as discussed in Appendix B.

b. The data elements to be included in PRISM or derived from data in PRISM are described in Table II-2-3 and an example of the excel sheet that we will use to analyze the data provided is shown in Illustration II 2-1. It includes columns for each of the ranking criteria plus some columns that will help us answer frequently asked questions. These fields and the performance components will be evaluated and will evolve over time based on experience with performance based budgeting.

**TABLE II-2-3**
**Ecosystem Restoration Study and Project Information**

The data provided in this table will allow us to rank the ecosystem restoration projects to develop a program consisting of cost effective projects that efficiently provide significant ecosystem restoration benefits. The data in this table will be pulled from PRISM. If the item required for this table is not applicable, do not leave it blank. Enter NA so that it is clear the absence of information is not an oversight. The term "regional" is defined as involving two or more states or an activity that has significant Federal legal and multi-agency support even though entirely within one state such as the Everglades or Cal-Fed rather than a smaller geographic area. This information will be available for incorporation into a spreadsheet similar to the one in Illustration II-2-1.

1. HQ Rank

2. MSC Rank

3. Three letter code for MSC such as SAD

4. Three letter code for district such as NWK.

5. Name = Name of project as entered in PRISM

6. PWI = 6 digit project identifier code used in PRISM

7. Increment – Enter an "I" if this increment meets the requirements for inclusion in the initial level as defined in this Annex. Enter a number 2 to "n" for each increment for a project above the initial level. Every project may not have an increment in the initial level, in which case the first time the project is listed enter a "2".

8. Project Description = key elements, 50 words or less. Complete sentences are not required. Note the number of years of monitoring and adaptive management if proposed or authorized, habitat type if "other" is entered in the Habitat type column, and the other purposes if "other" is noted in the multipurpose column.

9. Urban – Enter a "Y" for yes if the project is within an urban area as defined by the census. Otherwise enter "N" for no.

10. Multi-Purpose = If the ecosystem restoration is part of a multipurpose project enter the code(s) for the other purpose(s). Flood and Coastal Storm Damage Reduction =F&CSDR, Navigation=N; Recreation=REC; Other=OT. If "Other", include the purpose in the project description.

There are two columns containing area information, Acres and Stream miles. Most projects will have an entry in one or the other of these columns. The number of acres or stream miles should be that directly addressed by planning objectives, which should be the same as the area expected to have a measurable benefit attributable to the project. If the project includes monitoring, it would be the portion of the monitored area expected or shown to have measurable impact from the project.

11. Acres. Entries are numeric to a maximum of one decimal place (such as 1.3).

12. Stream Miles. Entries are numeric to a maximum of one decimal. An example of when "stream miles" applies would be a dam removal project. It may also be the most important measure of a

long narrow riparian restoration or a project where structures are proposed to restore a stream to a more natural channel configuration.

13. Habitat type(s) being restored = For 06 we will use categories based on those used by the interagency group looking at common measures. The list is included as Illustration II-2-2. Enter the two-letter code for the primary habitat type(s) being restored. A maximum of three habitat types may be listed. If there is not an appropriate habitat type (including habitat complexes) listed for a project, enter "OT" for "other" and include the habitat type in the project description field. We will use this information in part to identify our contributions to national goals such as the restoration of 1,000,000 acres of estuarine habitat by 2010.

14. Phase = A letter code will be used to indicate phase. The codes are: R= Reconnaissance; F= Feasibility; P= Preconstruction Engineering and Design Phase; C=Construction.

15. Status of the Phase listed in column 14 will be indicated with a letter code. NP = New Phase; CN=Continuing; LY= Last year of phase. For Reconnaissance and Construction initiation, a new start should be coded as a New Phase in this column.

16. Remaining years to complete phase after PY. This is a numeric. The Reconnaissance phase ends with execution of a Feasibility Cost Sharing Agreement, or a report recommending no Federal action. The Feasibility phase ends on the date the Feasibility Report is submitted to the Office of Management and Budget. The PED phase ends with execution of the PCA. For construction completion is defined as physical completion with the project turned over to the non-Federal sponsor to operate and maintain. For projects in construction with authorized monitoring/adaptive management include an * in addition to the number and note the years for monitoring/adaptive management in the project description.

17. Signed Agreement. This is a three or four letter code entry: LOI = letter of intent; FCSA = Feasibility Cost Sharing Agreement; PEDA = Preconstruction Engineering and Design Agreement; PCA = Project Cooperation Agreement. Enter the code for the most recently executed agreement.

18. Total Project Cost. The total project cost includes the Federal and non-Federal costs of PED and Construction. This will be a rough estimate for an Reconnaissance new start. During the Reconnaissance and Feasibility Phases use the estimate being developed for use in the appropriate report. Subsequently the figure will be derived from PRISM and is to include all Federal and non-Federal costs for PED and Construction.

Significance: The scores for the next eight items will be totaled and serve as an indication of the significance of the proposed restoration. Only one option may be selected in each of these items. For example if the project contributes to a key life cycle requirement for both a Federally listed and a State listed species of concern, assign 5 points, not 7. The first score is the maximum points available for each item. Note the basis for the ranking assigned for Special Status Species, Scarcity and Connectivity in the "Special Considerations" column.

19. Special Status Species. The project must provide a significant contribution to some key life cycle requirement of a species to receive points in this category. The presence or potential presence of a species of concern in the project area is not sufficient to justify a score above zero. 5 = Project contributes to a key life cycle requirement of a Federally listed species; 4 = Project contributes to a key life cycle requirement of a Federal candidate species; 3 = Project substantially increases habitat for species covered by international treaty, such as International Migratory Birds; 2 =

Project contributes to a key life cycle requirement of a State listed species; 1 = Project contributes to a key life cycle requirement of a State candidate species; 0 = none

20. Scarcity. The scarcity of habitat to be restored provides a basis for significance when combined with trend information. Restoration of a scarce resource that was always scarce and is relatively stable would rate zero. 10 = scarce on a national level and becoming scarcer (declining trend) as demonstrated by a Federal, regional, or state/Tribal report; 8 = regionally scarce and becoming scarcer as demonstrated by a Federal, regional, or state/Tribal trend report; 6. Scarce on a national or regional level as compared to natural levels but currently stable as demonstrated by a Federal, regional, or state/Tribal trend report; 4 = Regionally relatively abundant but declining locally as demonstrated by a Federal, regional, or state/Tribal trend report; 2 = Nationally relatively abundant but declining regionally as demonstrated by a Federal, regional, or state/Tribal trend report; 0 = a habitat type that is stable at natural levels or improving beyond natural levels.

21. Connectivity. This criterion addresses the extent to which a project facilitates the movement of native species by contributing to the connection of other important habitat pockets with the ecosystem, region, or watershed. 5 = the proposed project connects existing perhaps isolated habitat units. An example would be restoring the connection between two pockets of what was once a larger wetland, or two patches of bottomland hardwood forest separated by drained agricultural land. 3 = project adds size to an existing corridor. 1 = project adds volume to an existing isolated habitat. For example expanding the size of an existing salt-water marsh. 0 = the project is an isolated unit. For example, a project that takes advantage of an opportunity to restore a portion of a ditched stream.

The next two items were developed to gauge our contributions to watershed and other collaborative planning efforts. These are linked criterion to the extent that a zero in either “significance of plan” or “level of contribution to the plan” will result in a zero for both of these items.

22. Significance of the plan. This criterion is designed to recognize projects that contribute to watershed or basin plans as emphasized in the Civil Works Strategic Plan. It ranks the significance of the plan that the Corps project supports. 5 = project contributes to a multi-agency comprehensive watershed plan developed in support of Federal priorities as demonstrated in laws or specifically authorized programs such as the Endangered Species Act, Magnuson Act, Everglades, Chesapeake Bay plan, etc.; 4 = project supports or contributes to a multi-agency regional watershed plan. (This would include Joint Venture plans developed in accordance with the North American Waterfowl Management Plan and similar plans responsive to other Federal natural resource plans.); 2 = project supports or contributes to a State/Tribal watershed plan; 1 = project contributes to a local comprehensive or watershed plan (many of The Nature Conservancy priority areas for biodiversity conservation are of a local scale); and 0 = does not contribute to any collaborative comprehensive or watershed plan.

23. Level of contribution to the plan. This criterion addresses the significance of the Corps project’s contribution to the plan used in determining the rating for “Significance of plan” above. Written acknowledgement from Federal, regional authorities, states, Tribes or others with whom we collaborate will be used as a gauge of the level of contribution. The volume of letters is not significant. It is the agency level source and content of the letters that should be considered. For example one letter from the U.S. Fish and Wildlife Service stating that the project makes a significant contribution to restoration of a particular habitat type of high priority in the plan used for the ranking in the “significance of the plan” column means more than multiple letters from the local community. 5 = Federal letter(s) support assessment that the project makes a significant contribution to the plan. (In case of a conflict between/among Federal letters the one from the Federal agency that has the lead in the project/type of restoration would count); 4 = Regional

letter(s) support assessment that the project makes a significant contribution to the plan. (Regional authorities, NGOs with a strong regional presence, etc.); 2 = State/Tribal agency (not the sponsor) letter(s) support assessment that the project makes a significant contribution to the plan; 1 = Other letters of support; 0 = Any objection to the project from a Federal agency(s).

24. Tangible support. This criterion is designed to provide a means to further distinguish among plans with high levels of collaboration by rewarding those projects that multiple parties are willing to support in some tangible fashion. The measure is tangible support for the Corps project as defined in the cost share agreement from other than the Sponsor(s) (stakeholders, organizations/agencies not signing the agreement). Contributions of funding, resources, and/or in-kind services would be considered. This includes contributions from others to the non-Federal sponsor, such as a donation from Ducks Unlimited to a project sponsor. Scoring is 5 = More than one non-sponsor, each contributing at least one percent of non-federal share of total project costs or in-kind services; 3 = One additional non-sponsor contributing at least one percent of non-federal share of total project costs or in-kind services; 0 = Only the non-federal sponsor is cost-sharing the project. (Note the in-kind services from other than the Sponsor would lower the total project cost and not the sponsor's share in accordance with policy.)

25. Technical reliability. This relates to the predictability of the technology employed to produce the desired restoration outcome. Is there a successful history of the use of the method/technique by the Corps or others? The focus is on the ability of the method or technique to achieve the restoration outcome, and not the actual restoration results since numerous factors may affect the actual project outcomes. While we didn't want to totally discourage the use of new techniques that have not been field tested, a lower ranking score has been identified for these. 5 = Consistently produces outcomes: There are multiple examples where the proposed methodology has successfully produced the desired outcomes; 3 = Promising, but limited applications – a few examples; 1 = Promising based on a demonstration project: 0 = application not tested.

26. Operation and Maintenance. The ideal goal of most restoration is a self-sustaining ecosystem. The ratio of average annual O&M costs to the average annual total project cost (this included PED and Construction phase costs as defined in PRISM) will be used as an indicator of the level of human intervention needed to maintain the restoration outcome. The most recent cost estimates will be used in calculating these ratios (similar to updates of BCRs for other purposes). Scoring is 10 = Low relative O&M costs 5=Medium relative O&M costs, and 1=High relative O&M costs. HQ will establish these ranges.

27. Total Score. Enter the sum of the scores entered in the previous 8 columns.

28. Nationally Significant. If the "total score" in the previous column is equal to or exceeds 40 and the highest score possible is applicable in at least one of the Scarcity, Special Status Species, or Significance of the Plan columns, then enter a "Y" for yes in this column. Enter an "N" for no.

29. Policy Question. This column is provided to highlight in 25 words or less any policy issues that may affect approval or completion of this project. Issues such as use of non-native species or proposals for recreation/monitoring or adaptive management in excess of the guidelines in ER 1105-2-100 are examples of items that should be noted in this column.

There are two columns related to mitigation. One is for acres of mitigation and the other for habitat type being mitigated. The policy is that ecosystem restoration projects should not require ecosystem mitigation if properly formulated. However, since OMB requests information about wetland mitigation

related to budgeted items we have included these columns just in case mitigation is required for an ecosystem restoration project. We expect these columns to contain NA.

30. Acres of mitigation. Entries are numeric to a maximum of one decimal place (such as 1.3).

31. Type of habitat being mitigated. Use the habitat types and codes from Illustration-2-2. to indicate habitat type. Enter the two-letter code for the primary habitat type(s) being restored. A maximum of three habitat types may be listed. If there is not an appropriate habitat type (including habitat complexes) listed for a project, enter "OT" for "other" and include the habitat type in the project description field.

32. Congressional Add. Enter the year of the add using four digits. For example 2003.

33. Special Considerations. In 75 words or less, the district **must** indicate the habitat type considered when rating scarcity and key facts such as:
    a. 90% of (type of habitat) lost in x(size of or name of region) area since yy(year),
    b. the Special Status Species considered and use of project area – e.g. – bald eagles/nesting,
    c. connectivity – connect x National and y state wildlife areas, connect 5 tracts totaling x acres, and
    d. other significant descriptors.
    In addition the District may note any other special factors that should be considered in ranking the project.

33. Output of Increment. In 20 words or less indicate what the budget amount accomplishes. For example, initiate or complete a study, contract or project, reduce the study time x months, or contract work more efficiently, or link to other work in watershed more efficiently.

**Illustration II-2-1**

**Sample Spread Sheet**
**Ecosystem Ranking Criteria and Additional Data**

Microsoft Excel
Worksheet

**Illustration II-2-2**

**Habitat Types and Codes to be Used for Ecosystem Restoration**

Microsoft Excel
Worksheet

## Sub-Annex II-3
## ENVIRONMENT STEWARDSHIP PROGRAM

II-3-1. **Introduction.** The Corps is responsible for the management of 456 existing water resources projects located in 43 states. Each project's construction and operation is authorized under unique authorities for single or multiple-purposes such as navigation, flood control, hydropower, fish and wildlife, recreation and water supply. Included in those authorized projects and entrusted to Corps stewardship are streams, rivers, lakes, and their adjacent lands - totaling nearly 12 million acres and nearly 56,000 shoreline miles. In operating and maintaining its multi-purpose projects, the Corps integrates the management of the existing diverse natural resources (such as fish, wildlife, forests, grasslands, wetlands, soil, air, water) and cultural resources with the provision of recreation opportunities. Guidance for accomplishing stewardship activities may be found in ER 1130-2-540. As a matter of law and good environmental practice, the Corps provides stewardship of its projects lands and waters to sustain healthy natural resources and cultural resources that occur on this federal estate and takes action to minimize adverse environmental impacts. The Environment-Stewardship Program vision is to provide healthy project lands and waters for future generations.

II-3-2. **Purpose.** The Corps Environment-Stewardship Program mission is to manage, conserve and/or protect the natural and cultural resources at Corps operating water resources projects, consistent with project authorities and ecosystem sustainability approaches; consistent with the USACE Environmental Operating Principles; to meet environmental standards; and to serve the needs of present and future generations. The Environment-Stewardship Program provides for the management of natural resources leading to a healthy, sustainable condition, as well as fosters healthy lands and waters by balancing public uses and needs.

II-3-3**. Program Goals, Objectives and Performance Measures.**

a. The Environment-Stewardship program seeks to fulfill the CW goal to ensure that projects perform to meet authorized purposes and evolving conditions. Table II-3-1 immediately below displays the Environmental Stewardship Program Objectives and Performance Measures published in the March 2004 Civil Works Strategic Plan. Preparation of the FY 06 Budget Request requires the recognition of a constrained budget environment and the ongoing effort to evolve better budget linked performance measures. Table II-3-2 displays the program objectives, performance measures and/or performance ranking and rating criteria which support and/or supplement Table II-3-1 program objectives and performance measures to reflect the near term realities of a constrained FY 06 budget environment.

| TABLE II-3-1 | |
|---|---|
| **CW Strategic Plan Objectives and Performance Measures** | |
| Environmental Stewardship Objectives | Performance Measure |
| | |
| Ensure healthy and sustainable lands and waters associated with natural resources on Corps lands held in public trust, to support multiple purposes. | Percent of acres with completed natural resources inventories. |
| Protect, preserve, and restore significant ecological resources in accordance with Master Plans. | Percent of projects requiring Master Plans in accord with current regulations. |
| Ensure that the operation of all Civil Works facilities and management of associated lands complies with the environmental requirements of all relevant Federal, State, and local laws and regulations. | Percent of all significant findings corrected annually.<br><br>Percent of all identified major findings corrected annually. |
| Meet the mitigation requirements of authorizing legislation or applicable Corps decision document. | Percent of Corps administered mitigation lands (acres) that meet the requirements in the authorizing legislation or relevant Corps of Engineers decision document<br>Percent of completed projects that have successfully met mitigation goals. |

b. Our ability to accomplish the Environment-Stewardship Program objectives depends heavily on certain key factors that are the focus of the FY 06 budget linked objectives and performance measures presented in Table II-3-2. Important within the Environment-Stewardship area is that basic information must be available about the natural resources that exist on Corps operating projects. Additionally, there must be some understanding of the condition and significance of those resources, at the project and within the watershed ecosystem -- to manage them effectively and efficiently, and to comply with the law and other resource protection mandates. Project Master Plans, which guide the manager in making informed and wise decisions on project land use proposals, must be up to date and in accord with regulation (ER and EP) 1130-2-550. (This regulation and guidance requires that Master Plans include a land classification that designates environmentally sensitive areas and include meaningful natural resources management objectives. The Master Plan promotes the identification, protection, conservation and sustainability of natural resources.) To build a highly effective and efficient budget, ranking factors are provided to assist in attributing priority to that work which contributes to accomplishing the program objectives. Expanded definitions of the ranking factors follow in paragraph II-3-4.

| TABLE II-3-2 | | |
|---|---|---|
| **FY 06 Environment-Stewardship Budget-Linked Objectives, Performance Measures and Ranking Criteria** | | |
| | | |
| FY 06 Budget-Linked Objectives | Performance Measure | Ranking Criteria |
| | | |
| Assure compliance with environmental mandates and legal requirements | Percent of Corps administered mitigation lands (acres) meeting the requirements in the authorizing legislation or relevant Corps of Engineers decision document | Mitigation activities<br><br>Degradation/loss prevention for significant natural resources<br><br>Maintenance of current health/safety of natural resources condition for significant resources<br><br>Endangered Species Act activities<br><br>Other natural resources protection mandate or legal responsibility<br>Environmental Management System implementation |
| Manage natural resources to assure a healthy and sustainable condition. | Percent of minimum Level One Natural Resources Inventory completed on Corps fee-owned real property<br><br>Percent of healthy and sustainable acres on Corps fee-owned property | Immediacy of need<br><br>Maximized efficiency of funds invested<br><br>Work for nationally or regionally significant sensitive natural resources<br><br>Work to meet watershed goals for nationally or regionally significant natural resources<br><br>Work accomplished in partnership with other public or private entities. |
| Foster healthy lands and waters by balancing public uses and needs | Percent of Corps-operated water resource projects with completed Master Plans (MP) in compliance with Engineering Regulation 1130-2-550 | Project proximity to large urban areas<br><br>Existing Master Plan not reviewed/updated within last 10 years<br><br>Greatest project acreage to be affected per dollar invested |

| | | |
|---|---|---|
| | **TABLE II-3-2 continued** | |
| **FY 06 Environment-Stewardship Budget-Linked Objectives, Performance Measures and Ranking Criteria** | | |
| | | |
| FY 06 Budget-Linked Objective | Performance Measure | Ranking Criteria |
| | | |
| Protect and preserve cultural resources and historic properties | | Management activities to prevent, or mitigate adverse effects to significant cultural resources<br><br>Other cultural resource management mandates |

c. Full descriptions of the FY 06 Environment-Stewardship budget-linked performance measures are provided in Illustrations II-3-1 to II-3-4.
.

II-3-4. **Initial Program.**

a. Each MSC will be allocated an initial amount equivalent to 60 percent of its average O&M, General allocations in the last 3 budget years. Each MSC will distribute this initial amount among the business programs to define the initial level for each business program. This distribution will seek to provide the greatest benefit for the investment, based on the performance measures, while avoiding violation of legal mandates for environmental compliance, operation, and safety, and avoiding termination of contracts awarded in FY 2005 or before.

b. The following should be included in the initial program.

(1) Funding required to comply with natural resources and environmental protection mandates (i.e., laws, executive orders and court orders) (e.g. mitigation and or Endangered Species Act requirements); funding sufficient to meet minimum legal responsibilities for operation, Environmental Compliance and safety; funding sufficient for Environmental Management System Implementation. Do not include ESA species recovery funding that is greater than funds required to comply with Court orders, or to implement measures specified in Biological Opinions. (See also Illustration II-3-4)

(2) Funding necessary for management activities to prevent, or mitigate, adverse effects to significant cultural resources. (Work includes management activities required by the National Historic Preservation Act (NHPA), Native American Graves Protection and Repatriation Act (NAGPRA), Archeological Resources Protection Act (ARPA) and their implementing regulations or guidance. The term *significant cultural resources* means "historic property" as defined in Section 301 of the NHPA; “inadvertent discoveries” as defined in Section 3 of NAGPRA; and, "archeological resources" as defined in Section 3 of ARPA.) In the initial level include only funding for those work packages that are:

(a) to continue ongoing contracts or agreements for surveys, testing, evaluation, analysis, or protection.

(b). for Corps administered National Historic Landmarks and Nationally Significant Historic Properties, funding to prevent or mitigate damage or deterioration to those characteristics or attributes that contribute to their significance.

c. A special interest code will be assigned to each work packages to indicate how the work package is justified in the Initial budget. The appropriate special interest codes for the Initial budget are:

(1) Mitigation Activities

(2) Natural Resources Degradation/Loss Prevention

(3) Maintenance of Current Health/Safety of Natural Resources Condition

(4) Endangered Species Act Activities

(5) Other Natural Resources Protection Mandate or Legal Responsibility

(6) Environmental Management System Implementation

(7) Cultural Resources – Effective Management

II-3-5. **Budget Increments**.

a. When developing incremental budget packages above Initial budget, Operations Managers should consider the goals and objectives for the Environment-Stewardship Program and the suggested budget priorities described in this EC. Our objective is to create an incrementally justified and defensible recommended or capability budget that supports the Stewardship performance measures and that provides efficiency and effectiveness in the use of fiscal resources.

b. Accordingly, the following Environment-Stewardship packages are suggested as suitable budgetary increments above the Initial program:

(1) Funding necessary to complete minimum Level One Natural Resources Inventories. (See Illustration II-3-1) The establishment of Level One Natural Resources Inventories is critical to the stewardship of those resources. It is also is important to understand the natural resources and their significance and value to the nation. In accordance with ER 1130-2-540, natural resources inventories are to be conducted at Corps civil works projects, to provide quantitative and qualitative data for use in determining resource management needs. Level One Natural Resources Inventories are of a general nature and will be conducted to provide baseline information for Master Plan purposes. Level One Inventory data will be used to support natural resource objectives and land use classifications for the Master Plan. Consider the budgetary needs for accomplishing the minimum Level One Inventory on the acreage of the Corps fee-owned properties. The inventory may be accomplished through GIS activities or other mapping procedures.

(a) Work packages should be prioritized by:

(i) immediacy of need (e.g. urban development pressures on project land, incomplete or out-of-date natural resources inventory) and

(ii) to maximize efficiency of funds invested for this purpose.

(b) Work packages to support accomplishment of minimum Level One Natural Resources Inventory will be assigned the special interest item code of "Level One Natural Resources Inventory". Supplemental justification that addresses the above special interest item and articulates the outputs/benefits of the work will be included in the narrative description of each work package proposed for the Incremental budget.

(2) Funding necessary to complete Master Plan updates or supplements. (See Illustration II-3-2) The traditional thought that master plans are prohibitively expensive to prepare is based largely on the historical attention given to elaborate and detailed plans, maps, and cost estimates associated with the initial recreation development on a project. According to the guidance contained in ER/EP 1130-2-550, this level of detail and expense, particularly on Master Plan updates, is not required and should be avoided. Further, with the advent of very affordable GIS technology, the preparation of maps required for land and water use classifications is no longer an expensive undertaking, as it was only 10 years ago. Also, with the implementation of the PMBP, updating a Master Plan should no longer be considered an insurmountable task.

(a) Priority consideration should be given to updating or supplementing required Master Plans for projects that:

(i) are located near large urban areas where natural resources protection concerns are greatest;

(ii) have existing Master Plans that have not been reviewed and updated as necessary within the last 10 years; and

(iii) have the greatest project acreage to be affected per dollar invested for master plan update or supplement.

(b) Work packages to support accomplishment of these priority project Master Plans will be assigned the special interest item code of "Master Plan Update/Supplement". Supplemental justification that addresses the above special interest item and articulates the outputs/benefits of the work will be included in the narrative description of each work package proposed for the Incremental budget.

(3) Work packages to improve specific or general conditions for natural resources sustainability. (See Illustration II-3-3) These work packages support activities to manage natural resources toward more environmentally sustainable conditions, e.g. activities necessary to move "degraded" condition acres to a "transitioning" condition acreage, or endangered species recovery activities not included in FWS/NMFS Biological Opinions or court orders.

(a) Priority shall be given to those work packages that are to improve sustainability conditions:

(i) for nationally or regionally significant sensitive natural resources (e.g. Federally listed endangered or threatened species, other special status species, or unique habitat);

(ii) to meet watershed goals for nationally or regionally significant natural resources;

(iii) to be accomplished in partnership with other public or private entities, such as challenge partnerships.

(b) Work packages to support accomplishment of priority natural resources improvements shall be shall be given the special interest item code of "Natural Resources Improvement". Supplemental justification that addresses the above special interest item and articulates the outputs/benefits of the work will be included in the narrative description of each work package proposed for the Incremental budget.

(4) Funding necessary to address cultural resource management mandates beyond that described for the Initial program budget level.

(a) Priority consideration should be given to work:

(i) For Corps administered State or Locally Significant Historic Properties, to prevent or mitigate damage or deterioration to those characteristics or attributes that contribute to their significance.

(ii) To develop or update cultural resources management plans.

(b) Work packages to support cultural resources management mandates beyond that described for the Initial program budget level shall be given the special interest item code of “Other Cultural Resources Management Mandate or Legal Responsibility”. Supplemental justification that addresses the above special interest item and articulates the outputs/benefits of the work will be included in the narrative description of each work package proposed for the Incremental Budget.

**ILLUSTRATION II-3-1**
**ENVIRONMENT - STEWARDSHIP**
**FY 06 PERFORMANCE MEASURE**
**LEVEL ONE NATURAL INVENTORY**

**PROGRAM GOAL:** Manage natural resources to assure a healthy and sustainable condition, and fully integrate the Corps of Engineers Environmental Operating Principles (EOPs).

**Key Result Areas:** Program Results and Justification

**Customer:** Public

**Measure:** Percent of minimum Level One Natural Resources Inventory completed on Corps fee-owned real properties.

***Fee Owned:*** Real property for which the U.S. has all right, titles, and interest rather than a partial interest.

***Minimum Level One Natural Resources Inventory***: The completion of Level One natural resources inventories at Corps Civil Works projects is required in accordance with ER 1130-2-540. For the purposes of this performance measure the minimum Level One natural resources inventory shall consist of the completion of four component items:

- Project vegetation acreage classification and quantification, in accord with the Federal Geographic Data Center *National Vegetation Classification System* (though sub-class level). See http://www.fgdc.gov/standards/status/sub2_1.html

- Project wetland acreage classification and quantification, in accord with the US Fish and Wildlife Service *Classification of Wetlands and Deepwater Habitats of the United States.* See http://wetlands.fws.gov/Pubs_Reports/Class_Manual/class_titlepg.htm

- Project land (soils) capability classification and quantification, as defined by the Natural Resources Conservation Service –Land Capability Classes. See www.nrcs.usda.gov/technical/land/meta/m6175.html

- Special Status Species (Federal and State listed endangered and threatened species) identification and assessment for potential existence on project acreage. See http://endangered.fws.gov/wildlife.html - Species, and various State Natural Heritage sites.

**Definition:** The sum total number of acres of completed inventory for each component of the minimum Level One inventory (vegetation, wetlands, land capability and special status species), divided by four (4) times the total number of Corps fee owned acres. The proportion (percentage) yielded will be used to evaluate the relative completeness of the Level One Natural Resources Inventory.

**Demonstrates**: Status of Corps efforts in completing basic natural resources inventories which are necessary for sound resource management decisions and strategies development.

**Unit of Output:** Acres.

**Data Source:** Initial data call, OMBIL - data fields to be determined.

**IILLUSTRATION II-3-2**
**ENVIRONMENT - STEWARDSHIP**
**FY 06 PERFORMANCE MEASURE**
**MASTER PLANS**

**PROGRAM GOAL:** Foster healthy lands and waters by balancing public uses and needs, and fully integrate the Corps of Engineers Environmental Operating Principles (EOPs).

**Key Result Areas:** Program Results and Justification

**Customer:** Public

**Measure:** Percent of Corps-operated water resource projects with completed Master Plans in compliance with Engineering Regulation (ER) 1130-2-550.

> ***Master Plan***: The Master Plan is a document that guides the development, management and public use of the project.
>
> ***Engineering Regulation (ER) 1130-2-550***: This regulation and its companion guidance, Engineering Pamphlet (EP) 1130-2-550, provide both the policy and guidance governing the preparation and development of Master Plans and Operational Management Plans.

***Definition:*** The number of project required Master Plans in compliance with ER 1130-2-550 divided by the total number of project required Master Plans.

Master Plans shall be developed and kept current for all civil works projects and other fee-owned lands for which the Corps has administrative responsibility for management. To be considered compliant with policy and guidance in ER/EP 1130-2-550, a Master Plan shall address regional and ecosystem considerations, project resource capabilities and suitabilities, and expressed public interests and desires. Of critical importance to Environmental Stewardship, Master Plans shall include a land classification system in accordance with ER/EP 1130-2-550 (that recognizes environmentally sensitive areas) and includes specific natural resource management objectives that support the EOPs.

**Demonstrates**: Corps commitment to fully integrate environmental stewardship and the Corps Environmental Operating Principles in the management of operating projects.

**Unit of Output:** Compliant Master Plans.

**Data Source:** Initial data call, OMBIL - data fields to be determined.

**ILLUSTRATION II-3-3**
**ENVIRONMENT - STEWARDSHIP**
**FY 06 PERFORMANCE MEASURE**
**HEALTHY AND SUSTAINABLE ACRES**

**PROGRAM GOAL:** Manage natural resources to assure a healthy and sustainable condition and fully integrate the Corps of Engineers Environmental Operating Principles (EOPs).

**Key Result Areas:** Program Results and Justification

**Customer:** Public

**Measure:** Percent of healthy and sustainable acres on Corps fee-owned property.

> ***Sustainable:*** Meets the desired state. The acreage is not significantly impacted by any factors that can be managed and does not require intensive management. The acreage also meets operational goals and objectives set out in project Operational Management Plan (OMP) or other applicable management document. These acres are considered healthy and sustainable for future generations. Only minor management practices may be required to maintain the health. For the purposes of this measure, Project Operations Lands (occupied by prime facilities such as the project office, dam, locks and other facilities) identified in the Master Plan are to be classified as "sustainable".
>
> ***Fee-Owned***: Real property for which the U.S. has all right, titles, and interest rather than a partial interest.

**Definition:** The number of Corps fee-owned acres classified a in a sustainable condition versus the total number of Corps fee-owned acres.

The result for this measure provides an indicator of the status of all Corps fee-owned acres (land and water). This indicator shall be the overall condition of project acreage as assigned during the inventory and classification of vegetation on Corps fee-owned land. The National Vegetation Classification System (NVCS) is the system that the Corps has adopted for the Level One Natural Resources Inventory and the vegetation classes of the NVCS will be the reference unit for which the condition will be assigned. The NVCS data collection will be supported in the Environment-Stewardship module of OMBIL beginning in FY 05. The measure of sustainable acres will use the NVCS if the Corps fee lands have been classified using the NVCS. **Special note:** Many projects have used other vegetative classification systems in the conduct of their Level One Natural Resources Inventory. During the initial 4 years of implementation of this measure and of data transition to the NVCS, those other systems may be used along with "best professional judgment" to quantify the number of sustainable fee-owned acres.

Each project will identify and categorize their project fee-owned acres into the four following categories:

> **a. Sustainable** – Meeting desired state. The acreage is not significantly impacted by any factors that can be managed and does not require intensive management. The acreage also meets operational goals and objectives set out in project OMP or other applicable management document. These acres are considered healthy and sustainable for future generations. Only minor management practices may be required to maintain the health.

**b. Transitioning** – Managed to meet desired goals. The acreage is impacted by human or other environmental factors that require management of the acreage to meet goals and objectives outlined in the project OMP or other applicable management document.

**c. Degraded –** Does not meet desired goals. The acreage is significantly impacted by human or other environmental factors that prevent the acreage from meeting desired goals outlined in the project OMP or other management documents. The acreage is not considered healthy. Intense management may be required to meet desired goals.

**d. Not Assessed** – The acreage has not been assessed against operational goals and objectives and thus a condition rating cannot be determined.

**Demonstrates**: Status of Corps efforts in achieving the goal of 100% environmental sustainability.

**Unit of Output:** Acres.

**Data Source:** Initial data call, OMBIL - data fields to be determined.

**ILLUSTRATION II-3-4**
**ENVIRONMENT - STEWARDSHIP**
**FY 06 PERFORMANCE MEASURE**
**MITIGATION**

**PROGRAM GOAL:** Assure compliance with environmental mandates and legal requirements (Corps mitigation outputs meet the requirements of authorizing legislation or relevant Corps decision document.)

**Key Result Areas:** Program Results and Justification

**Customer:** Public

**Measure:** Percent of Corps administered mitigation lands (acres) meeting the requirements in the authorizing legislation or relevant Corps of Engineers decision document.

> ***Mitigation lands***: Mitigation lands are those lands on which mitigation measures are taken to compensate for adverse ecological impacts unavoidably caused by Corps projects or activities. For the performance measure, these lands are those authorized by Congress or approved by HQUSACE in a formally documented decision.
>
> ***Corps administered*** lands: Corps lands either managed by the Corps or lands licensed, permitted or leased from the Corps.

**Definition:** Number of designated Corps administered mitigation lands (acres) meeting mitigation requirements divided by the total number of designated Corps administered mitigation lands (acres).

**Demonstrates**: Status of Corps efforts to meet mitigation requirements.

**Unit of Output:** Acres.

**Data Source:** Operational Management Plans, OMBIL - data fields to be determined.

**Sub-Annex II-4**
**Formerly Utilized Sites Remedial Action Program**

II-4.1. **Introduction.**

a. In 1998 Congress directed the Corps to conduct response actions on early atomic energy program sites subject to the administrative, procedural, and regulatory provisions of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and the National Oil and Hazardous Substances Pollution Contingency plan. This program, called the Formerly Utilized Sites Remedial Action Program (FUSRAP) was begun in 1970s by a predecessor agency to the Department of Energy. Response actions under CERCLA consist of sampling and assessment of contaminated areas, characterization of site conditions, determination of the nature and extent of contamination, selection of the necessary and appropriate response actions as lead Federal agency, cleanup and closeout of sites and other actions necessary for remediation.

b. Twenty-one sites still needing evaluation and/or remediation were transferred from DOE to the Corps in 1998. Two sites have been remediated and transferred back to DOE for long-term stewardship. Two other sites have essentially complete remediation but have not yet been transferred to DOE for administrative reasons. One of these sites has continuing budgetary needs. Three sites have been added to the program since 1998 and DOE deemed six other sites eligible. The Corps is evaluating these six sites to determine if a release or threat of release of a hazardous substance exists that warrants response action under CERCLA and addition to FUSRAP for budgeting purposes. Therefore twenty-one sites are currently being budgeted.

II-4.2. **Purpose.** To cleanup contaminated sites throughout the United States where work was performed as part of the Nation's early atomic energy program.

II-4.3. **Goals and Objectives.** The major objectives of the FUSRAP program are to evaluate and remediate sites identified by the Department of Energy (DOE) as suitable for remediation under FUSRAP. Each FUSRAP divisions' multi-year program should be developed and conducted in such a manner that projects are completed as soon as possible and at the lowest cost consistent with cleanup criteria that are fully protective of human health and the environment, responsive to regulatory and community interests, and in accordance with land use requirements.

**Table II-4-1**
**FUSRAP Environmental Performance Measures:**

| | |
|---|---|
| Strategic Goal #2 - Repair past degradation and prevent future environmental losses. | |
| Strategic Objective 2.3 --- Assist in cleanup of contaminated, hazardous, toxic, and radioactive waste sites as authorized or requested by others. | |
| Program Objectives | Program Measures |
| #1 - Identify/assess immediate human health and environmental risks. | 1.1 Percentage/number of properties and/or sites addressed by Preliminary Assessments, Remedial Investigations or Baseline Risk Assessments. |
| #2 - Identify cleanup standards that serve as a basis for removal or remedial actions. | Measure: 2.1 Number of Action Memorandums signed. |
| | Measure: 2.2 Number of Records of Decision signed by USACE. |
| #3 - Protection of human health and the environment. | 3.1 Percent of remediation completed in accordance with authorizing environmental documents. |
| | Measure: 3.2 Cubic yardage disposed. |
| | Measure: 3.3 Number of individual properties returned to beneficial economic use. |
| | Measure: 3.4 Number of closeout reports prepared. |

II-4.4. **Ranking Process.**

a. Project activities lending themselves directly to accomplishment of the FUSRAP objectives and sub-objectives will be prioritized according to the following criteria. The FUSRAP Civil Works Program Manager will hold a program meeting in the third quarter fiscal year to analyze program out year needs and to rankprojects at a program level. Ranking factors are as follows:

- demonstrable threat to public health, safety, or the environment;
- potential threat to public health, safety or the environment;
- Federal Facility Agreements (FFA) or other legal/contractual/regulatory requirements;
- completion of response actions;
- efficient design/construction schedule;
- completion of current stage (RI/FS, EE/CA, etc);
- local support; and
- potentially responsible party issues.

b. The initial program is defined using the following criteria:

(1)Continue previously awarded contracts for removal or remediation projects under construction. No new construction contracts.

(2) Continue previously awarded contracts for Remedial Investigation/ Records of Decision activities. No new RI/ROD contracts, except as in (4) below.

(3) Site closeout activities sufficient to meet legal and health and safety requirements and transition sites to DOE in efficient fashion.

(4) Only Remedial Investigation/Feasibility Studies where immediate human health and/or environmental safety threats need to be characterized.

(5) Only Removal Actions at minimum necessary to meet CERCLA criteria for time critical or non-time-critical removals.

(6) Activities necessary to facilitate participation by potentially responsible parties, either as performers of work or contributors of funds toward remediation and closeout.

(7) Preliminary Assessments/preliminary legal analysis of potential new sites at minimum sufficient level to determine if immediate human health or environmental safety threats exist. This criterion will be used to identify projects within the potential sites line item within the FUSRAP budget.

(8) Other activities necessary to maintain site security and meet legal mandates.

II-4.5. **Performance Based Budget Increments.** Add additional budget items for logical, needed increments that contribute to the program goals.

II-4.6. **Program Phases.** Pre-Construction/Implementation.

a. **Preliminary Assessment (PA).** A PA is a limited-scope investigation to collect readily available information about a site and its surrounding area. The PA is designed to distinguish, based on limited data, between sites that pose little or no threat to human health and the environment and sites that may pose a threat and require further investigation. The PA also identifies sites requiring assessment for possible emergency response actions.

b. **Site Inspection (SI).** SI is an on-site inspection to determine whether there is a release or potential release and the nature of the associated threats. The purpose is to augment the data collected in the preliminary assessment and to generate, if necessary, sampling and other field data to determine if further action or investigation is appropriate.

c. **Remedial Investigation (RI).** RI is the process undertaken to determine the nature and extent of the problem presented by a release which emphasizes data collection and site characterization. The remedial investigation is generally performed concurrently and in an interdependent fashion with the feasibility study.

d. **Feasibility Study (FS).** FS is a study undertaken to develop and evaluate alternatives for remedial action.

e. **Engineering Evaluation/Cost Analysis (EE/CA).** This document is prepared in the case of a non-time critical removal action. The EE/CA is an analysis of removal alternatives and must satisfy

environmental review and administrative record requirements, and provide a framework for evaluating and selecting alternative solutions.

f. **Record of Decision (ROD).** The ROD is a document prepared in accordance with the requirements of 40 CFR 1505.2 that provides a concise public record of the agency's decision on a proposed action. It identifies alternatives considered in reaching the decision, the environmentally preferable alternative(s), factors balanced by the agency in making the decision, and mitigation measures and monitoring to minimize harm.

g. **Remedial Design (RD).** RD is an engineering phase that follows the Record of Decision when technical drawings and specifications are developed for subsequent remedial action.

h. **Remedial Action (RA).** RA is the actual construction and implementation of a remedial design that results in long-term site cleanup.

i. **Removal Action (EE/CA)**. An Engineering Evaluation/Cost Analysis (EE/CA) documents a removal action that is used where a site presents a relatively time-sensitive, non-complex problem that can and should be addressed relatively inexpensively. But even expensive and complex response actions may be removal action candidates if they are relatively time-sensitive.

# ANNEX III
# FLOOD AND COASTAL STORM DAMAGE REDUCTION PROGRAM
## TABLE OF CONTENTS

| | Paragraph | Page |
|---|---|---|
| Background | III-1 | III-1 |
| Program Purpose | III-2 | III-1 |
| Civil Works Program Objectives | III-3 | III-1 |
| F & CSDR Program Performance Measures | III-4 | III-2 |
| Program Budget Screening Criteria | III-5 | III-3 |
| Program Rating And Ranking Criteria for FY 06 Budget Development | III-6 | III-3 |
| Performance Based Budget Increment (S) | III-7 | III-4 |
| Special Considerations or Special Rating Criteria | III-8 | III-4 |

| TABLES | Table | Page |
|---|---|---|
| Strategic Plan Objectives and Performance Measures | III-1 | III-1 |
| Flood & Coastal Storm Budget Objectives & Performance Measures & Criteria | III-2 | III-2 |
| Budget Ranking Criteria - Application Matrix | III-3 | Spreadsheet |

# ANNEX III
# FLOOD & COASTAL STORM DAMAGE REDUCTION BUSINESS LINE

**III-1. Background.** The Corps has had the mission of reducing flood damages from the mid- 1800's. Today we plan, design, implement and operate projects that reduce damages from both riverine and coastal flooding. Many of the projects provide other outputs such as hydropower, water supply, ecosystem restoration and recreation. Corps flood and coastal storm damage reduction (F&CSDR) efforts range from technical assistance to small, local protection projects (levees or non-structural flood damage reduction measures) to major dams. Today, most Corps constructed flood protection projects are owned and operated by sponsoring cities, towns, and agricultural districts. However the Corps continues to maintain and operate 383 dams and reservoirs for flood damage reduction as well as some levee systems.

**III-2. Program Purpose.** The Corps F&CSDR goal is to reduce the Nation's flood risk by investing in flood and coastal storm damage reduction solutions in environmentally sustainable ways when the benefits exceed the costs. Our program enhances the quality of American life by reducing flood risk to both life and property, providing additional benefits to individuals, communities, and the national economy.

**III-3. Civil Works Program Objectives.** Table III-1 immediately below displays the Flood and Coastal Storm Damage Reduction Program Objectives and Performance Measures published in the March 2004 Civil Works Strategic Plan. The CW Strategic Plan was developed with an explicit assumption of an unconstrained resource environment to encourage an unconstrained assessment of the nation's water resources needs and potential Corps response. Preparation of the FY 06 Budget Request requires the recognition of a constrained budget environment and the ongoing effort to evolve better budget linked performance measures. Table III-2 displays the program objectives, performance measures and/or performance ranking and rating criteria which support and/or supplement Table III-1 program objectives and performance measures to reflect the near term realities of a constrained FY 06 budget environment.

**TABLE III-1**
**Strategic Plan Objectives and Performance Measures**

| Program Objectives | Performance Measures |
|---|---|
| 1. Invest in flood and coastal storm damage reduction solutions when the benefits exceed the costs | - Remaining BCR (project specific measure) |
| 2. As approved and funded, provide range of assistance to support sustainable regional, basin-wide, or watershed planning and activities in partnership with others | - The incorporation of watershed principles into the plan formulation process via guidance and training |
| 3. Deliver project benefits as quickly as possible within available resources<br>4. De-authorize projects that no longer: (a) show a positive benefit-to-cost ratio or (b) have the active support of a local cost- | - Percent change in constant dollar balance to complete programmed work on all ongoing, budgetable construction project |

| | |
|---|---|
| share sponsor. | |
| 5. Operate and maintain Corps infrastructure to ensure that designed levels of flood protection are realized | - Percent of time flood and coastal storm damage reduction infrastructure sustains functional purpose<br>- Percent of projects maintained at design level |

**III-4. F&CSDR Program Performance Measures.**

1. The Corps F&CSDR program is well established and valued, however our ability to continue to reduce flood risks to meet the needs of current and future generations is dependent upon adequate investments. Such investments provide for the necessary investigations of problems and development of projects, timely implementation of authorized projects, proper inspections of Corps and local projects, preventative maintenance or facility modernization or improvement, adequate data collection or improvements to increase operational efficiencies. The purpose of this budget guidance is to ensure the development of convincing rationale and justification of the budget request to accomplish the goal of reducing flood risk.

2. Accordingly, a nationwide perspective must be maintained to assure that available funding provides the greatest public benefit for the investment. The safety and security of our existing infrastructure must be maintained, new investigations to address serious flood risks must be conducted and our uncompleted projects must be brought on line quickly so that benefits may be achieved as soon as possible. To achieve the F&CSDR program goal, the following program budget objectives and ranking criteria are established for the FY 2006 program. Each of the objectives and criteria are designed to demonstrate that each budget item makes sense and contributes to the CW objectives and the F&CSDR program goal.

**TABLE III-2**
**Flood & Coastal Storm Damage Reduction**
**Budget Ranking Criteria**

| CW Program Objective | Budget Objective | Ranking Criteria |
|---|---|---|
| 1,2 and 3 | Keep ongoing studies or PEDs going if likely to produce recommendation for project (GI) | # people at risk in 100 yr floodplain<br># people at risk in 500 yr floodplain<br>Years to complete<br>Other purpose outputs |
| 1,2 and 3 | Start new phase of studies or PED (GI) | # people at risk in 100 yr floodplain<br># people at risk in 500 yr floodplain<br>Ave. annual damages<br>Years to complete<br>Other purpose outputs |
| 2 and 3 | Complete ongoing construction to start getting benefits (each contract should be line item) (CG) | RB/RC<br>Total BCR<br>Annual net benefits<br>Ave. annual damages<br>Years to complete |

| | | Other purpose outputs |
|---|---|---|
| 5 | Initiate and complete dam safety projects (CG) | # people at risk in 10 yr floodplain<br># people at risk in 500 yr floodplain<br>Years to complete<br>RB/RC |
| 2 and 3 | Reduce future flooding with new construction (each contract should be line item) (CG) | RB/RC<br>Total BCR<br>Annual net benefits<br>Years to complete<br>Other purpose outputs |
| 5 | Assure that projects perform as designed (O&M)) | % of time project is available to operate as designed<br>Cumulative NED benefits<br>Cumulative O&M costs for above benefits (separable and allocated joint)<br>% of required inspections request will accomplish |
| 5 | Make sure projects are safe to operate (O&M) | % of time project is not operable for lack of maintenance<br>% of required inspections request will accomplish |
| 5 | Meet minimum legal requirements (compliance) (O&M) | Consequence of not meeting requirement |

3. In order to achieve these above objectives, we are establishing initial levels to assure uniformity across the country in building annual budgets from the same point. We have also established a system of ranking criteria that are more detailed than those in the Strategic Plan that will permit objective evaluation of incremental investment choices to assure that budget requests above the initial level provide the greatest benefit for that investment. These initial levels and the system of ranking criteria will go a long way to making informed and wise budgetary decisions to support our program goal.

**III-5. Program Budget Screening Criteria.**

1. New Start Definition - New start is defined as an active authorized study or project which has not received an initial work allowance and that fits into at least one of the following business programs: commercial navigation; inland navigation; flood and storm damage reduction; environmental restoration, water supply, hydropower, or recreation.

2. The New Start definition will apply to Recons, PEDs, and Construction Projects, as well as any new efforts under the Remaining Items category. Any PED, which has not been funded in the conference report for the past three years, will also be considered a New Start. For Feasibilities, see New Phase definition.

3. New Phase Definition - A study or project is considered to be in a NEW PHASE once it has completed the current phase that is funded and ready for budgeting in the follow-on phase, e.g. from Reconnaissance to Feasibility or Feasibility to PED, e.g. Seamless PEDs are a new phase.

**III-6. Program Rating And Ranking Criteria For FY 06 Budget Development**.

1.INITIAL LEVEL. The initial level is defined by the criteria below for each appropriation.

a. GI: (for studies and engineering and design)

(1) No new starts. Previously budgeted studies only.

(2) No new phases (i.e., can not include funding to initiate the PED phase unless it was included in the PY-1 budget request)

(3) All funding needed (no more, no less) for estimated contractor earning and associated contract management costs for contracts scheduled for award by the end of FY2005 consistent with the FY 2005 budget (or if available FY 2005 Conference Report).

(4) Funding for studies that will complete in the PY (06)

(5) Remaining items (R&D, data collection, PAS, etc) – initial level will be established by HQ

b. CG: (Includes: specifically authorized projects: major, rehabilitations projects: dam safety projects; deficiency corrections projects, CAP projects, and dam safety/seepage program)

(1) No new starts. Previously budgeted projects only.

(2) All funding needed (no more, no less) for estimated contractor earning and associated contract management costs for contracts scheduled for award by the end of FY2005 consistent with the FY 2005 budget (or if available FY 2005 Conference Report).

(3) No contract terminations.

(4) Remaining items (initial level will be established by HQ

c. O&M.

(1) Each MSC will be allocated an initial level equivalent to 60% of the average of the last 3 budget years. The initial level will seek to provide the greatest benefit for the investment consistent with performance measures and sufficient to meet minimum legal responsibilities for environmental compliance**,** operation and safety. Subsequent increments will provide additional benefits as measured by the performance measures. All increments must document performance according to the appropriate business lines criteria. The last increment for each project is the capability level.

**III-7. Performance Based Budget Increment (s).** Add additional budget items for logical, needed increments that contribute to the program goals. Ranking will be based on ranking criteria shown in Table III-3. The basis for adding increments in terms of budget request for a project will be based on the demonstrable beneficial impact on increasing average annual net benefits by accelerating project completion, or improved performance, additional outputs or increased reliability in the PY. There are three key performance measures that will be considered: (1) reduction in years to completion, (2) increase in annual net benefits, and (3) BCR.

**III-8. Special Considerations or Special Rating Criteria.** These criteria will be used for ranking PY budget requests as the national budget is built. See Table III-3.

"Table III-3.xls"

# ANNEX IV
# HYDROPOWER
# TABLE OF CONTENTS

| | Paragraph | Page |
|---|---|---|
| Background | IV-1 | IV-1 |
| Program Purpose | IV-2 | IV-1 |
| Civil Works Program Objectives | IV-3 | IV-1 |
| Hydropower Program Performance Measures | IV-4 | IV-2 |
| Program Budget Screening Criteria | IV-5 | IV-2 |
| Program Rating And Ranking Criteria for FY 06 Budget Development | IV-6 | IV-4 |
| Performance Based Budget Increment(s) | IV-7 | IV-4 |

| TABLES | Table | Page |
|---|---|---|
| Strategic Plan Objectives and Performance Measures | IV-1 | IV-1 |
| Hydropower Budget Objectives & Performance Measures & Criteria | IV-2 | IV-3 |

# ANNEX III
# HYDROPOWER
# BUSINESS LINE

**IV-1. Background.** The earliest hydropower plants at Corps projects were constructed at navigation dams, as joint efforts with electric utility companies. The utilities built the power plants, and the Corps usually built the navigation locks. Later, Congress authorized the Corps to construct its own power plants at dams being built for flood control, navigation and other purposes. Most of these projects were placed into service during the decades following World War II. The Corps is the largest owner/operator of hydroelectric power plants in the United States. Many of the projects provide other outputs such as navigation, flood damage reduction, water supply, ecosystem restoration and recreation. The Corps has 75 plants with a total installed capacity of 20,720 megawatts and produce nearly 100 billion kilowatt-hours a year.

**IV-2. Program Purpose.** The Corps Hydropower goal is to provide reliable, efficient, and cost-effective power and related services to the Power Marketing Agencies.

**IV-3. Civil Works Program Objectives.** These are presented in the March 2004 Civil Works Strategic Plan.

**TABLE IV-1**
**Strategic Plan Objectives and Performance Measures**

| Program Objectives | Performance Measures |
|---|---|
| 1. Invest in hydropower rehabilitation projects when the benefits exceed the costs. | - Remaining BCR (project specific measure) |
| 2. Future: Invest in environmentally sustainable hydropower infrastructure improvements where economically justified. | - To be developed in the future. |
| 3. Provide reliable power.<br>4. Provide peaking power.<br>5. Maintain capability to provide power efficiently. | - Forced outage rate.<br>- Physical condition/failure risk index. |
| 6. Ensure that projects perform to meet authorized purposes and evolving conditions. Note: A program goal was not specifically identified for Hydropower; however, Joint Activities at multi-purpose hydropower projects should strive to achieve these objectives. | - No measures identified for Joint Activities. |

**IV-4. Hydropower Program Performance Measures.**

1. Competition for Federal funds is very keen and getting tighter each year. In recent years, we have had to make some very hard choices in distributing scarce Federal dollars. In a constrained funding environment, we must prioritize the many worthwhile maintenance needs across the entire spectrum of projects. This means that we have to concentrate available resources on the highest priority projects in terms of maximizing benefits.

2. In the hydropower arena, we are directing funds primarily to those facilities that will result in increased reliability for power generation, improve the efficiency of aged infrastructure, and rehabilitate facilities in a deteriorated state. The Corps Hydropower program is well established and valued, however our ability to continue to provide clean environmentally sustainable energy at the lowest sustainable cost to meet the needs of current and future generations is dependent upon adequate investments. Such investments provide for the necessary investigations of problems and development of projects, timely rehabilitation of authorized projects, reliable operation and availability of our infrastructure, preventative maintenance or facility modernization or improvement, and adequate data collection or improvements to increase operational efficiencies. The purpose of this budget guidance is to ensure the development of convincing rationale and justification of the budget request.

3. Accordingly, a nationwide perspective must be maintained to assure that available funding provides the greatest public benefit for the investment. The safety**,** security and environmental sustainability of our existing infrastructure must be maintained, new evaluations to address high yield rehabilitation of our hydropower infrastructure must be conducted and our uncompleted projects must be brought on line quickly so that benefits may be achieved as soon as possible. To achieve the Hydropower goal, the following program objectives and performance measures are established for the FY 2006 program. Each of the objectives and measures are designed to demonstrate that each budget item makes sense and contributes to the objectives and goal.

4. In order to achieve these objectives and assure uniformity across the country in building annual budgets we have defined minimum funding levels. We have also established a system of performance measures that are more detailed than those in the Strategic Plan that will permit objective evaluation of incremental investment choices to assure that budget requests above the minimum to provide the greatest benefit for the investment. These minimum funding levels and the system of performance measures will go a long way to making informed and wise budgetary decisions to support our mission goal.

**IV-5. Program Budget Screening Criteria.** Definition of desired performance targets developed with an understanding of past funding constraints and projected funding constraints.

1. New Start Definition - New start is defined as an active authorized study or project which has not received an initial work allowance and that fits into at least one of the following business lines: navigation; flood and storm damage reduction; environmental restoration, water supply, hydropower, or recreation.

2. Any PED that has not been funded in the conference report for the past three years will also be considered a New Start. The New Start definition will apply to Recons, PEDs, and Construction Projects, as well as any new efforts under the Remaining Items category. For Feasibilities, see New Phase definition.

3. New Phase Definition - A study or project is considered to be in a NEW PHASE once it has completed the current phase that is funded and ready for budgeting in the follow-on phase, e.g. from Reconnaissance to Feasibility or Feasibility to PED, e.g. Seamless PEDs are a new phase.

**TABLE IV-2**
**Hydropower**
**Budget Ranking Criteria**

| CW Program Objective | Budget Objective | Ranking Criteria |
|---|---|---|
| 1,2, 3, 4, 5 and 6 | Adequately fund R&D products to gain future efficiencies (GI) | Years to fielding product<br>Years to expected benefits<br>Expected $ benefit |
| 1,2, 3, 4, 5 and 6 | Complete ongoing major rehab projects to start getting benefits (CG) | RB/RC<br>Annual net benefits |
| 3, 4, 5 and 6 | Assure that projects perform reliably as designed (O&M) | % of time units are not operable due to forced outages (Forced Outage Rate as reported in OMBIL for FY2003). |
| 3, 4, 5 and 6 | Make sure projects are available for peaking power requirements (O&M) | % of time project is available to operate during peak seasonal demand periods (Peak Season Availability as reported in OMBIL for FY2003). Peak seasons vary by region. |
| 1, 3, 4 and 5 | Ensure capability to provide power efficiently (O&M) | Risk based plant condition measure (currently under development by the Hydroelectric Design Center for FY05 beta testing)<br>Interim measures of plant condition will be:<br>(1) Average Unit Age.<br>- For specific investments, Unit Life Improvement (Nameplate capacity multiplied by life extension in years from investment made).<br>(2) Number of De-Rated Units.<br>- For specific investments, Unit Generating Capacity Restored (De-Rating Status Improvement: Portion of nameplate capacity restored from investment made multiplied by remaining life of unit in years). This does not include units de-rated for lack of water, regulatory requirements, policy decisions unrelated to physical deficiences or other unmanageable conditions. |
| 5 | Ensure that projects perform to meet authorized purposes and evolving conditions. | No court ordered, legal or treaty violations (includes ESA) in the budget year.<br>No project public access life safety deficiencies in the budget year.<br>No project workplace life safety violations.<br>No forced facility closures in the budget year. |

**IV-6. Program Rating And Ranking Criteria For FY 06 Budget Development**.

1. INITIAL PROGRAM. The initial program is defined by the criteria below for each appropriation.
   a. GI:
      (1) Previously budgeted projects only.
      (2) No new phases (i.e., can not include funding to initiate the PED phase unless it was included in the FY04 Program request.)
      (3) Funding for continuing efforts only for estimated contractor earnings and associated contract management costs for contracts scheduled for award by end of FY 2005 consistent with the FY2005 budget (or with FY 2005 Conference Report).
      (4) Hydropower Research & Development for aggregate sum of FY 2005 amounts for research units and projects continuing into FY 2006.
      (5) Remaining items (like data, etc) for aggregate 90 percent of average of last 3 budgets.

   b. CG:
      (1) Previously budgeted projects only.
      (2) Funding for continuing major rehab contracts only, and continuing E&D and S&A for continuing contracts.
      (3) No contract terminations. Multipurpose projects when those projects are included in the minimum programs of other business lines and not a separable element.
      (4) Remaining items (like CAP)

   c. O&M - Operations.
      (1) Aggregate 60 percent of average of last 3 President's budgets. This includes Joint Activities (Work Category Codes 606XX). All work packages meeting this requirement will be identified (ABS Initial Funding Increment).
      (2) Where the above guidance for initial budgets will result in violation of court orders, legal or treaty obligations or result in unsafe operational requirements at the project, a separate critical minimum requirement will be identified (ABS Funding Increment 2 = Critical Minimum Operations). Only work packages under Work Category Code 603XX or 606XX shall be entered into the Critical Minimum Operations Funding Level 2.

   d. O&M - Maintenance.
      (1) Aggregate 60 percent of average of last 3 President's budgets. This includes Joint Activities (Work Category Codes 616XX). All work packages meeting this requirement will be identified (ABS Initial Funding Increment).
      (2) Sufficient to meet minimum legal responsibilities for operation, safety, treaty compliance and environmental compliance (including design or construction work) in the budget year.
      (3) Work to prevent loss of service (e.g. forced outages, structural failures, etc). This includes Joint Activities (Work Category Codes 616XX).

2. ADDITIONAL O&M. ABS Funding Increment 3 includes Operation and Maintenance requirements (above 60% initial increment and Critical Operations Funding Increment 2) that meet the following criteria:

   a. Sufficient to meet minimum legal responsibilities for operation, safety, treaty compliance and environmental compliance (including design or construction work) in the budget year.

   b. All funding needed (no more, no less) for estimated contractor earnings and associated contract management, engineering and design, and real estate costs for contracts scheduled for award by the end of FY2005 consistent with the FY2005 budget (or with the FY2005 Conference Report).

c. Any specific repair or replacement work package will result in generating unit life extension or restoration of de-rated generating capacity, and for which the ABS data field for benefits to be achieved in MW-Years has been entered. See Table IV-2. For line item comparison purposes, these specific repair and replacement work packages will transfer directly into PRISM without aggregation with other work packages (regardless of which funding increment they are entered in).

3. CAPABILITY O&M. Operation and Maintenance requirements that do not specifically meet the requirements above, are deemed to be prudent and necessary, and can be completed in the budget year. These work packages should be entered under ABS Funding Increment 4. All work packages in this funding level will transfer directly into PRISM without aggregation.

**IV-7. Performance Based Budget Increment(s).** Add additional budget items for logical, needed increments that contribute to the program goals within the ABS Capability Funding Level for the PY. These additional work packages above the defined minimums (including the Critical Minimum Operations coded items) should be identified within the ABS Capability Funding Level. Ranking will be based on performance measures as listed in Table IV-2 and a clear understanding that there is value added and improved performance attributable to the increment. Performance measures will also be used to support increased funding for major rehab of high yield hydropower facilities and all capabilities in the PY for each study and project. The studies and projects included within the capabilities need not be scheduled for completion within the PY.

t. **Average Unit Age.** Hydropower project average generating unit age (years).

u. **Number of De-Rated Units.** Hydropower project number of generating units de-rated due to physical condition (generator coils, transformers, governors, etc).

# ANNEX V
# NAVIGATION
# TABLE OF CONTENTS

| | Paragraph | Page |
|---|---|---|
| Background | V-1 | V-1 |
| Program Purpose | V-2 | V-1 |
| Civil Works Program Objectives | V-3 | V-1 |
| Navigation Program Performance Measures | V-4 | V-1 |
| Program Budget Screening Criteria | V-5 | V-3 |
| Program Rating And Ranking Criteria for FY 06 Budget Development | V-6 | V-3 |
| Performance Based Budget Increment (S) | V-7 | V-4 |
| Special Considerations or Special Rating Criteria | V-8 | V-4 |
| Definitions | V-9 | V-4 |

| TABLES | Table | Page |
|---|---|---|
| Strategic Plan Objectives and Performance Measures | V-1 | V-1 |
| Navigation Budget Performance Measures | V-2 | V-2 |
| Budget Ranking Criteria - Application Matrix | V-3 | Spreadsheet |
| Shallow –draft harbors/Low-Use Segment Matrix and definitions | V-4 | V-5 |

# ANNEX V
# NAVIGATION BUSINESS LINE

V-1 BACKGROUND: The Corps has had the mission of navigation since1824. Today we plan, design, operate and maintain projects that support 2.4 billion tons of commerce. Many of the projects provide other outputs such as flood damage reduction, hydropower, water supply, ecosystem restoration and recreation. The Corps operates and maintains 926 projects ranging from shallow draft harbors, inland navigation systems with 240 locks at 195 sites, to major deep draft ports.

V-2 PROGRAM PURPOSE: The Corps Navigation goal is to provide safe, reliable, efficient, effective and environmentally sustainable waterborne transportation systems for movement of commerce, national security needs, and recreation.

V-3 PROGRAM OBJECTIVES: These are presented in the March 2004 Civil Works Strategic Plan.

**TABLE V-1**

**Navigation Objectives and Performance Measures**

| Program Objectives | Performance Measures |
|---|---|
| Obj.1: Invest in navigation infrastructure when the benefits exceed the costs. | - Remaining BCR<br>- Annual net benefits |
| Obj. 2: Support sustainable regional, basin-wide, or watershed planning and activities in partnership with others. | - Percent of projects recommended in Chief's reports that apply watershed principles |
| Obj. 3: Fund high-priority O&M. | - Percent change in dollar amount of essential backlog at key facilities. |
| Obj. 4: Operate and manage the navigation infrastructure so as to maintain justified levels of service in terms of the availability to commercial traffic of high-use navigation infrastructure (waterways, harbors, channels). | - Percent of time navigation infrastructure with high levels of commercial traffic sustains its functional purpose. |

V-4 PROGRAM PERFORMANCE MEASURES: Competition for Federal funds is very keen and getting tighter each year. In recent years, we have had to make some very hard choices in distributing scarce Federal dollars. In a constrained funding environment, we must prioritize the many worthwhile investment opportunities and ongoing maintenance needs across the entire spectrum of projects. This means that we have to concentrate available resources on the highest priority projects in terms of maximizing benefits.

In the navigation arena, we are directing funds primarily to those harbors and waterways that provide the highest return from commercial navigation. The Corps Navigation program is well established and valued,

however our ability to continue to provide navigation to our ports, waterways and harbors to meet the needs of current and future generations is dependent upon adequate investments. Such investments provide for the necessary investigations of problems, and development of solutions, timely implementation of authorized projects, reliable operation and availability of our infrastructure, preventative maintenance, facility modernization or improvement, and adequate data management information systems, which are all directed at increasing operational capabilities and efficiencies. The purpose of this budget guidance is to ensure the development of convincing rationale and justification of the budget request.

Accordingly, a nationwide perspective must be maintained to assure that available funding provides the greatest public benefit for the investment. The safety and security of our existing infrastructure must be maintained; new investigations to assure high yield navigation investments are advanced; and projects that are under construction must be brought on line quickly so that benefits may be achieved as soon as possible. To achieve the Navigation program objectives in Table V-1, the following budget strategies and performance measures are established for the FY 2006 budget development. Each of the budget strategies and measures are designed to demonstrate that each budget item makes sense and contributes to the Navigation Program goals and supporting objectives.

| **TABLE V-2** | |
|---|---|
| **BUDGET STRATEGY** | **Ranking Criteria** |
| Keep ongoing studies or PEDS going if likely to produce recommendation for project (GI) | Commercial tonnage increase<br>% reduction in delay costs<br>Years to complete<br>Other purpose outputs |
| Start new phase of studies or PED (GI | Commercial tonnage increase<br>% reduction in delay costs<br>Years to complete<br>Other purpose outputs |
| Complete ongoing construction to start getting benefits (each contract should be line item) (CG) | RB/RC<br>Total BCR<br>Annual net benefits<br>Years to complete project<br>Other purpose outputs |
| Initiate and complete high priority major rehabs (CG) | IWUB priority<br>Years to complete<br>RB/RC |
| Improve high yield ports and waterways with new construction (each contract should be line item) (CG) | RB/RC<br>Total BCR<br>Annual net benefits<br>Years to complete project<br>Other purpose outputs |
| Assure that projects perform as designed (O&M)) . | % of time project is available to operate as designed<br>Cumulative NED benefits<br>Cumulative O&M costs for above benefits |
| Make sure projects are safe to operate (managing risk) (O&M) | % of time project is unsafe for lack of maintenance |
| Fund adequate data collection (remaining items | Consequence of inadequate data |

| | |
|---|---|
| (GI, CG, O&M | |

In order to achieve the above budget strategies, we are establishing initial funding levels, to assure uniformity across the country in building annual budgets from the same point. We have also established a system of performance measures that are more detailed than those in the Strategic Plan that will permit objective evaluation of incremental investment choices to assure that budget requests above the initial level provide the greatest benefit for that investment. These initial funding levels and the system of performance measures will go a long way to making informed and wise budgetary decisions to support our mission goal.

V-5 PROGRAM BUDGET SCREENING CRITERIA.

1. New Start Definition - New start is defined as an active authorized study or project which has not received an initial work allowance and that fits into at least one of the following business lines: commercial navigation; inland navigation; flood and storm damage reduction; environmental restoration, water supply, hydropower, or recreation.

2. The New Start definition will apply to Recons, PEDs, and Construction Projects, as well as any new efforts under the Remaining Items category. Any PED which has not been funded in the conference report for the past three years will also be considered a New Start. For Feasibilities, see New Phase definition.

3. New Phase Definition - A study or project is considered to be in a NEW PHASE once it has completed the current phase that is funded and ready for budgeting in the follow-on phase, e.g. from Reconnaissance to Feasibility or Feasibility to PED, e.g. Seamless PEDs are a new phase.

V-6 PROGRAM RATING AND RANKING CRITERIA FOR FY 06 BUDGET DEVELOPMENT:

1.INITIAL LEVEL. The initial level is defined by the criteria below for each appropriation.

a. GI: (for studies and engineering and design)

(1) No new starts. Previously budgeted projects only.

(2) No new phases (i.e., can not include funding to initiate the PED phase unless it was included in the PY-1 program request)

(3) All funding needed (no more, no less) for estimated contractor earning and associated contract management costs for contracts scheduled for award by the end of FY2005 consistent with the FY 2005 budget (or if available FY 2005 Conference Report).

(4) Funding for studies that will complete in the PY (06)

(5) Remaining items (R&D, data collection, PAS, etc) – initial level will be established by HQ

b. CG: (Includes: “cleared“ and specifically authorized projects: major, rehabilitations projects: dam safety projects; deficiency corrections projects, CAP projects, and dam safety/seepage program)

(1) No new starts. Previously budgeted projects only.

(2) All funding needed (no more, no less) for estimated contractor earning and associated contract management costs for contracts scheduled for award by the end of FY2005 consistent with the FY 2005 budget (or if available FY 2005 Conference Report).

(3) No contract terminations.

(4) Remaining items (initial level will be established by HQ

c. O&M.

(1) Each MSC will be allocated an initial level equivalent to 60% of the average of the last 3 budget years. The initial level will seek to provide the greatest benefit for the investment consistent with performance measures and sufficient to meet minimum legal responsibilities for

environmental compliance, operation and safety. Subsequent increments will provide additional benefits as measured by the performance measures. All increments must document performance according to the appropriate business lines criteria. The last increment for each project is the capability level.

(2) Additional O&M criteria. (Definition of terms will follow)

(a) Sufficient to meet minimum legal responsibilities for operation, safety and environmental compliance: examples follow
[1] Subsistence harbors
[2] Caretaker activities
[3] Critical harbors of refuge
[4] Project condition surveys

*(b) Multipurpose projects when those projects are included in the minimum programs of other business lines and not a separable element*

(c) Surveillance of Northern Boundary Waters

(d) Work required by treaties

V-7 PERFORMANCE BASED BUDGET INCREMENT (S): Add additional budget items for logical, needed increments that contribute to the program goals. Ranking will be based on ranking criteria shown in the spreadsheet Table V-3. The basis for adding increments in terms of budget request for a project will be based on the demonstrable beneficial impact on increasing average annual net benefits by accelerating project completion, or improved performance, additional outputs or increased reliability in the PY. There are three key performance measures that will be considered: (1) reduction in years to completion, (2) increase in annual net benefits, and (3) BCR.

V-8 SPECIAL CONSIDERATIONS OR SPECIAL RATING CRITERIA: This attempts to account for considerations that don't fit under the above two budget development considerations. This includes support to strategic national defense needs, critical public health and safety issues, or other substantive criteria that warrant consideration for budgeting.

Funding for minimum fleet dredges follows the dredge. If the requirements for the minimum fleet dredge do not materialize, the funds programmed for the dredge will be reprogrammed to other minimum fleet dredging requirements.

There will be two navigation sub-programs: operation and maintenance of shallow-draft navigation projects and operation and maintenance of low-use waterway segments. Each sub-program will have its own minimum funding level, performance indicators, and above-minimum funding increments. (See Table V-4) Low-use sub-programs will be reflected as budget increments. Ensure that data in spreadsheet is included for tonnage and system ton-miles and that in remarks column, you indicate this increment is either low-use waterway segment or shallow draft harbor.

V-9 DEFINITIONS: The following definitions refer to the O&M minimum criteria:

Project condition surveys – those hydrographic surveys needed to determine the budget year conditions of projects in caretaker status or that are not funded. This work does not include testing, sampling or any other activity that should be included in a specific project funded budget package.

Subsistence harbors – those harbors that are dependent upon the navigation project as there principal means of receiving goods and services.

Critical harbors of refuge – those harbors that offer safe haven to boaters that represent the sole site for protection based on a public safety based regional distance criteria.

Caretaker Activities- There are inland navigation systems and projects that will not be funded. Some minimal level of funding will be required to place these projects in a caretaker mode. We should

address concern for the public's health & safety, environmental impacts resulting from full cessation of operations and how best to address them, review legal requirements placed on that project and ensure that litigation issues are addressed in a caretaker plan, review any unintended consequences on other waterways, and establish a communication plan to include messages, FAQ, roll out strategy, web site information, and draft media release. Caretaker status is an extremely low level of funding for minimal effort.

TABLE V-4
Shallow draft navigation projects and Low-use waterway segments

Shallow Draft Harbors Minimum:

Supports some commercial fishery output
Supports public transportation (ferries, tour boats)

| **Sub-program** | | **SCREEN** | **Indicators** | **Indicators** | **Indicators** | **Indicators** | **Indicators** |
|---|---|---|---|---|---|---|---|
| | | Minimum | | | | | |
| Shallow draft nav projects | | <1 million tons | commercial fishery outputs | Return on investment | Public health and safety | Public transportation | Purpose |
| | | | | | | | |
| Low-use waterway segments | | < 1 million tons on systems with < 1 billion system ton-miles | BCR based on savings per ton table | Multipurpose values | Public health and safety | Caretaker | Investment issues |
| | | | | | | | |

Ensures boater safety (inlet dredging to reduce breaking wave hazards)
Project costs yield outputs / benefits exceeding costs
Purpose should reflect results of investment (so what)

Low-use Waterway Segments Minimum:

Compute BCR based on transportation savings ( ave tons per yr table)
Supports other business purposes (flood damage reduction, recreation, environmental, water supply, etc)
Port investment status (recent or planned port expansion/investments)
Commercial tonnage trends upward
Ensures basic public health and safety
Caretaker costs for non budgeted segments

EC 11-2-187
11 May 04

Microsoft Excel
Worksheet

*"Empty cells go to the bottom"*

ANNEX VI
RECREATION
**TABLE OF CONTENTS**

| | Paragraph | Page |
|---|---|---|
| Background | VI-1 | VI-1 |
| Recreation Program Mission and Goal | VI-2 | VI-1 |
| Recreation Program Budget Goals and Objectives | VI-3 | VI-2 |
| Initial Program Definitions | VI-4 | VI-3 |
| Efficiency Improvements | VI-5 | VI-4 |
| Recreation Area Modernization | VI-6 | VI-4 |
| FY05 Recreation Modernization Initiative | VI-7 | VI-5 |
| Increased Recreation Use Fee Collection | VI-8 | VI-5 |
| Recreation Program Budgetary Performance Measures | VI-9 | VI-5 |
| OMBIL Data Requirements | VI-10 | VI-5 |
| Recreation Budget Evaluation System (RecBEST). | VI-11 | VI-6 |
| Work Package Indicators | VI-12 | VI-6 |

**LIST OF TABLES**

Table ..... Page

VI-1 Strategic Plan Objectives and Performance Measures ..... VI-1
VI-2 Acceptable Levels of Service - Class A Recreation Areas ..... VI-3

**LIST OF ILLUSTRATIONS**

Illustration ..... Page

VI-1 ABS/RecBEST Work Flow ..... VI-7

# ANNEX VI
# RECREATION

VI-1. **Background.** The Corps is the nation's leading Federal provider of outdoor recreation opportunities. As the host of more than 375 million visitors a year, the Corps plays a major role in meeting the outdoor recreation needs of Americans. Corps lakes contribute economically and socially to the communities in which they are located, providing a natural resource setting for visitors to reap the benefits to their physical, mental and spiritual health from engaging in outdoor activities.

VI-2. **Recreation Program Mission and Goal.** The Corps Natural Resources Management (NRM) mission statement is:

> "The Army Corps of Engineers is the steward of the lands and waters at Corps water resources projects. Its Natural Resources Management Mission is to manage and conserve those natural resources, consistent with ecosystem management principles, <u>while providing quality outdoor public recreation experiences, to serve the needs of present and future generations</u>. In all aspects of natural and cultural resources management, the Corps promotes awareness of environmental values and adheres to sound environmental stewardship, protection, and compliance and restoration practices. The Corps manages for long-term public access to, and use of, the natural resources in cooperation with other Federal, State, and local agencies as well as the private sector. <u>The Corps integrates the management of diverse natural resources components such as fish, wildlife, forests, wetlands, grasslands, soil, air, and water with the provision of public recreation opportunities. The Corps conserves natural resources and provides public recreation opportunities that contribute to the quality of American life".</u>

The NRM mission statement recognizes the strong interrelationship between the health of the natural resources and the quality of the recreation experience provided. The portions of the above mission statement which are directly related to the recreation program are underlined. Our recreation program goal is to enhance the quality of American life by providing benefits to individuals, communities, the national economy and the environment.

Table VI-1 immediately below displays the Recreation Program Objectives and Performance Measures published in the March 2004 Civil Works Strategic Plan. Preparation of the FY 06 Budget Request requires the recognition of a constrained budget environment and the ongoing effort to evolve better budget linked performance measures. The performance measures which support and/or supplement Table VI-1 program objectives and performance measures to reflect the near term realities of a constrained FY 06 budget environment are described in paragraph VI-9 below.

**TABLE VI-1**
**Strategic Plan Objectives and Performance Measures**

| Program Objectives | Performance Measures |
|---|---|
| Provide justified outdoor recreation opportunities in an effective and efficient manner at Corps operated water resources projects. | National Economic Development Benefit |
| Provide continued outdoor recreation opportunities to meet the needs of present and future generations. | Customer Satisfaction |

| | |
|---|---|
| Provide a safe and healthful outdoor recreation environment for Corps customers | Facility Condition Index |

VI-3. **Recreation Program Budget Goals and Objectives.** Although the Corps recreation program is well established, stable and well regarded, our ability to continue to provide high quality recreation experiences to meet the needs of current and future generations is jeopardized by constrained funding. Years of sub-optimal funding have precluded preventative maintenance or facility modernization or improvement, including improvements to increase operational efficiencies, resulting in an aging and outdated recreation infrastructure. The challenge is to present the most compelling performance based budget to justify and assure adequate funding.

a. Accordingly, a concentrated nationwide emphasis must be placed on assuring available funding provides the greatest public benefit for the nationwide investment. To achieve this goal, the following recreation program objectives are established for the FY 2006 program.

(1) Initial investments must provide equivalent public opportunity, at consistent service levels, across the Corps national recreation program.

(2) Initial and incremental investments must reflect the results of operational efficiencies analyses and implementation.

(3) Existing recreation infrastructure critical to meeting current and future needs must be maintained and protected.

(4) Recreation opportunities must provide a safe, healthful and accessible experience.

(5) All recreation opportunities must be provided consistent with environmentally sustainable development and environmentally friendly business practices for the benefit of future generations.

b. In order to achieve the above objectives, two tasks must be accomplished.

(1) We must conscientiously and objectively determine equivalent initial funding levels, to assure everyone across the country is starting annual budgets from the same point. Many years of starting from the previous year's budget and then requesting incremental investments has led to significant disparity in service levels provided to our recreation visitors. The Recreation Leadership Advisory Team has agreed unanimously that this disparity is a growing concern for the public we serve.

(2) We must establish a system of performance measures that will permit objective evaluation of various investment choices to assure incremental investments above initial provide the greatest benefit for the investment, while maintaining consistent public service levels.

c. Once an appropriate and equivalent initial funding level has been established and a system of effective performance measures is implemented, informed and wise decisions can be made to meet our goal of providing the greatest public benefit for the nationwide budgetary investment.

VI-4. **Initial Program Definitions.** Pursuant to the Recreation Program Goals and Objectives established in VI.3, the following definitions of initial funding by appropriation for the Corps recreation program are established. The recreation initial program will not be based upon any previous year's budget. This initial definition is unique to the recreation business line; initial definitions for other business lines may be found in their specific annexes. Budget increments above initial must be justified by the benefits to be delivered, as described by the performance measures.

a. Initial - O&M, General. Funds necessary to serve 75% of existing recreation visitation at acceptable service levels. This does NOT mean 75% of your previous funding. This is NOT a "cut" in budget; this is a new way of determining a base budget on which to build a final budget based on justifiable increments. Funding for all activities encompassed by all Work Category Codes 605XX and 615XX which serve 75% of existing recreation visitation at acceptable service levels will be included in initial.

"Existing recreation visitation" means current visitation occurring at currently open recreation areas. You may not open previously/currently closed areas to accommodate existing visitation, nor may you open previously/currently closed facilities/loops within partially closed areas, within the increment 1 or 2.

Developing our budgets using "acceptable service levels" will help us achieve more consistent public service levels across the country. Acceptable service levels protect the safety of our customers and the integrity of Government assets, and assure satisfactory interaction between agency staff and visitors. Please use the guidelines provided in Table VI-2 to determine requirements for acceptable service in your budget submittal for Class A parks. Acceptable service levels fall into the 30 - 39 point range. You should develop your initial budget, as well as all work packages above initial, to provide services within this acceptable range. These guidelines were adapted from those developed by the Southwestern Division, as part of their Justified Levels of Service effort. Service levels for other than Class A parks should be reasonable when compared to Class A. For example, do not develop a budget to provide Park Attendants in Class C parks.

**TABLE VI-2**
**ACCEPTABLE LEVELS OF SERVICE**
**CLASS A RECREATION AREAS**

| Services During Peak Season | Frequency (points) | Frequency (points) | Frequency (points) | Assigned Points |
|---|---|---|---|---|
| **Trash removal** | 1 day per week (2) | 2 days per week (5) | | |
| **Facility Cleaning** | 2 days per week (4) | 5 days per week (8) | Daily (10) | |
| **Facility mowing** | 6 in. or less 50% of time (4) | 6 in. or less 75% of time (8) | 6 in. or less 95% of time (10) | |
| **Visitor Assistance** | Ranger Patrols (2) | Ranger Patrols and Law Enforcement (4) | Ranger Patrols, Law Enforcement, and Gate Attendants (6) | |
| **Gate Attendant/Park Host** | Park Host (2) | Day time Gate Attendant (4) | 24 hr gate attendant availability (6) | |
| **Reservations+** | Yes (2) | | | |
| **Short term Maintenance*** | Correct within 14-30 days (2) | Correct within 5-14 days (4) | Correct within 1-4 days (6) | |
| **Total Points** | | | | |

+ Not applicable for Day Use Areas
*Short-term maintenance includes sign repair, electric and plumbing repairs, replacement of partitions, screens, remove graffiti etc.

Deficiencies or hazards, which threaten health or safety, should receive immediate attention in all areas.

| Rating | POINTS | POINT TOTAL FOR PARK SERVICES |
|---|---|---|
| Below Acceptable | 0-29 POINTS | |
| Acceptable | 30-39 POINTS | |
| Above Acceptable | 40-45 POINTS | |

Although we do not expect to be required to operate at the initial budget level, it is important to recognize there are costs to implement a budget at that level and to calculate those costs. This may include costs to physically close a park or a camping loop, costs to modify service contracts, etc. This will assist in characterizing and communicating the financial consequences of implementing a minimum budget. A data field is provided in RecBEST to capture these estimated costs. See paragraph VI.11 below.

b. Initial - MR&T. Same as O&M, General. Funds necessary to serve 75% of existing recreation visitation at acceptable service levels.

c. initial - General Investigations. See Appendix A.

d. initial - Construction, General. See Appendix B.

In applying these new initial program definitions, all project/district/division minimum recreation budgets are expected to change. If these initials are applied conscientiously and honestly, the relative differences in initial levels among projects/districts/divisions should change, as well.

V1-5. **Efficiency Improvements.** An additional component for continuous improvement in budgeting for the recreation program, to achieve the greatest public benefit for the nationwide budgetary investment, is achieving and increasing operational efficiencies. Guidance regarding desirable efficiencies will be developed for the Recreation Program in the coming year. Available information will be shared throughout the Community of Practice for local consideration and application to increase operational efficiencies.

V1-6. **Recreation Area Modernization.** The modernization of recreation sites and facilities involves updating existing facilities to meet current guidelines and user needs, as well as modifying facilities and services to improve efficiency and effectiveness. The Corps will not submit a separate Recreation Area Modernization Program (RAMP) to OMB for funding in FY2006. Modernizations will be funded through O&M work packages above initial. Ongoing identification of modernization needs and budgeting to accomplish the most critical of these needs, however, is important to the Corps overall, long-term management of its recreation program. Information about recreation area modernization may be found at http://corpslakes.usace.army.mil/employees/ramp/ramp.html

VI-7. **FY05 Recreation Modernization (RecMod) Initiative.** The FY 05 President's Budget included a Recreation Modernization Initiative, which had 3 components:

a. Legislative proposals to provide additional recreation use fee revenue to finance modernization activities.

b. Establishing 6 demonstration projects at which to test innovative strategies to facilitate and enhance partnership opportunities, in a way that optimizes the benefits realized by all parties. After evaluation, successful strategies will be applies nationwide.

c. An investment of $6 million to meet an immediate need to modernize Corps operated sites and facilities expecting increased visitation from the Lewis and Clark Bicentennial Commemoration.

VI-8. **Increased Recreation Use Fee Collection.** If the FY 05 RecMod Initiative is adopted and legislation is passed to allow the Corps to retain a portion of the recreation use fees collected, it will become even more critical to assure the Recreation Use Fee Program is functioning optimally to maximize available funding for modernization. Accordingly, in conjunction with the FY 06 budget development, efforts should be made to identify opportunities to enhance fee collection as appropriate and in accordance with existing policy and guidance. Implementation guidance will be developed for any additional authorities obtained through the RecMod Initiative.

VI-9. **Recreation Program Budgetary Performance Measures.** The following performance measures have been developed for application in the FY 2006 budget development, review and defense. These measures will be calculated for each work package developed in ABS or PRISM. The three performance measure values will then be normalized to achieve a single value that will be used to rank all work packages at the district, MSC and national levels. See paragraph VI.11. Recreation Budget Evaluation System (RecBEST), below for more information.

a. Recreation Unit Day Availability - This is an output performance measure of recreation capacity or opportunity.

b. Facility Condition Index - This is an output measure of the quality of the opportunities provided to our visitors.

c. National Economic Development Benefit - This is an efficiency measure of our provision of quality opportunities.

Customer Satisfaction has been identified in the Civil Works Strategic Plan as a performance measure for the Corps recreation program. For FY06, we will report nationwide performance values for this measure. This measure will be implemented on a project basis in the future. Customer satisfaction is an outcome measure, which is dependent upon the amount and quality of the opportunities provided.

Lessons learned during the FY06 budget development, review and defense process will be used to refine and adjust Recreation Performance Measures for future years.

VI-10. **Operations and Maintenance Business Information Link (OMBIL) Data Requirements.** Data to compute recreation performance measures will be maintained in OMBIL. For FY 06, the following OMBIL data will be required by recreation area:

a. Visitation

b. Numbers of camp sites

c. Numbers of day use parking spaces

VI-11. **Recreation Budget Evaluation System (RecBEST).** A web-based tool has been developed for field use in calculating recreation performance measures for O&M activities. RecBEST uses OMBIL data, supplemented with data provided by the Operations Manager, to calculate a value for each of the measures. Using these measures, RecBEST will rank all recreation budget packages at the district, division and HQs levels. RecBEST **MUST** be used to develop recreation O&M budget packages for FY 06. All RecBEST data must be entered by 4 June2004. RecBEST may be accessed through the NRM

Gateway at http://corpslakes.usace.army.mil/employees/recbest/recbest.html along with directions for its use. Table VI-2 is an overview of budget development using ABS and RecBEST.

RecBEST will not be used for work packages other than O&M, ie. CG and GI. For these packages, the 3 recreation performance measures should be calculated and input to PRISM.

VI-12. **Work Package Indicators.** When developing work packages above the initial program, Operations Project Managers should consider the goals and objectives for the recreation program and FY06 budget development, as described in this Annex. Accordingly, the following recreation packages are suggested as appropriate and should be identified with the appropriate indicator(s) in RecBEST. Work packages with other purposes may be appropriate and may be included without an indicator.

NOTE: You MUST have at least one work package for each project that serves visitation not accommodated in the initial package.

Two sets of indicators are provided to categorize work packages. The first set describes the primary purpose of the work package.

a. Packages which open parks to enable visitation at acceptable service levels above the 75% accommodated in initial. Note: If a package both opens parks and accommodates visitation by other means, you should select this indicator.

b. Packages which enable visitation at acceptable service levels above the 75% accommodated in initial by other means than opening parks. Note: If a package both opens parks and accommodates visitation by other means, you should select the indicator above.

c. Packages to improve specific or general facility condition through repair and/or replacement, other than for modernization.

d. Packages to modernize recreation sites and facilities, with or without a partner's participation.

e. Packages for accessibility improvements, to accommodate persons with disabilities, including packages to fund inventory assessments.

f. Packages for efficiency improvements for existing sites and facilities to realize future O&M savings.

g. Packages for new facility construction within an existing recreation area, when such facility construction can be justified on a benefit cost basis.

h. Packages for improvements related to the Lewis and Clark Bicentennial Commemoration.

The second set characterizes the work according to items of special interest.

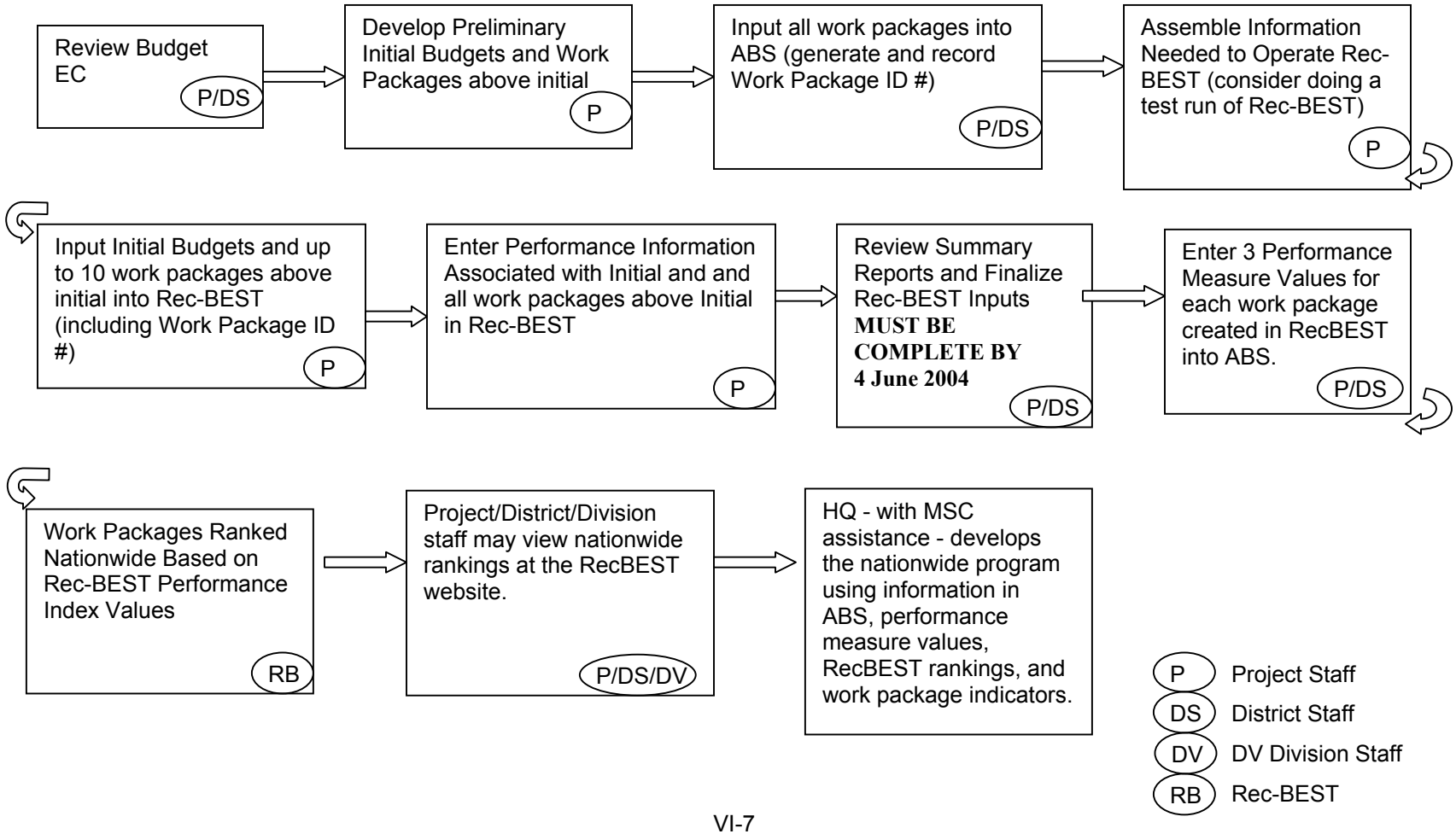
a. Packages for work to be done in partnership with other private or public entities, such as challenge partnerships.

b. Packages to support the HealthierUS initiative, such as for trail construction or maintenance. Information about HealthierUS may be found at http://www.healthierus.gov/

c. Packages that will result in expected increased recreation use fee collection of 10% or more for the project in total.

**ILLUSTRATION VI-1**
**ABS/RecBEST WORK FLOW**

# FY 06 Recreation Budget Development – Overview



ANNEX VII
REGULATORY PROGRAM
**TABLE OF CONTENTS**

| | Paragraph | Page |
|---|---|---|
| Background | VII-1 | VII-1 |
| Program Objectives | VII-2 | VII-1 |
| Program Activities | VII-3 | VII-3 |
| Program Performance Goals/Measures | VII-4 | VII-3 |
| General Submission Guidance | VII-5 | VII-4 |
| Types of Activities (Projects) and Work Functions | VII-6 | VII-4 |
| Definition of Activities (Project) Categories | VII-7 | VII-4 |
| Definition of Work Function Categories | VII-8 | VII-5 |
| Funding Levels and Rankings | VII-9 | VII-6 |
| FTE Output Measures | VII-10 | VII-8 |
| Points of Contact | VII-11 | VII-8 |
| Submission Requirements | VII-12 | VII-8 |
| Division Funding & Staffing Summary | VII-13 | VI-8 |

**LIST OF TABLES**

| | Table | Page |
|---|---|---|
| Strategic Plan Objectives and Performance Measures | VII-1 | VII-1 |
| PART Program Objectives and Performance Measures | VII-2 | VII-2 |
| Funding & Staffing Summary | VII-3 | VII-7 |

# ANNEX VII
# REGULATORY PROGRAM

VII-1. **Background.** The Regulatory Program protects the aquatic environment by regulating dredge and fill and other construction-related activities in jurisdictional waters of the United States. This responsibility is mandated by the Clean Water Act and the Rivers and Harbors Act of 1899 and other laws. The Corps evaluates and issues over 80,000 permits a year for projects with potential impacts on waters of the United States, including wetlands.

VII-2. **Program Objectives.** There have been substantial changes to the general objectives of the Program over the last year. Development of the Civil Works Strategic Plan resulted in the establishment of a new set of Program Objectives and Performance Measures. These are listed in Table VII-1 below, "Strategic Plan Objectives and Performance Measures."

**TABLE VII-1**
**Strategic Plan Objectives and Performance Measures**

| | |
|---|---|
| Administer the Regulatory Program in a manner that protects the aquatic environment (no net loss) | Compliance Inspections: percent completion rate for individual permits (Standard Individual Permits and Letters of Permissions) each year |
| | Compliance Iinspections: percent completion rate for General permits with reporting requirements each year. |
| | Compliance Inspections: percent completion rate for active permitted mitigation sites. |
| | Compliance Inspections: percent completion rate for all active mitigation banks and in-lieu fee agreements. |
| | Percent rate of resolution of outstanding unauthorized activities that were unresolved at end of prior fiscal year. |
| Administer the Regulatory Program in a manner that enables efficient decision-making. | Percent of Individual Standard Permits (excluding those with ESA consultations) issued in 120 days or less. |
| | Percent of General Permits issued in 60 days or less. |

During development of the final draft of the Civil Works Strategic Plan, the Corps in cooperation with the Department of the Army and OMB modified the Program Objectives and performance Measures through the Program Analysis and Review Tool (PART) process. The revised Program Objectives and Performance Measures are provided below in Table VII-2, "PART Program Goals and Performance Measures."

| TABLE VII-2<br>Summary of PART Program Objectives and Performance Measures | |
|---|---|
| No Net Loss of Aquatic Resources | **1. Individual Permit Compliance** The Corps shall complete compliance inspections on XX% of all individual permits issued and constructed within the preceding fiscal year. |
| Avoidance and Minimization of Impacts to Aquatic Resources | **2. General Permit Compliance**. The Corps shall complete compliance inspections of XX% of all General Permits (GPs and NWPs) with reporting requirements issued and constructed within the preceding fiscal year. |
| | **3. Mitigation Site Compliance** The Corps shall complete field compliance inspections of XX% of active mitigation sites each fiscal year. Active mitigation sites are those sites authorized through the permit process and are being monitored as part of the permit process but have not met final approval under the permit special conditions (success criteria). |
| | **4. Mitigation Bank/In Lieu-Fee Compliance** The Corps shall complete compliance inspections/audits on XX% of active mitigation banks and in lieu fee programs annually. |
| | **5. Resolution of Non-compliance Issues**. The Corps will reach resolution on non-compliance with permit conditions and/or mitigation requirements on XX% of activities determined to be non-compliant at the end of the previous fiscal year and determined to be non-compliant during the current fiscal year. |
| | **6. Resolution of Enforcement Actions**. The Corps shall reach resolution on XX% of all pending enforcement actions (i.e., unauthorized activities) that are unresolved at the end of the previous fiscal year and have been received during the current fiscal year. |
| Expedite Permit Processing | **7. General Permit Decisions.** The Corps shall reach permit decisions on XX% of all General permit applications within 60 days. |
| | **8. Individual Permits.** The Corps shall reach permit decisions on XX% of all Standard permits and Letter of Permission (LOPs) within 120 days. This standard shall not include Individual Permits with Formal Endangered Species Act (ESA) Consultations. |

The Performance Measures were developed to link the Regulatory Budget to performance that would provide data on the effectiveness of the program. For example, the Program Objective “No Net Loss of Aquatic Resources” would be defined by data captured through Performance Measures 1 through 6. Based on the national budget priorities, the Corps would be provided funds to administer the Program. Because the Corps Regulatory Program is predominantly a labor-based program, dollars allocated to the

Program are correlated to the target percentages for each of the Performance Measures. The accuracy of the data collected for the Program Objectives is correlated to the target percentages in each of the Performance Measures. In other words, a higher percentage results in more accurate data, but requires more funding.

VII-3. **Program Activities.**

The program has historically categorized, allocated, and expended funds within the following categories:

| Activity | Category |
|---|---|
| Permit Evaluation | 100 |
| Enforcement and Resolution | 200 |
| Studies | 300 |
| Other Regulations | 400 |
| Environmental Impact Statements | 500 |
| Administrative Appeals | 600 |
| Compliance: Authorized activities and mitigation | 700 |

This categorization allows the program managers to distribute funds in particular categories and track utilization. These accounts will also provide information on the effectiveness of the program within each of the categories.

VII-4. **Program Goals/Performance Measures:**

a. Performance Measure 1. Individual Permit Compliance. The Corps shall complete compliance inspections of XX% of all individual permits issued and constructed within the preceding fiscal year (may use compliance certification forms in accordance with NWP General Condition 14 to determine which projects to inspect).

b. Performance Measure 2. General Permit Compliance. The Corps shall complete compliance inspections of XX% of all General Permits (GPs and NWPs) with reporting requirements issued and constructed within the preceding fiscal year (May use compliance certification forms in accordance with NWP General Condition 14 to determine which projects to inspect).

c. Performance Measure 3. Mitigation Site Compliance. The Corps shall complete field compliance inspections of XX% of active mitigation sites each fiscal year. Active mitigation sites are those sites authorized through the permit process and are being monitored as part of the permit process but have not met final approval under the permit special conditions (success criteria). The measure does not include mitigation banks and in lieu fee programs.

d. Performance Measure 4. Mitigation Bank/In Lieu Fee Compliance. The Corps shall complete compliance inspections/audits on XX% of active mitigation banks and in lieu fee programs annually.

e. Performance Measure 5. Resolution of Non-Compliance Resolution with Permit Conditions. The Corps will reach resolution on non-compliance with permit conditions and/or mitigation requirements on XX% of activities determined to be non-compliant at the end of the previous fiscal year and determined to be non-compliant during the current fiscal year. Resolution for this measure shall include removal of the fill material, processing of an After-The-Fact permit, a requirement to complete some type of compensatory mitigation (voluntary restoration or payment of in-lieu fees), referral to EPA, or resolution by the requirement for monetary compensation as a punitive measure.

f. Performance Measure 6. Resolution of Unauthorized Activities. The Corps shall reach resolution on XX% of all pending enforcement actions (i.e., unauthorized activities) that are unresolved at the end of the previous fiscal year and have been received during the current fiscal year. Resolution for this measure shall include removal of the fill material, processing of an After-The-Fact permit, a requirement to complete some type of compensatory mitigation (voluntary restoration or payment of in-lieu fees), referral to EPA, or resolution by the requirement for monetary compensation as a punitive measure.

g. Performance Measure 7. Processing of General Permits. The Corps shall reach permit decisions on XX% of all General Permit applications within 60 days.

h. Performance Measure 8. Processing of Individual Permits. The Corps shall reach permit decisions on XX% of all Standard Individual Permits and Letters of Permission (LOPs) within 120 days. This standard shall not include Individual Permits with formal Endangered Species Act (ESA) Consultations.

VII-5. **General Submission Guidance.** Data will be transmitted electronically following guidance contained in the Civil Works Operation and Maintenance Automated Budget System Manual. Procedures for preparing input, for generating reports, and for updating data are also included in that manual. Division Regulatory Program managers must rank all packages. Rankings of packages are especially important. MSC's must insure that submissions reflect uniform and consistent levels of work effort among the districts and that submissions accurately reflect the required level of service. Resources required by the division should be programmed under General Expenses. However, one Level 1 Regulatory package should be submitted to cover costs for a single GS-13 Appeal Review Officer at the division. It will not be submitted under a selected district but as a division package.

VII-6. **Types of Activities (Projects) and Work Functions.** Packages under the Regulatory appropriation should be submitted for up to seven activities (projects). Packages will be further identified according to one of three work functions. The seven Regulatory activities are Permit Evaluation- 100, Enforcement 200, Studies-300, Other Regulations-400, Environmental Impact Statements (EISs)-500, Administrative Appeals-600, and Compliance-700. The work function code will now be used to identify these activity (project) packages as 15.1 (Branch Labor/Operational Costs), 15.2 (Contracts, Major Purchases, Miscellaneous) or 15.3 (Support by Others). This will create packages that will be identified by both activity (project) and work function. (For programming purposes these Regulatory activities are always treated as projects).

VII-7. **Definition of Activities (Project) Categories.** The Regulatory Program is divided into seven activity categories:

a. Permit Evaluation (100). Includes all costs related to the review and evaluation of permit applications under Section 9, 10, 103 and 404 as well as environmental assessments supporting this review. Cultural resource investigations, jurisdiction determinations, public hearings, and other activities related to application evaluation are included as are general permit development and consideration of activities under general permits. Cost for support items such as automated permit tracking systems or other computer or micrographic support and equipment purchases should be identified in description/argument. Includes sub-accounts 110 for Standard Permits (Individual, Letter of Permission and Denial), 120 (General Permits – including development) and 130 (Other permit work not involving specific permits).

b. Enforcement (200). Includes all costs related to those activities associated with unauthorized activities and jurisdiction determinations related to enforcement actions, ground and aerial surveillance,

and follow-up on violations. Historically, approximately 18 to 25% of national resources were allocated for enforcement, including compliance costs. Establishment of the Compliance category will necessitate a re-appraisal of the enforcement costs alone.

c. Studies (300). Includes all costs related to studies such as jurisdiction studies (actual jurisdiction determinations are included under permit evaluation), mapping, wetland studies, shoreline inventories, and collection of data for environmental databases. No packages for studies may be included where a specific study is not identified and described. Studies may be submitted at any level depending on their priority, however, it is recommended that funds for studies be submitted in packages following the last package to cover on board (mid FY 04) labor.

d. Other Regulations (400). Includes all costs related to administration of the miscellaneous regulations such as danger zones and restricted areas, plus review of Section 402 applications. Recent security concerns may require a need for funds for administration of restricted areas and danger zones.

e. Environmental Impact Statements (EISs) (500). Includes all costs required for preparation of EISs when Corps is the lead or a cooperating agency. In most cases, these costs are associated with Corps review and management only; applicants are responsible for development and analysis. Approval by the MSC and Headquarters is required where the Corps Regulatory Program proposes to provide more than management and review services for any EIS. Costs for all new project-specific EISs will be submitted as EIS packages under the Branch Labor work function category since review will occur in the Regulatory branch. Some costs for programmatic EISs may require support from other offices and may be submitted under the Support by Others work function category. All EISs must be identified as either ongoing or projected and the percent probability of the EIS being required should be indicated. Costs associated with the review of non-Corps EISs are included under Permit Evaluation, unless the review is of an in-depth nature requiring more than $2,000. No packages for EIS may be submitted where the EIS is not specifically identified. Costs for EIS's may be submitted at level 1 and 2 if the EIS is on going or a determination has been made it will be undertaken. An EIS, where there has been a preliminary decision that it will likely be needed, should be placed in level 3, ranked below the packages tied to performance.

f. Administrative Appeals (600). Costs to support one grade 13 Appeal Review Officer, in Level 1, for Regulatory decisions, including travel and related costs, at division offices; and any appeals costs at districts.

g. Compliance (700). Includes all costs related to compliance inspections of a percentage of the authorized activities and proposed mitigation sites (including mitigation banks, in-lieu fee programs, and site specific mitigation). This category includes costs associated with resolution of non-compliance found as part of inspections as well as administrative civil penalties for non-compliance.

VII-8. **Definition of Work Function Categories.**

a. Branch Labor/Operational Costs (15.1). Costs required to pay salaries and benefits of Regulatory personnel (except contracted personnel) and normal office operational costs to support these personnel at according to the service provided at each level, i.e., only manpower and costs related to manpower necessary to meet the performance measures should be included at that level. At the third level, additional manpower may be shown but in packages ranked below those needed to meet the performance goals. Items to include are: overhead costs not separately charged as under paragraph c below, rent, utilities, communications, computer systems, travel, training, reproduction, supplies, etc. New, major purchase or contracting requirements for office services not currently in use (or expansion of such contracts), and over $25,000 should be shown under 15.2. Renewal of existing contracts, for office services ONLY, need not be listed separately under 15.2. Other, mission support type contracts, must be

listed under 15.2, whether they are new or renewal of existing contracts. Under output measures, the number of FTEs supported by the funds in each 15.1 package will be required (see below). Some packages may provide enhancement levels of 15.1 office services without actually supporting FTEs; a zero may be entered for these packages. Comparisons will be made with past cost per FTE submissions. Each 15.1 package submitted shall also be identified according to the seven Regulatory activities. Note that computer/RAMS/ORM costs should be submitted as one or more separate packages.

b. Contracts, Major Purchases, Miscellaneous (15.2). All contracts, including financial agreement with other agencies, in support of the Regulatory mission (as opposed to normal office support contracts) should be shown here. Only expansion of office service contracts over $25,000 need be shown here as defined in the previous paragraph for 15.1. Examples of work to be shown as 15.2 are: aerial photography; inspection contracts; cost sharing agreements with states or other Federal agencies; contractual personnel; personnel from other agencies paid with regulatory funds; data gathering contracts; major purchases of new computer systems, micrographic or other office systems, including Regulatory Automated Management System (RAMS), OMBIL Regulatory Module (ORM), GIS, or major equipment purchases. Wherever possible, these packages can be listed under a single activity rather than splitting between two or more activities, (e. g., $50,000 for aerial photos could be shown as a single enforcement package if they will be used more for enforcement than for permit evaluation). Package size limitations may result in 15.2 packages having to be divided into two or more packages regardless. Packages may be submitted at any level but should be consistent with the service and manpower strength at that level. Note that Computer/RAMS/ORM costs should be submitted as one or more separate packages.

c. Support by Others (15.3). Costs for support by those organizations that direct charge to the regulatory program for their assistance on an "as needed" basis. Packages will need to be submitted for any of the seven activities that are appropriate. Engineering, planning, counsel support, and IM each should be submitted as a separate package. Support work may also have to be divided among levels and should be consistent with the service provided at each level.

VII-9. **Funding Levels and Ranking**. District Regulatory Program requirements should be submitted in the levels below based on the stated performance criteria. Costs to support more than one performance measure may be combined provided each package includes only costs to meet the measures for one of three program categories (permit evaluation, enforcement, and compliance). Rankings will vary depending upon district needs and current areas of underperformance. Generally, however, meeting the performance measures for Permit Evaluation would be ranked the highest. For Performance Measure 8, insure funds are included to process all Individual Permits while meeting the standard for those permits with no ESA requirement. Funding arguments should indicate differences or similarities with current levels of effort. With the exception of work in Level 1, packages of $100,000 or less are preferred, but not required especially in large districts (those with FY 2003 obligations near $4 million), or where large packages are required to meet the performance levels above. Packages for new FTEs (not authorized in mid FY 2004) should be identified as new FTEs in the package description. Packages for high priority SAMPS and/or other watershed management plans, GIS analytical tools, acquisition of spatial data sets, and/or development of spatial assessment tools may be submitted if they will provide significant benefit to management of the program workload.

a. **Level 1**. Packages should be submitted with total Level 1 (minimum) requirements allowing the performance as defined below. The Level 1 program was designed to provide a balanced, fully operational, albeit reduced, program with the following performance criteria.

Compliance package(s) to meet the following levels of performance:

| | | |
|---|---|---|
| Performance Measure 1 | Individual Permit Compliance: | Level 1 Target: 10% |
| Performance Measure 2 | General Permit Compliance: | Level 1 Target: 5% |
| Performance Measure 3 | Mitigation Site Compliance | Level 1 Target: 10% |
| Performance Measure 4 | Mitigation Bank/ILF Compliance | Level 1 Target: 15% |
| Performance Measure 5 | Resolution of Non-compliance | Level 1 Target: 20% |

Enforcement package(s) to meet the following level of performance:

| | | |
|---|---|---|
| Performance Measure 6 | Resolution of Unauthorized Activities | Level 1 Target: 20% |

Permit Evaluation Package(s) to meet the following levels of performance:

| | | |
|---|---|---|
| Performance Measure 7 | Processing of General Permits. | Level 1 Target: 85% |
| Performance Measure 8 | Processing of Individual Permits. | Level 1 Target: 60% |

b. **Level 2**. The total of all cumulative packages at Level 2 should allow the district to provide (but not exceed) the following levels of service and performance. Level 2 was designed to meet the performance goals for permit processing along with an increase in compliance and enforcement efforts from Level 1. Some additional packages, not directly contributing to meeting the measures may be submitted provided they are essential to support the other resources needed to meet the performance measures below.

Compliance package(s) to meet the following levels of performance:

| | | |
|---|---|---|
| Performance Measure 1 | Individual Permit Compliance: | Level 2 Target: 15% |
| Performance Measure 2 | General Permit Compliance: | Level 2 Target: 10% |
| Performance Measure 3 | Mitigation Site Compliance | Level 2 Target: 15% |
| Performance Measure 4 | Mitigation Bank/ILF Compliance | Level 2 Target: 50% |
| Performance Measure 5 | Resolution of Non-compliance | Level 2 Target: 30% |

Enforcement package(s) to meet the following level of performance:

| | | |
|---|---|---|
| Performance Measure 6 | Resolution of Unauthorized Activities | Level 2 Target: 30% |

Permit Evaluation Package(s) to meet the following levels of performance:

| | | |
|---|---|---|
| Performance Measure 7 | Processing of General Permits. | Level 2 Target: 90% |
| Performance Measure 8 | Processing of Individual Permits. | Level 2 Target: 75% |

c. **Level 3**. Additional packages should be submitted to meet the performance standards identified below for Level 3. The requirements for the Level 3 packages represent the fully funded program, meeting all stated Program Objectives. After packages have been submitted to meet the performance measures, additional, lower ranked packages to enhance the program may be submitted. NOTE: Districts which are currently exceeding any of these measures in Level 3, costs for manpower in these areas should be redirected to work to support the other performance measures.

Compliance package(s) to meet the following levels of performance:

| | | |
|---|---|---|
| Performance Measure 1 | Individual Permit Compliance: | Level 3 Target: 50% |
| Performance Measure 2 | General Permit Compliance: | Level 3 Target: 20% |
| Performance Measure 3 | Mitigation Site Compliance | Level 3 Target: 25% |
| Performance Measure 4 | Mitigation Bank/ILF Compliance | Level 3 Target: 100% |
| Performance Measure 5 | Resolution of Non-compliance | Level 3 Target: 40% |

Enforcement package(s) to meet the following level of performance:

| | | |
|---|---|---|
| Performance Measure 6 | Resolution of Unauthorized Activities | Level 3 Target: 40% |

Permit Evaluation Packages: None required (Level 2 meets stated goal for Measures 7 and 8).

VII-10. **FTE Output Measures.** All 15.1 packages with labor require that the number of Regulatory Branch FTEs covered by the package be entered as an output measure. Use of the FTE output measure is optional for 15.2 package as it will often not be appropriate. No FTEs need be entered for 15.3 work as no Regulatory Branch FTEs are affected. Enter in tenths, i. e., enter 1 for .1; enter 11 for 1.1. It is likely that some of the 15.1 packages in Level 3, for office operations without labor costs, will have zero entered for the FTE output indicator. *IMPORTANT*: In order to insure that labor packages are funded, districts should be certain that the appropriate number of FTEs is reflected; a zero will result in a package being ranked below most labor packages and possibly not being funded. Division Offices should check FTE output indicators thoroughly.

VII-11. **Points of Contact.** Questions pertaining to policies, procedures, or format of the Regulatory Program activity should be referred to HQUSACE, Dr. Mark Sudol, (202) 761-8560. Questions regarding ABS data input for the same activity should be referred to HQUSACE, Mr. Karl Nilson (202) 761-4215.

VII-12. **Submission Requirements.** The suspense date for submission of required materials from divisions is 25 June 2004.

VII-13. **Division Funding & Staffing Summary.** Each district should prepare and submit electronically to its division office the funding and staffing information in Table VII-3. Divisions should forward these to HQUSACE (Mark Sudol) electronically and also prepare and submit a division-level Table VII-3. The division table will sum district amounts for each category and level (cumulatively; not by district). Divisions will also forward copies of the individual district tables to headquarters. Divisions should include the division office amounts for Administrative Appeals to the summary table.

TABLE VII-3

DIVISION : ***EXAMPLE***

FUNDING & STAFFING SUMMARY
($000/FTEs)

| Activity | District | Level 1 Total | 2 Increment | 2 Total | 3 Increment | 3 Total |
|---|---|---|---|---|---|---|
| **Funding** | | | | | | |
| Permit Evaluation | XXX | 1400 | 220 | 1620 | 230 | 1,850 |
| Enforcement | XXX | 340 | 100 | 440 | 150 | 590 |
| Studies | XXX | 100 | 50 | 150 | 50 | 200 |
| Other Regulations | XXX | 0 | 0 | 0 | 10 | 10 |
| EISs | XXX | 60 | 0 | 60 | 0 | 60 |
| Appeals | XXX | 0 | 30 | 30 | 20 | 50 |
| Compliance | XXX | 100 | 100 | 200 | 100 | 300 |
| Total | XXX | 2000 | 500 | 2500 | 550 | 3050 |
| **Staffing** | | | | | | |
| All | XXX | 17 | 2.5 | 19.5 | 2 | 21.5 |

ANNEX VIII
WATER SUPPLY
**TABLE OF CONTENTS**

| | Paragraph | Page |
|---|---|---|
| Background | VIII-1 | VIII-1 |
| Program Purpose | VIII-2 | VIII-1 |
| Civil Works Program Objectives | VIII-3 | VIII-1 |
| Performance Measures | VIII-4 | VIII-1 |
| Program Rating And Ranking Criteria for FY 06 Budget Development | VIII-5 | VIII-3 |
| Special Considerations or Special Rating Criteria | VIII-6 | VIII-3 |

**LIST OF TABLES**

| Table | Page |
|---|---|
| Strategic Plan Objectives and Performance Measures | VIII-1 |
| Water Supply Budget Performance Measures | VIII-2 |

# ANNEX VIII
# WATER SUPPLY

VIII.1. **Background.** The Corps of Engineers has provided water supply storage space in its multi-purpose reservoirs for many years. Based on 1996 data, approximately 9.5 million acre feet of (M&I) storage space is included in 117 reservoirs. Approximately 92% of this storage is under contract for present or future use. Although the primary responsibility for developing water supplies for domestic, municipal, industrial and other purposes rests with State and local interests, Municipal and Industrial (M&I) storage space may be recommended for inclusion in any Corps reservoir pursuant to the Water Supply Act of 1958. Studies associated with reallocation of water for M&I and/or environmental purposes; although not considered low priority, must compete with all activities in a constrained budget environment.

VIII.2. **Purpose.** As one of the nation's largest water management agencies, the U.S. Army Corps of Engineers plays an important role in ensuring that Americans have enough water to meet their needs. The Water Supply program provides cost-effective water storage to allow State and local interests to supply water to homes, businesses and farms nationwide.

VIII.3. **Goals and Objectives.** Table VIII-1 immediately below displays the Water Supply Program Objectives and Performance Measures published in the March 2004 Civil Works Strategic Plan. The CW Strategic Plan was developed with an explicit assumption of an unconstrained resource environment to encourage an unconstrained assessment of the nation's water resources needs and potential Corps response. Preparation of the FY 06 Budget Request requires the recognition of a constrained budget environment and the ongoing effort to evolve better budget linked performance measures.

**TABLE VIII-1**
**Water Supply Objectives and Performance Measures**

| Program Objectives | Performance Measures |
|---|---|
| In partnership with non-Federal water management plans and consistent with law and policy, manage Corps reservoirs to provide water supply storage in a cost-efficient and environmentally responsible manner. | Acre-feet of storage under contract versus acre-feet available.<br><br>Percentage of costs covered by revenues returned to Treasury. |

VIII.4. **Performance Measures.**

a. The Corps Water Supply program is well established and valued, however our capability to continue to supply storage is dependent on our ability to demonstrate cost-efficiency of water storage and need for additional storage space for water supply purposes. OMB suggested the performance measures contained in this annex as part of the deliberations on the Corps Strategic Plan. Both measures reflect on the ability of the Water Supply program to return revenues to the Treasury. In that regard a secondary program objective will be to increase revenues to the Treasury through the reallocation of storage space from other authorized purposes and the timely collection of payments from existing water supply contracts.

b. For the purposes of budget development, the term "acre-feet available" will be defined as acre-feet of storage authorized for M&I water supply. For the performance measure “percentage of costs covered by revenues returned to Treasury”, the water supply costs will be defined as the annual water supply portion of joint-use O&M costs plus any administrative costs associated with managing and maintaining water supply storage contracts. Please note multi-purpose reservoir joint use O&M costs are those costs necessary to maintain the reservoir impoundment and will be budgeted in the business line of the primary operating purpose of the reservoir. Revenues will be defined as the annual water supply repayment of investment or capital costs plus the annual water supply payment of joint-use O&M costs.

c. As the water supply program does not require budgeting of specific costs on an annual basis, Division offices will not be expected to provide project performance measurement information except in cases where they are actually budgeting specific project water supply costs such as in the case of costs associated with renegotiation of an expiring water supply contract.

d. In order to achieve the above objective, we are establishing minimum funding levels, to assure uniformity across the country in building annual budgets from the same point. The minimum program is defined by the criteria below for each appropriation.

(1) GI:
(a) No new starts. Previously budgeted studies only.
(b) Remaining items (like R&D, data, etc)

(2) CG:
(a) No new starts. Previously budgeted projects only.
(b) Funding for continuing contracts only, and continuing E&D and S&A for continuing contracts.
(c) No contract terminations. Multipurpose projects when those projects are included in the minimum programs of other business lines and not a separable element.
(d) Remaining items

(3) O&M.
(a) Sufficient to meet minimum legal responsibilities for operation and safety
(b) Multipurpose projects when those projects are included in the minimum programs of other business lines and not a separable element.
(c) Costs to manage and maintain existing contracts including any cost associated with renegotiation of expiring contracts.
(d) Costs associated with collection of delinquent payments
(e) Previously budgeted studies
(f) Remaining items

e. Table VIII-2 on the following page displays the program objectives and ranking criteria which support and/or supplement Table VIII-1 program objectives and performance measures to reflect the near term realities of a constrained FY 06 budget environment.

**TABLE VIII-2**
**Budget Ranking Criteria**

| Objectives | Ranking Criteria |
|---|---|
| In partnership with non-Federal water management plans and consistent with law and policy, reallocate storage space from other project purposes. | Acre-feet of storage under study versus cost of study. Preference given to studies addressing allocated storage not under contract. . |
| Insure the timely collection of payments from existing water supply contracts | Revenues collected versus cost of collection. |

VIII.5. **PROGRAM RATING AND RANKING CRITERIA FOR FY 06 BUDGET DEVELOPMENT.** GI studies, at the reconnaissance or feasibility level, or O&M studies evaluating reallocation of storage space from other project purposes that will otherwise increase revenues to the Treasury will be given priority for budgeting purposes. Priority will be based on the above performance measure, acre-feet of storage versus cost of study, with consideration given to studies that are multi-objective in scope such as watershed/comprehensive studies.

VIII.6. **SPECIAL CONSIDERATIONS OR SPECIAL RATING CRITERIA.** Work codes in the ABS system will be flagged to identify separable water supply costs. Instructions will be posted on the ABS website at http://www.cecer.army.mil/abs.

# APPENDIX A
# GENERAL INVESTIGATIONS
# TABLE OF CONTENTS

| | Paragraph | Page |
|---|---|---|
| SUBAPPENDIX A-1 - GENERAL (RCS: CECW-B-12) | | |
| Applicability | A-1.1 | A-1-1 |
| Organization and Structure | A-1.2 | A-1-3 |
| Definitions | A-1.3 | A-1-3 |
| SUBAPPENDIX A-2 - SPECIFICALLY PROGRAMMED STUDIES AND PROJECTS - NEW AND CONTINUING | | |
| Ten-Year Programs | A-2.1 | A-2-1 |
| Performance Based Budget Increments | A-2.2 | A-2-1 |
| Program Description and Procedure | A-2.3 | A-2-2 |
| Program Considerations | A-2.4 | A-2-6 |
| Submission Requirements | A-2.5 | A-2-6 |
| SUBAPPENDIX A-3 - CECW PROGRAMMED ITEMS | | |
| Required Field Input | A-3.1 | A-3-1 |
| Program Procedure | A-3.2 | A-3-1 |
| Submission Requirements | A-3.3 | A-3-2 |
| Special Investigations | A-3.4 | A-3-2 |
| FERC Licensing Activities | A-3.5 | A-3-2 |
| Interagency Water Resources Development | A-3.6 | A-3-2 |
| National Estuary Program | A-3.7 | A-3-3 |
| North American Waterfowl Management Program | A-3.8 | A-3-3 |
| Interagency and International Support | A-3.9 | A-3-3 |
| Coordination with Other Water Resources Agencies | A-3.10 | A-3-3 |
| Planning Assistance to States | A-3.11 | A-3-4 |
| International Waters Studies | A-3.12 | A-3-4 |
| Flood Plain Management Services | A-3.13 | A-3-4 |
| Hydrologic Studies | A-3.14 | A-3-5 |

## ILLUSTRATIONS

| | Illustration | Page |
|---|---|---|
| New Start Reconnaissance Phase Study | A-2.1 | A-2-8 |
| Cost-Shared Feasibility Study | A-2.2 | A-2-9 |
| Full Federal Expense Feasibility Study | A-2.3 | A-2-10 |
| Preconstruction Engineering and Design | A-2.4 | A-2-11 |
| General Investigations Data Summary Table | A-2.5 | A-2-12 |

TABLE OF CONTENTS (Continued)

**ILLUSTRATIONS (Continued)**

| | Illustration | Page |
|---|---|---|
| District Breakdown | A-3.1 | A-3-6 |
| Special Investigations Work Accomplished | A-3.2 | A-3-8 |
| Planning Assistance to States - Priority Listing | A-3.3 | A-3-9 |
| International Waters Studies | A-3.4 | A-3-10 |
| Flood Plain Management Services | A-3.5 | A-3-11 |

# SUBAPPENDIX A-1
# GENERAL INVESTIGATIONS
# (RCS CECW-B-12)

A-1.1. **Applicability.** This appendix provides Program guidance and procedures for all activities in the General Investigations (GI) appropriation title and comparable ones from the Flood Control, Mississippi River and Tributaries (MR&T) appropriation title, where appropriate. A listing of all GI activities follows. MR&T activities are listed only when applicable. The list identifies the location of guidance within this appendix for each Category/Class/Subclass and categorizes the responses that Divisions are required to make by this EC.

| Activity | Category/ Class/ Subclass GI | MR&T | Guidance Provided in Subappendix | Division Response (Yes or No) |
|---|---|---|---|---|
| Navigation Studies | 901-110 | | | |
| Navigation - Reconnaissance | -111 | 908-111 | A-2 | Yes |
| Navigation - Feasibility | -112 | -112 | A-2 | Yes |
| Flood Damage Prevention Studies | -120 | | | |
| Flood Damage Prevention - Reconnaissance | -121 | -113 | A-2 | Yes |
| Flood Damage Prevention - Feasibility | -122 | -114 | A-2 | Yes |
| Shoreline Protection Studies | -130 | | | |
| Shoreline Protection - Reconnaissance | -131 | | A-2 | Yes |
| Shoreline Protection - Feasibility | -132 | | A-2 | Yes |
| Special Studies | -140 | | | |
| Special - Reconnaissance | -141 | -115 | A-2 | Yes |
| Special - Feasibility | -142 | -116 | A-2 | Yes |
| Ecosystem Restoration Studies | -TBD | | | |
| Ecosystem Restoration-Reconnaissance | -143 | | A-2 | Yes |
| Ecosystem Restoration Feasibility | -144 | | A-2 | Yes |
| Watershed/Comprehensive Studies | -150 | | | |
| Watershed/Comprehensive - Reconnaissance | -151 | -117 | A-2 | Yes |
| Watershed/Comprehensive - Feasibility | -152 | -118 | A-2 | Yes |
| Special Investigations | -171 | | A-3 | Yes |
| FERC Licensing Activities | -172 | | A-3 | Yes |
| Interagency Water Resources Development | -173 | | A-3 | Yes |
| Inventory of Dams | -174 | | NA | No |
| National Estuary Program | -175 | | A-3 | Yes |
| North American Waterfowl Management Program | -176 | | A-3 | Yes |
| National Marine Fisheries Program | -177 | | A-3 | Yes |

| Activity | Category/ Class/ Subclass GI | MR&T | Guidance Provided in Subappendix | Division Response (Yes or No) |
|---|---|---|---|---|
| Interagency and International Support | 901-178 | | A-3 | Yes |
| Coordination with Other Water Resources Agencies | -181 | | A-3 | Yes |
| Water Quality Management | -184 | | NA | No |
| Coastal Zone Management | -185 | | NA | No |
| Planning Assistance to States | -186 | | A-3 | Yes |
| National Wild & Scenic Rivers System | -187 | | NA | No |
| Technical and Engineering Assistance on Shore and Streambank Erosion (Sec 55) | -188 | 908-119 | NA | No |
| Legislative Phase I Studies (FDP) | -194 | -132 | A-2 | Yes |
| Collection and Study of Basic Data | NA | -120 | NA | No |
| Stream Gaging | -210 | | NA | No |
| Precipitation Studies | -220 | | NA | No |
| International Waters Studies | -240 | | A-3 | Yes |
| Flood Plain Management Services | -250 | | A-3 | Yes |
| Hydrologic Studies | -260 | | A-3 | Yes |
| Scientific and Technical Information Centers | -270 | | NA | No |
| Coastal Field Data Collection | -280 | | NA | No |
| Transportation Systems | -291 | | NA | No |
| Environmental Data Studies | -292 | | NA | No |
| Flood Damage Data | -295 | | NA | No |
| Automated Information Systems Support | -294 | | NA | No |
| Research and Development | -300 | | NA | No |
| | -500 | | NA | No |
| Preconstruction Engineering and Design | | | | |
| Projects not yet Authorized for Construction | -400 | -140 | A-2 | Yes |
| Ecosystem Restoration Projects | -410 | | | |
| Navigation Channels and Harbors | -421 | -141 | | |
| Navigation Locks and Dams | -422 | | | |
| Watershed/Comprehensive Projects | -430 | | | |
| Shoreline Protection | -440 | | | |
| Flood Control, Local Protection | -451 | -142 | | |
| Flood Control Reservoirs | -452 | | | |
| Multiple Purpose Power | -460 | | | |
| Projects Authorized for Construction | -600 | -160 | A-2 | Yes |
| Ecosystem Restoration Projects | -610 | | | |
| Navigation Channels and Harbors | -621 | -161 | | |
| Navigation Locks and Dams | -622 | | | |
| Watershed/Comprehensive Projects | -630 | | | |
| Shoreline Protection | -640 | | | |
| Flood Control, Local Protection | -651 | -162 | | |
| Flood Control Reservoirs | -652 | | | |
| Multiple Purpose Power | -660 | | | |

A-1.2. **Organization and Structure.** Subappendix A-2 includes all specifically Programmed activities – Reconnaissance and Feasibility Studies, Restudies/Reviews, and Preconstruction Planning and Design (PED). It provides guidance on feasibility studies and PEDs, including new starts. Subappendix A-3 covers all other activities funded by the General Investigations appropriation title and the Flood Control, Mississippi River and Tributaries counterparts.

A-1.3. **Definitions.** The following definitions are provided to assist you in identifying surveys and projects to be included in the submission of the general investigations program. Please refer to the following definitions when choosing one of the above-mentioned cat/class/subclass designations. Please use the ccs designated for the reconnaissance phase or the feasibility phase of the study and not those identified as the category heading, e.g. the 110, 120, 130, 140, 150, these particular ccs's should only be used in rare instances when the work does not fit into the reconnaissance or feasibility phases and/or occasionally for a HQ national study which does not fall under the Survey level of effort, but fits into the Remaining Items categories e.g. ccs 140 for Special Studies. Although the Ecosystem Restoration ccs's are listed under the Special Studies heading, they are clearly identified as a national priority output the same as navigation, flood damage prevention and shoreline studies.

a. Navigation Studies. Navigation studies seek to provide safe, reliable, and efficient waterborne transportation systems (channels, harbors, and waterways) for movement of commerce, national security needs, and recreation.

b. Flood Damage Reduction Studies. Studies seek to prevent or reduce flood damages through the use of structural or non-structural measures. Structural measures include dams with reservoirs, dry dams, channelization measures, levees, walls, diversion channels, ice-control structures, and bridge modifications. Non-structural measures reduce flood damages without significantly altering the nature or extent of flooding by changing the use made of the flood plains, or by accommodating existing uses to the flood hazard Non-structural measures are flood proofing, permanent relocation of structures, flood warning/preparedness systems, and regulation of flood plain uses.

c. Shoreline Protection Studies. Studies seek to provide hurricane and storm damage reduction caused by wind-generated and tide-generated waves and currents along the nation's ocean coasts, Gulf of Mexico, Great Lakes and estuary shores.

d. Ecosystem Restoration Studies. Studies seek to identify means to restore degraded ecosystem structure, function, and dynamic processes to a less degraded, more natural condition. This does not include actions normally considered to be remediation of hazardous material.

e. Watershed/Comprehensive Studies. Watershed studies are planning initiatives that have a multi-purpose and multi-objective scope and accommodate flexibility and collaboration in the planning process. Possible areas of investigation include flood damage reduction activities, ecosystem restoration, navigation, water supply, and recreation. Districts are encouraged to pursue this approach.

f. Special Studies. This category should be used only in special cases, where the survey or project has a National perspective and is not tied to one project purpose or business program; most often these will be HQ funded items.

g. Reconnaissance Phase completion: The Reconnaissance phase ends with the execution of

a feasibility Cost Sharing Agreement or a report recommending no Federal action.

h. Feasibility Phase completion: The Feasibility phase ends on the date the Feasibility Report is submitted to the Office of Management and Budget.

i. PED Phase completion: The PED phase ends after completing the plans and specifications of the first contract or when the PCA is executed.

j. NEW START is defined as an active authorized study or project which has not received an initial work allowance and that fits into at least one of the following business lines: navigation; flood and storm damage reduction; environmental restoration, water supply, hydropower or recreation. The New Start definition will apply to Recons, to Feasibilitiy studies being initiated without a GI-funded Reconnaissance report (such as some Section 216 studies of completed projects – see paragraph A-2.3(a)(1)(b)), and to PEDS that follow Feasibility studies not subject to the discipline of cost sharing (see paragraphs A-2.3(b)(1)(b), (c), and (e)), as well as any new efforts under the Remaining Items category. The definition also applies to resumptions. See paragraph A-2.3(a)(2)(c). For Feasibilities and PEDs, also see New Phase definition.

k. NEW PHASE: A study or project is considered to be in a NEW PHASE once it has completed the current phase that is funded and ready for budgeting in the follow-on phase, e.g. from Reconnaissance to Feasibility or Feasibility to PED, e.g. Seamless PEDs are also considered to be a new phase. Funding increments for all phases will be identified by an action code in PRISM; action codes would begin with Initiate, Continue, or Complete. For a new recon, you should enter: initiate recon (IR), however, once a study is underway, an action code will then be entered into PRISM as follows, continue recon (CR) initiate feasibility (IF), continue feasibility (CF), initiate PED (IP) or continue PED (CP). PED codes still apply to further identify PEDs as seamless, see paragraph A-2.3 (b) (1). However, see paragraph j. above for work that is considered a new start.

SUBAPPENDIX A-2
SPECIFICALLY PROGRAMMED STUDIES AND PROJECTS - NEW AND CONTINUING

A-2.1. **Ten-Year Programs.**

a. **Overview and Objectives.** The major objective of the General Investigations program is to study and design projects that provide solutions to water resources problems. Each division's ten-year program should be developed and conducted in such a manner that an orderly flow of urgently needed, properly designed, locally supported projects that are in accord with current policies and priorities are available for inclusion in the Corps construction program. The reconnaissance phase must be programmed not to exceed 12 months, unless written approval has been received from HQUSACE (HQUSACE - RIT) to extend beyond 12 months, and the feasibility study period should be 36 months or less. Preconstruction engineering and design (PED) for most projects should be scheduled for accomplishment within two years of completion of the feasibility report with engineering appendix. In such a manner a project can be made available for construction about six years after initiating the reconnaissance phase.

b. **Initial Level**. The initial level is defined by the criteria below for the GI appropriation -- for studies, engineering and design and/or Remaining Items categories:

(1) The initial level for studies and PED includes only phases continuing from FY 2005 for studies included in the President's FY 2005 budget (or in the FY 2005 Conference Report, if available). The initial level includes no new studies and no new phases of studies/PED.

2) The initial level for remaining items will be established by HQ.

c. **Capability Level.** (PRISM LVL C). The items in this level represent the maximum that could be executed in the PY.

A-2.2. **Performance Based Budget Increments.**

a. **Ranking.** Please refer to Annexes 1-8 for the specific performance measures and ranking criteria for each business line. The performance measures developed by each business line will be used to add each item to the proposed budget.

b. **CECW Program.** CECW will review the GI portion of the Civil Works Program considering the national criteria in effect mid-summer PY-2 and guidance from ASA(CW) and OMB. CECW may increase or decrease the total for GI. Once the initial level is established, investment increments will be added in accordance with priorities in each business line. To be considered for inclusion in the FY 06 program each study and PED item must meet the following criteria prior to applying the business line performance/ranking criteria:

- be in accord with current policy
- urgency of implementation of problem solution
- have local support for continuation of activity
- likely participation of non-Federal sponsor in implementation of solution
- scheduled activity completion date
- compliance with NEPA and other environmental regulations appropriate for the stage of the effort.

A-2.3. **Program Description and Procedure.**

a. **Feasibility Studies.**

(1) **Description.**

(a) **Regular Studies.** This encompasses all studies in Codes 901-110 through 153 and 908-111 through 118 and includes continuing studies, Federally funded and cost-shared, and new starts for reconnaissance phase studies. Cost sharing is not applicable to single purpose inland navigation studies on the nations inland waterways system in accordance with ER 1105-2-100, para 2-12.b.(4).

(b) **Review of Completed Projects.** A reconnaissance and then a feasibility phase at 50-50 cost sharing will be required for all studies unless the sole purpose of study is to dispose of a Federal project or reduce Federal expenses (i.e., disposal or turn over to local interests lock and dam projects with little or no commercial traffic). In this case the funding will be 100% Federal. For studies utilizing the "Review of Completed Projects" (Section 216), authority there must be an initial appraisal report prepared using O&M funds under Inspection of Completed Works or individual projects prior to recommending a new start (reconnaissance or feasibility depending on the depth of study under O&M) under the General Investigations Program. The initial appraisal or reconnaissance report prepared under the O&M program should be limited to an expenditure of $20,000. If more than $20,000 is required, approval should be requested from CECWI, including sufficient information to justify the additional expenditure. Review of an operating Corps project may provide an effective mechanism for evaluating problems and opportunities in a watershed context. In such cases, the initial appraisal would be the vehicle for determining whether the project meets current day needs as well as identifying key stakeholders for participation in the subsequent feasibility process. The studies/projects programmed in accordance with this paragraph should utilize the appropriate Category/Class/Subclass (CCS) of paragraph A-1.1 that correlates with the Business Program when initiating a new phase and discontinue the use of the 160 CCSs.

(c) **Restudy of "Deferred" Projects.** The Restudy of Deferred Projects is the term used to examine a project that has been authorized but unconstructed for a number of years and local interests now wish to pursue implementation of a project. These are a type of PED resumption. A reconnaissance level study would be the first PED activity done after the receipt of funds (whether budgeted or added) to determine if the authorized project remains justified and meets current day needs. If so, the next step would be PED. If not, and if the reconnaissance level study determines that there is a justified alternative, a cost shared feasibility study would be conducted. PEDs programmed without a preceding feasibility study and PED resumptions must be reflected in the PRISM database as an 'E' correlating with the subparagraph of section A-2.3.b(1). The studies/projects programmed in accordance with this paragraph should utilize the appropriate Category/Class/Subclass (CCS) of paragraph A-1.1 that correlates with the Business Program when initiating a new phase and discontinue the use of the 160 CCSs.

(2) **Eligibility and Selection for Funding.**

(a) **New.** Eligible new starts include all active authorized studies which have not received an initial work allowance. The needs to be addressed should be of broad national scope and significance and should include at least one of the following: commercial navigation; flood damage reduction; hurricane and storm damage reduction; aquatic ecosystem restoration; and reallocation of existing storage or addition of storage to an existing project that would increase vendible outputs where there is no construction cost to the Federal government. Final selection for inclusion in the program will require justification on the specifics and history of the need or problem and evaluation of the extent to which the

proposed effort meets the appropriate business line performance and ranking criteria. The justification should be able to demonstrate the urgency for funding of the reconnaissance phase in the PY. In addition, based on recent expression of community interest, the Division Commander should believe there is a potential sponsor for the feasibility phase, one who understands the two-phase process and who would be willing to participate. Funds to initiate a new reconnaissance study will be issued with initial FY work allowances; however, the 12-month reconnaissance phase will be measured from the date of initial obligation of funds. Proposals for new Reviews of Completed projects must be accompanied by the completed initial appraisal report prepared with O&M funds.

(b) **Continuing.** All active authorized continuously funded studies or previously funded cost shared studies that local interests fully support and that are judged likely to lead to implementation of a solution are eligible for funding in the PY. In addition, the study must address at least one of the needs of commercial navigation, flood damage reduction, hurricane and storm damage reduction, or aquatic ecosystem restoration. Continuing studies include feasibility studies resulting from an approved 905b reconnaissance report and a certified reconnaissance phase. Multiple studies may be budgeted as continuing “spin-off” feasibility studies, however, they must have been clearly identified in the certified reconnaissance report to be included in the budget. When a certified reconnaissance phase identifies more than one “spin-off” feasibility study, one of those feasibility studies may carry the same PWI number as the parent reconnaissance study. Each additional “spin-off” study will be given a new PWI number and each one must be budgeted separately. Normal feasibility cost-sharing rules apply. Justification sheets should identify the original 905b authorization for continuity and to provide an audit trail. “Spin-off” feasibility studies not clearly identified in the parent reconnaissance phase may not be considered continuing studies and will require a new start decision. In all cases, reconnaissance level work and feasibility-level work that would be concurrent may not be included in the same study, and each feasibility study with its own FCSA must be budgeted separately.

(c) **Resumption.** A study resumption is a study which was stopped but can now be resumed. Specifically a study that (1) was not included in the PY-1 Program or was not funded in the conference report which accompanied the PY-1 appropriation act and (2) was not funded in the conference report which accompanied the PY-2 appropriation act or the PY-3 is a resumption. Where resumption of a feasibility study, that has heretofore been fully Federally funded, is proposed, the PY request will be for an update of the reconnaissance phase consistent with current policies at full Federal expense. Further work on the feasibility phase will be cost shared 50-50, except for inland navigation. Resumptions will be considered New Starts for eligibility and ranking for funding purposes.

b. **Preconstruction Engineering and Design (PED).** PED is concurrently financed with non-Federal sponsors. Sponsors must assure that they understand and are ready to sign a design agreement and have funds available to finance the PED portion of the design of a project. PED will ultimately be cost shared at the rate for the project to be constructed but will be initially financed through the PED period at 25% non-Federal. Any adjustments that may be necessary to bring the non-Federal contribution in line with the project cost sharing will be accomplished in the first year of construction. There are five programs of PED.

(1) **Description.**

(a) **PED Under the Concepts of Two-phase and Cost-shared Planning.** PED that results from cost shared studies conducted under the two phase procedures will be programmed and justified as a continuing activity. Normally initial funding will be programmed in the fiscal year the feasibility report with engineering appendix is completed. Normally funds will be allotted immediately after the Division

Engineer's Notice. These projects may have to compete for new start status and will be identified in PRISM. The intent however is to include PED in the Program request as continuing activities as long as the anticipated project to be recommended is in accord with current priorities and a non-Federal sponsor is ready to contribute 25% of the PED cost during PED by stating their readiness to sign a design agreement. The PED estimate will include the cost of all engineering efforts (including inflation through the PED period) that are necessary to ready the project for construction, including in most cases the plans and specifications for the first significant contract. The project data summary, Illustration A-2.5, includes a data element to distinguish PEDs in this group from the other PED types.

(b) **Traditional PED.** This is PED on projects that have resulted from feasibility studies that were not accomplished under the two phase, cost-shared planning process. Normally, initial funding will be programmed in the fiscal year the feasibility report is completed. Funds will be allotted immediately after the Division Engineer's Notice if the funds have been Programmed and appropriated. These projects will have to compete for new start status and will not be included in a Program request as a new start unless specifically approved by the ASA(CW) and concurred in by the OMB and a non-Federal sponsor is ready to contribute 25% of the PED cost during PED by stating their readiness to sign a design agreement. The PED estimate will include the cost of all engineering efforts (including inflation through the PED period) that are necessary to ready the project for construction, including in most cases the plans and specifications for the first significant contract.

(c) **PED for Projects Authorized for Planning and Engineering Only.** PED for projects authorized for planning and engineering by the Water Resources Development Act of 1986 are included in this group. These projects will be Programmed for initiation of PED only after new start selection by ASA(CW) and concurrence by OMB. By definition, the planning and engineering phase will include all work required to submit a feasibility report with engineering appendix, and will be cost shared 50/50 with a non-Federal sponsor. In accordance with Section 301 of Water Resources Development Act of 1990, if the sponsor provides 50 percent of the cost of the feasibility study the design phase will be treated as cost of construction. The design phase will include all work after the feasibility phase, including the Design Documentation Report (DDR) and plans and specifications for the first significant contract, and will be cost shared according to project purpose. A non-Federal sponsor must be ready to contribute 25% of the PED cost during PED by stating their readiness to sign a design agreement. Normally, there will be no reconnaissance phase for these projects. The PED estimate will include the cost of all engineering efforts (including inflation through the PED period) that are necessary to ready the project for construction.

(d) **PED for Inland Navigation Projects.** PED for inland navigation projects will be programmed in accordance with the instructions in paragraph b(1)(a) above, except that a non-Federal sponsor for financing 25% of the PED phase is not necessary.

(e) **Other PED.** (1) PED for projects which are not adequately described by the preceding subparagraphs of section A-2.3.b.(1). Normally, initial funding will be programmed in the fiscal year the supporting report is completed. These projects will have to compete for new start status and will not be included in a program request as a new start unless specifically approved by the ASA(CW) and concurred in by the OMB and a non-Federal sponsor is ready to contribute 25% of the PED cost during PED by stating their readiness to sign a design agreement. The PED estimate will include the cost of all engineering efforts (including inflation through the PED period) that are necessary to ready the project for construction, including in most cases the plans and specifications for the first significant contract. (2) PED Resumption. The criteria for a PED resumption are the same as for a study resumption. See paragraph A-2.3(A)(2)(c). PED Resumptions will be addressed as new starts in paragraph (e)(1) above. Restudy of deferred

projects are a type of PED resumption that might result in a 50-50 feasibility instead. See paragraph A-2.3-(a)(1)(c).

(2) **Eligibility and Selection Criteria.**

(a) **New.** Potential new starts described under A-2.3.b. (1) (b)(c) and (e) above include all active projects/ studies which have not received an initial work allowance for PED (Codes 901-4xx or 6xx and 908-14x or 16x) or projects that were reclassified to "inactive" or "deferred" categories and (see paragraph A-2.3 a. (1)(b) and (e)) subsequently reclassified to "active" which meet the following:

1. For fully Federally funded feasibility reports other than inland waterway projects a Division Engineer notice recommending the project will be issued by June of the PY; or

2. The project was authorized for planning and engineering only by the Water Resources Development Act of 1986; and

3. The project has net economic benefits at the current interest rate, or ecosystem restoration benefits that exceed the cost; and

4. The primary project outputs are commercial navigation, inland navigation; flood damage reduction; hurricane and storm damage reduction; or ecosystem restoration; and

5. There is no major unresolvable controversy or issue; and

6. There is an identified and willing sponsor who understands and has the ability to finance PED at the 25% rate and has the ability to finance the items of local cooperation for construction.

7. The project is in compliance with applicable environmental statutes appropriate to the current stage. Or below?

8. An Environmental Assessment/Finding of No Significant Impact has been signed, or final EIS has been filed, or final EIS supplement is scheduled for filing with EPA by August of the PY-2.

Note that projects previously funded but with no conference allowance in the prior three fiscal years will be treated as new starts. Prioritization will be based on the criteria for the appropriate business line as discussed in Annexes 1-8.

(b) **Continuing.** Any active project for which PED funds were previously and continuously (see paragraph A-2.3b.(2)(a)) appropriated or any project that has resulted from cost-shared studies conducted under the two phase procedure may be included if the following are met:

- there is a strong probability of implementing a solution; and
- the activity meets criteria 3, 4, 5, and 6 under subparagraph (a) above.

A-2.4. **Program Considerations.**

a. Program amounts should be based on the PY-1 program, when applicable. Assumed PY-1 work allowances must be based on a proportional assignment of an assumed 20% savings and slippage applied against the amount included for each study and project in the conference report which accompanies the PY-1 appropriations act, or the PY-1 program in the absence of Congressional action on the PY-1 appropriations. Studies and projects may show a reprogramming of funds to offset the assigned savings and slippage amount, if necessary. In general, funds should be reprogrammed from negative reconnaissance and feasibility studies to meet the full requirements of other ongoing studies and projects. However, unless specific exception has been made by CECWI, such reprogrammings must be offsetting within each Division. Final savings and slippage reductions will be based on Congressional action on the PY-1 appropriations.

b. Cost estimates and the schedules presented to Congress should be considered an upper limit and where possible the studies should be concluded sooner and at less cost. Any proposed cost estimate increase which results from an increase in study scope (except for inland navigation) will require a commitment to study cost sharing of the additional study effort by the non-Federal sponsor. If a waiver of this requirement is considered appropriate a specific proposal must be made and justification provided.

c. As stated in paragraph A-2.1.a. PED should be programmed for an accomplishment goal of two years of funding after completion of the feasibility report.

d. Study and PED cost estimates are to include an allowance for inflation in accordance with the instructions of paragraph 6 of this EC. The construction project cost estimate displayed in the PED portion of Illustration A-2.5 and the justification sheet will be based on 1 October of the PY-1 price level (DO NOT include an allowance for inflation through the construction period).

e. Annual funding requests for new reconnaissance phase studies are to be only for the amount required to carry out the anticipated activities during that FY.

f. Submissions for funding of continuing studies and projects not included in the PY-1 program request must be accompanied by a supplemental (page 2, see paragraph A-2.5.a.) justification describing the changed conditions that now warrant inclusion of the study/project in the PY request.

A-2.5. **Submission Requirements.**

a. **Justification Statements.** Once HQ has developed the Recommended program, justification sheets will be requested. Supporting data for each study or project in the Division's programs, that has a funding requirement in the PY, both new and continuing, contained in the Recommended program, will consist of a Justification Sheet, two part where necessary. The mandatory first page is the Congressional Justification. See Illustrations A-2.1 through A-2.4 for format and content for new start reconnaissance phase, feasibility phase (cost shared), continuing surveys (full Federal expense), and PED. The second page, which is required when funds are being requested to continue a study or project which was not included in the PY-1 program or appropriations, is to be used to provide any additional information or expansion of data more appropriately classified as supporting data not appropriate for inclusion in the congressional justification, but may be necessary for proper and complete consideration for inclusion in the President's Program. The appropriation title and division must be typed as the first line in the body of the first page of the survey and PED justification package. Do not underline any headings. The District must be identified under the survey or PED name. Justifications for new starts and continuing studies and projects are to be submitted electronically to HQUSACE, CECW-BC, E or W, WASH, D. C. 20314-1000.

b. **ADP.** The standard study/project data summary table is shown in Illustration A-2.5, Initial Level. This Illustration combines reconnaissance, feasibility studies and PED projects on the same sheet. All studies and projects, including new starts, will be coded into the system. Instructions have been furnished by separate correspondence. A feasibility study will use the same PWI number as the reconnaissance study when there is only one feasibility study as a result of the reconnaissance, however, the feasibility will use a separate ccs identifying the phase and project purpose associated with that level of work. In the situation where more than one feasibility study results from a reconnaissance study, a new PWI number and study name will have to be obtained from HQUSACE, CECW-IP for each additional feasibility study. In addition, a PED project will use the same PWI number as the feasibility study when there is only one project coming out of the parent study. In the situation where PED effort on one of a number of interims is to be displayed, a new PWI number, to be obtained from HQUSACE, CECW-IP, will have to be assigned and the project name modified appropriately. Any study or PED programmed for initiation in PY+1 or later should have a status code of "Z".

ILLUSTRATION A-2.1
NEW START RECONNAISSANCE PHASE STUDY

APPROPRIATION TITLE: General Investigations, Fiscal Year (PY)
Division:_____

| Study | Total Estimated Federal Cost $ | Allocation Prior to FY (PY-1) $ | Allocation FY (PY-1) $ | Tentative Allocation FY (PY) $ | Additional to Complete After FY (PY) $ |
|---|---|---|---|---|---|
| SURVEYS - NEW ( Insert Type) | | | | | |
| Study Name | 100,000 | 0 | 0 | 100,000 | 0 |
| EFG District | | | | | |

Furnish a brief description of the study area, water resource development problems, and principle purposes of the study. For example, for flood damage prevention studies any information available on recent flood history. (dates, physical and dollar losses, etc), or for navigation studies include information on use (commercial vs. recreation) cargo types and quantities if known. For ecosystem restoration studies, include information that addresses the performance components in Annex II and information about the physical area involved.. For all purposes, provide any pertinent information concerning coordination with Federal and state resource agencies.. Identify relationship to other project purposes if appropriate. Do not include irrelevant data such as "mild summers or harsh winters"; do include all the data that would tell why this study should be selected out of the many recommended. Also cite any matters known to be of concern to the Congress and identify the tentative local sponsor who has indicated intent to share equally in the feasibility phase cost that may follow the reconnaissance study. (There may be multiple sponsors for watershed and multi-purpose studies) Describe briefly the general scope and key areas of concern that are to be addressed in the reconnaissance study, probable solutions if this type of information is available, and the work to be performed in the program year. This paragraph should present specific arguments and evidence that it is important to initiate the study in the program year and similar evidence that makes it clear that the study and its anticipated outputs are in accord with Administration policy. The reconnaissance phase is scheduled to be completed in (Month 19XX), which is (12 or less) months after initiating the study. It is acceptable to budget for reconnaissance studies that exceed $100,000.

Cite study authority. (In the event that sufficient study authority is not available to accomplish study purpose it should be so noted and a request for appropriate authority must be in progress.)

ILLUSTRATION A-2.2
COST-SHARED FEASIBILITY STUDY

APPROPRIATION TITLE: General Investigations, Fiscal Year (PY)
Division:_____

| Study | Total Estimated Federal Cost $ | Allocation Prior to FY (PY-1) $ | Allocation FY (PY-1) $ | Tentative Allocation FY (PY) $ | Additional to Complete After FY (PY) $ |
|---|---|---|---|---|---|
| ABCD River & Tributaries, Nothing Wash EFG District | 400,000 | 0 | 100,000 | 150,000 | 150,000 |

Furnish a brief description of the study area, water resource development problems, and principle purposes of the study. For example, for flood damage prevention studies any information available on recent flood history. (dates, physical and dollar losses, etc), or for navigation studies include information on use (commercial vs. recreation) cargo types and quantities if known. For ecosystem restoration studies address the approximate area to be restored to the extent this is known. For all purposes, address the performance criteria for the purpose as described in Annexes I-VIII. Do not include irrelevant data such as "mild summers or harsh winters"; do include all the data that would tell why this study should be selected out of the many recommended. Also cite any matters known to be of concern to the Congress. Describe briefly the general scope and key areas of concern that were or are being addressed in the reconnaissance study, probable solutions, and the work to be performed in the Program year. This paragraph should present specific arguments and evidence that it is important to fund the study in the Program year and similar evidence that makes it clear that the study and its anticipated outputs are in accord with Administration policy. Provide best available sponsor information. (Name of potential or actual sponsor, dates of verbal or written commitments, scheduled or actual FCSA signing.)

Fiscal Year (PY-1) funds are being used to fully fund the reconnaissance phase at full Federal expense. If the reconnaissance report is certified to be in accord with policy, the funds requested for Fiscal Year (PY) will be used to continue into the feasibility phase of the study. The preliminary estimated cost of the feasibility phase is $600,000, which is to be shared on a 50-50 percent basis by Federal and non-Federal interests. A summary of study cost sharing is as follows:

| | |
|---|---|
| Total Estimated Study Cost | $700,000 |
| Reconnaissance Phase (Federal) | 100,000 |
| Feasibility Phase (Federal) | 300,000 |
| Feasibility Phase (Non-Federal) | 300,000 |

The reconnaissance phase is scheduled for completion in September (Month and Year)(Date of signing of FCSA). The feasibility study is scheduled for completion in September (Month and Year)(Date of Division Commander's public notice).

ILLUSTRATION A-2.3
FULL FEDERAL EXPENSE FEASIBILITY STUDY

APPROPRIATION TITLE: General Investigations, Fiscal Year (PY)
Division:_____

| Study | Total Estimated Federal Cost $ | Allocation Prior to FY (PY-1) $ | Allocation FY (PY-1) $ | Tentative Allocation FY (PY) $ | Additional to Complete After FY (PY) $ |
|---|---|---|---|---|---|
| XYZ River Basin<br>EFG District | 750,000 | 200,000 | 225,000 | 150,000 | 175,000 |

This paragraph should describe the study area, the navigation problems and potential solutions. Results of the study to date should be covered as well as information that conveys to the reviewer (Corps, Army, OMB, Congress) that the study and its anticipated outputs are in accord with Administration priorities.

This paragraph is to be used to describe the activities to be undertaken during the PY-1. The activities pertaining to each interim are to be clearly described.

This third paragraph is to be used to describe the activities to be undertaken in the PY.

This final paragraph will set forth the schedule for the study including completion dates (month and year) (date of Division Commander's public notice) for each interim and the overall study.

ILLUSTRATION A-2.4
PRECONSTRUCTION ENGINEERING AND DESIGN

APPROPRIATION TITLE: General Investigations, Fiscal Year (PY)
Division:_____

| Study | Total Estimated Federal Cost $ | Allocation Prior to FY (PY-1) $ | Allocation FY (PY-1) $ | Tentative Allocation FY (PY) $ | Additional to Complete After FY (PY) $ |
|---|---|---|---|---|---|
| PRECONSTRUCTION ENGINEERING AND DESIGN (PED) ACTIVITIES- (Type) | | | | | |
| XYZ Project<br>EFG District | 1,100,000 | 500,000 | 450,000 | 150,000 | 0 |

XWV River drains an area of about 2,114 square miles in southwest State and empties into Something Harbor. The XYZ flood plain encompasses about 1,560 acres of mostly urban development on the left bank of the XWV River. The maximum flood of record, that of December 1933, would have caused an estimated $13.4 million damages to XYZ River under October (PY-1) prices and conditions of development. A feasibility report was completed in FY 1996. The recommended project, estimated to cost $xx.x million with an estimated Federal cost of $xx.xx million and an estimated non-Federal cost of $xx.xx million, includes construction of a levee system to provide flood protection to 1,318 acres in XYZ. Pumping stations and gravity outlets with tide gates would be included to accommodate interior drainage. The average annual benefits amount to $2.7 million, all for flood control. The benefit-cost ratio is 1.2 to 1 based upon the latest economic analysis dated (Month Year). Identify project sponsor and set forth latest evidence of support. (Sponsor's must assure that they understand and are ready to sign a design agreement and have funds available to finance the PED portion of the design of a project.) PED will ultimately be cost shared at the rate for the project to be constructed but will be financed through the PED period at 25% non-Federal. Any adjustments that may be necessary to bring the non-Federal contribution in line with the project cost sharing will be accomplished in the first year of construction.

| | | | |
|---|---|---|---|
| Total Estimated Preconstruction Engineering and Design Costs | $1,333,000 | Total Estimated Preconstruction Engineering and Design Costs | $1,333,000 |
| Initial Federal Share | 1,000,000 | Ultimate Federal Share | xxx,000 |
| Initial Non-Federal Share | 333,000 | Ultimate Non-Federal Share | xxx,000 |

The project is authorized for construction by (Cite the construction authorization and cost sharing requirements). Fiscal Year (PY-1) funds are being utilized to continue work on the Feature Design Memorandum, including economic studies. Fiscal Year (PY) funds will be used for completion of PED in (Month and Year).

```
MM/DD/YY  HH.:MM  VERSION: XYZ                    ILLUSTRATION A-2.5                    LAST REVISION: MM/DD/YY  BY:    PAGE:
 ####                                        STUDY DATA SUMMARY TABLE  ($  IN  THOUSAND)
DIVISION/DISTRICT: ** (DIS)                                                             SELECT: _______  PWI: ___________
BFY:____LVL: B                                                                          SINCE: __________  SORT: __________
============================
S U R V E Y ==================================+================================ P E D ==============================
NAME: XYZ RIVER, ST                                                  |   NAME: XYZ RIVER, ST
APPN: ___  CCS: ___  PWI: ______  SS1:^^^  SS2:^^^  LPRJ: ______     |   APPN: ___  CCS: ___  PWI: ______          SS1:^^^  SS2:^^^  LPRJ: ______
-------------------------------------------------------------------------------------------+-------------------------------------------------------------------------------------------
STATUS: __          % NONSTRUCTURAL FDR: ___          MAJOR BENEFITS: ___| STATUS: __        % NONSTRUCTURAL FDR: __          MAJOR BENEFITS: ___
STATE: __                                                            | STATE:____                    TOTAL B/C RATIO: ___        PROGRAM CODE: ___
---------------------------------------- D A T E S ---------------------------------------+---------------------------------------------------- D A T E S ----------------------------------------
                                  __RECON__          FEASIBILITY        SCHEDULED FINANCING AGREEMENT:      / /-/ / / -/ / / /
FY FUNDS FIRST ALLOCATED:            YYYY                 N/A                  | FY FUNDS FIRT ALLOCATED:                    XXXX
SCHEDULED COMPLETION DATES:                                          | SCHEDULED COMPLETION DATES:
      LAST                       DD-MMM-YYYY        DD-MMM-YYYY      |     LAST                          DD-MMM-YYYY
      CURRENT                    DD-MMM-YYYY        DD-MMM-YYYY      |     CURRENT                       DD-MMM-YYYY
      CAPABILITY                 DD-MMM-YYYY        DD-MMM-YYYY      |     CAPABILITY                  DD-MMM-YYYY
                                                                     | FY AVAILABLE FOR CONSTRUCTION:              YYYY
---------------------------------------------- COST  ESTIMATES -----------------------------+---------------------------------------------- COST ESTIMATES ----------------------------------------
                                  RECON        FEASIBILITY                |                    PROJECT          PE D          .
FEDERAL:                            $$$           $$$                     | FEDERAL:             $$$             $$$
NON-FEDERAL:                        N/A                  $$$             | NON-FEDERAL:         N/A             $$$          .
TOTAL:                              $$$           $$$                     | TOTAL:               $$$             $$$
GRAND TOTAL (RECONNAISSANCE + FEASIBILITY):      $$$$                    |
                                                                         |
---------------------------------- CURRENT YEAR - (PY-1) FUNDING ---------------------------+------------------------------------- CURRENT YEAR - (PY-1) FUNDING ------------------------
BUDGET AMOUNT:                                   $$$                     |BUDGET AMOUNT:                                  $$$
CONFERENCE AMOUNT:                               $$$                     |CONFERENCE AMOUNT:                              $$$
ASSUMED SAVINGS AND SLIPPAGE:                    $$$                     |ASSUMED SAVINGS AND SLIPPAGE:                   $$$
OTHER ADJUSTMENTS                                $$$                     |OTHER ADJUSTMENTS                               $$$
RESC AMOUNT                                      $$$                     |RESC AMOUNT                                     $$$
==========================================================================================================================================
```

ILLUSTRATION A-2.5 (Continued)
STUDY DATA SUMMARY TABLE ($ IN THOUSANDS)

| FUNDING LEVEL | ALLOCATIONS THRU PY-2 | PY-1 | BUDGET REQUEST PY | PROGRAMMED PY+1 | PY+2 | PY+3 | PY+4 | PY+5 | PY+6 | PY+7 | PY+8 | PY+9 | BALANCE AFTER PY+9 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | * * * S U R V E Y * * * | | | | | | | |
| FEDERAL (CORPS): | | | | | | | | | | | | | |
| INITIAL | | | | | | | | | | | | | |
| CAPABILITY | | | | | | | | | | | | | |
| NON-FEDERAL: | | | | | | | | | | | | | |
| CASH | | | | | | | | | | | | | |
| OTHER | | | | | | | | | | | | | |
| | | | | | | * * * P E D * * * | | | | | | | |
| FEDERAL(CORPS): | | | | | | | | | | | | | |
| INITIAL | | | | | | | | | | | | | |
| CAPABILITY | | | | | | | | | | | | | |
| CASH | | | | | | | | | | | | | |

Optional remark lines follow here.

SUBAPPENDIX A-3
CECW PROGRAMMED ITEMS

A-3.1. **Required Field Input.** This subappendix provides necessary guidance on CECW programmed General Investigations items. The following table identifies the items which require District and Division response, hard copy only.

| Activity | Cat/Class/ Subclass |
|---|---|
| a. Special Investigations | (Code 901-171) |
| b. Gulf of Mexico Program | (Code 901-171) |
| c. Pacific Northwest Forest Case Study | (Code 901-171) |
| d. Chesapeake Bay Program | (Code 901-171) |
| e. FERC Licensing Activities | (Code 901-172) |
| f. Interagency Water Resources Development | (Code 901-173) |
| g. American Heritage River Navigators | (Code 901-173) |
| h. National Estuary Program | (Code 901-175) |
| i North American Waterfowl Management | (Code 901-176) |
| j. Interagency and International Support | (Code 901-178) |
| k. Coordination with Other Water Resources Agencies | (Code 901-181) |
| l. CalFed | (Code 901-181) |
| m. Lake Tahoe Federal Interagency Partnership | (Code 901-181) |
| n. Planning Assistance to States | (Code 901-186) |
| o. International Waters Studies | (Code 901-240) |
| p. Flood Plain Management Services | (Code 901-250) |
| q. Hydrologic Studies | (Code 901-260) |

A-3.2. **Program Procedure.**

a. The activities covered by this subappendix are programmed by CECW. You should assume your allowances will remain at or about the same level as PY-2 through PY+9 in preparing programming documents for the fifteen activities requiring Division response.

b. If a division is experiencing conditions that would materially affect its requirements for the activities covered, the Division Commander should submit a brief letter to HQUSACE, CECW-BW outlining the changed conditions.

c. Note that there are three accounts that are similar, in that they provide the ability to respond to other entities without being either agency or project/study specific, but that serve different functions. They are Special Investigations, Interagency Water Resources Development, and Coordination with Other Water Resources Agencies. Special Investigations is for limited scope investigations, not for coordination. Interagency Water Resources Development is for coordination with others on problems that may lead to specific studies such as cost sharing or applicability of Corps programs to water resources problems. The Coordination with Other Water Resources Agencies account is for coordination with Planning Commissions, other Federal Water Resources Agencies or other entities which serve that function, on regional problems of a general nature not related to a programmed study or specific potential study. Some requests for assistance will not fit clearly into one of these three accounts, but you should be sure that, to the extent possible, such activities are programmed in the appropriate account and that activities in the three accounts are not duplicative.

A-3.3. **Submission Requirements**. Provide a breakdown by District for each activity listed in paragraph A-3.1, for PY-1 and PY in the format of Illustration A-3.1. The information should provide a base to develop allowances for varying program levels.

A-3.4. **Special Investigations.**

a. **Program Objective.** This category is for investigations of limited scope, in replying to requests from sources outside the Corps of Engineers, for information relating to unauthorized projects and other activities which have no funds, and which are not accomplished with a view toward determining whether a project can be developed. Also included is work specifically authorized by the Chief of Engineers; the review of reports and Environmental Impact Statements requested by other agencies, unless otherwise provided for; and attendance at meetings of local interests and other agencies during the preliminary stages of project investigations.

(1) The program objective specifically includes The Gulf of Mexico Program, which is an interagency effort for resolving complex environmental problems associated with man's use of the Gulf of Mexico. This program is limited to divisions and subordinate districts bordering on the Gulf of Mexico.

(2) The program objective specifically includes the Pacific Northwest Forest Case Study, which is an interagency program initiated by the White House's Council on Environmental Quality for ecosystem management of the public lands within the range of the Northern Spotted Owl.

(3) The program objective specifically includes the Chesapeake Bay program, which is an interagency program initiated by the U.S. Environmental Protection Agency, for the protection and restoration of the bay's natural resources. Work which requires Section 510 of the Water Resources Development Act of 1996 authorization is subject to the cost sharing of that authorization.

b. **Narrative Paragraph Submission.** A narrative paragraph should be submitted which describes specific investigations, studies, or tasks accomplished under this activity for the PY-3 and PY-2 to date in the format of Illustration A-3.2.

A-3.5. **FERC Licensing Activities.**

a. **Program Objective.** The objective of the Federal Energy Regulatory Commission licensing activities is to provide timely review of FERC license and permit applications consistent with regional and national priorities. Review is accomplished on a first come-first served basis.

b. **Eligibility.** License or permit applications are eligible for consideration if they are for new or existing non-Corps operated facilities. Review of license and permit applications which could have an effect on ongoing projects under construction or being operated by the Corps should be accomplished with available project funds.

A-3.6. **Interagency Water Resources Development.** The interagency water resources development program is for Corps of Engineers districts activities, not otherwise funded, that require coordination effort with non-Federal interests. These activities include such things as meeting with City, County and state officials to help them solve water resources problems when they have sought advice or to determine whether or not Corps programs are available and should

be used to address the problems. The funds would also be used to cover costs of meeting with potential study sponsors prior to programming for study to insure they fully understand study cost sharing and to obtain an indication of their interest in participating in a future study. Funding for American Heritage River Navigators is included in this category and requirements for this effort should be separately noted and justified.

A-3.7. **National Estuary Program (NEP).** The NEP is an interagency planning program to develop management plans for nationally significant estuaries designated by EPA. To date, the following 28 estuaries have been designated under the program: Columbia River, WA & OR; Mobile Bay, AL; Morro Bay, CA; Charlotte Harbor, FL; Maryland Coastal Bays, MD; New Hampshire Estuaries, NH; Barnegat Bay, NJ; Puget Sound, WA; Delaware Bay, DE; Delaware Inland Bays, DE; New York/New Jersey Harbor, NY-NJ; Sarasota Bay, FL; Santa Monica Bay, CA; San Francisco Bay, CA; Galveston Bay, TX; Albemarle/Pamlico Sound, NC; Buzzards Bay, MA; Narragansett Bay, RI; Long Island Sound, CT-NY; Peconic Bay, NY; Massachusetts Bay, MA; Barataria/Terrebonne Bay, LA; and Indian River Lagoon, FL. Because of extensive Corps involvement with Federal water resources projects in the nation's estuaries and other responsibilities in waters of the U.S., the Corps has been asked to participate on the management and technical advisory committees of those NEP estuaries being studied. The requested funds will be used to cover costs of Corps field office meeting attendance, field reconnaissance, and data transfer.

A-3.8. **North American Waterfowl Management Program (NAWMP).** The NAWMP is an international program designed to reverse downward trends in North America's waterfowl populations by protecting and improving waterfowl habitats nationwide, particularly in 34 areas within the United States identified as being critical to meeting NAWMP goals and objectives. Department of the Army support to the NAWMP is set forth in an agreement signed with the Department of the Interior on January 23, 1989. The Corps of Engineers has broad water resources development responsibilities and authorities, and has stewardship responsibilities for over seven million acres of water and land. Many Corps of Engineers projects contribute directly or indirectly to the habitat base for the nation's waterfowl and other wetland species. The requested funds will be used to cover costs of Corps of Engineers field office participation in field trips, interagency coordination meetings, and information transfer in response to conditions set forth in the agreement between the Department of the Interior and the Department of the Army.

A-3.9. **Interagency and International Support.**

a. **Program Objective.** Authorized by Section 234 of the Water Resources Development Act of 1996, this program is for activities in support of other Federal agencies or international organizations to address problems of national significance to the United States.

b. **Submission Requirements.** An illustration A-3.6 titled Interagency and International Support is required. Illustration A-3.6 is an information display with supporting narrative in the format of Illustration A-3.4. The narrative should identify the work that would be pursued with the requested fund.

A-3.10. **Coordination with Other Water Resources Agencies** (including Department of Agriculture, Natural Resources Conservation Service; Department of Interior, Bureau of Reclamation; and Regional Planning Commissions and Committees Programs)**.**

a. **Program Objective.** The objective of this program is to provide coordination with these agencies on water resources issues and problem areas of mutual concern that are general in nature and not part of a programmed project or study.

b. **CalFed.** The program objective specifically includes the CALFED Bay-Delta Program solution process for the development of a long -term comprehensive plan that will restore ecological health and improve water management for beneficial uses of the Bay-Delta system.

c. **Lake Tahoe Federal Interagency Partnership.** The program objective includes Corps participation in the partnership with other Federal Agencies, in accordance with Executive Order 13057 “Federal Actions in the Lake Tahoe Region”, to insure cooperation, support and synergy.

A-3.11. **Planning Assistance to States.**

a. **Program Objective.** The Planning Assistance to States program is carried out in accordance with the provisions of Sec. 22, PL 93-251. This public law authorizes the Chief of Engineers to cooperate with States (Commonwealths, Territories, etc.) and Indian tribes in the preparation of plans for the development, utilization, and conservation of water and related land resources of drainage basins located within the boundaries of the state. Assistance is provided on the basis of State or tribe requests. When a state or tribe is served by more than one division, the Lead Division assigned in Table 2-5, ER 1105-2-100, has the responsibility for providing data on work requested by that state or tribe. The Lead Division may further delegate that responsibility to a Coordinating District, but that Coordinating District is responsible for coordinating not only with the State or tribe, but also with the other Districts doing work for that State or tribe.

b. **Submission Requirements.** Planning assistance is coordinated and scheduled to ensure the continuation and completion of ongoing work and the timely initiation of new work requested by the States and tribes. Lead Division offices should provide a prioritized listing of all work for states and tribes under their responsibility in the format of Illustration A-3.3.

A-3.12. **International Waters Studies.**

a. **Program Objective.** This program contributes to better control, utilization, and orderly development of jointly - controlled water resources along the U.S. - Canadian boundary. It encompasses four boards and one committee established by the International Joint Commission (IJC) and in response to other U.S./Canadian cooperative efforts. IJC boards fall into two broad categories: boards of control, which are essentially permanent; and engineering or advisory boards, which are usually dissolved after completing their investigation.

b. **Eligibility.** Activities within the scope of authority of an appropriate Board or committee are eligible for funding.

c. **Submission Requirements.** An information display and supporting narrative as shown in Illustration A-3.4 is required.

A-3.13. **Flood Plain Management Services (FPMS).**

a. **Program Objective.** The Corps is authorized by Section 206 of the 1960 Flood Control Act, as amended, to provide information, technical assistance, and guidance, in identifying the magnitude of the flood hazard and for planning wise use of the flood plain. Direct response and

assistance are provided through the FPMS program to states, Indian tribes and local governments without charge and to Federal agencies and private persons on a cost reimbursable basis.

b. **Submission Requirements.** An information table as shown in Illustration A-3.5 is required. FPMS funding requirements are to be shown for (1) District FPMS Units, (2) Quick Responses taking 10 minutes or less and provided without charge, (3) Technical Services, and (4) Special studies. An estimated cumulative number of responses to requests will be shown for Quick Responses and Technical Services. Submit two versions of Illustration A-3.5; one for the PY-2 amount and another based on capability to meet demand from state, tribal and local governments. The funding requirements for Quick Responses should not exceed two percent of the PY-2 work allowance amount. Hurricane Evacuation Study (HES) funding will be retained by HQUSACE for allotment at a later date. Full reimbursement should be required for assistance to Federal agencies and private persons. Information provided for Illustration A-3.5 should exclude all requirements for HES and for assistance to Federal agencies and private persons.

A-3.14. **Hydrologic Studies.**

a. **Program Objectives.** To collect and analyze basic data on hydrologic, climatologic, and river morphology for general use in connection with the Corps planning design, construction, and operation of water resource projects.

b. **Submission Requirements.** Provide a breakdown by District in the format of illustration A-3.1. Note that all activities in this class (260) should be defined and reported as follows:

(1) **261, Storm Studies.** Includes Part I and II storm studies accomplished in coordination with National Weather Service.

(2) **262, General Hydrologic Studies.** Includes generalized hydrologic analyses of rainfall - runoff relationship, flood frequency, snowmelt studies, hydrograph development and routing at selected watersheds, model calibrations in urban areas, and analyses of past floods and other studies of hydrologic nature.

(3) **263, Sedimentation Studies.** Include~~s~~ all non-project sedimentation investigation activities at the Waterways Experiment Station.

(4) **264, Streamflow and Rainfall Data Collection.** This continuing program provides for installation and operation of streamflow and rainfall gages for general studies. It also provides for flood investigation activities such as investigation of hurricane surges; high water mark setting, measurement, and recordings; and rainfall bucket surveys.

ILLUSTRATION A-3.1
DISTRICT BREAKDOWN
(Code 901-171,172,173,175,176,177,178,181,186,240,250,260)
($K)

Division: _____

Tentative Allowance
Total
DIST.-A
DIST.-B
DIST.-C etc.

PY-1
PY

SPECIAL INVESTIGATIONS
(AND)
GULF OF MEXICO PROGRAM
(AND)
PACIFIC NORTHWEST FOREST CASE STUDY
(AND)
CHESAPEAKE BAY PROGRAM
(AND)
FERC LICENSING
(AND)
INTERAGENCY WATER RESOURCES DEVELOPMENT
(AND)
AMERICAN HERITAGE RIVER NAVIGATORS
(AND)
NATIONAL ESTUARY
(AND)
NORTH AMERICAN WATERFOWL MANAGEMENT

FOR ILLUSTRATION PURPOSES ONLY
(To be typed as necessary)

ILLUSTRATION A-3.1 (Continued)
DISTRICT BREAKDOWN
(Code 901-171,172,173,175,176,177,181,186,240,250,260)
($K)

Division: _____

Tentative Allowance
Total
DIST.-A
DIST.-B
DIST.-C etc.

PY-1
PY

(AND)
INTERAGENCY AND INTERNATIONAL SUPPORT
(AND)
COORDINATION WITH OTHER WATER RESOURCES AGENCIES
(AND)
CALFED
(AND)
LAKE TAHOE FEDERAL INTERAGENCY PARTNERSHIP
(AND)
PLANNING ASSISTANCE TO STATES
(AND)
INTERNATIONAL WATER STUDIES
(AND)
FLOOD PLAIN MANAGEMENT SERVICES
(AND)
HYDROLOGIC STUDIES
SUBCLASS
PY-1
PY

FOR ILLUSTRATION PURPOSES ONLY
(To be typed as necessary)

ILLUSTRATION A-3.2
WORK ACCOMPLISHED
(Code 901-171)

Division: _____

**SPECIAL INVESTIGATIONS**

| DISTRICT | NARRATIVE DESCRIPTION |
|---|---|
| A | PY-3: |
| A | PY-2: |
| B | PY-3: |
| B | PY-2: |
| etc. | |

FOR ILLUSTRATION PURPOSES ONLY
(To be typed as necessary)

ILLUSTRATION A-3.3
PLANNING ASSISTANCE TO STATES
(Code 901-186)
Priority Listing
Fiscal Year_____

Lead Division: _____

| Work Item Name | State | State Priority | Performing Office | Amount ($000) |
|---|---|---|---|---|
| 1/ | | | 2/ | |

_____
1/ List work items in order of decreasing priority as established by the Lead Division.
2/ Priority as indicated by the State.

FOR ILLUSTRATION PURPOSE ONLY
(To be typed as necessary)

ILLUSTRATION A-3.4
INTERNATIONAL WATERS STUDIES
(Code 901-240)

Division: _____

**Justification**: Furnish a brief description of the Division/Districts activities and potential accomplishments relating to the functions of each board or committee. Include the associated program request for each board.

FOR ILLUSTRATION PURPOSE ONLY
(To be typed as necessary)

ILLUSTRATION A-3.5
FLOOD PLAIN MANAGEMENT SERVICES
(Code 901-250)

Division: _____

| Work Item | Amount ($000) | Total # Responses/Studies |
|---|---|---|
| District FPMS Units | N/A | |
| Quick Responses | (5% Max.) | (# of ~~R~~responses) |
| Technical Services | | (# of ~~R~~responses) |
| Special Studies | | (# of ~~S~~studies) |

FOR ILLUSTRATION PURPOSES ONLY
(To be typed as necessary)

**TABLE VIII-2**
**Budget Ranking Criteria**

| Objectives | Ranking Criteria |
|---|---|
| In partnership with non-Federal water management plans and consistent with law and policy, reallocate storage space from other project purposes. | Acre-feet of storage under study versus cost of study. Preference given to studies addressing allocated storage not under contract. . |
| Insure the timely collection of payments from existing water supply contracts | Revenues collected versus cost of collection. |

VIII.5. **PROGRAM RATING AND RANKING CRITERIA FOR FY 06 BUDGET DEVELOPMENT.** GI studies, at the reconnaissance or feasibility level, or O&M studies evaluating reallocation of storage space from other project purposes that will otherwise increase revenues to the Treasury will be given priority for budgeting purposes. Priority will be based on the above performance measure, acre-feet of storage versus cost of study, with consideration given to studies that are multi-objective in scope such as watershed/comprehensive studies.

VIII.6. **SPECIAL CONSIDERATIONS OR SPECIAL RATING CRITERIA.** Work codes in the ABS system will be flagged to identify separable water supply costs. Instructions will be posted on the ABS website at http://www.cecer.army.mil/abs.

# APPENDIX B
# CONSTRUCTION, GENERAL AND
# FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES
# TABLE OF CONTENTS

| | Paragraph | Page |
|---|---|---|
| SUBAPPENDIX B-1. APPLICABILITY | | |
| Appropriation Title | B-1 | B-1-1 |
| Activities Included | B-1.2 | B-1-1 |
| SUBAPPENDIX B-2. CONSTRUCTION - NEW AND CONTINUING (RCS CECW-B 13) | | |
| Objective | B-2.1 | B-2-1 |
| Assumed PY-1 Work Allowances and Assumed PY-1 and PY Assigned Savings and Slippage | B-2.2 | B-2-1 |
| New Start Construction Projects | B-2.3 | B-2-1 |
| Major Rehabilitation, Dam Safety Assurance, Deficiency Correction, Reconstruction, Dredged Material Disposal Facility Projects | B-2.4 | B-2-3 |
| Reimbursement Projects | B-2.5 | B-2-~~7~~6 |
| Separable Elements of Ongoing Construction Projects, Resumptions, and Unstarted Projects Previously Funded for Construction | B-2.6 | B-2-~~7~~6 |
| Adjustments to PY-1 Programs | B-2.7 | B-2-~~9~~7 |
| Cost Estimates and Inflation Factors | B-2.8 | B-2-~~9~~8 |
| Schedules, Completion Dates, Contingencies, and Funding Levels | B-2.9 | B-2-~~10~~9 |
| Recreation Facilities | B-2.10 | B-2-1~~3~~2 |
| Cost Sharing | B-2.11 | B-2-1~~3~~2 |
| Remaining Benefit-Remaining Cost Ratio | B-2.12 | B-2-1~~5~~4 |
| Supporting Data | B-2.13 | B-2-1~~6~~4 |
| Coding Instructions | B-2.14 | B-2-1~~8~~6 |
| Submission Requirements | B-2.15 | B-2-1~~8~~7 |
| SUBAPPENDIX B-3. CONTINUING PROGRAMS | | |
| General | B-3.1 | B-3-1 |
| Submission Requirements | B-3.2 | B-3-1 |

TABLE OF CONTENTS (Continued)

TABLES Table Page

New Starts: Construction - Basic, Preliminary Selection, and Prioritization Criteria……..B-2.1……B-2-~~21~~19
Applicable Discount Rates in Effect When Initial Construction
Funds Were Appropriated.....B-2.2……B-2-24~~2~~
PY-1 Savings and Slippage and ~~Baseline~~ Initial Level PY through PY+9
Continuing Program Initial Amounts .....B-2.3……B-2-2~~8~~4

ILLUSTRATIONS .....Illustration..Page

Project Data Summary .....B-2.1……B-2-2~~9~~7
Federal (Corps) Funding Requirements Summary .....B-2.2A….B-2-~~31~~29
Inland Waterways Trust Fund Requirements Summary.....B-2.2B….B-2-3~~2~~0
Other Federal Agency Funding Summary.....B-2.2C….B-2-3~~3~~1
Non-Federal Cash Contributions and Other Costs Summary .....B-2.2D….B-2-34~~2~~
Harbor Maintenance Trust Fund Requirements Summary.....B-2.2E….B-2-3~~5~~3
Completions Summary .....B-2.3……B-2-3~~6~~4
PY Justification Sheet .....B-2.4……B-2-3~~7~~5
PY Proposed New Major Rehabilitation and Other New Work Summary .....B-2.6……B-2-6~~5~~3
New Start Construction Checklist.....B-2.7……B-2-6~~7~~5

# SUBAPPENDIX B-1
# CONSTRUCTION, GENERAL AND FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES APPLICABILITY
# (RCS CECW-B 13)

B-1.1. **Appropriation Title.** This appendix provides guidance for preparation of the program request for all new and continuing activities under the appropriation titles Construction, General (CG), including the Inland Waterways Trust Fund (IWTF) and Harbor Maintenance Trust Fund (HMTF), as applicable, and Flood Control, Mississippi River and Tributaries for a ten year period, PY through PY+9.

B-1.2. **Activities Included.**

| Activity | Category, Class, Subclass, Code | Guidance Provided in Subappendix Number |
|---|---|---|
| Construction, General Appropriation | | |
| Navigation | | |
| Channels and Harbors | | |
| Projects Specifically Authorized by Congress | 211 | B-2 |
| Dredged Material Disposal Facilities Program | 212 | B-2 |
| Projects Not Specifically Authorized by Congress (Section 107, 1960 Act and Modifications) | 216 | B-3 |
| Debris Removal | 217 | Program not active |
| Locks and Dams | 220 | B-2 |
| Mitigation of Shore Damages Attributable to Navigation Projects (Section 111, 1968 Act) | | |
| Projects Specifically Authorized by Congress | 231 | B-2 |
| Projects Not Specifically Authorized by Congress | 232 | B-3 |
| Dam Safety Assurance | 240 | B-2 |

| Activity | Category, Class, Subclass, Code | Guidance Provided in Subappendix Number |
|---|---|---|
| Shore Protection | | |
| Projects Specifically Authorized by Congress | | |
| Sacrificial Features Only | 411 | B-2 |
| Structural and Sacrificial Features | 412 | B-2 |
| Projects Not Specifically Authorized by Congress (Section 103, 1962 Act and Modifications) | 420 | B-3 |
| Flood Control | | |
| Local Protection | | |
| Projects Specifically Authorized by Congress | 511 | B-2 |
| Projects Not Specifically Authorized by Congress (Section 205, 1948 Act and Modifications) | 516 | B-3 |
| Emergency Streambank and Shoreline Protection (Section 14, 1946 Act and Modifications) | 517 | B-3 |
| Snagging and Clearing (Section 208 1954 Act and Modifications) | 518 | B-3 |
| Reservoirs | 520 | B-2 |
| Urban Stormwater Management | | |
| Projects Specifically Authorized by Congress | 531 | B-2 |
| Projects Not Specifically Authorized by Congress (Section 205, 1948 Act and Modifications) | 532 | B-3 |
| Dam Safety Assurance | 540 | B-2 |

| Activity | Category, Class, Subclass, Code | Guidance Provided in Subappendix Number |
|---|---|---|
| Multiple Purpose Power | 600 | B-2 |
| Dam Safety Assurance | 640 | B-2 |
| Miscellaneous | | |
| Project Modifications for Improvement of the Environment (Section 1135, 1986 Act) | | |
| Specifically Funded | 721 | B-2 |
| Not Specifically Funded | 722 | B-3 |
| Dam Safety Assurance and Seepage/Stability Correction Projects Not Previously Programmed for Construction | 730 | No field request |
| Aquatic Ecosystem Restoration | 732 | B-3 |
| Aquatic Plant Control | 740 | No field request |
| Employee Compensation Fund (Payments to Department of Labor) | 750 | No field request |
| Wetlands Restoration and Enhancement Demonstration Program (Section 307 (d), 1990 Act | | |
| Specifically Funded | 761 | Program not active |
| Not Specifically Funded | 762 | No field request |

| Activity | Category, Class Subclass, Code | Guidance Provided in Subappendix Number |
|---|---|---|
| Ecosystem Restoration | 771 | B-2 |
| Environmental Infrastructure | 772 | B-2 |
| Shoreline Erosion Control Demonstration (Section 54, 1974 Act) | 780 | Authorization expired |
| Beneficial Uses of Dredged Material | | |
| Specifically Funded | 791 | B-2 |
| Not Specifically Funded | 792 | B-3 |
| Rehabilitation | | |
| Major Rehabilitation | | |
| Navigation | | |
| Channels and Harbors | 813 | B-2 |
| Locks and Dams | 814 | B-2 |
| Flood Control | | |
| Local Protection Projects Specifically Authorized by Congress | 816 | B-2 |

| Activity | Category, Class, Subclass, Code | Guidance Provided in Subappendix Number |
|---|---|---|
| Reservoirs | 817 | B-2 |
| Multiple Purpose Power Projects | 818 | B-2 |
| Minor Rehabilitation | 820 | Program not active |
| New Construction Starts | As applicable | B-2 |
| New Major Rehabilitation | As Applicable | B-2 |
| Flood Control, Mississippi River and Tributaries, Appropriation | | |
| Navigation | 310 | B-2 |
| Dam Safety Assurance | 314 | B-2 |
| Flood Control | 320 | B-2 |
| Dam Safety Assurance | 324 | B-2 |
| Streambank Erosion Control Evaluation and Demonstration (Section 32, 1974 Act) | 330 | Authorization expired |
| Major Rehabilitation | | |
| Navigation | 812 | B-2 |
| Flood Control | 815 | B-2 |
| New Construction Starts | As applicable | B-2 |
| New Major Rehabilitation | As Applicable | B-2 |

# SUBAPPENDIX B-2
# CONSTRUCTION - NEW AND CONTINUING

B-2.1. **Objective.** This subappendix applies to new and continuing construction projects, new and continuing major rehabilitation projects, new and continuing dam safety assurance projects, new and continuing deficiency correction projects, new and continuing reconstruction projects, new and continuing dredged material disposal facility projects, new and continuing reimbursement projects, resumptions, unstarted projects previously funded for construction, and unstarted separable elements of ongoing construction projects funded under the Construction, General (CG) appropriation, including the Inland Waterways Trust Fund (IWTF) and Harbor Maintenance Trust Fund (HMTF), as applicable, and the Flood Control, Mississippi River and Tributaries (MR&T) appropriations. The overall goal for the construction program is to develop a 10 year (PY through PY+9) construction program to fund cost effective projects that provide a high level of outputs when evaluated using the performance measures located in Annexes I-VIII and to complete committed projects that provide a high level of outputs as economically and quickly as practicable within program constraints and consistent with current national priorities. We will adhere to Army policy and the guidance provided in the main part of the EC. Program requests should be submitted for all available new start projects and separable elements which meet the basic eligibility criteria in Table B-2.1 and all continuing projects and programs including environmental infrastructure programs up to the capability level. These projects and separable elements should be ranked by business line using the performance measures and criteria found in Annexes I-VIII. This will provide information for use in making program decisions on projects and programs for which funds may be added by Congress in PY-1. We will undertake all projects and programs included in the President's PY-1 program.

B-2.2. **Assumed PY-1 Work Allowances and Assumed PY-1 and PY Assigned Savings and Slippage.**

a. Assumed PY-1 work allowances must be based on a proportional assignment of savings and slippage applied against the amount included for each project in the conference report which accompanies the PY-1 appropriations act, or the PY-1 program in the absence of Congressional action on the PY-1 appropriations, except for projects directed to be undertaken with amounts specified in the PY-1 appropriations act which are not subject to savings and slippage. Projects may show a reprogramming of funds to offset the assigned savings and slippage amount, if necessary. However, such reprogrammings must be within HQUSACE CECW-I authority and must be offsetting within each Division. Assumed PY-1 savings and slippage reductions are shown on Table B-2.3. Final savings and slippage reductions will be based on Congressional action on the PY-1 appropriations. Federal and non-Federal funding information (including allocations, contributions, obligations, undelivered orders, and unobligated carryovers) shown on required supporting data for each project for which funds are requested in the PY must be reconciled with the latest available financing and accounting records. After PY-1 work allowances have been allotted, allocations for the PY-1 must also be reconciled with the latest available finance and accounting records for affected projects.

B-2.3. **New Start Construction.**

a. New construction start candidates include the following: unstarted projects, unstarted separable elements of ongoing projects, resumptions, unstarted projects previously funded for construction, unstarted major rehabilitation projects (other than seepage or stability correction projects), and unstarted deficiency correction projects (Note that reconstruction projects require specific authorization and are treated in the same manner as other unstarted projects. Also note that recreation facilities and increments of reimbursement projects that are not covered under existing PCAs are treated as unstarted separable elements.) All new start candidates must undergo the critical review and meet the requirements outlined in the sub-paragraphs that follow.

b. CG or MR&T construction funds for pre-construction planning, engineering, and design will be programmed only for a project or element for which physical construction also is programmed in the PY, or for a project or element for which CG or MR&T construction funds already have been appropriated, or for an unstarted separable element of a project already under construction.

c. The first objective of the new start program is to bring together for consideration as new start construction recommendations a list of high quality candidates that are justified based on NED and/or NER benefits, are ready to be started in the PY, have approved M-CACES baseline cost estimates, and are strongly supported by non-Federal sponsors. Potential new start candidates (projects and separable elements) should be reviewed relative to the basic eligibility criteria shown in Table B-2.1.and the ranking criteria and performance measures for the appropriate business line shown in Annexes I-VIII and discussed in more detail in Annexes I-VIII. Candidates which meet the basic and preliminary selection criteria listed in Table B-2.1 will be ranked using the performance measures for the appropriate business program as found in Annexes I-VIII and may be recommended as new construction starts. Program requests should be submitted for all available new start projects and separable elements which meet the preliminary selection criteria in Table B-2.1. This will provide information for use in making program decisions on projects for which funds may be added by Congress in PY-1.

d. Each recommended new start candidate requires submission of a decision document to serve as the basis for new start selection and (with the exception of inland waterway projects and major rehabilitations and certain other projects) will require a PCA in accordance with the Water Resources Development Act of 1986, as amended. The requirement for a decision document can be satisfied by a MSC (under specific delegated authority) or HQUSACE approved decision document, as applicable, HQUSACE approved feasibility report with engineering appendix, General Reevaluation Report, or, in some cases, a Post-Authorization Change Report. A Limited Reevaluation Report is for updating and documenting changes to the project within the scope of a decision document and is not itself a decision document. In negotiating the terms of the PCA, no commitments relating to a construction schedule or follow-on funding can be made to the non-Federal sponsor until after the economic analysis, if applicable, and the EDR or feasibility report with engineering appendix has been approved by the MSC or HQUSACE, as applicable, the planning and policy review process has been completed by ASA(CW), the project or element has been authorized and funded, and the draft PCA has been approved by ASA(CW) (unless specifically delegated to the MSC Commander). The PCA will be executed between the non-Federal sponsor and ASA(CW) or District Commander (if delegated) prior to advertisement of the initial construction contract for the project or element.

e. A current economic analysis for each new start candidate must be approved not earlier than 3 fiscal years prior to the fiscal year of the submission of the program request to HQUSACE CECW-I. This will ensure the analysis can be considered current when the actual program decisions are made and help preclude the need for an additional update prior to an implementation decision (i. e., executing a PCA). For example, a PY new start program request made in PY-2 must have an economic analysis contained in an official report approved in or more recently than PY-5. This analysis will be included in an approved decision document, as described in paragraph B-2.3.c., or in a supplemental report such as an Engineering Documentation Report (EDR), Limited Reevaluation Report, Post Authorization Change Report (PAC), or other special study report which must be approved by the MSC (under delegated authority), HQUSACE, or ASA(CW), as applicable. A Design Documentation Report (DDR) is a technical document approved by a District and should not include information such as formulation of alternatives or economic analyses. After construction funds have been appropriated for such work, no further update of the economic analysis will be required during the approval process for the non-Federal sponsor's financing plan and execution of the PCA provided the PCA is approved in the PY and no significant changes which may affect economic justification have been made from the latest approved document. The same current

economic analysis requirements for PCA projects apply to non-PCA projects, such as inland navigation and major rehabilitation projects, for obtaining approval to initiate construction.

f. The second objective of the new start program is to develop a 10 year construction program which will provide for an orderly flow of high performance, urgently needed and locally supported projects or separable elements that are in accord with current policies and priorities. In accordance with this objective, Divisions will prepare an Illustration B-2.1, Project Data Summary, for each new construction start candidate which they expect to recommend as a new construction start during the period PY through PY+9. Divisions also will prepare an Illustration B-2.1 for each dam safety assurance project or seepage or static instability correction project that they expect to "migrate" from the Dam Safety and Seepage/Static Instability Correction Program during the period PY through PY+9. New dredged material disposal facilities at operating navigation projects will not be budgeted separately, but will be funded entirely from the Dredged Material Disposal Facilities Program. Nevertheless, Divisions will prepare an Illustration B-2.1 for these projects. Divisions will also prepare an Illustration B-2.1, Project Data Summary, for each unprogrammed separable element which has not been reclassified to the inactive category. The fiscal year of new start construction for such unprogrammed separable elements will be 2099. Non-Federal cash contributions and non-Federal other costs must not be programmed for any new start project or separable element in advance of programmed Federal funds even though the non-Federal sponsor may incur costs prior to the allocation of Federal funds. Such non-Federal costs will be reflected in the Illustration B-2.1 and Detailed Project Schedule, PB-2a, only beginning in the year that Federal funds for construction are first programmed. Individual Illustrations B-2.1 prepared for programmed and unprogrammed separable elements will be rolled up into their parent projects by PRISM. The projects programmed for construction in PY through PY+9 must be based on the estimates and schedules established for programmed studies and PED projects, as applicable. Furthermore, Divisions must assure that the data shown in Illustration B-2.1 are compatible with data in Illustration A-2.5, General Investigations Data Summary Table, so that construction is programmed no earlier than the year following PED completion and project cost estimates in both illustrations are identical Future new starts will be selected from projects shown as available for construction in the PY+1 based on the ranking derived using the ranking criteria and performance measures for the appropriate business line (see Annexes I-VIII).

B-2.4. **Specific Guidance for Major Rehabilitation, Dam Safety Assurance, Deficiency Correction, and Dredged Material Disposal Facilities at Operating Navigation Projects.**

a. Major rehabilitation, dam safety assurance, deficiency correction, and dredged material disposal facilities at operating navigation projects will undergo a critical review and selection process in accordance with the criteria listed below. Reconnaissance or evaluation reports and subsequent planning, engineering, and design for major rehabilitation (except seepage or stability correction projects) and deficiency correction projects will be funded from Operation and Maintenance, General (O&M) funds allocated for project operation and maintenance or inspection of completed works, as applicable, until CG funds, IWTF, and HMTF, as applicable, are appropriated and allocated for such projects. Reconnaissance or evaluation reports for major rehabilitation seepage or stability correction projects and dam safety assurance projects will be funded from O&M funds. Subsequent planning, engineering, and design for these projects will be funded from the CG Dam Safety and Seepage/Stability Correction Program initially, and will be programmed as continuing, specifically funded projects once the ASA(CW) has concurred in their construction. Dredged material management plans for dredged material disposal facilities at operating navigation projects will be funded from O&M funds. Subsequent planning, engineering and design, and construction for these projects will be funded from the CG Dredged Material Disposal Facilities Program. However, no post-evaluation planning, engineering, and design for major rehabilitation, dam safety assurance, deficiency correction, and dredged material disposal facility projects shall be funded from O&M or CG allocations until a reconnaissance or evaluation report or dredged material management plan has been approved by HQUSACE or MSC (for eligible delegated activities).

Preconstruction activities for PY-2 and PY-1 should be funded by reprogramming available O&M funds for applicable projects only after the reconnaissance or evaluation report has been approved by HQUSACE or MSC (under delegated authority). Initial CG funds, IWTF, and HMTF, as applicable, will be programmed for major rehabilitation (except seepage or stability correction projects) and deficiency correction projects after applicable reconnaissance or evaluation reports have been approved by HQUSACE or MSC (under delegated authority) and coordinated with ASA(CW), as applicable, and once they meet the preliminary selection criteria in table 2.1. Initial preconstruction activities and initial construction work, if applicable, for dam safety assurance projects and major rehabilitation seepage or stability correction projects will be funded under the CG Dam Safety and Seepage/Stability Correction Program after approval of an appropriate report. These projects will be programmed as continuing, specifically funded projects once the ASA(CW) has concurred in their construction.

b. **New Major Rehabilitation Projects.**

(1) All new major rehabilitation projects will be funded with CG funds. One-half of the funding for new major rehabilitation projects for inland and coastal waterways proposed for funding in the PY will be derived from the IWTF.

(2) The major rehabilitation program consists of work included in one or both of two mutually exclusive categories: reliability and efficiency improvement. The threshold amounts listed below for each category are adjusted annually according to the Administration's economic assumptions.

(a) The reliability category encompasses major project feature restoration consisting of structural work on a Corps operated and maintained facility such a lock, dam, hydropower plant, etc., intended to improve the reliability of an existing structure, the result of which will be a deferral of capital expenditures to replace the structure. Rehabilitation will be considered as an alternative when it can significantly extend the physical life of the feature and can be economically justified by benefit-cost ratio analysis. The work will extend over at least two full construction seasons and will require at least $6.6 million in capital outlays. For inland waterways navigation projects, the reliability threshold will be $10.6 million.

(b) The efficiency improvement category encompasses work that will enhance operational efficiency of major project components. Operational efficiency will increase outputs beyond the original project design. Efficiency improvements will require at least $1.30 million in capital outlays on a component which does not exhibit reliability problems.

(3) The project must have an evaluation report at HQUSACE CECW-O for review by 15 March of the PY-2 in accordance with chapter 3 of ER 1130-2-500 and chapter 3 of EP 1130-2-500 with HQUSACE CECW-O approval expected by 1 August of the PY-2.

(4) The proposed work must require no additional Congressional authorization.

(5) Work following approval of the evaluation report for a major rehabilitation seepage or static instability correction project will be programmed and funded under the CG Dam Safety and Seepage/Stability Correction Program until the ASA(CW) has concurred in construction of the project. Thereafter, the project may be programmed as a continuing, specifically funded project and construction may be initiated. If the ASA(CW) has concurred in construction and the project is ready to initiate construction, but the project is still being funded in the CG Dam Safety and Seepage/Stability Correction Program, construction could be funded with Program funds until line item funding becomes available.

d. **Dam Safety Assurance Projects Line-Item Funded for the First Time.**

(1) The project must have an evaluation report, including a base safety standard analysis, approved by HQUSACE CECW-E, or at HQUSACE CECW-E for approval, as applicable, by 1 June of the PY-2 with HQUSACE CECW-E approvalexpected by 1 August of the PY-2 to be considered for inclusion in the PY program as a continuing project.

(2) The proposed work must require no additional Congressional authorization.

(3) Work following approval of the evaluation report for a dam safety assurance project will be programmed and funded under the CG Dam Safety and Seepage/Stability Correction Program until the ASA(CW) has concurred in construction of the project. Thereafter, the project may be programmed as a continuing, specifically funded project and construction may be initiated. If the ASA(CW) has concurred in construction and the project is ready to initiate construction, but the project is still being funded in the CG Dam Safety and Seepage/Stability Correction Program, construction could be funded with Program funds until line item funding becomes available.

e. **New Deficiency Correction Projects.**

(1) The threshold for using CG funds at Corps of Engineers operated and maintained projects recommended for new start deficiency corrections is $5 million. Deficiencies with an estimated total cost of less than $5 million at Corps of Engineers operated and maintained projects will be corrected using O&M funds. There is no dollar threshold for deficiency corrections at non-Federally operated and maintained projects.

(2) The project must have a reconnaissance report approved by HQUSACE CECW-E, as applicable, or at HQUSACE CECW-E for approval, as applicable, by 1 June of the PY-2 with HQUSACE CECW-E approval, as applicable, expected by 1 August of the PY-2.

(3) The proposed work must require no additional Congressional authorization.

f. **Dredged Material Disposal Facility Projects at Operating Navigation Projects.**

(1) Section 201 of the Water Resources Development Act of 1996 provides that the cost of constructing land based and aquatic dredged material disposal facilities that are necessary for the disposal of dredged material for the construction and operation and maintenance of Federal navigation projects for harbors and inland harbors will be shared as a general navigation feature of the project in accordance with Section 101 (a) of the Water Resources Development Act 0f 1986, as amended. Beginning with the FY 99 program, the Federal share of all dredged material disposal facilities for existing navigation projects for which a construction contract for the dredged material disposal facility was not awarded on or before 12 October 1996 will be funded with CG funds. However, continuing dredged material disposal facility projects started prior to FY 99 will be completed with O&M funds. All Federal funding for dredged material disposal facilities for maintenance of existing Federal navigation projects for harbors and inland harbors, whether funded from O&M or CG funds, is reimbursable from the HMTF.

(2) Dredged material disposal facility needs will be identified through O&M funded dredged material management planning activities. Guidance on development, review, approval, and implementation of dredged material management plans is contained in ER 1105-2-100. A feasibility level decision document on the dredged material disposal facilities proposed for Corps construction will be submitted to HQUSACE CECW-O for review and approval, including ASA(CW) approval, as applicable. This report could be a completed dredged material management plan or an interim report.

(3) All planning, engineering, design, and construction activities for dredged material disposal facilities at operating navigation projects that follow preparation of the dredged material management plan will be funded through the Dredged Material Disposal Facilities Program. However, before Program funds will be allocated for construction of a disposal facility project, the project must have an appropriate report approved by HQUSACE CECW-O and ASA(CW) , as applicable.

B-2.5. **Specific Guidance for Separable Elements of Ongoing Construction Projects, Resumptions, and Unstarted Projects Previously Funded for Construction.**

a. A separable element is a stand-alone portion of an authorized project which is physically and functionally separable from other portions of the project, and which achieves hydrologic effects or produces physical or economic benefits which are separately identifiable from those produced by other portions of the project. Construction of a separable element requires a new PCA. In those cases where a separable element is to be constructed and the parent project already has an executed PCA, an amendment to that PCA may be more appropriate if the separable element and parent project will be undertaken concurrently and with the same project sponsor. If an investment increment is part of an authorized project, but is useful separately from other features of the authorized project and is not covered under the already-executed PCA or PCAs for the other features, that increment will be treated as a separable element. Examples include recreation features not covered under an existing cost sharing PCA, and reimbursable work that is beyond the scope of the work covered under the existing reimbursement PCA. Investment increments that are not authorized are not separable elements of an authorized project and should be pursued as an unauthorized project in the GI appropriation account.

b. Unstarted separable elements that are not economically justified or do not have ecosystem restoration benefits sufficient for justification at the current discount rate, excluding recreation benefits and costs, must not be programmed for planning, engineering and design or construction. Planning, engineering and design and construction for separable elements that are justified at the current discount rate excluding recreation benefits and costs may be programmed in the period PY through PY+9. **However, information required for PY new construction starts must be submitted for such separable elements for the PY in which they are programmed to initiate construction.** Unstarted separable elements, both programmed and unprogrammed, as applicable, must reflect the cost sharing and financing concepts in the Water Resources Development Acts of 1986, as amended.

c. Although funds for separable elements of ongoing construction projects are not programmed on an individual basis and are included as part of the program requests for their parent projects, each active uncompleted separable element, whether programmed or unprogrammed, must be shown individually, similar to a subproject in the Project Cost Estimate, PB-3, and Detailed Project Schedule, PB-2a, which are prepared for each parent project. Each such separable element must include its applicable construction costs plus its associated planning, engineering and design and construction management costs. Total Federal and non-Federal costs for each separable element must also be shown on the PB-3 and PB-2a. Furthermore, the method of financing for Federal and non-Federal funds for each separable element must also be shown on the PB-2a. In addition to the separable elements identified during previous program submissions, all other uncompleted separable elements must be shown on PB-3s and PB-2a's, even if funds are not requested for the separable elements in the PY. Also, a separate Illustration B-2.1, Project Data Summary, must be prepared for each separable element shown on the PB-3 and PB-2a. In addition, Illustration B-2.4, PY Justification Sheet must be submitted for each unstarted separable element recommended for funding for construction in the PY. For this purpose, unstarted separable elements are those that will not have construction work under contract by 30 September of the PY-1.

d. Resumptions are projects that have not been in physical construction since PY-4, except for projects for which the resumption of physical construction was included in the President's budget for PY-1, and except for projects with natural pauses, such as for levee lifts or monitoring stages. Continuing planning, engineering, and design of resumptions may be programmed in the PY, but initiation of physical construction requires a new budget decision.

e. Unstarted projects previously funded for construction are projects that were previously funded for construction in PY-4 or before, but are not scheduled to be physically started in PY-1. Continuing planning, engineering, and design of unstarted projects previously funded for construction may be programmed in the PY, but initiation of physical construction requires a new budget decision. Note that if a project has received funds for construction only in PY-3 or since, it will be treated as continuing construction in the PY. Also, if a project previously received funds with clear direction that the funds are for planning, engineering, and design only, it will not be treated as having previously received funds for construction.

f. Economic and environmental analyses supporting PY funding requests for planning, engineering and design for unstarted separable elements, resumptions, and unstarted projects previously funded for construction should be presented as follows: Costs should be updated to current price levels. Benefits should be those reported in the latest approved evaluation, e.g., EDR or reevaluation report, and must not be price indexed in any case except for specific benefit categories such as roads, bridges, and rail lines provided that these benefits do not constitute a major portion of overall benefits. The total BCR at the applicable and current discount rates will be computed in the following manner: deflate the updated project cost to the price level of the latest approved detailed economic evaluation using adjustments for price level changes experienced in the interim period. The CWCCIS and ENR indices are both acceptable for use in deflating project costs. Next, annualize the deflated project cost at each discount rate and divide the costs into the benefits which also must be annualized at each discount rate. Economic analyses supporting PY funding requests for construction of unstarted separable elements, resumptions, and unstarted projects previously funded for construction must be contained in an official report approved in or more recently than PY-5. In no case should the benefits be price indexed except for specific benefit categories such as roads, bridges, and rail lines provided that these benefits do not constitute a major portion of overall benefits. After a decision has been made by the Director of Civil Works and ASA(CW) to include a separable element, resumption, or unstarted project previously funded for construction in the PY program and construction funds have been appropriated for such work, no further update of the economic analysis will be required during the approval process for the non-Federal sponsor's financing plan and execution of the PCA provided the PCA is approved in the PY and no significant changes which may effect economic or environmental justification have been made from the latest approved document.

B-2.6. **Adjustments to PY-1 Programs.** When Congress takes action on the PY-1 appropriations bill, appropriate revisions to Division submissions will be requested.

B-2.7. **Cost Estimates and Inflation Factors.** Cost estimates for all construction projects and separable elements will be based on a 1 October of the PY-1 price level with an allowance for inflation through the construction period assuming an efficient rate of construction will be developed at the Capability level.

a. Project Cost Estimates, PB-3s, for projects which are recommended for funding in the PY should be updated to a 1 October of the PY-1 price level in accordance with the instructions in ER 11-2-240. Separable elements must be shown individually on the PB-3's. Federal and non-Federal cost sharing must reflect the guidance in this subappendix. The cost estimates for new start construction projects, new major rehabilitation projects (including seepage or stability correction projects), new dam safety assurance projects, new deficiency correction projects, new reconstruction projects, new dredged material disposal

facility projects, resumptions, new reimbursement projects, unstarted projects, and unstarted separable elements must be complete and reliable to assure credibility with the project sponsor, the Administration, and the Congress.

b. Inflation factors for the period PY through PY+9 which must be used for updating cost estimates to include future inflation for the PY submission to CECW-B are shown on Table 1 of the EC. These factors must be used to escalate future costs for consultants, A-E contractors, GM/GS employees, wage board employees, construction, and operation and maintenance activities through the construction period for each project. The PY+9 inflation factors, compounded as appropriate, must be used for that portion of the construction period beyond PY+9 to project completion. Instructions for escalating estimates beyond PY+9 are provided at the bottom of Table 1.

c. Effective 1 October 1985, funds obligated for continuation of planning and engineering studies (CP&E) are considered project costs and must be included in project cost estimates. However, CP&E funds obligated prior to 1 October 1985 remain excluded from project cost estimates. Funds allocated for CP&E, which are obligated on or after 1 October 1985, and all advance engineering and design (AE&D) and preconstruction engineering and design (PED) funds shall be made a part of the cost allocation to project purposes and the cost apportionment between Federal and non-Federal shares.

d. Items which are indefinite or unprogrammed will be based on a 1 October of the PY-1 price level without an allowance for future inflation and their costs will be included in the unprogrammed balance to complete for each project. Indefinite or unprogrammed items include parts of projects that will very likely not be programmed due to lack of local support or other non-funding reasons, as well as all new start candidates (see paragraph B-2.3.a.) that are not included in the PY program. Many items in the unprogrammed balance to complete, although currently designated as active, may eventually be deauthorized or reclassified to the deferred or inactive categories, and all items must reflect the cost sharing and financing concepts in the Water Resources Development Act of 1986, as amended. Some indefinite or unprogrammed items may proceed to construction at a future date, at which time they would be included in the programmed portion of the applicable project.

e. Contracts for programmed work and other associated activities such as land acquisition, planning, engineering and design, and construction management will be inflated through the construction period for each project to project completion.

f. Cost estimates and program requests will include future pay raises for GM/GS and wage board employees through the construction period to project completion. Adjustments will be made by CECW-B to reflect, if necessary, Administration assumptions regarding absorption of the raises.

g. To estimate the inflation allowance for construction projects to be included in the PY submission to CECW-B, and for other projects where appropriate, use the methodology provided below and the schedule developed for each project at the Capability Level. The inflation allowance for each project will be computed only once and will be used without recomputation for all funding level schedules. The Non-Federal costs for these projects will be escalated to include an inflation allowance for future years in the same manner as Federal costs.

h. Instructions for escalating project cost estimates to include an allowance for future inflation are provided below.

(1) Develop a Capability Level schedule for each project at a 1 October of the PY-1 price level.

(2) Do not further escalate contracts already awarded or to be awarded by 30 September of the PY-2.

(3) Escalate each contract to be awarded in the PY-1 and future years through its construction period in accordance with the guidance in Table 1.

(4) Escalate land acquisition, in-house planning, engineering and design costs, in-house construction management costs, and Non-Federal costs through the construction period also in accordance with the guidance in Table 1.

B-2.8. **Schedules, Completion Dates, Contingencies and Funding Levels.**

a. A Detailed Project Schedule, PB-2a, will be prepared using PRISM for each project for the Capability Level based on the assumptions noted above in accordance with the PRISM Users Manual. However, the automated PB-2a/PBS link will not be activated. Therefore, the Capability Level funding amounts from the PB-2a may be input into PBS by PRISM or may be manually input into PBS for Illustration B-2.1, Project Data Summary.

b. A completion date for each project will be developed for the Capability Level. If the completion date for the entire project is indefinite, then the completion date for the currently programmed construction work will be used. If planning, engineering and design is the only programmed activity and all construction work is unprogrammed, then the completion date will be shown as indefinite. For projects which include beach nourishment, show separate completion dates for initial construction and periodic nourishment.

c. **The Capability Level funding for each fiscal year, including inflation allowances, should reflect the amounts that can realistically be expended during the 10-year period, PY through PY+9, based on in-house technical capability and a realistic financing capability on the part of the non-Federal project sponsors. It is extremely important that Districts and Divisions carefully consider Capability Level amounts, and not merely copy the Initial Level amounts into the Capability Level unless the Initial Level amounts actually reflect their Capability Level efforts. The ten year program recommendations to OMB and reallocations of PY through PY+9 initial amounts will be derived from the Capability Level. Districts and Divisions that merely copy the Initial Level amounts into the Capability Level for convenience and ease of entry may be shortchanged in the initial allocation process.**

d. Savings and slippage reductions and assumed work allowances for the PY-1 construction program, as discussed above, must be reflected in the PB-2a's which are submitted to CECW-B using PRISM.

e. The cost estimate for each project, subproject, or separable element of a project must include a separate item for contingencies as an allowance against some adverse or unanticipated condition not susceptible to exact evaluation from available data. Contingencies will be displayed under a separate feature using feature code 59. Separate line-items and descriptions may be used, if desired, under feature 59 to specifically display the contingencies associated with the work shown under features 01 through 31. The contingency allowance should be varied according to the stage of planning and design after considering the sufficiency of the data which form the basis of each quantity estimate. ER 1110-2-1302, appendix D, shows reasonable percentage factors to be used for contingency allowances in estimates of costs for construction and relocation features. For projects that are not programmed to complete in the PY, the project cost estimate may include appropriate contingency allowances. However, the PY request must not include an amount for contingencies and such allowances must be distributed in the outyears in proportion to the work to which the contingencies apply. Contingencies may only be included in the programmed or unprogrammed balance to complete in proportion to the work included therein. For projects that are programmed to complete in the PY, the PY request may include an

appropriate, reasonable amount for contingencies. As a project nears completion, the contingency allowance must be reduced accordingly. **In no case will contingencies for completed work be included in the programmed or unprogrammed balance to complete subsequent to programmed project completion in the PY through PY+9.** Claim settlements and deficiency judgments in the PY through PY+9 will be handled in accordance with normal reprogramming procedures. PY through PY+9 requests must not include amounts for anticipated claim settlements or anticipated deficiency judgments.

f. Funding level definitions are provided below.

(1) Initial Funding Level. The initial level for each line item-funded project is all funding needed (no more, no less) in FY 2006 for estimated contractor earnings, plus associated costs of contract management, E&D during construction, and real estate coordination, on contracts scheduled for award by the end of FY 2005 consistent with the President's FY 2005 budget (or the FY 2005 Conference Report if available). The initial level includes no new starts, no funding for projects without contracts continuing into FY 2006, and no funding for the award of contracts in FY 2006.

PERFORMANCE BASED BUDGET INCREMENT (S). Add additional funding increments for each project for logical, needed increments that contribute to the program goals. Ranking will be based on performance measures found in Annexes I-VIII. The basis for adding increments in terms of budget request for a project will be based on the demonstrable benefits. The last-added funding increment for each project, together with the Initial Level and previously added increments, will add to the project capability.

(1) **Capability Level.** In addition to the activities in the Baseline Level, the Capability Level includes funds to advance the construction schedule of a project by advancing the completion of a useful increment of work to provide earlier realization of benefits or by advancing completion of the entire project. **The Capability Level funding for each fiscal year, including inflation allowances, should reflect the amounts that can realistically be expended during the 10-year period, PY through PY+9, based on in-house technical capability and a realistic financing capability on the part of the non-Federal project sponsors. It is extremely important that Districts and Divisions carefully consider Capability Level amounts, and not merely copy the Initial Level amounts into the Capability Level unless the Initial Level amounts actually reflect their Capability Level efforts. The ten year program recommendations to OMB and reallocations of PY through PY+9 ceiling amounts will be derived from the Capability Level. Districts and Divisions that merely copy the Initial Level amounts into the Capability Level for convenience and ease of entrymay be shortchanged in the ceiling allocation process.**

B-2.9. **Recreation Facilities.** In accordance with the current policy on Federal funding of recreation facilities at projects under construction, additional recreation facilities will not be programmed, except for minimum facilities needed for health and safety as defined in ER 1165-2-400, unless local interests agree to provide 50 percent cost sharing and financing for their share of recreation costs and to bear 100 percent of the recreation operation and maintenance costs in accordance with the cost sharing and financing concepts in the Water Resources Development Act of 1986, as amended. However, recreation development previously approved by ASA(CW) at 100 percent Federal cost may be completed.

a. For projects where local interests have definitely declined to provide Non-Federal cost sharing, or where there is not yet a cost sharing agreement for whatever reason, include minimum facilities for health and safety in the project schedules, as appropriate, and include remaining recreation facilities in the unprogrammed balance to complete beyond PY+9. Construction of recreation facilities requiring a new cost sharing agreement will be considered a PY new investment decision for an unstarted separable

element and will be included on Illustration B-2.6, PY Proposed New Major Rehabilitation and Other New Work Summary.

b. For new start construction projects or unstarted separable elements, construction of recreation facilities will be considered together with the primary portion of the project or separable element as a PY new investment decision and will be included on Illustration B-2.7, New Start Construction Checklist.

B-2.10. **Cost Sharing.**

a. For navigation projects, section 101 (a).(1). of the Water Resources Development Act of 1986, as amended, specifies that the cost sharing and financing provisions reflected in the Act shall apply to any project, or separable element thereof, on which a contract for physical construction has not been awarded before the date of enactment of the Act, 17 November 1986 (except that the provisions of section 201 of WRDA 96 generally apply only to dredged material disposal facilities for which the invitation for bids was issued after the effective date of the Act, 12 October 1996).

b. For flood control and other projects, section 103.(e).(1). of the Water Resources Development Act of 1986, as amended, specifies that the cost sharing and financing provisions of the act shall apply to any project, or separable element thereof, on which physical construction is initiated after 30 April 1986, except for specific projects exempted from this provision as noted in the Act. Section 202 (a) of the Water Resources Development Act of 1996 specifies that the non-Federal share of project costs assigned to flood control shall be 35 percent for any project authorized after the date of enactment of the Act, 12 October 1996.

c. For new deficiency correction projects at non-Federally operated and maintained projects, cost sharing and financing will reflect the concepts of the Water Resources Development Act of 1986, as amended unless an exception is granted by ASA(CW) during the reconnaissance report review and approval process. However, these projects will reflect the cost sharing and financing concepts in the Water Resources Development Act of 1986, as amended until excepted from such cost sharing by ASA(CW). For new deficiency correction projects at Corps of Engineers operated and maintained projects, there will be no cost sharing required unless a non-Federal sponsor has contributed toward the initial construction of the project. Payment may be required of public entities which have signed agreements with the Government, e.g. for water supply storage.

d. For dam safety assurance projects that have not been previously programmed for construction, cost sharing and financing will reflect a non-Federal cash contribution allocated to project purposes in accordance with Section 1203.(a) of the Water Resources Development Act of 1986, as amended,.

e. For resumptions, cost sharing and financing will depend on the circumstances under which construction on the project was stopped. Generally, if it was at the request of, or due to action by local interests, cost sharing and financing concepts reflected in the Water Resources Development Act of 1986, as amended will apply. However, if the project was stopped by other parties, such as in the case of a court injunction, then the originally authorized cost sharing and financing requirements will be applicable.

f. Projects and separable elements for which construction was ongoing with respect to applicable portions of the Water Resources Development Act of 1986, as amended, are not affected by the cost sharing provisions of the Water Resources Development Act of 1986, as amended.

g. If a PCA has been executed for an authorized project or separable element, then post-feasibility planning, engineering, and design for that project or separable element will be financed under the terms of the PCA. If the PCA has not been executed, then post-feasibility planning, engineering, and design for a

project or separable element will be concurrently Federally and non-Federally financed under a design agreement, with the following exceptions: inland waterway projects; projects and elements without a non-Federal cost-sharing partner or with a total non-Federal cash cost share amounting to less than 25 percent of the costs of post-authorization planning, engineering, and design alone; projects and elements with post-feasibility planning, engineering and design costs of less than $100,000; projects and elements for which post-feasibility planning, engineering and design was initiated before Fiscal Year 1997; and specific exceptions approved by ASA(CW). No work will be carried out under a PCA, nor under a design agreement for an authorized project or separable element, that is beyond the scope of the authorized project or separable element covered by the agreement. Such post-feasibility planning, engineering, and design costs will be included in the total project cost estimate and fund allocations for the overall project or separable element and will ultimately be cost shared at the rate for the construction project or separable element to which they apply.

h. Since Federal funds are limited, it is especially important that financial obligations for construction in each fiscal year include the appropriate non-Federal cash share. For each project, non-Federal required cash contributions and Federal funds should be obligated such that the sponsor's percentage cash share of financial obligations for construction in each fiscal year is equal to the sponsor's overall percentage cash share of total financial obligations for construction. The exception is in the first fiscal year of construction, when Federal and non-Federal contributions will be adjusted to bring the sponsor’s total sunk and current contributions in line with its required cash percentage of obligations through that fiscal year. Credit for authorized and approved construction by the sponsor, if any, should be included in financial obligations for construction and applied toward the sponsor's required cash contribution (other than the 5 percent cash share required for structural flood control) in the year that the credit for the completed work is afforded. In all cases the schedule for obligating and expending non-Federal funds is independent of the schedule for the provision or crediting of LERRDs. Failure to obtain, obligate, and expend non-Federal cash contributions in the proper proportion results in the improper, excessive obligation and expenditure of Federal funds and the unnecessary delay of projects whose schedules are constrained by the availability of Federal funds.

B-2.11. **Remaining Benefit-Remaining Cost Ratio (RBRCR).** Use the following guidelines to compute the RBRCR at the applicable interest rate and current interest rate for Illustration B-2.1, Project Data Summary.

a. Consider anticipated Federal and non-Federal allocations and other non-Federal costs through the PY-1 as sunk, and exclude them from the RBRCR computation. The amortization and interest portion of the annual charges will be computed on the remaining first costs and the interest during construction for the remainder of the construction period. Include total project operation and maintenance costs and benefits, unless the project is in a category described below.

b. Where the project includes completed independent units or useful increments, the realized annual benefits will also be excluded from the RBRCR computation, along with the sunk costs. In this case, sunk costs include operation and maintenance costs as well as capital costs of the completed independent units or increments. For beach erosion control projects where the initial fill has been completed and only periodic nourishment remains to be accomplished, indicate the RBRCR is not applicable because initial construction has been completed. For uncompleted reservoir projects that are not formally operational, i. e., a permanent pool has not been impounded, flood control benefits from work in place may be treated as incidental benefits and included in the RBRCR computation.

c. The RBRCR supporting PY funding requests for ongoing construction projects and post-feasibility planning, engineering, and design, where applicable, when a current evaluation contained in an official report approved in or later than PY-5 is not available, should be computed in the following manner: deflate

the updated project cost to the price level of the latest approved detailed economic evaluation, deflate the expended project costs to the price level of the latest approved evaluation, reduce the deflated project cost estimate by the deflated expended costs, annualize the remaining project costs at the required discount rates, and divide the remaining annualized costs into the benefits which also must be annualized at the required discount rates. In no case should the benefits be price indexed except for specific benefit categories such as roads, bridges, and rail lines provided that these benefits do not constitute a major portion of overall benefits. The RBRCR should be reported with the price level and date of benefit evaluation noted (see sample explanation for Illustration B-2.4 in Basis for Benefit-Cost Ratio paragraph).

d. The RBRCR supporting PY funding requests for construction of new start candidates must be based on current approved evaluations of benefits and costs contained in an official report approved in or later than PY-5. Computation of the RBRCR should follow the instructions in paragraph B-2.12.c above. In no case should the benefits be price indexed except for specific benefit categories such as roads, bridges, and rail lines provided that these benefits do not constitute a major portion of overall benefits.

e. For projects that are complete for all practical purposes, or were authorized without a formal benefit-cost analysis, indicate the RBRCR is not applicable because the project is nearing completion or because monetary benefits have not been quantified, as appropriate.

f. For FY 2006, RBRCR's will be computed using both the applicable rates from Table B-2.2 and a standard discount rate of 7 percent.

B-2.12. **Supporting Data.** The following items must be prepared as indicated for each project for which funds are requested in the PY.

a. Detailed Project Schedule, PB-2a, will be prepared using PRISM for the Baseline Level for each project for which funds are requested in the PY. However, the automatic PB-2a to PBS copy feature will not be activated. The Baseline Level PB-2a must reflect the funding decisions for continuing projects shown on the PY-1 Congressional PB-2a and must display all active uncompleted separable elements. Note that the current PB-2a format shows a breakdown through PY+9. The PB-2a has also been modified to separately display Federal funds, Inland Waterways Trust Funds, Harbor Maintenance Trust Funds, non-Federal cash contributions and other costs, and Other Federal Agency funds in the method of financing tabulations. Contingencies will be displayed under a separate feature using feature code 59. Separate line-items and descriptions may be used, if desired, under feature 59 to specifically display the contingencies associated with the work shown under features 01 through 31.

b. Illustration B-2.1, Project Data Summary, will be prepared for each continuing project or separable element, each project or separable element expected to be recommended as a new construction start during the period PY through PY+9, and each programmed or unprogrammed separable element included in a Detailed Project Schedule, PB-2a, for a parent project proposed for funding in the PY, in accordance with instructions in the PRISM Users Manual. This includes new start construction projects, new major rehabilitation projects, dam safety or seepage/static instability projects continuing from the Dam Safety and Seepage/Static Instability Correction Program, new deficiency correction projects, new dredged material disposal facility projects (although these projects will not be line-item funded), resumptions, unstarted projects previously funded for construction, and unstarted separable elements of projects under construction. Individual Illustrations B-2.1 prepared for programmed and unprogrammed separable elements will be rolled up into their parent projects by PRISM. A separate data field has been established to show remaining PED costs on each Illustration B-2.1 for PY+1 through PY+9 new construction start projects or separable elements so that PED costs will not be included with construction costs in the 10 year construction program. The Initial Level funding amounts from the PB-2a may be input into PBS by PRISM or may be manually input into PBS since the automatic PB-2a to PBS copy feature will not be

activated. The Capability Level funding amounts will be directly entered into PBS by the field. Illustrations B-2.2A, B-2.2B, B-2.2C, B-2,2D, and B-2.3 provide summaries of Federal (Corps) funding requirements, Inland Waterways Trust Fund requirements, Harbor Services Fund requirements, Other Federal Agency funding requirements, Non-Federal cash contributions and other costs, and completions, respectively, from data developed for each Illustration B-2.1. **The Capability Level funding for each fiscal year, including inflation allowances, should reflect the amounts that can realistically be expended during the 10-year period, PY through PY+9, based on in-house technical capability and a realistic financing capability on the part of the non-Federal project sponsors.**

c. Illustration B-2.4, PY Justification Sheet, will be prepared for the Initial Level for each new start construction project, new major rehabilitation project (other than seepage / static instability correction), dam safety assurance or seepage/static instability correction project continuing from the Dam Safety and Seepage/Static Instability Correction Program, new deficiency correction project, dredged material disposal facility project initiating construction in the Dredged Material Disposal Facility Program, resumption, new unstarted separable element of a project under construction (including new recreation facilities and new reimbursable work), and new unstarted project previously funded for construction which is recommended for funding in the PY. In addition, although funds for separable elements of ongoing construction projects are not programmed on an individual basis and are included as part of the program requests for their parent projects, Illustration B-2.4, PY Justification Sheet, will be prepared for each unstarted separable element which is recommended for funding for construction in the PY. The justification sheets must be typed on standard size paper, 8 1/2 inches by 11 inches, as left justified Word97 or earlier version documents at 6 lines per inch (.167 inch line height) using a landscape 10 point font (12 characters per inch); Arial are the preferred typefaces. The typed material must be confined to 6 1/2 inches vertically and 10 inches horizontally, leaving 1/2 inch margins on the left and right sides, and 1 inch margins on the top and bottom. The June submission must be submitted by email as a Word97 or earlier version document. See paragraph 11.b.(2).(a). of the main EC for specific instructions concerning conversion of your justification sheets to an Adobe Acrobat 4.0 file for transmission of the Congressional submission to HQ. The appropriation title and project classification must be typed as the first line in the body and the Division, District, and project name must be typed in the 1 inch bottom margin. Do not underline any headings. Illustrations B-2.4 for continuing projects will be requested at a later date for the PY submission to Congress.

d. Illustration B-2.6, PY Proposed New Major Rehabilitation and Other New Work Summary, will be prepared to identify each new major rehabilitation project, new deficiency correction project, resumption, unstarted project previously funded for construction, and unstarted separable element of an ongoing project (including new recreation facilities and new reimbursable work) recommended for construction funding in the PY.

e. Illustration B-2.7, New Start Construction Checklist, will be prepared to identify PY new start construction projects that are recommended in in accordance with the criteria listed in Table B-2.1.

f. You should be prepared to submit three copies of the document confirming compliance with basic eligibility criterion number 6of Table B-2.1 for all recommended new start candidates. If the recommended plan materially differs either in scope or costs (20 percent, adjusted) from the authorized plan, or from that included in the report being processed for submission to Congress, three copies of the reevaluation report justifying such deviation will be required. If copies of required reports have been sent for previous program submissions, CECW-B will verify the availability of these reports before requesting additional copies.

g. A reproducible map will be provided for each new start construction project, new major rehabilitation project, new deficiency correction project, resumption, unstarted project, and unstarted

separable element of an ongoing project (including new recreation facilities and new reimbursable work) recommended for funding for construction in the PY. Furthermore, a map will be provided for each continuing dam safety project, major rehabilitation seepage or stability correction project, or dredged material disposal facility project that has not been previously included in the PY-1 President's budget. For the June submission, a copy of a location or project map from a feasibility report, design memorandum, or other document will be sufficient. The June submission map must be marked in black reproducible pencil to clearly show the project and separable elements thereof, if applicable, in relation to nearby geographical features. The purpose of the map is to aid in understanding the nature of the project or separable element. See paragraph 11.b.(2).(a). of the main EC for specific instructions concerning conversion of your maps to an Adobe Acrobat 4.0 file for transmission of the Congressional submission to HQ.

B-2.13. **Coding Instructions.**

a. An automated database will be developed for the construction program using the PBS module of PRISM. Coding instructions have been provided in the PRISM Users Manual. A PB-2a will be prepared using PRISM for the Baseline Level for each project recommended for funding in the PY. However, the automatic PB-2a to PBS copy feature will not be activated. Therefore, the Initial Level funding amounts from the PB-2a may be input into PBS by PRISM or may be manually input into PBS for Illustration B-2.1, Project Data Summary. The Capability Level funding amounts will be directly entered into PBS by the field for Illustration B-2.1.

b. Illustration B-2.1, Project Data Summary, Illustration B-2.2A, Federal (Corps) Funding Requirements Summary, Illustration B-2.2B, Inland Waterways Trust Fund Requirements Summary, Illustration B-2.2C, Other Federal Agency Funding Summary, Illustration B-2.2D, Non-Federal Cash Contributions and Other Costs Summary, Illustration B-2.2E, Harbor Maintenance Trust Fund Requirements Summary, and Illustration B-2.3, Completions Summary, may be extracted from the PBS database.

B-2.14. **Submission Requirements.** Copies of the following items must be submitted to HQUSACE CECW-BE, C, or W, as applicable, WASH DC 20314-1000, except as noted, by the date and in the amount indicated below.

a. Initial Level PB-2a prepared using PRISM for each project for which funds are requested in the PY. Database will close 30 June, ADP output, no hardcopy submission required.

b. Illustration B-2.1, Project Data Summary Table, for each continuing project or separable element, each project or separable element expected to be recommended as a new construction start during the period PY through PY+9, and each programmed or unprogrammed separable element included in a Detailed Project Schedule, PB-2a, for a parent project proposed for funding in the PY. This includes new start construction projects, new major rehabilitation projects, dam safety assurance and seepage/static instability correction projects migrating from the Dam Safety and Seepage / Static Instability Correction Program, new deficiency correction projects, dredged material disposal facility projects initiating construction in the Dredged Material Disposal Facility Program, resumptions, unstarted projects previously funded for construction, and unstarted separable elements of ongoing construction projects (including new recreation facilities and new reimbursable work). For the Initial Level, Individual Illustrations B-2.1 prepared for programmed and unprogrammed separable elements will be rolled up into their parent projects by PRISM. Database will close 30 June, ADP output, no hard copy submission required.

c. Illustration B-2.2A, Federal (Corps) Funding Requirements Summary, database will close 30 June, ADP output, no hard copy submission required. This is a summary of all Illustrations B-2.1.

d. Illustration B-2.2B, Inland Waterways Trust Fund Requirements Summary, database will close 30 June, ADP output, no hard copy submission required. This is a summary of all Illustrations B-2.1

e. Illustration B-2.2C, Other Federal Agency Funding Summary, database will close 30 June, ADP output, no hard copy submission required. This is summary of all Illustrations B-2.1.

f. Illustration B-2.2D, Non-Federal Cash Contributions and Other Costs Summary, database will close 30 June, ADP output, no hard copy submission required. This is a summary of all Illustrations B-2.1.

g. Illustration B-2.2.E, Harbor Services Fund Requirements Summary, database will close 30 June, ADP output, no hard copy submission required. This is a summary of all Illustrations B-2.1

h. Illustration B-2.3, Completions Summary, database will close 30 June, ADP output, no hardcopy submission required. This is a summary of all Illustrations B-2.1.

i. Illustration B-2.4, PY Justification Sheet, for the Initial Level for each new start construction project, new major rehabilitation project, dam safety assurance or seepage/static instability correction project migrating from the Dam Safety and Seepage/Static Instability Correction Program, new deficiency correction project, dredged material disposal facility project initiating construction in the Dredged Material Disposal Facilities Program, resumption, unstarted project previously funded for construction, and unstarted separable element of an ongoing project (including new recreation facilities and new reimbursable work)recommended for construction funding in the PY, 1 June, no hardcopy required. The June submission must be submitted by email as a Word97 or earlier version document. See paragraph 11.b.(2).(a). of the main EC for specific instructions concerning conversion of your justification sheets to an Adobe Acrobat 4.0 file for transmission of the Congressional submission to HQ.

j. Illustration B-2.6, PY Proposed New Major Rehabilitation and Other New Work Summary. Each new major rehabilitation project, dam safety assurance or seepage/static instability correction project migrating from the Dam Safety and Seepage/Static Instability Correction Program, new deficiency correction project, dredged material disposal facility project initiating construction in the Dredged Material Disposal Facilities Program, resumption, unstarted project previously funded for construction, and unstarted separable element of an ongoing project (including new recreation facilities and new reimbursable work) recommended for construction funding in the PY must be listed, 1 June, 3 copies.

k. Illustration B-2.7, New Start Construction Checklist, to identify PY new start construction projects that meet the eligibility criteria listed in Table B-2.2, 1 June, 10 copies.

l. Feasibility Report with Engineering Appendix, EDR, and/or LRR or GRR for each new start construction project recommended for construction funding in the PY, when requested, 3 copies.

m. A reproducible map on 8 1/2 inch by 11 inch paper for each new start construction project, new major rehabilitation project, new dam safety assurance project, new deficiency correction project, new reconstruction project, new dredged material disposal facility project, new reimbursement project, resumption, unstarted project, and unstarted separable element of an ongoing project recommended for construction funding in the PY, 1 June, 10 copies. Furthermore, a map will be provided for each continuing dam safety project, major rehabilitation seepage or stability correction project, or dredged material disposal_facility project that has not been previously included in the PY-1 President's budget.

Larger folded maps are no longer acceptable. See paragraph 11.b.(2).(a). of the main EC for specific instructions concerning conversion of your maps to an Adobe Acrobat 4.0 file for transmission of the Congressional submission to HQ.

n. Evaluation or reconnaissance report, as applicable, for each new major rehabilitation project new dam safety assurance project, new deficiency correction project, and new dredged material disposal facility project recommended for construction funding in the PY, including submission letter and subsequent forwarding and approval endorsements; 15 March for new major rehabilitation projects, 3 copies to appropriate HQUSACE Regional Implementation Team (RIT); 1 June for new dam safety assurance projects, new deficiency correction projects, and new dredged material disposal facility projects, 3 copies to appropriate HQUSACE RIT. In addition, an appropriate report must be approved by HQUSACE and ASA(CW), as applicable, or at HQUSACE for approval, as applicable, by 1 June of the PY-2 with HQUSACE and ASA(CW) approval, as applicable, expected by 1 August of the PY-2 to be considered for inclusion in the PY program as a continuing project.

o. EDR or reevaluation report for each unstarted separable element, resumption, or unstarted project recommended for construction funding in the PY, including submission letter and subsequent forwarding and approval endorsements, 1 June, 3 copies.

p. Approved M-CACES Baseline cost estimate (summary sheets to the subfeature element level for each feature and the appropriate narrative) for each new start construction project, new major rehabilitation project (except seepage or stability correction projects), new dam safety assurance project, new deficiency correction project, new reconstruction project, new dredged material disposal facility project, new reimbursement project, resumption, unstarted project, and unstarted separable element recommended for construction funding in the PY, 1 June, 1 copy.

TABLE B-2.1
NEW STARTS: CONSTRUCTION
(INCLUDING SEPARABLE ELEMENTS, RESUMPTIONS, AND UNSTARTED PROJECTS)

BASIC ELIGIBILITY CRITERIA

1. The project is authorized for construction.

2. Appropriate evaluation of project merits is contained in a Corps report and, in the case of a project the justification of which is based on NED/NER benefits, the project has net NED benefits, and/or sufficient ecosystem restoration benefits at the current discount rate, based on firm benefits and an approved M-CACES Baseline cost estimate.

3. PED is fully funded by the end of the PY-1 and the PCA is on schedule to be executed and the Financing Plan approved no later than the end of the PY.

4. The Project Manager has confirmed the sponsor's understanding of its contractual and financial commitments and its ability to meet the funding requirements of the construction schedule, including payback of its share of PED costs.

5. The project is in compliance with the applicable environmental statutes, appropriate to the current stage of implementation. An Environmental Assessment has been completed and Finding of No Significant Impact signed, or final EIS has been filed, or final EIS supplement is scheduled for filing with EPA by 1 August of the PY-2.

6. If the project has an unapproved report involving a significant change in project scope or cost or for addition of fish and wildlife mitigation measures, the required change(s) recommended in the report must be scheduled for Washington level review and approval by ASA(CW), as applicable, by 1 August of the PY-2. The planning and policy review process for the recommended plan is scheduled for completion by ASA(CW) by 1 August of PY-2. For those projects where there are no substantial changes to the project plan presented in the feasibility report with an engineering appendix approved by ASA(CW), as applicable, the feasibility report will serve as the necessary document. For all other projects, an approved EDR or GRR, as applicable, approved at the MSC (delegated decision document), HQUSACE, or ASA(CW) level, as appropriate, will be required in accordance with EC 1165-2-205, Delegation of Review and Approval Authority for Post-Authorization Decision Documents. If the economic analysis in the applicable document was approved prior to PY-5, a LRR on the project economics will be required in accordance with paragraph 8 of the main part of the EC and paragraph B-2.3.a of this subappendix. The LRR may be approved by the MSC.

7. A M-CACES Baseline cost estimate has been prepared, in accordance with ER 5-1-11, with approval at the appropriate level as the basis for the subsequent work and financial flow.

TABLE B-2.1 (Continued)
NEW STARTS: CONSTRUCTION

(INCLUDING SEPARABLE ELEMENTS, RESUMPTIONS, AND UNSTARTED PROJECTS)
BASICELIGIBILITY CRITERIA

8. A project management plan (PMP) has been prepared and approved.

9. If a postauthorization change is required, only routine issues are involved which will not require Congressional authorization.

10. No known or reasonably anticipated conditions or unresolved issues exist which might prevent either: (1) award of the first significant construction contract by the end of the PY; or (2) the start of real estate acquisition for the first significant construction contract so that the scheduled construction contract can be awarded no later than the end of the following fiscal year (PY+1) in the absence of the sponsor possessing title to the required lands and easements. Planning, engineering and design work should be far enough along in the PY so that the orderly and continuous progression of construction is assured with the scheduled award of the first construction contract.

Replace with new Tables for each business line? Or reference to Annexes I-VIII TABLE B-2.2
APPLICABLE DISCOUNT RATES IN EFFECT
WHEN INITIAL CONSTRUCTION FUNDS WERE APPROPRIATED

| Fiscal Year | Discount Rate 1/ Show on Justification Sheet | Show on Illustration B-2.1 |
|---|---|---|
| 1958 | 2 1/2 | 2.500 |
| 1959 | 2 1/2 | 2.500 |
| 1960 | 2 1/2 | 2.500 |
| 1961 | 2 1/2 | 2.500 |
| 1962 | 2 5/8 | 2.625 |
| 1963 | 2 5/8 | 2.625 |
| 1964 | 2 7/8 | 2.875 |
| 1965 | 3 | 3.000 |
| 1966 | 3 1/8 | 3.125 |
| 1967 | 3 1/8 | 3.125 |
| 1968 | 3 1/8 | 3.125 |
| 1969 | 3 1/4 | 3.250 |
| 1970 | 3 1/4 | 3.250 |
| 1971 | 4 7/8 | 4.875 |
| 1972 | 5 1/8 | 5.125 |
| 1973 | 5 3/8 | 5.375 |
| 1974 | 5 1/2 | 5.500 |
| 1975 | 5 5/8 | 5.625 |
| 1976 | 5 7/8 | 5.875 |
| 1977 | 6 1/8 | 6.125 |
| 1978 | 6 3/8 | 6.375 |
| 1979 | 6 5/8 | 6.625 |
| 1980 | 6 7/8 | 6.875 |
| 1981 | 7 1/8 | 7.125 |
| 1982 | 7 3/8 | 7.375 |
| 1983 | 7 5/8 | 7.625 |
| 1984 | 7 7/8 | 7.875 |
| 1985 | 8 1/8 | 8.125 |
| 1986 | 8 3/8 | 8.375 |
| 1987 | 8 5/8 | 8.625 |
| 1988 | 8 7/8 | 8.875 |
| 1989 | 8 5/8 | 8.625 |

1/ Unless the project qualifies for the 3 1/4 percent rate under the "grandfather" clause in Section 80 of the 1974 Water Resources Development Act.

TABLE B-2.2 (Continued)
APPLICABLE DISCOUNT RATES IN EFFECT
WHEN INITIAL CONSTRUCTION FUNDS WERE APPROPRIATE

| Fiscal Year | Discount Rate 1/ Show on Justification Sheet | Show on Illustration B-2.1 |
|---|---|---|
| 1990 | 8 5/8 | 8.625 |
| 1991 | 8 7/8 | 8.875 |
| 1992 | 8 7/8 | 8.875 |
| 1993 | 8 3/4 | 8.750 |
| 1994 | 8 1/2 | 8.500 |
| 1995 | 8 1/4 | 8.250 |
| 1996 | 8 | 8.000 |
| 1997 | 7 3/4 | 7.750 |
| 1998 | 7 5/8 | 7.625 |
| 1999 | 7 3/8 | 7.375 |
| 2000 | 7 1/8 | 7.125 |
| 2001 | 6 7/8 | 6.875 |
| 2002 | 6 5/8 | 6.625 |
| 2003 | 6 3/8 | 6.375 |
| 2004 | 6 1/8 | 6.125 |
| 2005 | 5 7/8 | 5.875 |
| 2006 | 5 5/8 | 5.625 |

1/ Unless the project qualifies for the 3 1/4 percent rate under the "grandfather" clause in Section 80 of the 1974 Water Resources Development Act.

**TABLE B-2.3**

**FY03 SAVINGS AND SLIPPAGE AND BASELINE LEVEL FY04 THROUGH FY13 PROGRAM CEILING AMOUNTS**

**CONSTRUCTION, GENERAL, INLAND WATERWAYS TRUST FUND, HARBOR MAINTENANCE TRUST FUND,**

**AND FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES PROJECTS**

**$000**

| DIV | FY03 BUD | FY03 EST S&S | FY03 EST ALLOC | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **CONSTRUCTION, GENERAL, INLAND WATERWAYS TRUST FUND, AND HARBOR MAINTENANCE TRUST FUND** | | | | | | | | | | | | | |
| LR | 256,800 | -17,213 | 239,587 | 426,900 | 399,900 | 405,000 | 411,000 | 388,300 | 400,000 | 411,900 | 424,300 | 437,000 | 450,100 |
| MV | 138,341 | -9,273 | 129,068 | 166,000 | 172,200 | 187,800 | 201,500 | 227,200 | 234,000 | 241,000 | 248,300 | 255,700 | 263,400 |
| NA | 223,899 | -15,007 | 208,892 | 177,700 | 225,900 | 246,400 | 250,400 | 248,200 | 255,600 | 263,300 | 271,200 | 279,400 | 287,700 |
| NW | 179,274 | -12,016 | 167,258 | 178,900 | 194,900 | 186,700 | 192,500 | 210,000 | 216,300 | 222,800 | 229,500 | 236,400 | 243,400 |
| PO | -25,484 | -1,708 | 23,776 | 22,100 | 25,900 | 8,800 | 3,100 | 1,400 | 0 | 0 | 0 | 0 | 0 |
| SA | 290,700 | -19,485 | 271,215 | 276,500 | 287,800 | 299,900 | 307,400 | 329,900 | 339,800 | 350,000 | 360,500 | 371,300 | 382,400 |
| SP | 180,000 | -12,065 | 167,935 | 146,500 | 128,100 | 140,700 | 140,600 | 122,700 | 126,400 | 130,200 | 134,100 | 138,100 | 142,200 |
| SW | -91,300 | -6,120 | 85,180 | 54,000 | 62,200 | 67,700 | 77,700 | 92,200 | 95,000 | 97,800 | 100,700 | 0 | 0 |
| HQ | 157,656 | -10,567 | 147,089 | 151,000 | 152,600 | 158,600 | 160,600 | 164,600 | 169,500 | 174,600 | 179,900 | 185,300 | 190,800 |
| TOTAL | 1,543,454 | -103,454 | 1,440,000 | 1,599,600 | 1,649,500 | 1,701,600 | 1,744,800 | 1,784,500 | 1,836,600 | 1,891,600 | 1,948,500 | 1,903,200 | 1,960,000 |
| **FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES** | | | | | | | | | | | | | |
| MV | 125,942 | -5,722 | 120,220 | 132,935 | 133,065 | 140,021 | 145,420 | 151,625 | 156,855 | 161,950 | 166,390 | 173,379 | 173,379 |

TABLE B-2.3
FY03~~3~~4 SAVINGS AND SLIPPAGE AND ~~BASELINE~~CEILING LEVEL FY04~~4~~5 THROUGH FY1~~3~~4CONTINUING PROGRAM ~~CEILING~~ AMOUNTS
CONSTRUCTION, GENERAL, INLAND WATERWAYS TRUST FUND, HARBOR SERVICES FUND,
AND FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES PROJECTS
$000

Each Division's total ~~Baseline~~Ceiling Level amount for CG, IWTF, and HMTF **continuing** projects must not exceed its assigned ceiling for the PY through PY+4 and these ceiling amounts may not be shifted to subsequent fiscal years to reflect schedule slippages. Ceiling amounts for PY+5 through PY+9 may be exceeded to the extent required to compensate for PY-1 savings and slippage reductions and increases in project costs from PY-1. CECW-B may adjust assigned ceiling amounts subsequent to the initial program submission to reflect Congressional action on the PY-1 appropriations or other special circumstances. Nevertheless, each Division's initial program submission must not exceed its assigned PY through PY+4 ceilings for continuing projects.

The CG, IWTF, and HMTF ceiling amounts **include** all PY continuing items covered by subappendix B-2 which were included in the President's PY-1 program, i.e. PY-1 continuing construction projects, major rehabilitation projects, dam safety assurance projects, deficiency correction projects, reconstruction projects, dredged material disposal facility projects, reimbursement projects, resumptions, unstarted projects, and unstarted separable elements. The applicable ceiling amounts assigned to designated high priority projects included in the President's PY-1 program must not be diverted to other continuing projects. If the ceiling cannot be used on a designated high priority project, the excess amount must be reported to CECW-BE so that it can be reallocated to meet Corps wide needs.

The CG, IWTF, and HMTF ceiling amounts **exclude** continuing construction projects, or portions thereof, excluded from the President's PY-1 program by OMB, all PY through PY+9 new starts, including new start construction projects, new major rehabilitation projects, new dam safety assurance projects, new deficiency correction projects, new reconstruction projects, new dredged material disposal facility projects new reimbursement projects, resumptions, unstarted projects, and unstarted separable elements, and periodic beach nourishment projects not included in the President's PY-1 program.

Division CG, IWTF, and HMTF total program amounts may exceed their CG and IWTF ceilings by the amount for new start activities and continuing projects, or portions thereof, excluded from the President's PY-1 program by OMB, and for and periodic beach nourishment projects not included in the President's PY-1 program. We will adjust each Division's total CG and IWTF ceiling amount after selections are completed for new start and continuing items to be included in the PY submission to OMB.

For MR&T, the ceilings include both new starts and PY-1 continuing items.

ILLUSTRATION B-2.1
PROJECT DATA SUMMARY
$000

DIVISION/DISTRICT PROJECT NAME
EROC APPROPRIATION CAT/CLASS/SUBCLASS PWI NO SS1 SS2
STATUS: STATE GROUP GROUP2 FLOODPLAIN CAT
----------BENEFIT/COST RATIO DATA----------
APPL DISCOUNT RATE TOTAL AVERAGE ANNUAL BENEFITS AT TIME OF NEW START
RBRCR AT APPL RATE TOTAL AVERAGE ANNUAL COST AT TIME OF NEW START
RBRCR AT CURR RATE TOTAL AVERAGE ANNUAL REMAINING BENEFITS
TOTAL AVERAGE ANNUAL REMAINING COST
----------DATES----------|----------CONGRESSIONAL DISTRICTS----------
FY AVAILABLE CONSTR
FY NEW CONSTR START
PROGRAMMED COMPLETION DATE
LAST
CURRENT
-----CURRENT YEAR FUNDING-----
PY-1 PROGRAM
PY-1 CONFERENCE
PY-1 ASSUMED S&S
PY-1 GRH REDUCTION
PY-1 OTHER ADJUST
PY-1 PED ALLOCATION

| | PROJECT COST EST W/ INFL | ALLOCATIONS THRU PY-2 | FOR PY-1 | RMNG PED BAL | FUNDING REQUIREMENTS PY | PY +1 | PY +2 | PY +3 | PY +4 | PY +5 | PY +6 | PY +7 | PY +8 | PY +9 | BAL TO COMP PROG | UNPROG |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FUNDING LEVEL | | | | | | | | | | | | | | | | |
| ~~BASELINE~~CEILINGINITIAL LEVEL | | | | | | | | | | | | | | | | |
| FEDERAL (CORPS) | | | | | | | | | | | | | | | | |
| INLAND WATERWAYS TRUST FUND (IWTF) | | | | | | | | | | | | | | | | |

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(ADP output)

ILLUSTRATION B-2.1 (CONTINUED)
PROJECT DATA SUMMARY ($000)

NON-FEDERAL

REQ CONTR

OTHER

TOTAL NON-FEDERAL

OTHER FEDERAL AGENCY (OFA)

TOTAL FEDERAL (CORPS), IWTF, NON-FEDERAL, AND OFA

DECREMENT LEVEL (A Decrement Level submission is not be required with the initial program request.)

FEDERAL (CORPS)

CAPABILITY LEVEL

FEDERAL (CORPS)

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(ADP output)

ILLUSTRATION B-2.2A
FEDERAL (CORPS) FUNDING REQUIREMENTS SUMMARY - CONSTRUCTION
$000

| DIVISION/DISTRICT | APPROPRIATION | | | | | | | | FUNDING LEVEL | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | TOTAL | ALLOC | PY-1 | | PY-1 | PY-1 | PY-1 | | RMNG | FUNDING REQUIREMENTS | | | | | | | | | | |
| | APPN | THRU | CONF | PY-1 | GRH | OTHR | WORK | | PED | PY | PY | PY | PY | PY | PY | PY | PY | PY | BAL TO COMP | |
| ACTIV | REQT | PY-2 | AMT | S&S | RED | ADJST | ALLOW | PY | BAL | +1 | +2 | +3 | +4 | +5 | +6 | +7 | +8 | +9 | PROG | UNPROG |
| Need to include all 8 business lines as appropriate - | | | | | | | | | | | | | | | | | | | | |
| NAVIGATION | | | | | | | | | | | | | | | | | | | | |
| CHANNELS AND HARBORS | | | | | | | | | | | | | | | | | | | | |
| LOCKS AND DAMS | | | | | | | | | | | | | | | | | | | | |
| BEACH EROSION CONTROL | | | | | | | | | | | | | | | | | | | | |
| FLOOD CONTROL | | | | | | | | | | | | | | | | | | | | |
| LOCAL PROTECTION | | | | | | | | | | | | | | | | | | | | |
| RESERVOIRS | | | | | | | | | | | | | | | | | | | | |
| Ecosystem Restoration | | | | | | | | | | | | | | | | | | | | |
| Mitigation ??? maybe if not included within purpose responsible for need for mitigation. | | | | | | | | | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | | | | | | | | | |
| MAJOR REHABILITATION | | | | | | | | | | | | | | | | | | | | |
| CHANNELS AND HARBORS | | | | | | | | | | | | | | | | | | | | |
| LOCKS AND DAMS | | | | | | | | | | | | | | | | | | | | |
| LOCAL PROTECTION | | | | | | | | | | | | | | | | | | | | |
| RESERVOIRS | | | | | | | | | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | | | | | | | | | |
| DAM SAFETY ASSURANCE | | | | | | | | | | | | | | | | | | | | |
| NAVIGATION | | | | | | | | | | | | | | | | | | | | |
| FLOOD CONTROL | | | | | | | | | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | | | | | |

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(ADP output summary)

ILLUSTRATION B-2.2B
INLAND WATERWAYS TRUST FUND REQUIREMENTS SUMMARY - CONSTRUCTION
$000

| DIVISION/DISTRICT | APPROPRIATION | | | | | | FUNDING LEVEL | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | FUNDING REQUIREMENTS | | | | | | | | | | | |
| ACTIV | TOTAL APPN REQT | ALLOC THRU PY-2 | PY-1 CONF AMT | PY-1 S&S | PY-1 OTHR ADJST | PY-1 WORK ALLOW | PY | PY +1 | PY +2 | PY +3 | PY +4 | PY +5 | PY +6 | PY +7 | PY +8 | PY +9 | BAL TO COMP PROG | BAL TO COMP UNPROG |
| NAVIGATION | | | | | | | | | | | | | | | | | | |
| LOCKS AND DAMS | | | | | | | | | | | | | | | | | | |
| MAJOR REHABILITATION | | | | | | | | | | | | | | | | | | |
| LOCKS AND DAMS | | | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | | | |

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(ADP output summary)

ILLUSTRATION B-2.2C
OTHER FEDERAL AGENCY FUNDING SUMMARY - CONSTRUCTION
$000

| DIVISION/DISTRICT | APPROPRIATION | | | | | | FUNDING LEVEL | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | FUNDING REQUIREMENTS | | | | | | | | | | | |
| ACTIV | TOTAL APPN REQT | ALLOC THRU PY-2 | PY-1 CONF AMT | PY-1 S&S | PY-1 OTHR ADJST | PY-1 WORK ALLOW | PY | PY +1 | PY +2 | PY +3 | PY +4 | PY +5 | PY +6 | PY +7 | PY +8 | PY +9 | BAL TO COMP PROG | UNPROG |
| NAVIGATION | | | | | | | | | | | | | | | | | | |
| FLOOD CONTROL | | | | | | | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | | | | | | | |
| Districts should add other activities such as ecosystem restoration as appropriate. | | | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | | | |

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(ADP output summary)

ILLUSTRATION B-2.2D
NON-FEDERAL CASH CONTRIBUTIONS AND OTHER COSTS SUMMARY - CONSTRUCTION
$000

| DIVISION/DISTRICT | APPROPRIATION | | | | FUNDING LEVEL | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | ALLOC | | RMNG | CONTRIBUTION REQUIREMENTS | | | | | | | | | | | |
| | TOTAL | THRU | PY-1 | PED | PY | PY | PY | PY | PY | PY | PY | PY | PY | BAL TO COMP | |
| ACTIV | REQT | PY-2 | ALLOC | BAL | PY | +1 | +2 | +3 | +4 | +5 | +6 | +7 | +8 | +9 | PROG | UNPROG |
| List all 8 Business lines | | | | | | | | | | | | | | | | |
| NAVIGATION | | | | | | | | | | | | | | | | |
| CHANNELS AND HARBORS | | | | | | | | | | | | | | | | |
| LOCKS AND DAMS | | | | | | | | | | | | | | | | |
| BEACH EROSION CONTROL | | | | | | | | | | | | | | | | |
| FLOOD CONTROL | | | | | | | | | | | | | | | | |
| LOCAL PROTECTION | | | | | | | | | | | | | | | | |
| RESERVOIRS | | | | | | | | | | | | | | | | |
| Ecosystem Rstoration | | | | | | | | | | | | | | | | |
| Same mitigation comment applies | | | | | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | | | | | |
| MAJOR REHABILITATION | | | | | | | | | | | | | | | | |
| CHANNELS AND HARBORS | | | | | | | | | | | | | | | | |
| LOCKS AND DAMS | | | | | | | | | | | | | | | | |
| LOCAL PROTECTION | | | | | | | | | | | | | | | | |
| RESERVOIRS | | | | | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | | | | | |
| DAM SAFETY ASSURANCE | | | | | | | | | | | | | | | | |
| NAVIGATION FLOOD CONTROL | | | | | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | |

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(ADP output summary)

ILLUSTRATION B-2.2E
HARBOR SERVICES FUND REQUIREMENTS SUMMARY - CONSTRUCTION
$000

| DIVISION/DISTRICT | APPROPRIATION | | | | | | FUNDING LEVEL | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | FUNDING REQUIREMENTS | | | | | | | | | | | |
| ACTIV | TOTAL APPN REQT | ALLOC THRU PY-2 | PY-1 CONF AMT | PY-1 S&S | PY-1 OTHR ADJST | PY-1 WORK ALLOW | PY | PY +1 | PY +2 | PY +3 | PY +4 | PY +5 | PY +6 | PY +7 | PY +8 | PY +9 | BAL TO COMP PROG | BAL TO COMP UNPROG |
| NAVIGATION | | | | | | | | | | | | | | | | | | |
| CHANNELS AND HARBORS | | | | | | | | | | | | | | | | | | |
| MAJOR REHABILITATION | | | | | | | | | | | | | | | | | | |
| CHANNELS AND HARBORS | | | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | | | |

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(ADP output summary)

ILLUSTRATION B-2.3
COMPLETIONS SUMMARY - CONSTRUCTION

DIVISION/DISTRICT APPROPRIATION FUNDING LEVEL

| ACTIV | PY | PY+1 | PY+2 | PY+3 | PY+4 | PY+5 | PY+6 | PY+7 | PY+8 | PY+9 | BAL TO COMP PROG | BAL TO COMP UNPROG |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| List all 8 Business lines | | | | | | | | | | | | |
| NAVIGATION | | | | | | | | | | | | |
| CHANNELS AND HARBORS | | | | | | | | | | | | |
| LOCKS AND DAMS | | | | | | | | | | | | |
| BEACH EROSION CONTROL | | | | | | | | | | | | |
| FLOOD CONTROL | | | | | | | | | | | | |
| LOCAL PROTECTION | | | | | | | | | | | | |
| RESERVOIRS | | | | | | | | | | | | |
| Ecosytem Restoration | | | | | | | | | | | | |
| Mitigation - same comment applies as above | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | |
| MAJOR REHABILITATION | | | | | | | | | | | | |
| CHANNELS AND HARBORS | | | | | | | | | | | | |
| LOCKS AND DAMS | | | | | | | | | | | | |
| LOCAL PROTECTION | | | | | | | | | | | | |
| RESERVOIRS | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | |
| DAM SAFETY ASSURANCE | | | | | | | | | | | | |
| NAVIGATION | | | | | | | | | | | | |
| FLOOD CONTROL | | | | | | | | | | | | |
| MULTIPLE PURPOSE POWER | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | |

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(ADP output summary)

ILLUSTRATION B-2.4, PY JUSTIFICATION SHEET
(NOTE: DO NOT TYPE ILLUSTRATION HEADING ON JUSTIFICATION SHEET)

APPROPRIATION TITLE: Construction, General - Enter the project classification and type.

PROJECT: Enter the project name, state and whether it is new or continuing.

LOCATION: Enter a brief description of the project location, clearly identifying major landmarks, counties, and municipalities in the project vicinity.

DESCRIPTION: Enter a brief description of the plan of improvement clearly identifying major project features and differentiating between programmed and unprogrammed work. Indicate if project is part of a system. For reservoir projects, include breakdown of storage by function. Differentiate between programmed and unprogrammed work. For ecosystem restoration projects include area in acres or stream miles to be restored and types of habitat. If operation and maintenance is required to maintain describe briefly what and how often – For example to keep and area as a wetland dredging will be required every 5 years. If monitoring/adaptive management is authorized or recommended in the approved report – briefly describe what is approved and the period of time involved. Note the recommended/authorized cost of these items.

AUTHORIZATION: Enter the act authorizing the project, such as: Water Resources Development Act of 19xx.

REMAINING BENEFIT-REMAINING COST RATIO: Enter the RBRCR for the project at the applicable discount rate, such as: 2.6 to 1 at 5 1/8 percent. Use the applicable rate discount from Table B-2.2. If the project is substantially complete and the RBRCR is no longer meaningful, enter: Not applicable because project construction is substantially complete. For beach erosion control projects where the initial fill has been completed and only periodic nourishment remains to be accomplished, enter: Not applicable because initial construction has been completed. N/A for ecosystem restoration.?

TOTAL BENEFIT-COST RATIO: Enter the total benefit-cost ratio for the project at the applicable discount rate, such as: 1.8 to 1 at 5 1/8 percent. Use the applicable discount rate from Table B-2.2
For Ecosystem restoration projects briefly summarize the results of the Cost Effectiveness/Incremental Cost Analysis. If the NER plan was not authorized note this.
INITIAL BENEFIT-COST RATIO: Enter the benefit-cost ratio at the applicable discount rate and the fiscal year for which Congress appropriated initial construction funds such as: 1.11 to 1 at 5 1/8 percent (FY 19xx). Omit this item for PY new construction starts. Use the applicable discount rate from Table -2.2

ILLUSTRATION B-2.4 (Continued)

BASIS OF BENEFIT-COST RATIO: Indicate the basis of the benefit-cost ratios, such as: Benefits are from the latest available evaluation approved in (month) 19xx at 19xx price levels.

| SUMMARIZED FINANCIAL DATA | | | ACCUM PCT OF EST FED COST | STATUS (1 Jan 19xx) | PCT CMPL | PHYSICAL COMPLETION SCHEDULE |
|---|---|---|---|---|---|---|
| (For projects with an unprogrammed balance to complete, but no future non-Federal reimbursement.) | | | | Element A | xx | May 19xx |
| | | | | Element B | 0 | Indefinite |
| | | | (For shore protection projects) | | | |
| | | | | Initial Construction | xx | Sep 19xx |
| Estimated Federal Cost | | xx,xxx,xxx | | Periodic Nourishment | xx | Jun 19xx |
| Programmed Construction | xx,xxx,xxx | | | | | |
| Unprogrammed Construction | xx,xxx,xxx | | | Entire Project | xx | Jun ~~19~~20xx |
| 2/ | | | | | | |
| Estimated Non-Federal Cost | | xx,xxx,xxx | | | | |
| Programmed Construction | xx,xxx,xxx | | | | | |
| Cash Contributions | xx,xxx,xxx | | | | | |
| Other Costs | xx,xxx,xxx | | | | | |
| Estimated Non-Federal Cost | | | | | | |
| Unprogrammed Construction | xx,xxx,xxx | | | | | |
| Cash Contributions | xx,xxx,xxx | | | | | |
| Other Costs | xx,xxx,xxx | | | | | |
| Total Estimated Programmed Construction Cost | | xx,xxx,xxx | | | | |
| Total Estimated Unprogrammed Construction Cost | | xx,xxx,xxx | | | | |
| Total Estimated Project Cost | | xx,xxx,xxx | | | | |

PHYSICAL DATA

Under appropriate subheadings, enter the significant physical data on the major project facilities, indicating the project scope.

ILLUSTRATION B-2.4 (Continued)

| SUMMARIZED FINANCIAL DATA (Continued) | | ACCUM PCT OF EST FED COST | STATUS (1 Jan ~~19~~20xx) | PCT CMPL | PHYSICAL COMPLETION SCHEDULE |
|---|---|---|---|---|---|
| Allocations to 30 September PY-2 | xx,xxx,xxx | | | | |
| Conference Allowance for PY-1 | xx,xxx,xxx | | | | |
| Allocation for PY-1 | xx,xxx,xxx | 1/ | | | |
| Allocations through PY-1 | xx,xxx,xxx | xx | | | |
| Allocation Requested for PY | xx,xxx,xxx | xx | | | |
| Programmed Balance to Complete after PY | xx,xxx,xxx | | | | |
| Unprogrammed Balance to Complete after PY | xx,xxx,xxx | | | | |

1/ Reflects $xxx reduction assigned as savings and slippage, $xxx sequestered in accordance with the Gramm-Rudman-Hollings Act - still needed?, and $xxx reprogrammed to (from) the project. (Use example as applicable).

2/ For programmed work only; remaining work is unprogrammed pending a decision to construct these features.

JUSTIFICATION: Enter an explicit and factually objective presentation of the merits of the project, i. e., an answer to the question: "Why now?" In narrative form, present your best case. The following information, when related to recent events or the current state of the economy, is more convincing than a simple recitation of facts.)

For flood control projects, state the present value and type of property subject to flood damage; the average annual damages, with and without the project; the flood frequency against which protection is to be provided; the maximum flood of record; the damage sustained at that time and what it would be now; the frequency and duration of flooding; recent flood experience; and any other data which indicate the magnitude

ILLUSTRATION B-2.4 (Continued)

and severity of the flood problem and the need for protection. If more than 20 percent of urban flood damage prevention benefits are future benefits, explain the basis for such future benefits. In particular, estimated benefits for prevention of damages to household contents must be in accordance with the most recent CECW-P guidance. Does project directly or indirectly support future flood plain development in areas other than those near already urbanized areas or where flood plain values have been largely lost? Does it avoid, to the extent possible, the long and short term adverse impacts associated with the destruction or modification of wetlands and/or other environmental attributes?

For commercial navigation projects, discuss major commodities imported and exported; average commerce tonnage over the most recent 10-year period; savings per ton for selected commodities; availability of dredged material disposal sites; and size of ships expected to call at the port in the future.

For Ecosystem restoration discuss significance (including discussion of scarcity) of the resources being restored, expected benefits and time frame for the realization of these benefits (eg – mature oak forest full benefits 10-20 yrs out), incidental benefits, and significant factors affecting the cost – such as urban. See Annex II for other items that you may want to cover in the justification.

For water supply or hydroelectric power generation projects, specify the storage provided, and the potential sponsor(s) who has agreed to fully finance the applicable costs.

Similar specific data should be provided for other types of projects and purposes.

Identify those counties, districts, Indian reservations, or other areas which qualify as areas of "substantial and persistent" unemployment using the procedures in the Principles and Guidelines. The construction activities must be physically located in such areas in order for the benefits from employment of previously unemployed labor resources to be included in the project's justification.

Discuss the extent to which project beneficiaries have made investments other than the required items of local cooperation whose return is contingent upon completion of the Federal project.

ILLUSTRATION B-2.4 (Continued)

Include a tabular listing of annual benefits as the final item of the justification paragraph if there is more than one applicable benefit category, such as: Average annual benefits are as follows:

| Annual Benefits | Amount |
|---|---|
| Benefit 1 | x,xxx,xxx |
| Benefit 2 | x,xxx,xxx |
| Benefit 3 | x,xxx,xxx |
| Total | xx,xxx,xxx |

FISCAL YEAR PY: Enter a tabular explanation of how the PY funds will be used, such as: The requested amount will be applied as follows:

| | |
|---|---|
| Initiate ..... | $x,xxx,xxx |
| Initiate and complete ..... | x,xxx,xxx |
| Continue ..... | x,xxx,xxx |
| Complete ..... | x,xxx,xxx |
| Planning, Engineering, and Design for parent project | x,xxx,xxx |
| Planning, Engineering, and Design for Element A | x,xxx,xxx |
| Planning, Engineering, and Design for Element B | x,xxx,xxx |
| Construction Management | x,xxx,xxx |
| Total | $xx,xxx,xxx |

NON-FEDERAL COST: Enter a separate tabular explanation of the requirements of local cooperation included in each project cooperation agreement applicable to the project together with the associated payments during construction, reimbursements, and annual operation, maintenance, repair, rehabilitation, and replacement costs, such as: In accordance with the cost sharing and financing concepts reflected in the Water Resources Development Act 0f 1986, as amended, the non-Federal sponsor must comply with the requirements listed below.

ILLUSTRATION B-2.4 (Continued)

| Requirements of Local Cooperation | Payments During Construction and Reimbursements | Annual Operation, Maintenance, Repair, Rehabilitation, and Replacement Costs |
|---|---|---|
| Separable Element A (Repeat as applicable for each separable element). | | |
| Provide lands, easements, rights of way, and borrow and excavated or dredged material disposal areas (as applicable), (add if appropriate) which may be reduced for credit allowed based on prior work (Section 104 of the Water Resources Development Act 0f 1986, as amended, or Section 215 of the Flood Control Act of 1968) after reductions for such credit have been made in the required cash payments. | x,xxx,xxx | |
| Modify or relocate utilities, roads, bridges (except railroad bridges), and other facilities, where necessary for the construction of the project. | x,xxx,xxx | |
| Pay all costs allocated to hydropower and bear all costs of operation, maintenance, repair, rehabilitation and replacement of hydropower facilities. | x,xxx,xxx | x,xxx |

ILLUSTRATION B-2.4 (Continued)

| Requirements of Local Cooperation (Continued) | Payments During Construction and Reimbursements | Annual Operation, Maintenance, Repair, Rehabilitation, and Replacement Costs |
|---|---|---|
| Pay all costs allocated to municipal and industrial water supply and bear all costs of operation, maintenance, repair, rehabilitation and replacement of municipal and industrial water supply facilities. | x,xxx,xxx | x,xxx |
| Pay one-half of the separable costs allocated to recreation (except recreational navigation) and bear all costs of operation, maintenance, repair, rehabilitation and replacement of recreation facilities. | x,xxx,xxx | x,xxx |
| Pay one-half of the separable and joint costs allocated to recreational navigation and bear all costs of operation, maintenance, repair, rehabilitation, and replacement of recreational navigation facilities. | x,xxx,xxx | x,xxx |
| Pay xx percent of the costs allocated to flood control to bring the total non-Federal share of flood control costs to (include one of the following) 25 percent, 35 percent, or xx percent, as determined under Section 103 (m) of the Water Resources Development Act 0f 1986, as amended, (add if appropriate) to reflect the | x,xxx,xxx | x,xxx |

ILLUSTRATION B-2.4 (Continued)

| Requirements of Local Cooperation (Continued) | Payments During Construction and Reimbursements | Annual Operation, Maintenance, Repair, Rehabilitation, and Replacement Costs |
|---|---|---|
| non-Federal sponsor's ability to pay as reduced for credit allowed based on prior work (Section 104 of the Water Resources Development Act 0f 1986, as amended, or Section 215 of the Flood Control Act of 1968), or pay 5 percent of the costs allocated to flood control (if the non-Federal share of flood control costs is 25 percent or 35 percent (as applicable) or greater), and bear all costs of operation, maintenance, repair, rehabilitation and replacement of flood control facilities. | x,xxx,xxx | x,xxx |
| Is this for reservoir projects? Or is it for mitigation - language may need to be updated? Pay xx percent of the costs allocated to fish and wildlife enhancement, and pay xx percent of the costs of operation, maintenance, repair, rehabilitation, and replacement of fish and wildlife facilities. | x,xxx,xxx | x,xxx |
| Pay 35 percent of the ecosystem restoration costs and bear all costs of operation, maintenance, repair, rehabilitation and replacement of ecosystem restoration facilities. | x,xxx,xxx | x,xxx |
| Pay 35 percent of the costs allocated to hurricane and storm damage reduction, and bear all costs of operation, maintenance, repair, rehabilitation, and replacement of hurricane and storm damage reduction facilities. | | |

ILLUSTRATION B-2.4 (Continued)

| Requirements of Local Cooperation (Continued) | Payments During Construction and Reimbursements | Annual Operation, Maintenance, Repair, Rehabilitation, and Replacement Costs |
|---|---|---|
| Pay (include one of the following) 35 percent or xx percent, as determined under Section 103 (m) of the Water Resources Development Act 0f 1986, as amended, to reflect the non-Federal sponsor's ability to pay, of the costs allocated to agricultural water supply, and bear all costs of operation, maintenance, repair, rehabilitation, and replacement of agricultural water supply facilities. | x,xxx,xxx | x,xxx |
| Pay xx percent of the costs allocated to general navigation facilities during construction and pay 50 percent of the costs of incremental maintenance below 45 feet below mean low water. | x,xxx,xxx | x,xxx |
| Reimburse an additional 10 percent of the costs of general navigation features allocated to commercial navigation within a period of 30 years following completion of construction, as partially (entirely) reduced by a credit allowed for the value of lands, easements, rights of way, relocations , and dredged or excavated material disposal areas as applicable) provided for commercial navigation. | x,xxx,xxx | |
| Total Non-Federal Costs | x,xxx,xxx | x,xxx |

ILLUSTRATION B-2.4 (Continued)

The non-Federal sponsor has also agreed to make all required payments concurrently with project construction and, for general navigation, reimburse its share of construction costs within a period of 30 years following completion of construction when is this applicable? It would be good to specify.(Use example as applicable).

Note: After approval by the ASA(CW), local credit based on ability to pay (Section 103 (m) of the Water Resources Development Act 0f 1986, as amended,) or general credit for prior work (Section 104 of the Water Resources Development Act 0f 1986, as amended, or Section 215 of the Flood Control Act of 1968) must be reflected in the requirements of local cooperation as an offset to required cash contributions or, if necessary, LERRD contributions. However, any credit provided under Section 104 of the Water Resources Development Act 0f 1986, as amended, or Section 215 of the Flood Control Act of 1968 may not be used to offset the required 5 percent cash contribution.

STATUS OF LOCAL COOPERATION: Identify the non-Federal sponsor, the current status of assurances, the current status of the PCA, actions being taken by the non-Federal sponsor toward compliance with the requirements of local cooperation, contributions made, bond issues passed, or other specific items. If known, state the method by which the non-Federal sponsor intends to provide its share of the project first costs (cash and other items of local cooperation) and annual O&M costs. List all potential sources of funds (together with dollar amounts, if known) to meet local cooperation requirements, including any anticipated Federal funds for which the Federal granting agency has indicated in writing that the use of such funds for items of local cooperation is authorized. List and describe any local work or investments that have already been made or are underway which would serve to fulfill all or part of the local cooperation requirements (including work accomplished pursuant to Section 215 of the 1968 Flood Control Act or creditable under Section 104 of the 1986 Water Resources Development Act.)

In the event a PCA has not been executed by the ASA(CW), provide the scheduled month and year when the PCA is scheduled to be executed.

For projects with future non-Federal reimbursement, indicate the specific conditions which govern the initiation of non-Federal reimbursement payments and the scheduled date such reimbursement payments are scheduled to begin.

ILLUSTRATION B-2.4 (Continued)

For each project with an executed PCA, compare the approved non-Federal cost estimate in the PCA with the current non-Federal cost estimate and provide an assessment of the non-Federal sponsor's financial capability to contribute toward any increased costs and an indication of the sponsor's willingness to share in any increased costs, such as: The current non-Federal cost estimate of $8,000,000, which includes a cash contribution of $3,000,000, is an increase of $1,000,000 from the non-Federal cost estimate of $7,000,000 noted in the Project Cooperation Agreement, which included a cash contribution of $2,500,000. In a letter dated 3 March 19xx, the non-Federal sponsor indicated that it is financially capable and willing to contribute the increased non-Federal share. Our analysis of the non-Federal sponsor's financial capability to participate in the project affirms that the sponsor has a reasonable and implementable plan for meeting its financial commitment.

COMPARISON OF FEDERAL COST ESTIMATES: Enter a tabular explanation of the changes in the Federal (Corps) cost estimate from the last estimate presented to Congress to the current estimate, such as: The current Federal cost estimate of $xxx,xxx,xxx is an increase (decrease) of $xx,xxx,xxx from the latest estimate ($xxx,xxx,xxx) presented to Congress (FY ~~19~~20xx). This change includes the following items.

| Item | Amount |
|---|---|
| Price Escalation on Construction Features | $x,xxx,xxx |
| Design Changes | x,xxx,xxx |
| Additional Functions Added under General Authority | x,xxx,xxx |
| Authorized Modifications | x,xxx,xxx |
| Post Contract Award and Other Estimating Adjustments (including contingency adjustments) | x,xxx,xxx |
| Schedule Changes | x,xxx,xxx |
| Price Escalation on Real Estate | x,xxx,xxx |
| Total | $x,xxx,xxx |

ILLUSTRATION B-2.4 (Continued)

STATUS OF ENVIRONMENTAL IMPACT STATEMENTCOMPLIANCE: Indicate the status of the environmental impact statement, such as: The final EIS was filed with EPA on 28 September 19xx. List other significant items such as Clean Water Act, Coastal Zone Management Act, cultural resources and Endangered Species Act compliance status if not completed at the time the EIS was filed.

OTHER INFORMATION: Indicate when funds were appropriated to initiate preconstruction engineering and design and construction, respectively, such as: Funds to initiate preconstruction engineering and design were appropriated in FY 19xx and funds to initiate construction were appropriated in FY 19xx. If the scheduled completion date for programmed work has changed from the date last presented to Congress, explain the changes, such as: The scheduled completion date of June 19xx for programmed work is a (slippage or acceleration) from the latest completion date of March 19xx presented to Congress. This change is due to ..... Also, note any problems that should be considered by the Committees which might affect the progress schedule shown in your program request, as well as your expectations for and timing of a resolution of the problems. Fish and Wildlife Mitigation costs should also be separately identified and reflected in this paragraph.

Separable Element A (Repeat as necessary for each programmed separable element.)

SUMMARIZED FINANCIAL DATA: For ongoing projects with programmed separable elements, provide a breakdown of the summarized financial data for each programmed separable element in the same format as displayed for the parent project, except that the allocations and conference allowance information is not required.

REMAINING BENEFIT-REMAINING COST RATIO: Enter the RBRCR for each programmed separable element at the applicable discount rate, such as: 2.6 to 1 at 5 1/8 percent. Use the applicable rate discount from Table B-2.2. If the element is substantially complete and the RBRCR is no longer meaningful, enter: Not applicable because construction is substantially complete. N/A for Ecosystem restoration.

TOTAL BENEFIT-COST RATIO: Enter the total benefit-cost ratio for each programmed separable element at the applicable discount rate, such as: 1.8 to 1 at 5 1/8 percent. Use the applicable discount rate from Table B-2.2 For Ecosystem Restoration projects briefly summarize the results of the Cost Effectiveness/Incremental Cost Analysis. If the NER plan is not being implemented note this and explain briefly.

ILLUSTRATION B-2.4 (Continued)

Note: The justification sheets must be typed on standard size paper, 8 1/2 inches by 11 inches, as left justified Word97 or earlier version documents at 6 lines per inch (.167 inch line height) using a landscape 10 point font (12 characters per inch); Courier or ? or still want a choice? Arial are the preferred typefaces. The typed material must be confined to 6 1/2 inches vertically and 10 inches horizontally, leaving 1/2 inch margins on the left and right sides, and 1 inch margins on the top and bottom. The appropriation title and project classification must be typed as the first line in the body and the Division, District, and project name must be typed in the 1 inch bottom margin. Do not underline any headings. The June submission must be submitted by email as a Word97 or earlier version document. See paragraph 11.b.(2).(a). of the main EC for specific instructions concerning conversion of your justification sheets to an Adobe Acrobat 4.0 file for transmission of the Congressional submission to HQ.

ILLUSTRATION B-2.4 (Continued)

Additional Examples of Summarized Financial Data

For projects with no unprogrammed balance to complete, and no future non-Federal reimbursement.

| | | |
|---|---|---|
| Estimated Federal Cost | | xx,xxx,xxx |
| Estimated Non-Federal Cost | | xx,xxx,xxx |
| Cash Contributions | xx,xxx,xxx | |
| Other Costs | xx,xxx,xxx | |
| Total Estimated Project Cost | | xx,xxx,xxx |

For projects with both an unprogrammed balance to complete and future non-Federal reimbursement.

| | | |
|---|---|---|
| Estimated Total Appropriation Requirement | | xx,xxx,xxx |
| Programmed Construction | xx,xxx,xxx | |
| Unprogrammed Construction | xx,xxx,xxx | |
| Future Non-Federal Reimbursement | | xx,xxx,xxx |
| Programmed Construction | xx,xxx,xxx | |
| Unprogrammed Construction | xx,xxx,xxx | |
| Estimated Federal Cost (Ultimate) | | xx,xxx,xxx |
| Programmed Construction | xx,xxx,xxx | |
| Unprogrammed Construction | xx,xxx,xxx | |

ILLUSTRATION B-2.4 (Continued)

For projects with both an unprogrammed balance to complete and future non-Federal reimbursement (continued).

| | | | |
|---|---|---|---|
| Estimated Non-Federal Cost | | | xx,xxx,xxx |
| Programmed Construction | | xx,xxx,xxx | |
| Cash Contributions | xxx,xxx | | |
| Other Costs | xxx,xxx | | |
| Reimbursements | xxx,xxx | | |
| Purpose 1 | xxx,xxx | | |
| Purpose 2 | xxx,xxx | | |
| Unprogrammed Construction | | xx,xxx,xxx | |
| Cash Contributions | xxx,xxx | | |
| Other Costs | xxx,xxx | | |
| Reimbursements | xxx,xxx | | |
| Purpose 1 | xxx,xxx | | |
| Purpose 2 | xxx,xxx | | |
| Total Estimated Programmed Construction Cost | | | xx,xxx,xxx |
| Total Estimated Unprogrammed Construction Cost | | | xx,xxx,xxx |
| Total Estimated Project Cost | | | xx,xxx,xxx |

For projects with no unprogrammed balance to complete, but with future non-Federal reimbursement.

| | |
|---|---|
| Estimated Total Appropriation Requirement | xx,xxx,xxx |
| Future Non-Federal Reimbursement | xx,xxx,xxx |
| Estimated Federal Cost (Ultimate) | xx,xxx,xxx |

ILLUSTRATION B-2.4 (Continued)

For projects with no unprogrammed balance to complete, but with future non-Federal reimbursement (continued).

| | | | |
|---|---|---|---|
| Estimated Non-Federal Cost | | | xx,xxx,xxx |
| Cash Contributions | | xx,xxx,xxx | |
| Other Costs | | xx,xxx,xxx | |
| Reimbursements | | xx,xxx,xxx | |
| Purpose 1 | xx,xxx,xxx | | |
| Purpose 2 | xx,xxx,xxx | | |
| Total Estimated Project Cost | | | xx,xxx,xxx |

For projects with an unprogrammed balance to complete, future non-Federal reimbursement, and where an additional Federal agency is involved.

| | | |
|---|---|---|
| Estimated Appropriation Requirement (CoE) | | xx,xxx,xxx |
| Programmed Construction | xx,xxx,xxx | |
| Unprogrammed Construction | xx,xxx,xxx | |
| Estimated Appropriation Requirement (OFA) | | xx,xxx,xxx |
| Programmed Construction | xx,xxx,xxx | |
| Unprogrammed Construction | xx,xxx,xxx | |
| Estimated Total Appropriation Requirement | | xx,xxx,xxx |
| Programmed Construction | xx,xxx,xxx | |
| Unprogrammed Construction | xx,xxx,xxx | |

ILLUSTRATION B-2.4 (Continued)

For projects with an unprogrammed balance to complete, future non-Federal reimbursement, and where an additional Federal agency is involved (continued).

| | | | |
|---|---|---|---|
| Future Non-Federal Reimbursement | | | xx,xxx,xxx |
| Programmed Construction | | xx,xxx,xxx | |
| Unprogrammed Construction | | xx,xxx,xxx | |
| Estimated Federal Cost (Ultimate) (CoE) | | | xx,xxx,xxx |
| Programmed Construction | | xx,xxx,xxx | |
| Unprogrammed Construction | | xx,xxx,xxx | |
| Estimated Non-Federal Cost | | | xx,xxx,xxx |
| Programmed Constructions | | xx,xxx,xxx | |
| Cash Contributions | xx,xxx,xxx | | |
| Other Costs | xx,xxx,xxx | | |
| Reimbursements | xx,xxx,xxx | | |
| Purpose 1 | xx,xxx,xxx | | |
| Purpose 2 | xx,xxx,xxx | | |
| Unprogrammed Construction | | xx,xxx,xxx | |
| Cash Contributions | xx,xxx,xxx | | |
| Other Costs | xx,xxx,xxx | | |
| Reimbursements | xx,xxx,xxx | | |
| Purpose 1 | xx,xxx,xxx | | |
| Purpose 2 | xx,xxx,xxx | | |
| Total Estimated Programmed Construction Cost | | | xx,xxx,xxx |
| Total Estimated Unprogrammed Construction Cost | | | xx,xxx,xxx |
| Total Estimated Project Cost | | | xx,xxx,xxx |

ILLUSTRATION B-2.4 (Continued)

For projects with no unprogrammed balance to complete, but with future non-Federal reimbursement and where an additional Federal agency is involved.

| | | | |
|---|---|---|---|
| Estimated Appropriation Requirement (CoE) | | | xx,xxx,xxx |
| Estimated Appropriation Requirement (OFA) | | | xx,xxx,xxx |
| Estimated Total Appropriation Requirement | | | xx,xxx,xxx |
| Future Non-Federal Reimbursement | | | xx,xxx,xxx |
| Estimated Federal Cost (Ultimate) | | | xx,xxx,xxx |
| Estimated Non-Federal Cost | | | xx,xxx,xxx |
| Cash Contributions | | xx,xxx,xxx | |
| Other Costs | | xx,xxx,xxx | |
| Reimbursements | | xx,xxx,xxx | |
| Purpose 1 | xx,xxx,xxx | | |
| Purpose 2 | xx,xxx,xxx | | |
| Total Estimated Project Cost | | | xx,xxx,xxx |

ILLUSTRATION B-2.4 (Continued)

The funding status for projects authorized to use funds appropriated from the Inland Waterways Trust Fund will be displayed as shown below.

| | GENERAL APPNS. | INLAND WATERWAYS TRUST FUNDS | ACCUM. PCT. OF EST. FED. COST |
|---|---|---|---|
| Allocations to 30 September PY-2 | xx,xxx,xxx | xx,xxx,xxx | |
| Conference Allowance for PY-1 | xx,xxx,xxx | xx,xxx,xxx | |
| Allocation for PY-1 | xx,xxx,xxx 1/ | xx,xxx,xxx 1/ | |
| Allocations through PY-1 | xx,xxx,xxx | xx,xxx,xxx | xx |
| Allocation Requested for PY | xx,xxx,xxx | xx,xxx,xxx | xx |
| Programmed Balance to Complete after PY | xx,xxx,xxx | xx,xxx,xxx | |
| Unprogrammed Balance to Complete after PY | xx,xxx,xxx | xx,xxx,xxx | |

1/ Reflects $xxx reduction assigned as savings and slippage, $xxx sequestered in accordance with the Gramm-Rudman-Hollings Actstill need?, and $xxx reprogrammed to (from) the project. (Use example as applicable).

ILLUSTRATION B-2.4 (Continued)

The funding status for projects authorized to use funds appropriated from the Harbor Services Fund will be displayed as shown below.

| | GENERAL APPNS. | HARBOR MAINTENANCE TRUST FUNDS | ACCUM. PCT. OF EST. FED. COST |
|---|---|---|---|
| Allocations to 30 September PY-2 | xx,xxx,xxx | xx,xxx,xxx | |
| Conference Allowance for PY-1 | xx,xxx,xxx | xx,xxx,xxx | |
| Allocation for PY-1 | xx,xxx,xxx 1/ | xx,xxx,xxx 1/ | |
| Allocations through PY-1 | xx,xxx,xxx | xx,xxx,xxx | xx |
| Allocation Requested for PY | xx,xxx,xxx | xx,xxx,xxx | xx |
| Programmed Balance to Complete after PY | xx,xxx,xxx | xx,xxx,xxx | |
| Unprogrammed Balance to Complete after PY | xx,xxx,xxx | xx,xxx,xxx | |

1/ Reflects $xxx reduction assigned as savings and slippage, $xxx sequestered in accordance with the Gramm-Rudman-Hollings Actstill need, and $xxx reprogrammed to (from) the project. (Use example as applicable).

ILLUSTRATION B-2.4 (Continued)

For deficiency correction projects and modifications to existing projects with no unprogrammed balance to complete and no future non-Federal reimbursement.

Original Project

| | | |
|---|---|---|
| Actual Federal Cost | | xx,xxx,xxx |
| Actual Non-Federal Cost | | xx,xxx,xxx |
| Cash Contributions | xx,xxx,xxx | |
| Other Costs | xx,xxx,xxx | |
| Total Original Project Cost | | xx,xxx,xxx |

Remedial Work or Project Modification

| | | |
|---|---|---|
| Estimated Federal Cost | | xx,xxx,xxx |
| Estimated Non-Federal Cost | | xx,xxx,xxx |
| Cash Contributions | xx,xxx,xxx | |
| Other Costs | xx,xxx,xxx | |
| Total Estimated Remedial or Modification Cost | | xx,xxx,xxx |
| Total Estimated Project Cost | | xx,xxx,xxx |

ILLUSTRATION B-2.4 (Continued)

For deficiency correction projects and modifications to existing projects with no unprogrammed balance to complete but with future non-Federal reimbursement.

Original Project

| | | | |
|---|---|---|---|
| Actual Federal Cost | | | xx,xxx,xxx |
| Actual Non-Federal Cost | | | xx,xxx,xxx |
| Cash Contributions | | xx,xxx,xxx | |
| Other Costs | | xx,xxx,xxx | |
| Total Original Project Cost | | | xx,xxx,xxx |

Remedial Work or Project Modification

| | | | |
|---|---|---|---|
| Estimated Total Appropriation Requirement | | | xx,xxx,xxx |
| Future Non-Federal Reimbursement | | | xx,xxx,xxx |
| Estimated Federal Cost (Ultimate) | | | xx,xxx,xxx |
| Estimated Non-Federal Cost | | | xx,xxx,xxx |
| Cash Contributions | | xx,xxx,xxx | |
| Other Costs | | xx,xxx,xxx | |
| Reimbursements | | xx,xxx,xxx | |
| Purpose 1 | xx,xxx,xxx | | |
| Purpose 2 | xx,xxx,xxx | | |
| Total Estimated Project Cost | | | xx,xxx,xxx |

ILLUSTRATION B-2.4 (Continued)

For projects with an unprogrammed balance to complete, no future non-Federal reimbursement, and where an additional Federal agency is involved.

| | | | |
|---|---|---|---|
| Estimated Federal Cost (CoE) | | | xx,xxx,xxx |
| Programmed Construction | | xx,xxx,xxx | |
| Unprogrammed Construction | | xx,xxx,xxx | |
| Estimated Federal Cost (OFA) | | | xx,xxx,xxx |
| Programmed Construction | | xx,xxx,xxx | |
| Unprogrammed Construction | | xx,xxx,xxx | |
| Estimated Non-Federal Cost | | | xx,xxx,xxx |
| Programmed Construction | | xx,xxx,xxx | |
| Cash Contributions | xx,xxx,xxx | | |
| Other Costs | xx,xxx,xxx | | |
| Unprogrammed Construction | | xx,xxx,xxx | |
| Cash Contributions | xx,xxx,xxx | | |
| Other Costs | xx,xxx,xxx | | |
| Total Estimated Programmed Construction Cost | | | xx,xxx,xxx |
| Total Estimated Unprogrammed Construction Cost | | | xx,xxx,xxx |
| Total Estimated Project Cost | | | xx,xxx,xxx |

ILLUSTRATION B-2.4 (Continued)

For projects which include beach nourishment with no unprogrammed balance to complete, no future non-Federal reimbursement, and where no additional Federal agency is not involved.

| | | | |
|---|---|---|---|
| Estimated Federal Cost | | | xx,xxx,xxx |
| Initial Construction | | xx,xxx,xxx | |
| Periodic Nourishment | | xx,xxx,xxx | |
| Estimated Non-Federal Cost | | | xx,xxx,xxx |
| Initial Construction | | xx,xxx,xxx | |
| Cash Contributions | xx,xxx,xxx | | |
| Other Costs | xx,xxx,xxx | | |
| Periodic Nourishment | | xx,xxx,xxx | |
| Cash Contributions | xx,xxx,xxx | | |
| Other Costs | xx,xxx,xxx | | |
| Total Estimated Project Cost | | | xx,xxx,xxx |
| Initial Construction | | xx,xxx,xxx | |
| Periodic Nourishment | | xx,xxx,xxx | |

ILLUSTRATION B-2.4 (Continued)

For projects which include beach nourishment with an unprogrammed balance to complete, no future non-Federal reimbursement, and where no additional Federal agency is involved.

| | | | | |
|---|---|---|---|---|
| Estimated Federal Cost | | | | xx,xxx,xxx |
| Programmed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Unprogrammed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Estimated Non-Federal Cost | | | | xx,xxx,xxx |
| Programmed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Cash Contributions | xx,xxx,xxx | | | |
| Other Costs | xx,xxx,xxx | | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Cash Contributions | xx,xxx,xxx | | | |
| Other Costs | xx,xxx,xxx | | | |

ILLUSTRATION B-2.4 (Continued)

For projects which include beach nourishment with an unprogrammed balance to complete, no future non-Federal reimbursement, and where no additional Federal agency is involved (continued).

| | | | | |
|---|---|---|---|---|
| Estimated Non-Federal Cost | | | | |
| Unprogrammed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Cash Contributions | xx,xxx,xxx | | | |
| Other Costs | xx,xxx,xxx | | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Cash Contributions | xx,xxx,xxx | | | |
| Other Costs | xx,xxx,xxx | | | |
| Total Estimated Programmed Construction Cost | | | | xx,xxx,xxx |
| Initial Construction | | | xx,xxx,xxx | |
| Periodic Nourishment | | | xx,xxx,xxx | |
| Total Estimated Unprogrammed Construction Cost | | | | xx,xxx,xxx |
| Initial Construction | | | xx,xxx,xxx | |
| Periodic Nourishment | | | xx,xxx,xxx | |
| Total Estimated Project Cost | | | | xx,xxx,xxx |
| Initial Construction | | | | xx,xxx,xxx |
| Periodic Nourishment | | | xx,xxx,xxx | |

ILLUSTRATION B-2.4 (Continued)

For projects which include beach nourishment with an unprogrammed balance to complete, no future non-Federal reimbursement, and where an additional Federal agency is involved.

| | | | | |
|---|---|---|---|---|
| Estimated Federal Cost (CoE) | | | | xx,xxx,xxx |
| Programmed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Unprogrammed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Estimated Federal Cost (OFA) | | | | xx,xxx,xxx |
| Programmed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Unprogrammed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Estimated Non-Federal Cost | | | | xx,xxx,xxx |
| Programmed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Cash Contributions | xx,xxx,xxx | | | |
| Other Costs | xx,xxx,xxx | | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Cash Contributions | xx,xxx,xxx | | | |
| Other Costs | xx,xxx,xxx | | | |

ILLUSTRATION B-2.4 (Continued)

For projects which include beach nourishment with an unprogrammed balance to complete, no future non-Federal reimbursement, and where an additional Federal agency is involved. (continued)

| | | | | |
|---|---|---|---|---|
| Estimated Non-Federal Cost | | | | |
| Unprogrammed Construction | | | xx,xxx,xxx | |
| Initial Construction | | xx,xxx,xxx | | |
| Cash Contributions | xx,xxx,xxx | | | |
| Other Costs | xx,xxx,xxx | | | |
| Periodic Nourishment | | xx,xxx,xxx | | |
| Cash Contributions | xx,xxx,xxx | | | |
| Other Costs | xx,xxx,xxx | | | |
| Total Estimated Programmed Construction Cost | | | | xx,xxx,xxx |
| Initial Construction | | | xx,xxx,xxx | |
| Periodic Nourishment | | | xx,xxx,xxx | |
| Total Estimated Unprogrammed Construction Cost | | | | xx,xxx,xxx |
| Initial Construction | | | xx,xxx,xxx | |
| Periodic Nourishment | | | xx,xxx,xxx | |
| Total Estimated Project Cost | | | | xx,xxx,xxx |
| Initial Construction | | | xx,xxx,xxx | |
| Periodic Nourishment | | | xx,xxx,xxx | |

ILLUSTRATION B-2.6
PY PROPOSED NEW MAJOR REHABILITATION AND OTHER NEW WORK SUMMARY

Division:

| Category and Proj or Elem Names | Total Proj Elem Cost $000 | Total Fed Appn Rqmt $000 | Total IWTF Appn Rqmt $000 | Total HSF Appn Rqmt $000 | Total Non-Fed Cost $000 | RBRCR at Appl Rate 1/ | Type Type of Rpt and Status 2/ | Addl Cong Auth Reqd Y/N 3/ | Sched PCA Exec Date Mo/Yr 4/ | First Const Ct Awd Date Mo/Yr 4/ | PY Divn Rcmd $000 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| New major rehabilitation projects | | | | | | | | | | | |
| New Deficiency Correction Projects | | | | | | | | | | | |
| New Reconstruction Projects | | | | | | | | | | | |
| Resumptions | | | | | | | | | | | |
| Unstarted Projects | | | | | | | | | | | |
| Unstarted Separable Elements | | | | | | | | | | | |
| Additional Recreation Facilities | | | | | | | | | | | |

1/ Show the RBRCR at the applicable rate. Not applicable to deficiency correction projects.

2/ Indicate the type of report (Recon, EDR, Reeval) on which the Division request is based and show the latest submission, revision, or approval action and date (month and year) with respect to MSC (delegated decision documents), HQUSACE, ASA(CW) CECW-E, CECW-P, or CECW-AR, as applicable, review and approval, e.g., S Jan XX for a report that has been submitted to HQUSACE CECW-E, CECW-P, or CECW-AR, as applicable, but not yet reviewed/approved, R Feb XX for a report that has been returned to the field for revision and A Apr XX for a report that has been reviewed/approved by HQUSACE CECW-E, CECW-P, or CECW-AR, as applicable.

FOR ILLUSTRATION PURPOSES ONLY
(To be typed as necessary)

ILLUSTRATION B-2.6 (Continued)
PY PROPOSED NEW MAJOR REHABILITATION AND OTHER NEW WORK SUMMARY

Division:

3/ Indicate whether (Y) or not (N) the project/element requires additional Congressional authorization for the proposed construction work.

4/ Show the scheduled month and year for PCA execution, e.g. Apr XX.

5/ Show the month and year of the first construction contract award for the proposed work, e.g. Jun XX.

FOR ILLUSTRATION PURPOSES ONLY
(To be typed as necessary)

ILLUSTRATION B-2.7
NEW START CONSTRUCTION CHECKLIST

| Project Name | Preliminary Selection Authorization Status 1/ | Basic Eligibility Preconstruction Engineering and Design Status 2/ | Remaining Benefit/ Cost Ratio 3/ | Basic Criteria Met (Yes/No) 4/ | Sched PCA Exec Date Mo/Yr 5/ | Criteria Met (Yes/No) |
|---|---|---|---|---|---|---|

(List all new start construction projects which are recommended for construction in the PY.)

1/ Cite Authorizing Act, date of resolution for Section 201, or completion date of the Chief of Engineers report included in the feasibility report ,or or approved EDR, LRR or GRR as appropriate.

2/ The project should not be recommended if PED will not be sufficiently complete to allow award of the first construction contract during the fourth quarter of the PY, or by the end of the PY+1 if the sponsor must acquire needed real estate, or if the M-CACES Baseline cost estimate or the PMP has not been approved. Planning, engineering and design should be far enough along in the PY so that the orderly and continuous progression of construction is assured with the programmed award of the first construction contract.

3/ Based on applicable rate (cite discount rate and approval date of last approved economic analysis in parentheses after BCR). Footnote projects where authorization is not based on formal benefit/cost evaluation.

4/ Projects having an unapproved Reevaluation Report involving a significant change in project scope or cost or for addition of fish and wildlife mitigation measures will not meet the basic criteria unless the required change(s) recommended in the Reevaluation Report are scheduled for approval by ASA(CW) by 1 August of the PY-2.

5/ Show the scheduled month and year for PCA execution, e.g. Apr XX.

FOR ILLUSTRATION PURPOSES ONLY
(To be typed as necessary

# APPENDIX B-3
# CONSTRUCTION, GENERAL - CONTINUING AUTHORITIES PROGRAM, PROJECT MODIFICATIONS FOR IMPROVEMENT OF THE ENVIRONMENT, AQUATIC ECOSYSTEM RESTORATION, AND BENEFICIAL USES OF DREDGED MATERIAL

B-3.1. **General.** The programs consist of the following continuing authorities:

a. Section 107, 1960 RHA, as amended, for navigation projects, Code 902-216

b. Section 111, 1968 RHA, as amended, for mitigation of shore damages attributable to Federal navigation projects, Code 902-232

c. Section 103, 1962 RHA, as amended, for beach erosion control projects, Code 902-420

d. Section 205, 1948 FCA, as amended, for flood control projects, Code 902-516

e. Section 14, 1946 FCA, as amended, for emergency streambank and shoreline protection of public and non-profit facilities and services, Code 902-517

f. Section 208, 1954 FCA, as amended, for snagging and clearing projects for flood control, Code 902-518

g. Section 1135, 1986 WRDA, as amended, for modifications to structures and operations of constructed Corps projects to improve the quality of the environment, Code 902-722.

h. Beneficial uses of dredged material for the protection, restoration, and creation of aquatic and ecologically related habitats, including wetlands, and for shore protection (Section 204, WRDA 92 as amended and Section 145, WRDA 76 as amended), Code 902-790.

i. Section 206, 1996 WRDA for aquatic ecosystem restoration to improve the quality of the environment, Code 902-732.

B-3.2. **Submission Requirements.**

a. ER 1105-2-100, subject: Guidance for Conducting Civil Works Planning Studies requires twice-yearly funding status updates of the Continuing Authorities Program National Database Management System be accomplished. The database includes funding schedules for Beneficial Uses, Section 206, and Section 1135 projects. These data updates are sufficient to develop the PY program. No separate submission for the Continuing Authorities Program is required. Also, no separate submission is required for Beneficial Uses, Section 206, and Section 1135 projects except for those which are specifically programmed. For these projects, follow the instructions in Appendix B-2 for other specifically programmed projects. This requirement is no longer in ER 1105-2-100.

APPENDIX C
OPERATION AND MAINTENANCE, GENERAL

**TABLE OF CONTENTS**

*(Page numbers may vary +or- a page due to differences in printers.)*

Page

SUB-APPENDIX C-1 OPERATION AND MAINTENANCE, GENERAL .....C-1-1

C-1.1. Appropriation Title .....C-1-1
C-1.2. Activities Include .....C-1-1

SUB-APPENDIX C-2 PROJECT OPERATION AND MAINTENANCE.....C-2-1

C-2.1. Purpose and Scope .....C-2-1
C-2.2. Program Development Principles .....C-2-1
a. General Philosophy .....C-2-1
b. Relationship to Program Execution .....C-2-1
c. Operations (Work Category Codes 601-606) .....C-2-1
d. Maintenance (Work Category Codes 611-616).....C-2-1
e. Priorities .....C-2-2
f. O&M Cost Savings Initiative.....C-2-2

C-2.3. Program Development and Review Process .....C-2-2
a. Work Category Codes (WCC) .....C-2-2
b. Performance-Based Programming.....C-2-3
c. Use of Work Category Codes to Program for Business Programs.....C-2-3
d. O&M Power Costs in the Pacific Northwest .....C-2-4
e. Work Packages – Primary and Supporting Costs .....C-2-4
f. Operation and Maintenance Work Packages.....C-2-5
g. Appropriate Levels of Work Package Justification .....C-2-5
h. Well-Written Descriptions and Funding Arguments.....C-2-5

C-2.4. Funding Considerations.....C-2-5

C-2.5. Special Interest Items .....C-2-6
a. Major Maintenance.....C-2-7
b. Power Portion of Joint Costs in Pacific Northwest .....C-2-7
c. Lewis and Clark Commemoration .....C-2-7
d. Dam Safety Items.....C-2-7
e. Endangered Species Act Activities .....C-2-7
f. Environmental Management Systems.....C-2-7
g. Correction of Significant Environmental Compliance Findings .....C-2-8
h. Natural Resources Degradation/Loss Prevention .....C-2-8
i. Maintenance of Current Health/Safety of Natural Resources Conditions.....C-2-8
j. Mitigation Activities .....C-2-8
k. Other Natural Resources Protection Mandate or Legal Responsibilities .....C-2-8
l. Level One Natural Resources Inventory.....C-2-8
m. Master Plan Update/Supplement .....C-2-8
n. Natural Resources Improvement.....C-2-8
o. Cultural Resources – Effective Management .....C-2-8
p. Other Cultural Resources Management Mandate or Legal Responsibilities.....C-2-9

APPENDIX C
OPERATION AND MAINTENANCE, GENERAL
**TABLE OF CONTENTS**
*(Page numbers may vary +or- a page due to differences in printers.)*

Page
q. Requirements to Avoid Public or Workplace Life Safety Concerns .....C-2-9
r. Requirements To Avoid Legal, Treaty or Environmental Violation .....C-2-9
s. Requirements to Avoid Forced Facility Closure .....C-2-9

C-2.6. Operation and Maintenance Backlog Reporting Requirements .....C-2-9
a. Backlog.....C-2-9
b. High Priority Backlog.....C-2-9

C-2.7. Cost Estimates .....C-2-9
a. Projections.....C-2-9
b. Rounding .....C-2-9

C-2.8. Rank Assignments.....C-2-9
a. Work Groupings .....C-2-9
b. Rankings .....C-2-10
c. Preliminary Rankings..... C-2-10
d. Final Rankings .....C-2-10

C-2.9. Navigation Projects.....C-2-10
C-2.10. Marginal Projects.....C-2-10
C-2.11. Evaluation Reports .....C-2-10
C-2.12. Cultural Resources .....C-2-11
C-2.13. Special Recreation Use Fees (SRUF).....C-2-11
C-2.14. Challenge Partnerships (Challenge Cost Share).....C-2-11
C-2.15. On-Board Review .....C-2-11
C-2-16. Program Development .....C-2-11
C-2-17. Business Program Increments .....C-2-11
C-2-18. Recreation Service Level .....C-2-12

C-2.19. Narrative and Supporting Data .....C-2-13
a. Justification of Estimate Congressional Submission.....C-2-13
b. Single State Designation for Inspection of Completed Works (ICW), .....
Project Condition Surveys (PCS), Scheduling Reservoir Operations (SRO) .....
and Surveillance of Northern Boundary Waters (SNBW).....C-2-13

C-2.20. Additional Information.....C-2-13
a. Database System.....C-2-13
b. Correction of Program Submittals .....C-2-13
c. Points of Contact .....C-2-14

C-2.21. Submission Requirements.....C-2-14

SUB-APPENDIX C-3 NATIONAL EMERGENCY PREPAREDNESS PROGRAM (NEPP).....C-3-1

C-3.1. General .....C-3-1

APPENDIX C
OPERATION AND MAINTENANCE, GENERAL

**TABLE OF CONTENTS**

*(Page numbers may vary +or- a page due to differences in printers.)*

Page

C-3.2. General Program .....C-3-1
a. National Emergency Preparedness Program (Code 903-500).....C-3-1
b. Continuity of Operations (Code 903-510).....C-3-1
c. National Preparedness Planning (Code 903-520).....C-3-1
d. Emergency Operations Center Support (Code 903-530).....C-3-2
e. Emergency Water Program (Code 903-540).....C-3-2
f. Continuity of Government (Code 903-550) .....C-3-2
g. Catastrophic Disaster Training and Exercises (Code 903-560) .....C-3-2

C-3.3. Cost Estimates .....C-3-2
C-3.4. Recommended Funding Level.....C-3-2
C-3.5. Submission Requirements.....C-3-3

**LIST OF TABLES**

Table Page

C-2.1 Work Category Codes - Numerically Ordered .....C-2-15
C-2.2 Work Category Codes - Alphabetically Ordered.....C-2-24
C-2.3 O&M Work Category Code Matrixes and Definitions.....C-2-33
C-2.3a Operation Work Category Code Matrix (by Business Program) .....C-2-34
C-2.3b Maintenance Work Category Code Matrix (by Business Program) .....C-2-35
C-2.3c Work Category Codes and Definitions -- O&M Operations Accounts.....C-2-36
C-2.3d Work Category Codes and Definitions -- O&M Maintenance Accounts.....C-2-72
C-2.4 Contacts for Performance Measures .....C-2-99
C-2.6 Initial Increment by MSC.....C-2-12

**LIST OF ILLUSTRATIONS**

Illustration Page

C-2.1 Major Subordinate Command (MSC) Supplemental Justification Sheet Major Maintenance.....C-2-101
C-2.5a MSC Justification of Estimate (Projects).....C-2-102
C-2.5b MSC Justification of Estimate (Scheduling Reservoir Operations and Inspection of Completed Works).....C-2-103
C-2.5c MSC Justification of Estimate (Project Condition Surveys and Surveillance of Northern Boundary Waters) .....C-2-104
C-2.6 Fiscal Year 2006 Operations and Maintenance, General Program .....C-2-12
C-3.1 National Emergency Preparedness Program (NEPP) .....C-3-4
C-3.2 NEPP Recommended Program Supporting Data.....C-3-5

SUB-APPENDIX C-1
OPERATION AND MAINTENANCE, GENERAL

C-1.1. **Appropriation Title.** This appendix provides guidance for preparation of the program request for all Operation and Maintenance activities under the appropriation titles: Operation and Maintenance, General (O&M) and Flood Control, Mississippi River and Tributaries, Maintenance (MR&T) for the Program Fiscal Year.

C-1.2. **Activities Included.**

| **Activities** | **Category/Class/ Subclass Code** | | **Guidance Provided in Subappendix Number** |
|---|---|---|---|
| | **O&M** | **MR&T** | |
| | **(903)** | **(908)** | |
| Navigation | 100 | 410 | C-2 |
| Channels & Harbors | 110 | | C-2 |
| Locks and Dams | 120 | | C-2 |
| Flood Control | 200 | 420 | C-2 |
| Reservoirs | 210 | | C-2 |
| Channel Improvements, Inspections And Miscellaneous Maintenance | 220 | | C-2 |
| Multiple Purpose Power | 300 | | C-2 |
| Protection of Navigation | 400 | | C-2 |
| National Emergency Preparedness Program | 500 | | C-3 |

# SUB-APPENDIX C-2
# PROJECT OPERATION AND MAINTENANCE

C-2.1. **Purpose and Scope.** This sub-appendix provides policy and general procedural guidance for developing programs for the Project Operation and Maintenance (O&M), and National Emergency Preparedness programs. To provide a general framework and uniform approach for program development and justification, seven funding increments have been identified. The various work items have been grouped by Work Category Code (WCC) for purposes of defining the appropriate funding increment. Guidance concerning automated data requirements for submittal of program recommendations is contained in paragraph 11 of the main body of the EC. Detailed instructions for the Civil Works Operation and Maintenance Windows Automated Budget System (WINABS) Manual are available at (*http://www.iwr.usace..army.mil/abs*). Instructions for use of the Project and Resources Information System for Management (PRISM) are available at http://www.usace.army.inet/funtions/cw/cecwb/prism/.

C-2.2. **Program Development Principles**.

a. **General Philosophy.** The O&M program should be developed in recognition of the need to preserve the existing infrastructure and provide justified levels of service at least cost, in accordance with established criteria. In order to do so, the operations portion of the program should be constrained to the greatest degree possible so as to maximize the proportion of available resources that can be devoted to maintenance requirements. In effect, this means that additional management efficiencies must be employed at every opportunity to generate savings that can be applied toward reducing the inventory of unfunded maintenance.

(1) **Established Criteria** is defined as the standard with specific guidelines which are formulated by the administration which clarify and describe "justified levels of service."

(2) **Justified Level of Service** is defined as the delivery of a supportable and defendable amount or degree of project benefits consistent with authorization, use, and administration policies.

(3) **Least Cost** is defined as the lowest amount of expense that a prudent manager would select, balancing between short and long term economics and considering overall availability of resources.

b**. Relationship to Program Execution.** Good program execution is an essential ingredient in securing the resources needed to ensure a viable O&M program and thereby continue to provide the Nation with the benefits for which water resources projects were constructed. Development of the program is directly related to program execution. Therefore, it is imperative to develop a sound and realistic program that can be executed as scheduled in accordance with commitments to customers. The programming process described in this sub-appendix has been designed to facilitate both program development as well as execution. If the procedures outlined in this sub-appendix are implemented in a consistent manner throughout the Corps, the result should be: (1) a credible program that-can be defended within the Administration and Congress, (2) a sufficient allowance of O&M funds and (3) a high degree of fiscal performance.

c**. Operations (Work Category Codes 601-606).** All operations features should be closely examined to reduce costs wherever possible. While there may be some cost fluctuation among individual projects, the goal is to reduce, or at least constrain, the aggregate total growth of operations costs in the MSC to no more than inflation. Efficiency improvements should be employed to reduce operations costs, where possible.

d. **Maintenance (Work Category Codes 611-616).** Prudent stewardship of available resources is essential to preserve the existing infrastructure. The growing and aging inventory of projects dictates that

resources be concentrated on the maintenance features of the program to the maximum extent possible. Just as with operations, the maintenance features should be reviewed and efficiency measures employed to reduce costs.

e. **Priorities.** The MSC and district commanders must ensure that the program request provides balanced and equitable treatment to all Business Programs (navigation, flood damage reduction, hydropower, environmental stewardship, recreation and water supply).

f. **O&M Cost Savings Initiative**. This initiative is a methodology that has been developed to reduce the cost of operating and maintaining the Nation's water resources infrastructure, while still providing justified levels of project services. This cost reduction initiative - along with other locally generated cost saving measures - should be used to seek more efficient operation and maintenance of projects and to help reduce costs. The savings generated by these initiatives would be applied toward reducing the inventory of unfunded maintenance. All Business Programs should be continually reviewed to achieve cost savings under these initiatives.

C-2.3. **Program Development and Review Process.**

a. **Work Category Codes (WCC).** The Civil Works O&M program development process reflects the Corps compliance with the requirements of the Government Performance and Results Act of 1993 (GPRA). Therefore, the program will be submitted in a form that reflects the primary business processes/functions established for the O&M mission. These Business Programs are Navigation, Flood Damage Reduction, Hydropower, Environmental Stewardship, Recreation and Water Supply. In addition, each work package will be tied to a business performance measure and goal for the program year. The Work Category Codes (WCCs) are aligned by the operation and maintenance areas and by the primary Business Programs within the operations or maintenance areas. There is also another group of WCCs in both the operations and maintenance areas for the work packages that cannot be assigned to one specific Business Program at a project with multiple authorized purposes (Cat/Class 300, Multiple Purpose with Power projects). These WCCs, 606XX for operations and 616XX for maintenance are to be used only for the joint activities that are incurred at Category/Class 300 multi-purpose projects with power, i.e., those Corps-operated hydropower projects that have more than one authorized purpose and where joint costs are assessed to some user according to a statutory cost allocation. The goals of this program development process are to simplify reporting requirements, reduce the number of program work packages, and create a performance-based program along the lines of the primary O&M Business Programs. The following tables are provided to aid in developing work packages aligned with appropriate Business Programs, WCCs and sub-WCCs.

(1) Table C-2.1 lists WCCs and sub-WCCs in numerical order.

(2) Table C-2.2 lists WCCs and sub-WCCs in alphabetical order.

(3) Table C-2.3a is a matrix that displays the operations Work Category Code structure by each Business Program.

(4) Table C-2.3b is a matrix that displays the maintenance Work Category Code structure by each Business Program.

(5) Table C-2.3c describes and defines each WCC for operations activities.

(6) Table C-2.3d describes and defines each WCC for maintenance activities.

b. **Performance-Based Programming.** Performance measures are described in the Annexes for the business programs. Performance data according to these measures will be entered for each work package in ABS and/or PRISM as explained in paragraph 11 of the main body of this EC. In addition, in accordance with paragraph C-2.17, each work package will be assigned to a business program increment. The districts may cite different performance levels in the funding arguments for different work packages. For example, funding of the highest priority work package in the initial business program increment may be required to attain 80 percent availability; funding of the next highest priority work package in a subsequent business program increment may enable the project to attain 95 percent availability.

c. **Use of Work Category Codes to Program for Business Programs.** The Work Category Codes are listed as follows:

601XX Operation for Navigation Function
602XX Operation for Flood Damage Reduction Function
603XX Operation for Hydropower Function
604XX Operation for Environmental Stewardship Function
605XX Operation for Recreation Function
606XX Joint Activities for Operations

611XX Maintenance for Navigation Function
612XX Maintenance for Flood Damage Reduction Function
613XX Maintenance for Hydropower Function
614XX Maintenance for Environmental Stewardship Function
615XX Maintenance for Recreation Function
616XX Joint Activities for Maintenance

The programming and costing process will allow the total costs for a Business Program to be identified. For example:

(1) A single purpose Cat/Class 100 Navigation project would have all its work packages programmed under the 601XX and 611XX WCCs. The WCCs in these two categories would identify the total costs for the Navigation Business Program at this project.

(2) A Cat/Class 200 flood damage reduction project with recreation and water supply as authorized project purposes might have a water supply agreement where the water customer is responsible for paying all costs but recreation. In this case, all work packages that are non-specific (joint costs) would be shown in the 602XX and 612XX WCCs for Flood Damage Reduction. All recreation-specific work packages would be shown in 605XX and 615XX WCCs for Recreation, as appropriate, and these costs would not be used in calculation of the water customer's assessment. All water supply-specific work packages must be specified for the Civil Works program. Since there are no Work Category Codes specifically for Water Supply, the work packages related to Water Supply will be assigned to 60210 and 60221. Please see the descriptions of those Work Category Codes for instructions about Water Supply work packages.

Joint Costs used for repayment purposes should not be confused with the term "Joint Activities" as used for programming purposes under the WCC process.

(3) A Cat/Class 300 Multiple Purpose Project with Power will have its specific hydropower work packages shown under the 603XX and 613XX WCCs. The work packages for joint activities will be shown under the 606XX and 616XX WCCs. This allows the joint activity work package to be entered just once. The

total budgeted amount for the joint activity work package can then apportioned by WINABS to the specific Business Programs in accordance with the statutory cost allocation formula for reporting purposes. This distribution of programmed cost allows the Corps to identify the specific costs for hydropower O&M, plus that portion of the costs for joint activities which is allocated to hydropower. This is important because the Federal Power Marketing Agency generally reimburses the Treasury for the power costs incurred by the Corps, which includes the portion of joint activities that can be allocated to the hydropower Business Program (this portion would be considered the "Joint Costs" for the Power Marketing Agency). During the programming process, a roof repair work package for an administration building at a multipurpose project, for example, would have the entire programmed cost entered under a single work package under WCC 616XX; however only a portion of the cost of that work package identified with the hydropower Business Program in accordance with its statutory cost allocation formula would get allocated to the hydropower Business Program. The WINABS program adds hydropower portions of each of these joint activity work packages (606XX and 616XX WCCs) together with the hydropower-specific work packages (603XX and 613XX WCCs) to give the representative cost of performing the hydropower Business Program. The costs attributable to the hydropower Business Program are then paid back by the respective Federal Power Marketing Agency as part of their payments to Treasury. For reporting purposes, work packages representing specific activities for Recreation or Environmental Stewardship will be costed under the WCCs for those specific Business Programs; WINABS will add to them their allocated portion of the cost of joint activity packages, apportioned according to the statutory cost allocation formula for that project. The O&M program will then show the amount programmed for each (e.g., Hydropower and Recreation) Business Program~~s~~.

Power cost repayment will be accomplished as is currently done; that is, for each project, the individual WCCs will be given the "purpose code" for "joint costs" or "specific costs" as required by the power repayment cost allocation report. Purpose code is the last two digits of the WCC. Power cost repayment accounting is a separate activity from the programming and execution WCC procedure described herein.

d. **O&M Power Costs in the Pacific Northwest**. Pursuant to the 5 December 1997 Memorandum of Agreement between the Department of Energy, acting by and through the Bonneville Power Administration (BPA), and the Department of the Army, entitled "Direct Funding of Power Operations and Maintenance Costs at Corps Projects", BPA will direct fund O&M Power Costs for Corps projects with hydroelectric power generation facilities for which BPA is the designated Federal power marketing agency. O&M Power Costs include hydropower-specific O&M costs, the power portion of joint O&M activities, and power capital items. The Northwestern Division will prepare an Annual Power Budget in conjunction with the Bonneville Power Administration that specifies O&M Power Costs for each applicable project. A five year Power Budget which includes annual power budgets for five consecutive fiscal years will be developed in conjunction with the Bonneville Power Administration by the Northwestern Division for purposes of inclusion in the BPA rate base and to fund the Corps O&M power costs.

O&M Power Costs in the Pacific Northwest will be entered into WINABS under a separate appropriation (Bonneville Power Appropriation), and submitted concurrently with the O&M, General program submittal to HQUSACE, in the appropriate funding increment. In addition, work packages for joint activities will be split into two work packages to reflect the appropriate allocation of joint activity costs between the O&M, General and O&M Power Cost appropriations. Work packages for the power portion of large capital joint activity costs require specific dispensation from ASA(CW) to be funded within the O&M, General appropriation. Such packages will be identified as special interest items (see Paragraph C-2.5).

e. **Work Packages - Primary and Supporting Costs.** In developing a work package, all costs required to accomplish the work should be included. This includes the cost of the primary activity as well as all supporting activities that are required to accomplish the work. For example, a dredging work package should

contain the cost of the actual dredging process plus the costs for before and after surveys, engineering and design, real estate requirements, contract supervision, water quality monitoring, etc. In this way, a complete and stand-alone decision package is developed, thereby avoiding situations where the primary work is funded without the necessary supporting activities, or vice versa. This process applies to all WCC-based work packages.

In the past, district organization codes could only be assigned at the work package level in the O&M automated program system. Many districts separated supporting cost work packages from primary cost work packages so that they could run reports showing organizational element cost breakouts. To help districts consolidate supporting activity tasks into primary activity work packages, WINABS is designed to give districts the ability to create task records related to each work package. These task records can be associated with specific district organizational elements so that district offices can run reports showing each organization's program request.

f. **Operation and Maintenance Work Packages.** A continuing effort is required to standardize designations of work packages as either operation or maintenance-related. To provide uniform guidance for the appropriate placement of such work packages within operation or maintenance Work Category Codes, detailed definitions of the operation and maintenance elements of each WCC are provided in Table C-2.3. In addition to these definitions, the following general principles should be applied. Operation work packages may include maintenance that is of a recurring nature, and is integral to continued project operation. Examples include things such as custodial services, removing ice and snow, debris, trash, cleaning; relamping lighting fixtures, routine testing of lubricating and hydraulic oils; replacing packing in valves and glands; replacing electrical brushes and touch-up painting, etc. This work is performed on an annual basis, typically by hired labor or small contract (service contract, purchase order, etc.). All other maintenance work, specifically, non-recurring and non-routine maintenance, should be placed under maintenance Work Category Codes. It is the nature of the work itself which dictates where it should be placed. That is, annual recurring costs for annual recurring work, such as custodial services, belongs under operations Work Category Codes, while annual recurring costs for non-recurring work items, (e.g., minor roof repairs one year, placing signs and markers, painting of guardrails, wall striping, repainting comfort stations, etc.), belong under maintenance Work Category Codes.

g. **Appropriate Levels of Work Package Justification.** In a performance-based program, every work package must relate to an improvement in performance or results, that is, in the outputs or outcomes created by the business program. These linkages and the necessity of the work package to performance goal attainment must be made clear to all levels of reviewers, both internal and external (e.g., OMB or Congress) to the Corps. The impacts of the work package on specific areas of customer service, project performance, infrastructure investment, personnel or public safety, the local community, statutory requirements, or other considerations should be included in the funding argument if not covered in the performance measures.

h. **Well-Written Descriptions and Funding Arguments.** Care should be taken to write all descriptions and funding arguments clearly and concisely so that the reader can understand and appreciate the work for which funds are being requested. Well-written justifications are essential to convince reviewers who are not familiar with the work to fund your needs.

C-2.4. **Funding Considerations.** Several adjustments are made to your program after it has been submitted to HQUSACE. These adjustments depend upon what is included in your program. The MSC's should ensure that every legitimate O&M need is included and properly prioritized within each business program so that their final program is based on the complete needs of the MSC.

C-2.5. **Special Interest Items.** In order to highlight specific packages, the following special interest items have been defined. HQUSACE may add to or delete special interest items as needed in each Program Year. Special interest items are not additional funding levels and any given work package may fall into all, none, or any number of special interest item categories. The program reviewer may call for a WINABS report for all work packages in a special interest item category. When entering data into WINABS, you will be prompted to indicate if a work package falls into one or more of the following categories:

| **Special Interest Items** |
|---|
| Major Maintenance |
| Power Portion of Joint Activities in the Pacific Northwest |
| Lewis and Clark Commemoration |
| Dam Safety Items (CEFMS CIC 00DI) |
| Water Supply Activities |
| Endangered Species Act Activities |
| Environmental Management Systems |
| Correction of Significant Environmental Compliance Findings |
| Natural Resources Degradation/Loss Prevention |
| Maintenance of Current Health/Safety of Natural Resources Conditions |
| Mitigation Activities |
| Other Natural Resources Protection Mandate or Legal Responsibility |
| Level One Natural Resources Inventory |
| Master Plan Update/Supplement |
| Natural Resources Improvement |
| Cultural Resources-Effective Management |
| Other Cultural Resources Management Mandate or Legal Responsibilities |
| Requirement to Avoid Public or Workplace Life Safety Concerns |
| Requirement to Avoid Legal, Treaty or Environmental Violation |
| Requirement to Avoid Forced Facility Closure |

A description of each of these special interest items follows:

NOTE 1: Shallow Draft Navigation Projects and Low Use Waterways Special Interest Indicators are discussed in the Navigation Annex.

NOTE 2: Recreation Special Interest Indicators are discussed included in the Recreation Annex.

a. **Major Maintenance.**

(1) **Definition.** Major maintenance is defined as a non-repetitive item of work or aggregate items of related work for which the total estimated cost exceeds $3 million **{threshold is $1 Mil on illustration C-2.5.a}**, and which does not qualify as Major Rehabilitation. This designation is not applicable to dredging, but it is applicable to dredged material disposal facilities. The related items of work should include all items required to make the work effective for its desired purpose. Optional or casually-related work which is not essential to the major maintenance item should be programmed, prioritized, and justified as a separate work package, or part of another work package, as appropriate.

(2) **Program Submission.** Supplemental justification will be included in the narrative description for each package. See paragraph **10.b. (2)(a)(iv) Congressional Submission** of the Main Text for the requirements.

b**. Power Portion of Joint Cost Activities in the Pacific Northwest.** Work packages for joint cost activities in the Pacific Northwest will be assigned this special interest item indicator code if the Bonneville Power Administration is not going to provide funding for the power portion in accordance with the terms of the 22 December 1997 direct funding MOA.

c. **Lewis and Clark Commemoration.** The bicentennial commemoration of the Lewis and Clark Corps of Discovery Expedition (2003-2006) is underway. The commemoration includes not only the "St. Louis and points West" that many seem to expect, but also includes the Ohio River basin, as well as historically-significant in the mid-Atlantic and New England states. Because the Corps manages most of the land along the route used by Lewis and Clark during their historic expedition, many plans have been made that will directly involve the Corps. Visitation is expected to increase with some areas experiencing a larger increase than others do and we must be ready to accommodate it.

c**. Dam Safety Items**. Dam Safety Items are to be highlighted in order to track the budgeting and execution of work packages for Dam Safety related work. This includes Dam Safety related inspections, inspection reports, studies and surveys, and maintenance and/or repair work of dams and pertinent structures, levees, dikes and similar structures. Dam Safety Items must be identified by the District Dam Safety Program Manager. These Dam Safety Items will be recorded using the appropriate existing Work Category Codes in accordance with current practice, and then tagged using the ABS Output Indicator Code for Dam Safety Items. To track execution of Dam Safety Items, they will be tagged in CEFMS with a Command Indicator Code for Dam Safety Items. The CEFMS Command Indicator Code is 00DSI.

d. **Water Supply Activities**. Since there are no specific Water Supply Work Category Codes, the existing Flood Damage Reduction WCCs 60210 and 60221 will be used for Water Supply Activities. Water Supply Activities will be tagged with the ABS Output Indicator Code in order to track the budgeting and execution of Water Supply related work. These activities include reallocation studies, collections of fees required by water supply contracts and renegotiation of existing contracts.

e. **Endangered Species Act Activities**. Any work functions that are to be performed in order to comply with the Endangered Species Act will be given this special interest code. See SubAnnex II-3, ref: Initial Program.

f. **Environmental Management Systems.** Items related to implementation and/or operation of Environmental Management Systems (EMS) are to be highlighted in order to track budgeting and execution of work packages for EMS related work. These EMS items will be recorded using the appropriate existing Work Category Codes in accordance with current practice, and then tagged using the ABS Output Indicator Code for EMS Items.

g. **Correction of Significant Environmental Compliance Findings**. Items related to corrective action for a significant environmental compliance finding are to be highlighted using the ABS Output Indicator Code for this item.

h. **Natural Resources Degradation/Loss Prevention**. Management activities to prevent degradation and/or loss of identified significant native natural resources will be assigned this special interest code. See SubAnnex II-3, ref: Initial Program.

i. **Maintenance of Current Health/Safety of Natural Resources Conditions**. Work packages to maintain the current health and safety of natural resources conditions for significant resources will be assigned this special interest code. See SubAnnex II-3, ref: Initial Program.

j. **Mitigation Activities**. Work packages necessary to carry out authorized mitigation for adverse impacts to ecological resources will be assigned this special interest code. See SubAnnex II-3, ref: Initial Program Program and Illustration II-3-4.

k. **Other Natural Resources Protection Mandate or Legal Responsibility**. Work packages to comply with natural resources and environmental protection mandates other than Endangered Species Act and Mitigation), (e.g. laws ,executive orders, court orders), or to meet minimum legal responsibilities with for operation will be assigned this special interest code. See SubAnnex II-3, ref: Initial Program.

l**. Level One Natural Resources Inventory**. Work packages to accomplish the minimum Level One Natural Resources Inventories will be assigned this special interest code. Level One Inventories are required by ER 1130-2-540. The minimum Level One Natural Resources Inventory shall consist of the completion of four component items: project vegetation acreage classification and quantification, project wetland acreage classification and quantification, project land (soils) capability classification and quantification, and Special Status Species (Federal and State listed endangered and threatened species) identification and potential existence assessment. See SubAnnex II-3, ref: Budget Increments, and Illustration II-3-1.

m. **Master Plan Update/Supplement**. Work packages to complete Master Plan updates or supplements will be assigned this code. See SubAnnex II-3, ref: Budget Increments and Illustration II-3-2.

n. **Natural Resources Improvement**. Work packages to improve specific or general conditions for natural resources sustainability will be assigned this special interest code. These work packages are to manage natural resources toward more environmentally sustainable conditions, e.g.,, activities to improve “degraded “ condition acres to a “transitioning” condition, or endangered species recovery activities not specified in FWS/NMFS Biological Opinions or court orders, other sensitive species / habitat improvement management activities, challenge partnerships. See SubAnnex II-3, ref: Budget Increments, and Illustration II-3-3.

o. **Cutural Resources – Effective Management**. Work packages for management activities to prevent, or mitigate adverse effects to significant cultural resources will be assigned this code. (Includes management activities required by and as defined in Section 301 of the National Historic Preservation Act (NHPA); “inadvertent discoveries” as defined in Section 3 of the Native American Graves Protection and Repatriation Act (NAGPRA); Archeological Resources Protection Act (ARPA) and their implementing regulations or guidance. The term *significant cultural resources* means "historic property" as defined in Section 301 of the NHPA; Native American human remains and "cultural items" as defined in Section 2 of NAGPRA; and, "archeological resources" as defined in Section 3 of ARPA.) See SubAnnex II-3, ref: Initial Program.

p. **Other Cultural Resources Management Mandate or Legal Responsibility**. Work packages to

address cultural resources management mandates beyond that required to prevent or mitigate adverse effects to significant cultural resources will be assigned this code. See SubAnnex II-3, ref: Budget Increments.

q. **Requirement to Avoid Public or Workplace Life Safety Concerns.** Hydropower or Joint Activity (606XX and 616XX Work Category Codes) work packages to address life safety concerns in public access areas and the workplace.

r. **Requirement to Avoid Legal, Treaty or Environmental Violation.** Hydropower or Joint Activity (606XX and 616XX Work Category Codes) work packages to address court ordered actions or meet legal, treaty or environmental obligations including requirements under the Endangered Species Act, Clean Water Act, etc.

s. **Requirement to Avoid Forced Facility Closure.** Hydropower or Joint Activity (606XX and 616XX Work Category Codes) work packages to address requirements that would otherwise preclude achievement of authorized purposes.

C-2.6. **Operation and Maintenance Backlog Reporting Requirements.** District and MSC offices are encouraged to develop complete operation and maintenance programs so that they might better anticipate future program management requirements. It is important that *all* justified requirements funded or unfunded, be identified, so that in the event that additional resources are made available for infrastructure preservation, appropriate funding prioritization decisions can be made about work packages which may originally have appeared to be below the funding level. Identification of backlog is critical in order to understand and quantify the condition of the water resources infrastructure, and the quality of associated services. It is equally important that the identified backlog be a realistic assessment of requirements, and not a "wish list" of nice-to-have enhancements.

a. Backlog. Backlog is defined as those unfunded operation and maintenance work items which are required and should have been funded in the PY in order to provide reasonable assurance that project performance goals can continue to be met. Backlog may occur in any Business program and is not limited to infrastructure-related work packages. Deferred maintenance of a project feature or deferred update of a project exhibit for instance, may both be valid examples of backlog.

b. High Priority Backlog. Backlog is a primary concern of respective congressional delegations.

C-2.7. **Cost Estimates.**

a. **Projections.** Field offices will compute costs based on PY-1 cost projections. All cost estimates will be projected to levels based on inflation factors and assumptions provided in the main part of this EC.

b. **Rounding.** All cost estimates shall be rounded to the nearest one thousand dollars ($1000). Because of serious complications in aggregating functional, regional and national summaries, it is imperative that everyone at all levels strictly adhere to this requirement without exception.

C-2.8. **Rank Assignments.**

a. **Work Groupings.** The smallest increment of work for O&M programming purposes is a work item or task. Examples of tasks are trash pickup at a recreation area, mowing a levee, or painting a lock gate. In the program system, tasks at the same project and within the same Work Category Code may be grouped into

work packages if they are of comparable criticality or priority, for example, maintenance of 15 of 30 recreation sites during May through September or painting lock gates at locks 1-4.

b. **Rankings.** As described in paragraph C-2.17, work packages in each business program will be assigned to a maximum of seven business program increments. Ranking of individual work packages will be assigned by the district and MSC within each business program. All initial increment work packages will be ranked higher than the work packages in the next-added business program increment. To better ensure appropriate rank, each work package will contain a code indicating the business program increment where the work package belongs. For example, a dredging activity that meets the definition for the initial increment in the program year should be given the business program increment code of "I".

c. **Preliminary Rankings.** An automatic rank assignment program is a feature of WINABS that can be used as a preliminary step to initiate the MSC ranking process. However, MSC's are cautioned not to use this feature for final rank assignments. This feature is entirely optional and its use is at the discretion of the individual field office. It is not intended to supplant the decision-making process of the organization.

d. **Final Rankings.** Development of final rankings should be an iterative process that employs all the knowledge and support tools available to the decision maker. In developing the national program, HQUSACE will generally rely on the final rankings assigned by the MSC in PRISM, provided they meet the business program increment definitions and overall policy. It is therefore important that rank assignments be made in accordance with the relative importance of the work so as to ensure that the highest priority activities can be accomplished within available resource limits. Ranking of work items within the business program increments will follow the priorities for operation and maintenance work items as discussed in Paragraph C-2.2. Each work package should be assigned to the appropriate business program increment based on consistent and objective application of the business program increment definitions and performance measures established for the applicable business program. See Business program Annexes for guidance on ranking work packages for each program.

C-2.9. **Navigation Projects.** Beginning in FY 1987, all shallow-draft harbors previously financed as a part of a through-waterway in the inland river systems were, and will continue to be, programmed as separate projects. These projects include all activities on each spur or side channel of the old project and exclude only those activities on the main through channel. For the PY when additional projects are identified, districts should call HQUSACE (CECW-CO) for a PWID number, if needed.

C-2.10. **Marginal Projects.** For projects, or segments of projects, that have marginal benefits, special care should be taken to ensure that all resource requests are economically justified. If sufficient study detail is not yet available to develop appropriate funding recommendations, program requests should be held to levels at or, preferably, below historic amounts. Major repairs not essential to structural integrity in the PY should be postponed. Operation activities should be constrained to the lowest level possible but should avoid extreme, adverse impacts on project users.

C-2.11. **Evaluation Reports**. Reconnaissance and/or Evaluation Reports for deficiency correction, Major Rehabilitation, and Dam Safety Assurance are to be programmed in the O&M account. Dredged material management plans (DMMP's) for operating projects are also to be programmed in the O&M account. Subsequent funding for major rehabilitation projects (seepage/static instability correction only) projects, dam safety projects, and dredged material disposal facilities at operating projects will be programmed in the Construction, General account. However, subsequent planning, engineering, and design for deficiency correction projects and for major rehabilitation projects (other than for seepage/static instability correction) will

be programmed in the O&M account until Construction, General funds become available. See Sub-appendix B-2.

C-2.12. **Cultural Resources.** Funding requirements for activities to ensure compliance with Section 5 – 7 of the Native American Graves Protection and Repatriation Act (NAGPRA) (PL 101-601) should not be included in program submittal. Specific guidance will be provided at a later date by the Mandatory Center of Expertise (MCX) on how and when to make requests for funding of activities to ensure compliance with Section 5 – 7 of NAGPRA. All of the requirements will be aggregated by the MCX into the program as a separate line item. All curation costs, other than NAGPRA, should be included in the appropriate Work Category Code,

C-2.13. **Special Recreation Use Fees (SRUF).** Funds generated from collecting recreation use fees are returned in O&M, General appropriations for operation, maintenance and improvement of recreation sites and facilities. The construction of new recreation facilities or renovation and/or improvement of existing facilities may be accomplished with these funds if the goal of providing quality public recreation experiences with the most cost efficient management of water resource development projects can be met. Overall budgetary limitations should be carefully considered in determining what activities will be financed with these funds. Routine operation and maintenance of existing sites and facilities should not be compromised to finance new construction or facility improvements. SRUF funded work previously programmed in WCC 60512 and 61512 should now be programmed in WCC 60511 and 61511.

C-2.14. **Challenge Partnerships (Challenge Cost Share).** Challenge partnerships are opportunities for public and non-Federal groups and individuals to contribute to and participate in the operation and/or maintenance of recreation facilities and natural resources at Corps projects. These opportunities may consist of identification, protection, improvement, rehabilitation, preservation, management, or interpretation of natural resources, environmental features, recreation areas and facilities, or cultural resources. Challenge Partnering with others provides a way to leverage the Corps program by sharing the cost of operation and/or managing recreation facilities and natural resources. Policy guidance for the Challenge Partnership program is contained in ER 1130-2-500, Chapter 12.

C-2.15. **On-Board Review.** HQUSACE (CECW-IP) may conduct an on-board review in early July. MSC's will be selected at random. Any selected MSC's will be asked to explain the overall priorities used in developing the program request, along with an in-depth examination of work packages on selected projects. Any selected MSC will be notified in June.

C-2.16. **Program Development**. The Corps Civil Works program will be developed in increments by Business program from a zero base. The proposed work included in each increment will be evaluated against the performance criteria specified for each businessl program. The initial increment should provide the greatest benefit for the investment consistent with performance measures. Each subsequent increment should be ordered by the performance benefits to be gained versus the cost of the work contained in the increment.

C-2.17. **Business Program Increments**. To establish a consistent starting point for the initial increment, each MSC will create an initial increment for each Business program, except Recreation, so that the total cost of the O&M work included across all business programs, excluding Recreation, is no greater than 60 percent of the average of the last three (3) budgets as listed on Table C-2.6. For all business programs, the initial increment is to include (a) any funding for continuing maintenance contracts scheduled for award in the PY-1 (FY 2005) and carrying into the PY (FY 2006) and (b) any funding for work to be performed in the PY (FY 2006) to comply with a legal mandate, a Federal statute or court order. Subsequent increments will be created to reflect important work that can provide additional benefits as measured by the performance

measures. The last increment for each project is the capability level. Illustration C-2.6 is a hypothetical MSC summary. Note there are a total of seven increments. All seven increments are not necessarily applied to each of the business programs. All increments must document performance according to the appropriate Business programs criteria as shown in the appropriate annexes to this circular.

C-2.18. **Recreation Service Level**. The Recreation Business program is excluded from the above procedure, because the initial business program increment developed for Recreation is not based upon percentage of previous budget. Instead, the initial business program increment for Recreation has been defined by service level. Accordingly, the electronic tool developed to support Recreation performance measure calculation, RecBEST, is also based on service levels. Performance values are calculated for the initial service level, as well as for each work package created above initial. Recreation work packages will be evaluated individually based upon their performance values, without grouping into increments in PRISM, as described above. Please see Annex VI, Recreation, for additional information about budget development for the Recreation Business program.

**Table C-2.6**
**Initial Increment By MSC Based On 60 Percent Of The Average Of The Last 3 Budgets Not Including Recreation**

| MSC | Initial Increment |
|---|---|
| LRD | 192,700 |
| MVD | 198,700 |
| NAD | 116,200 |
| NWD | 119,400 |
| POD | 6,400 |
| SAD | 153,400 |
| SPD | 53,400 |
| SWD | 123,600 |

**Illustration C-2.6**
**XXX** DIVISION
**FISCAL YEAR 2006 OPERATION AND MAINTENANCE, GENERAL, PROGRAM**

| Business Line | Increment (Dollars in Thousands) | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Initial | 2 | 3 | 4 | 5 | 6 | 7 | Total Capability |
| 1 Nav | 120,100 | 23,450 | 15,200 | 7,050 | 5,600 | 4,700 | 8,430 | 184,530 |
| 2 FDC | 28,580 | 3,200 | 5,620 | 3,400 | 1,600 | 1,510 | | 43,910 |
| 3 Env | 8,740 | 3,400 | 1,290 | | | | | 13,430 |
| 5 Hydro | 12,710 | 4,600 | 1,300 | 820 | | | | 19,430 |
| 7 Rec | Recreation business line is excluded from this procedure. | | | | | | | |
| 8 WS | Water Supply business line is excluded from this procedure. | | | | | | | |
| **Total** | **170,130** | **34,650** | **23,410** | **11,270** | **7,200** | **6,210** | **8,430** | **261,300** |

C-2.19. **Narrative and Supporting Data.**

a. **Justification of Estimates Congressional Submission.** Each MSC shall prepare and submit *Justification of Estimate* sheets based on amounts provided by CECW-IP for the project, using the format in Illustration C-2.5, in final form. To avoid illogical precision, no amounts should be rounded to less than $1,000, using the 5/4 rule. This is a widely read document. To preclude misinterpretations by Congressional and other reviewers, do not use vague, stereotyped, descriptions in the Reason for Change and Maintenance Item column. Standard phraseology is acceptable, if used judiciously, such that the descriptions are clear and understandable to the reader. Be as specific as possible using a condensed version of what the testifying officer would answer if asked by the Sub-Committee the reason for changes from prior year. The tone of statements must reflect a full support of the President's Program request with no hints that amounts may not be adequate. Accordingly, a remark explaining higher amounts is preferable. The typed material in the body will be confined to 6 1/2 inches vertically and 10 inches horizontally, leaving 1/2 inch margins on the left and right sides and 0.607 inch margins at the top and bottom of an 11 X 8-1/2 inch page size. Justification sheets must be submitted as Microsoft Word documents over the Corps Mail. ASCII format is not acceptable because it deletes control codes for formatting. In addition, Project status maps are required for all Major Rehabilitation work that is still being funded under the O&M, General, appropriation.
To avoid allocation problems associated with roll-ups, projects spanning more than one district should be entered separately with titles showing the district name, for example:

OHIO RIVER LOCKS AND DAMS, PA (Pittsburgh Dist.)
OHIO RIVER LOCKS AND DAMS, WV (Huntington Dist.)
OHIO RIVER LOCKS AND DAMS, KY, IL, IN, OH, & WV (Louisville Dist.)

(Other projects include Ohio River Open Channel Work, McClellan Kerr, Missouri River and the Upper Mississippi River or district-wide activities such as Inspection of Completed Works or Scheduling Reservoir Activities) If a state is included in more than one district, only the primary district should show that state in the title.

b. **Single State Designation for Inspection of Completed Works (ICW), Project Condition Surveys (PCS), Scheduling Reservoir Operations (SRO) and Surveillance of Northern Boundary Waters (SNBW).** Each of these programs shall be represented by a single work package per district. In those cases where these programs are performed in more than one state, the district shall designate a primary state and include all costs under that single primary state. For example Little Rock District (SWL) has projects in Missouri and Arkansas therefore SWL should have two IWC work packages, one for Missouri and one for Arkansas. Some SWL projects cross state lines such as Table Rock Lake. All the ICW for this project should be included for its primary state which is Missouri.

C-2.20. **Additional Information**

a. **Database System.** The CEAP WPC21 processor in Portland, OR will be used to submit data to the automated O&M program system.

b. **Correction of Program Submittals.** As in past years, districts and MSCs will be asked to make any necessary corrections through automated program systems after HQUSACE review. If a district or MSC is asked to make corrections, the database will be reopened to allow access for updating.

c. **Points of Contact.**

| Question(s) Referring To | Office | Telephone |
|---|---|---|
| Policies, procedures, or format of the Project O&M activity. | CECW-IP | 202-761- 4130<br>fax 202-761-4370 |
| ADP input for the same activity | CECW-IN | 202-761 4215<br>fax 202-761- 5295 |
| Programs Management staff coordination of Congressional submission of the O&M program. | CECW-IP | 202-761- 4130<br>fax 202-761-4370<br>(**e-mail preferred)** |
| Curation\Native American Graves Protection Act (NAGPRA) | CECW-PC-NWD | 202-761- 4618 |

C-2.21. **Submission Requirements.** Submission time schedules for automated data and hard copies are listed in Table 2 of the main text.

**TABLE C-2.1**
**WORK CATEGORY CODES - NUMERICALLY ORDERED**
(See footnotes at end of Table)

| WORK CATEGORY CODE | DESCRIPTION |
|---|---|
| 601-- 1/ | Operation for Navigation Functions |
| 60110 ** | Operation of Locks, Dams, Reservoirs, Service Facilities, Permanent Operating Equipment, Etc. for Navigation |
| 60120 1/ | Studies and Surveys for Navigation |
| 60121* | Studies and Surveys |
| 60122 | Major Rehabilitation Evaluation Reports |
| 60123 | Environmental Studies and Monitoring for Dredging Purposes |
| 60130 1/ | Dam Safety for Navigation |
| 60131** | Instrumentation, Data Collection and Analysis |
| 60132* | Formal Periodic Inspections and Reports |
| 60133 | Dam Safety Assurance Studies |
| 60140 1/ | Water Management (Control and Quality) Activities for Navigation |
| 60141 | Water Management (Control and Quality) Activities - Analysis and Studies for Navigation |
| 60142 | Water Management (Control and Quality) Activities - Operation of Water Control Data Systems for Navigation |
| 60150* | Real Estate Management for Navigation |
| 60160 | Environmental Compliance Management for Navigation |
| 60190 1/ | Facility Security for Navigation |
| 60191 | Facility Security Assessments for Navigation |
| 60192 | Facility Security Guards, Monitoring Activities for Navigation |
| 602-- 1/ | Operation for Flood Damage Reduction Functions |
| 60210** | Operation of Locks, Dams, Reservoirs, Service Facilities, Permanent Operating Equipment, Etc. for Flood Damage Reduction |
| 60220 1/ | Studies and Surveys for Flood Damage Reduction |
| 60221 | Studies and Surveys |
| 60222 | Major Rehabilitation Evaluation Reports |
| 60223* | Inspections of Completed Works - Local Protection Projects |
| 60230 1/ | Dam Safety for Flood Damage Reduction |
| 60231** | Instrumentation, Data Collection and Analysis |
| 60232* | Formal Periodic Inspections and Reports |
| 60233 | Dam Safety Assurance Studies |
| 60240 1/ | Water Management (Control and Quality) Activities for Flood Damage |

**TABLE C-2.1**
**WORK CATEGORY CODES - NUMERICALLY ORDERED**
(See footnotes at end of Table)

| WORK CATEGORY CODE | DESCRIPTION |
|---|---|
| | Reduction |
| 60241 | Water Management (Control and Quality) Activities - Analysis and Studies for Flood Damage Reduction |
| 60242 | Water Management (Control and Quality) Activities - Operation of Water Control Data Systems for Flood Damage Reduction |
| 60250* | Real Estate Management for Flood Damage Reduction |
| 60260 | Environmental Compliance Management for Flood Damage Reduction |
| 60290 1/ | Facility Security for Flood Damage Reduction |
| 60291 | Facility Security Assessments for Flood Damage Reduction |
| 60292 | Facility Security Guards, Monitoring Activities for Flood Damage Reduction |
| 603-- 1/ | Operation for Hydropower Functions |
| 60310 1/ | Operation of Dams, Power Plants, Reservoirs, Service Facilities, Permanent Operating Equipment, Etc. for Hydropower |
| 60311** | Operations - Supervision and Engineering |
| 60312** | Hydraulic Expenses |
| 60313** | Electric Expenses |
| 60314** | Miscellaneous Hydraulic Power Generation Expenses |
| 60320 1/ | Studies and Surveys for Hydropower |
| 60321 | Studies and Surveys - Supervision and Engineering |
| 60322 | Studies and Surveys - Hydraulic Expenses |
| 60323 | Studies and Surveys – Electric Expenses |
| 60324 | Studies and Surveys - Miscellaneous Hydraulic Power Generation Expenses |
| 60325 | Major Rehabilitation Evaluation Reports |
| 60330 1/ | Dam Safety for Hydropower |
| 60331** | Instrumentation, Data Collection and Analysis |
| 60332* | Formal Periodic Inspections and Reports |
| 60333 | Dam Safety Assurance Studies |
| 60340 1/ | Water Management (Control and Quality) Activities for Hydropower |
| 60341 | Water Management (Control and Quality) Activities - Analysis and Studies for Hydropower |
| 60342 | Water Management (Control and Quality) Activities - Operation of Water Control Data Systems for Hydropower |

**TABLE C-2.1**
**WORK CATEGORY CODES - NUMERICALLY ORDERED**
(See footnotes at end of Table)

| WORK CATEGORY CODE | DESCRIPTION |
|---|---|
| 60350* | Real Estate Management for Hydropower |
| 60360 | Environmental Compliance Management for Hydropower |
| 60390 1/ | Facility Security for Hydropower |
| 60391 | Facility Security Assessments for Hydropower |
| 60392 | Facility Security Guards, Monitoring Activities for Hydropower |
| 604-- 1/ | Operation for Environmental Stewardship Functions |
| 60410 1/ | Operation for Environmental Stewardship |
| 60411 | Management of Natural Resources |
| 60412 | Management and Curation of Archeological and Cultural Resources |
| 60413 | Management of Wildlife Mitigation Features |
| 60414 | Fisheries Management - Operation of Fish Hatcheries |
| 60415 | Fisheries Management – Fish Hauling Activities and Fish Passage Structures |
| 60416 | Comprehensive Master Plans |
| 60417 | Shoreline Management |
| 60418 | Management of Special Status Species |
| 60419 | Pest Management |
| 60420 | Studies, Surveys and Inventories for Environmental Stewardship |
| 60430 | Reserved |
| 60440 1/ | Water Management (Control and Quality) Activities for Environmental Stewardship |
| 60441 | Water Management (Control and Quality) Activities - Analysis and Studies for Environmental Stewardship |
| 60442 | Water Management (Control and Quality) Activities - Operation of Water Control Data Systems for Environmental Stewardship |
| 60450* | Real Estate Management for Environmental Stewardship |
| 60460 | Environmental Compliance Management for Environmental Stewardship |
| 60490 1/ | Facility Security for Environmental Stewardship |
| 60491 | Facility Security Assessments for Environmental Stewardship |
| 60492 | Facility Security Guards, Monitoring Activities for Environmental Stewardship |
| 605-- 1/ | Operation for Recreation Functions |
| 60510 1/ | Operation for Recreation |

**TABLE C-2.1**
**WORK CATEGORY CODES - NUMERICALLY ORDERED**
(See footnotes at end of Table)

| WORK CATEGORY CODE | DESCRIPTION |
|---|---|
| 60511** | Operation/management of Recreation Areas/facilities, Visitor Centers, Reservoirs, Service Facilities and Equipment, Etc. for Recreation |
| 60513 | Law Enforcement - Costs and Supervision of Law Enforcement Agreements |
| 60520 | Studies and Surveys for Recreation |
| 60530 | Reserved |
| 60540 1/ | Water Management (Control and Quality) Activities for Recreation |
| 60541 | Water Management (Control and Quality) Activities - Analysis and Studies for Recreation |
| 60542 | Water Management (Control and Quality) Activities - Operation of Water Control Data Systems for Recreation |
| 60550* | Real Estate Management for Recreation |
| 60560 | Environmental Compliance Management for Recreation |
| 60590 1/ | Facility Security for Recreation |
| 60591 | Facility Security Assessments for Recreation |
| 60592 | Facility Security Guards, Monitoring for Recreation |
| 606-- 1/ | Joint Activities for Operations |
| 60610** | Joint Costs for Operations Activities |
| 60620 1/ | Joint Costs for Studies and Surveys |
| 60621* | Joint Costs for Studies and Surveys |
| 60622 | Joint Costs for Major Rehabilitation Evaluation Reports |
| 60630 1/ | Joint Costs for Dam Safety Activities |
| 60631** | Joint Costs for Instrumentation, Data Collection and Analysis |
| 60632* | Joint Costs for Formal Periodic Inspections and Reports |
| 60633 | Joint Costs for Dam Safety Assurance Studies |
| 60640 1/ | Joint Costs for Water Management (Control and Quality) Activities |
| 60641 | Joint Costs for Water Management (Control and Quality) Activities – Analysis and Studies |
| 60642 | Joint Costs for Water Management (Control and Quality) Activities – Operation of Water Control Data Systems |
| 60650* | Joint Costs for Real Estate Management Activities |
| 60660 | Joint Costs for Environmental Compliance Management Activities |
| 60690 1/ | Joint Costs for Facility Security Activities |
| 60691 | Joint Costs for Facility Security Assessments |

**TABLE C-2.1**
**WORK CATEGORY CODES - NUMERICALLY ORDERED**
(See footnotes at end of Table)

| WORK CATEGORY CODE | DESCRIPTION |
|---|---|
| 60692 | Joint Costs for Facility Security Guards, Monitoring Activities |
| 60710 [1/] | National Emergency Preparedness Program (NEPP) |
| 60711 | NEPP Continuity of Operations |
| 60712 | NEPP National Preparedness Planning |
| 60713 | NEPP Support of Emergency Ops Ctrs |
| 60714 | NEPP Emergency Water Program |
| 60715 | NEPP Continuity of Government |
| 60716 | NEPP Training and Exercises |
| 611-- [1/] | Maintenance for Navigation Functions |
| 61110 | Maintenance of Locks, Dams, Reservoirs, Levees, Other Structures, Service Facilities, Permanent Operating Equipment, Etc. for Navigation |
| 61120 [1/] | Dredging for Navigation |
| 61121 | Dredging Activities for Navigation |
| 61122 | Construction and Maintenance of Dredged Material Disposal Facilities for Navigation |
| 61130 | Reserved |
| 61140 | Purchase/maintenance of Water Management (Control and Quality) Equipment for Navigation |
| 61150 [1/] | Real Estate for Navigation |
| 61151 | Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Navigation |
| 61152 | Resolution of Real Estate Encroachments for Navigation |
| 61153 | Boundary Monumentation and Rectification for Navigation |
| 61160 | Environmental Compliance (Remedial Actions) for Navigation |
| 61170 | Remaining O&M Funded Major Rehabilitation (Comprehensive Replacement) Projects for Navigation |
| 61190 | Facility Security Physical Improvements, Modifications, Maintenance and Replacement for Navigation |
| 612-- [1/] | Maintenance for Flood Damage Reduction Functions |
| 61210 [1/] | Maintenance for Flood Damage Reduction |
| 61211 | Maintenance of Dams, Reservoirs, Other Structures, Service Facilities, permanent Operating Equipment, Etc. for Flood Damage Reduction |
| 61212 | Maintenance of Dikes, Revetments, Breakwaters and Similar |

**TABLE C-2.1**
**WORK CATEGORY CODES - NUMERICALLY ORDERED**
(See footnotes at end of Table)

| WORK CATEGORY CODE | DESCRIPTION |
|---|---|
| | Structures for the Mississippi River and Tributaries (MR&T) |
| 61220 [1/] | Dredging for Flood Damage Reduction |
| 61221 | Dredging Activities for Flood Damage Reduction |
| 61222 | Construction and Maintenance of Dredged Material Disposal Facilities for Flood Damage Reduction |
| 61230 | Reserved |
| 61240 | Purchase/maintenance of Water Management (Control and Quality) Equipment for Flood Damage Reduction |
| 61250 [1/] | Real Estate for Flood Damage Reduction |
| 61251 | Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Flood Damage Reduction |
| 61252 | Resolution of Real Estate Encroachments for Flood Damage Reduction |
| 61253 | Boundary Monumentation and Rectification for Flood Damage Reduction |
| 61260 | Environmental Compliance (Remedial Actions) for Flood Damage Reduction |
| 61290 | Facility Security Physical Improvements, Modifications, Maintenance and Replacement for Flood Damage Reduction |
| 613-- [1/] | Maintenance for Hydropower Functions |
| 61310 [1/] | Maintenance of Power Plants, Dams, Reservoirs, Service Facilities, Permanent Operating Equipment, Etc. for Hydropower |
| 61311 | Maintenance Supervision for Hydropower |
| 61312 | Maintenance of Hydraulic Structures for Hydropower |
| 61313 | Maintenance of Electric Plant for Hydropower |
| 61314 | Maintenance of Miscellaneous Hydraulic Plant for Hydropower |
| 61320 | Dredging Activities for Hydropower |
| 61330 | Reserved |
| 61340 | Purchase/maintenance of Water Management (Control and Quality) Equipment for Hydropower |
| 61350 [1/] | Real Estate for Hydropower |
| 61351 | Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Hydropower |
| 61352 | Resolution of Real Estate Encroachments for Hydropower |

**TABLE C-2.1**
**WORK CATEGORY CODES - NUMERICALLY ORDERED**
(See footnotes at end of Table)

| WORK CATEGORY CODE | DESCRIPTION |
|---|---|
| 61353 | Boundary Monumentation and Rectification for Hydropower |
| 61360 | Environmental Compliance (Remedial Actions) for Hydropower |
| 61370 1/ | Remaining O&M Funded Major Rehabilitation (Comprehensive Replacement) Projects for Hydropower |
| 61371 | Comprehensive Replacement Supervision |
| 61372 | Comprehensive Replacement of Structures |
| 61373 | Comprehensive Replacement of Electric Plant |
| 61374 | Comprehensive Replacement of Miscellaneous Hydraulic Plant |
| 61390 | Facility Security Physical Improvements, Modifications, Maintenance and Replacement for Hydropower |
| 614-- 1/ | Maintenance for Environmental Stewardship Functions |
| 61410 1/ | Maintenance for Environmental Stewardship |
| 61411 | Maintenance of Natural Resources Facilities |
| 61412 | Mitigation of Archeological and Cultural Resources |
| 61413 | Maintenance of Wildlife Mitigation Features |
| 61414 | Maintenance of Fisheries, Fish Haulage Activities and Fish Passage Structures |
| 61418 | Maintenance for Special Status Species |
| 61420 1/ | Dredging for Environmental Stewardship |
| 61421 | Dredging Activities for Environmental Stewardship |
| 61422 | Construction and Maintenance of Dredged Material Disposal Facilities for Environmental Stewardship |
| 61430 | Reserved |
| 61440 | Purchase/maintenance of Water Management Equipment (Control and Quality) for Environmental Stewardship |
| 61450 1/ | Real Estate for Environmental Stewardship |
| 61451 | Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Environmental Stewardship |
| 61452 | Resolution of Real Estate Encroachments for Environmental Stewardship |
| 61453 | Boundary Monumentation and Rectification for Environmental Stewardship |
| 61460 | Environmental Compliance (Remedial Actions) for Environmental Stewardship Features |

**TABLE C-2.1**
**WORK CATEGORY CODES - NUMERICALLY ORDERED**
(See footnotes at end of Table)

| WORK CATEGORY CODE | DESCRIPTION |
|---|---|
| 61490 | Facility Security Physical Improvements, Modifications, Maintenance and Replacement for Environmental Stewardship |
| 615-- [1/] | Maintenance for Recreation Functions |
| 61510 [1/] | Maintenance for Recreation |
| 61511 | Maintenance of Recreation Facilities, Visitor Centers, Other Operating Equipment, Etc. |
| 61513 | Cost Shared Recreation Developments |
| 61520 | Dredging Activities for Recreation |
| 61530 | Reserved |
| 61540 | Purchase/maintenance of Water Management Equipment (Control and Quality) for Recreation |
| 61550 [1/] | Real Estate for Recreation |
| 61551 | Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Recreation |
| 61552 | Resolution of Real Estate Encroachments for Recreation |
| 61553 | Boundary Monumentation and Rectification for Recreation |
| 61560 | Environmental Compliance (Remedial Actions) for Recreation |
| 61590 | Facility Security Physical Improvements, Modifications, Maintenance and Replacement for Recreation |
| 616-- [1/] | Joint Activities for Maintenance |
| 61610 | Joint Costs for Maintenance Activities Excluding Dredging |
| 61620 [1/] | Joint Costs for Dredging |
| 61621 | Joint Costs for Dredging Activities |
| 61622 | Joint Costs for Construction and Maintenance of Dredged Material Disposal Facilities |
| 61630 | Reserved |
| 61640 | Joint Costs for Water Management Equipment Activities |
| 61650 [1/] | Joint Costs for Real Estate Activities |
| 61651 | Joint Costs for Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits |
| 61652 | Joint Costs for Resolution of Real Estate Encroachments |
| 61653 | Joint Costs for Boundary Monumentation and Rectification |
| 61660 | Joint Costs for Environmental Compliance (Remedial Actions) Activities |

**TABLE C-2.1**
**WORK CATEGORY CODES - NUMERICALLY ORDERED**
(See footnotes at end of Table)

| WORK CATEGORY CODE | DESCRIPTION |
|---|---|
| 61690 | Joint Costs for Facility Security Physical Improvements, Modifications, Maintenance and Replacement |

1/ SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

2/ PERIODIC INSPECTIONS AND REPORTS INCLUDING INSTRUMENTATIONS, DATA COLLECTION, AND ANALYSIS ARE TO BE INCLUDED IN THE MINIMUN PROGRAM FOR THE PROJECT TO MEET LEGAL RESPONSIBILITIES FOR OPERATIONS AND SAFETY. THIS FOOTNOTE APPLIES TO THE WORK CATEGORY CODES 60131, 60132, 60231, 60232, AND 60331, 60332, 60631 AND 60632.

*Work Caregory Codes marked with an asterisk require added data in project work description, justification statement, or output measures. See Table C-2.5.

**Although Work Category Codes marked with double asterisk require no description or funding argument, requested resources will be in consonance with the funding increment and prior year experience.

**TABLE C-2.2**
**WORK CATEGORY CODES - ALPHABETICALLY ORDERED**

| DESCRIPTION | WORK CATEGORY CODE |
|---|---|
| Boundary Monumentation and Rectification for Environmental Stewardship | 61453 |
| Boundary Monumentation and Rectification for Flood Damage Reduction | 61253 |
| Boundary Monumentation and Rectification for Hydropower | 61353 |
| Boundary Monumentation and Rectification for Navigation | 61153 |
| Boundary Monumentation and Rectification for Recreation | 61553 |
| Comprehensive Master Plans | 60416 |
| Comprehensive Replacement of Electric Plant | 61373 |
| Comprehensive Replacement of Miscellaneous Hydraulic Plant | 61374 |
| Comprehensive Replacement of Structures | 61372 |
| Comprehensive Replacement Supervision | 61371 |
| Construction and Maintenance of Dredged Material Disposal Facilities for Flood Damage Reduction | 61222 |
| Construction and Maintenance of Dredged Material Disposal Facilities for Environmental Stewardship | 61422 |
| Construction and Maintenance of Dredged Material Disposal Facilities for Navigation | 61122 |
| Cost Shared Recreation Developments | 61513 |
| Dam Safety Assurance Studies | 60333 |
| Dam Safety Assurance Studies | 60133 |
| Dam Safety Assurance Studies | 60233 |
| Dam Safety for Flood Damage Reduction | 60230 1/ |
| Dam Safety for Hydropower | 60330 1/ |
| Dam Safety for Navigation | 60130 1/ |
| Dredging Activities for Environmental Stewardship | 61421 |
| Dredging Activities for Flood Damage Reduction | 61221 |
| Dredging Activities for Hydropower | 61320 |
| Dredging Activities for Navigation | 61121 |
| Dredging Activities for Recreation | 61520 |
| Dredging for Environmental Stewardship | 61420 1/ |
| Dredging for Flood Damage Reduction | 61220 1/ |
| Dredging for Navigation | 61120 1/ |
| Electric Expenses | 60313** |
| Environmental Compliance (Remedial Actions) for Environmental | 61460 |

**TABLE C-2.2**
**WORK CATEGORY CODES - ALPHABETICALLY ORDERED**

| DESCRIPTION | WORK CATEGORY CODE |
|---|---|
| Stewardship Features | |
| Environmental Compliance (Remedial Actions) for Flood Damage Reduction | 61260 |
| Environmental Compliance (Remedial Actions) for Hydropower | 61360 |
| Environmental Compliance (Remedial Actions) for Navigation | 61160 |
| Environmental Compliance (Remedial Actions) for Recreation | 61560 |
| Environmental Compliance Management for Environmental Stewardship | 60460 |
| Environmental Compliance Management for Flood Damage Reduction | 60260 |
| Environmental Compliance Management for Hydropower | 60360 |
| Environmental Compliance Management for Navigation | 60160 |
| Environmental Compliance Management for Recreation | 60560 |
| Environmental Studies and Monitoring for Dredging Purposes | 60123 |
| Facility Security Assessments for Environmental Stewardship | 60491 |
| Facility Security Assessments for Flood Damage Reduction | 60291 |
| Facility Security Assessments for Hydropower | 60391 |
| Facility Security Assessments for Navigation | 60191 |
| Facility Security Assessments for Recreation | 60591 |
| Facility Security for Environmental Stewardship | 60490 [1/] |
| Facility Security for Flood Damage Reduction | 60290 [1/] |
| Facility Security for Hydropower | 60390 [1/] |
| Facility Security for Navigation | 60190 [1/] |
| Facility Security for Recreation | 60590 [1/] |
| Facility Security Guards, Monitoring Activities for Environmental Stewardship | 60492 |
| Facility Security Guards, Monitoring Activities for Flood Damage Reduction | 60292 |
| Facility Security Guards, Monitoring Activities for Hydropower | 60392 |
| Facility Security Guards, Monitoring Activities for Navigation | 60192 |
| Facility Security Guards, Monitoring Activities for Recreation | 60592 |
| Facility Security Physical Improvements, Modifications, Maintenance and Replacement for Navigation | 61190 |
| Facility Security Physical Improvements, Modifications, Maintenance and Replacement for Flood Damage Reduction | 61290 |
| Facility Security Physical Improvements, Modifications, Maintenance and Replacement for Hydropower | 61390 |
| Facility Security Physical Improvements, Modifications, Maintenance and | 61490 |

**TABLE C-2.2**
**WORK CATEGORY CODES - ALPHABETICALLY ORDERED**

| DESCRIPTION | WORK CATEGORY CODE |
|---|---|
| Replacement for Environmental Stewardship | |
| Facility Security Physical Improvements, Modifications, Maintenance and Replacement for Recreation | 61590 |
| Fisheries Management – Fish Hauling Activities and Fish Passage Structures | 60415 |
| Fisheries Management - Operation of Fish Hatcheries | 60414 |
| Formal Periodic Inspections and Reports | 60232* |
| Formal Periodic Inspections and Reports | 60332* |
| Formal Periodic Inspections and Reports | 60132* |
| Hydraulic Expenses | 60312** |
| Inspections of Completed Works - Local Protection Projects | 60223* |
| Instrumentation, Data Collection and Analysis | 60131** |
| Instrumentation, Data Collection and Analysis | 60231** |
| Instrumentation, Data Collection and Analysis | 60331** |
| Joint Activities for Maintenance | 616—[1/] |
| Joint Activities for Operations | 606—[1/] |
| Joint Costs for Boundary Monumentation and Rectification | 61653 |
| Joint Costs for Construction and Maintenance of Dredged Material Disposal Facilities | 61622 |
| Joint Costs for Dam Safety Activities | 60630 [1/] |
| Joint Costs for Dam Safety Assurance Studies | 60633 |
| Joint Costs for Dredging | 61620 [1/] |
| Joint Costs for Dredging Activities | 61621 |
| Joint Costs for Environmental Compliance (Remedial Actions) Activities | 61660 |
| Joint Costs for Environmental Compliance Management Activities | 60660 |
| Joint Costs for Facility Security | 60690 [1/] |
| Joint Costs for Facility Security Assessments | 60691 |
| Joint Costs for Facility Security Guards, Monitoring Activities | 60692 |
| Joint Costs for Facility Security Physical Improvements, Modifications, Maintenance and Replacement | 61690 |
| Joint Costs for Formal Periodic Inspections and Reports | 60632* |
| Joint Costs for Instrumentation, Data Collection and Analysis | 60631** |
| Joint Costs for Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits | 61651 |
| Joint Costs for Maintenance Activities Excluding Dredging | 61610 |

**TABLE C-2.2**
**WORK CATEGORY CODES - ALPHABETICALLY ORDERED**

| DESCRIPTION | WORK CATEGORY CODE |
|---|---|
| Joint Costs for Major Rehabilitation Evaluation Reports | 60622 |
| Joint Costs for Operations Activities | 60610** |
| Joint Costs for Real Estate Activities | 61650 [1/] |
| Joint Costs for Real Estate Management Activities | 60650* |
| Joint Costs for Resolution of Real Estate Encroachments | 61652 |
| Joint Costs for Studies and Surveys | 60621* |
| Joint Costs for Studies and Surveys | 60620 [1/] |
| Joint Costs for Water Management (Control and Quality) Activities - Operation of Water Control Data Systems | 60642 |
| Joint Costs for Water Management (Control and Quality) Activities - Analysis and Studies | 60641 |
| Joint Costs for Water Management (Control and Quality) Activities | 60640 [1/] |
| Joint Costs for Water Management Equipment Activities | 61640 |
| Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Flood Damage Reduction | 61251 |
| Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Environmental Stewardship | 61451 |
| Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Navigation | 61151 |
| Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Recreation | 61551 |
| Land Acquisition and Disposal Management Activities, Settlement of Claims, and Audits for Hydropower | 61351 |
| Law Enforcement – Costs and Supervision of Law Enforcement Agreements | 60513 |
| Maintenance for Environmental Stewardship | 61410 [1/] |
| Maintenance for Environmental Stewardship Functions | 614—[1/] |
| Maintenance for Flood Damage Reduction | 61210 [1/] |
| Maintenance for Flood Damage Reduction Functions | 612—[1/] |
| Maintenance for Hydropower Functions | 613—[1/] |
| Maintenance for Navigation Functions | 611—[1/] |
| Maintenance for Recreation | 61510 [1/] |
| Maintenance for Recreation Functions | 615—[1/] |
| Maintenance of Dams, Reservoirs, Other Structures, Service Facilities, Permanent Operating Equipment, Etc. for Flood Damage Reduction | 61211 |

**TABLE C-2.2**
**WORK CATEGORY CODES - ALPHABETICALLY ORDERED**

| DESCRIPTION | WORK CATEGORY CODE |
|---|---|
| Maintenance of Dikes, Revetments, Breakwaters and Similar Structures for the Mississippi River and Tributaries (MR&T) | 61212 |
| Maintenance of Electric Plant for Hydropower | 61313 |
| Maintenance of Electric Plant for Hydropower | 6131 |
| Maintenance of Fisheries, Fish Haulage Activities and Fish Passage Structures | 61414 |
| Maintenance of Hydraulic Structures for Hydropower | 61312 |
| Maintenance of Hydraulic Structures for Hydropower | 61312 |
| Maintenance of Locks, Dams, Reservoirs, Levees, Other Structures, Service Facilities, Permanent Operating Equipment, Etc. for Navigation | 61110 |
| Maintenance of Miscellaneous Hydraulic Plant for Hydropower | 61314 |
| Maintenance of Miscellaneous Hydraulic Plant for Hydropower | 61314 |
| Maintenance of Natural Resources Facilities | 61411 |
| Maintenance of Power Plants, Dams, Reservoirs, Service Facilities, Permanent Operating Equipment, Etc. for Hydropower | 61310 1/ |
| Maintenance of Power Plants, Dams, Reservoirs, Service Facilities, Permanent Operating Equipment, Etc. for Hydropower | 61310 1/ |
| Maintenance of Recreation Facilities, Visitor Centers, Other Operating Equipment, Etc. | 61511 |
| Maintenance of Special Status Species | 61418 |
| Maintenance of Wildlife Mitigation Features | 61413 |
| Maintenance Supervision for Hydropower | 61311 |
| Maintenance Supervision for Hydropower | 61311 |
| Major Rehabilitation Evaluation Reports | 60122 |
| Major Rehabilitation Evaluation Reports | 60325 |
| Major Rehabilitation Evaluation Reports | 60222 |
| Management and Curation of Archeological and Cultural Resources | 60412 |
| Management of Natural Resources | 60411 |
| Management of Special Status Species | 60418 |
| Management of Wildlife Mitigation Features | 60413 |
| Miscellaneous Hydraulic Power Generation Expenses | 60314** |
| Mitigation of Archeological and Cultural Resources | 61412 |
| National Emergency Preparedness Program (NEPP) | 60710 1/ |
| NEPP Management and Operations | 60711 |

**TABLE C-2.2**
**WORK CATEGORY CODES - ALPHABETICALLY ORDERED**

| DESCRIPTION | WORK CATEGORY CODE |
|---|---|
| NEPP Requirements Analysis and Studies | 60712 |
| NEPP Support of Emergency Ops Ctr | 60713 |
| NEPP Training and Exercises | 60716 |
| Operation for Environmental Stewardship | 60410 1/ |
| Operation for Environmental Stewardship Functions | 604-- 1/ |
| Operation for Flood Damage Reduction Functions | 602-- 1/ |
| Operation for Hydropower Functions | 603-- 1/ |
| Operation for Navigation Functions | 601-- 1/ |
| Operation for Recreation | 60510 1/ |
| Operation for Recreation Functions | 605-- 1/ |
| Operation of Dams, Power Plants, Reservoirs, Service Facilities, Permanent Operating Equipment, Etc. for Hydropower | 60310 1/ |
| Operation of Locks, Dams, Reservoirs, Service Facilities, Permanent Operating Equipment, Etc. for Flood Damage Reduction | 60210** |
| Operation of Locks, Dams, Reservoirs, Service Facilities, Permanent Operating Equipment, Etc. for Navigation | 60110 ** |
| Operation/management of Recreation Areas/facilities, Visitor Centers, Reservoirs, Service Facilities and Equipment, Etc. for Recreation | 60511** |
| Operations - Supervision and Engineering | 60311** |
| Pest Management | 60419 |
| Purchase/maintenance of Water Management (Control and Quality) Equipment for Navigation | 61140 |
| Purchase/maintenance of Water Management (Control and Quality) Equipment for Flood Damage Reduction | 61240 |
| Purchase/maintenance of Water Management (Control and Quality) Equipment for Hydropower | 61340 |
| Purchase/maintenance of Water Management Equipment (Control and Quality) for Environmental Stewardship | 61440 |
| Purchase/maintenance of Water Management Equipment (Control and Quality) for Recreation | 61540 |
| Real Estate for Environmental Stewardship | 61450 1/ |
| Real Estate for Flood Damage Reduction | 61250 1/ |
| Real Estate for Hydropower | 61350 1/ |
| Real Estate for Navigation | 61150 1/ |
| Real Estate for Recreation | 61550 1/ |

**TABLE C-2.2**
**WORK CATEGORY CODES - ALPHABETICALLY ORDERED**

| DESCRIPTION | WORK CATEGORY CODE |
|---|---|
| Real Estate Management for Environmental Stewardship | 60450* |
| Real Estate Management for Flood Damage Reduction | 60250* |
| Real Estate Management for Hydropower | 60350* |
| Real Estate Management for Navigation | 60150* |
| Real Estate Management for Recreation | 60550* |
| Remaining O&M Funded Major Rehabilitation (Comprehensive Replacement) Projects for Hydropower | 61370 1/ |
| Remaining O&M Funded Major Rehabilitation (Comprehensive Replacement) Projects for Navigation | 61170 |
| Reserved | 60530 |
| Reserved | 61630 |
| Reserved | 61130 |
| Reserved | 61230 |
| Reserved | 61330 |
| Reserved | 61530 |
| Reserved | 60430 |
| Reserved | 61430 |
| Resolution of Real Estate Encroachments for Environmental Stewardship | 61452 |
| Resolution of Real Estate Encroachments for Flood Damage Reduction | 61252 |
| Resolution of Real Estate Encroachments for Hydropower | 61352 |
| Resolution of Real Estate Encroachments for Navigation | 61152 |
| Resolution of Real Estate Encroachments for Recreation | 61552 |
| Shoreline Management | 60417 |
| Studies and Surveys | 60121* |
| Studies and Surveys | 60221 |
| Studies and Surveys - Electric Expenses | 60323 |
| Studies and Surveys - Hydraulic Expenses | 60322 |
| Studies and Surveys - Miscellaneous Hydraulic Power Generation Expenses | 60324 |
| Studies and Surveys - Supervision and Engineering | 60321 |
| Studies and Surveys for Flood Damage Reduction | 60220 1/ |
| Studies and Surveys for Hydropower | 60320 1/ |
| Studies and Surveys for Navigation | 60120 1/ |
| Studies and Surveys for Recreation | 60520 |

**TABLE C-2.2**
**WORK CATEGORY CODES - ALPHABETICALLY ORDERED**

| DESCRIPTION | WORK CATEGORY CODE |
|---|---|
| Studies, Surveys and Inventories for Environmental Stewardship | 60420 |
| Water Management (Control and Quality) Activities - Analysis and Studies for Flood Damage Reduction | 60241 |
| Water Management (Control and Quality) Activities - Analysis and Studies for Environmental Stewardship | 60441 |
| Water Management (Control and Quality) Activities - Analysis and Studies for Recreation | 60541 |
| Water Management (Control and Quality) Activities - Analysis and Studies for Navigation | 60141 |
| Water Management (Control and Quality) Activities - Analysis and Studies for Hydropower | 60341 |
| Water Management (Control and Quality) Activities - Operation of Water Control Data Systems for Environmental Stewardship | 60442 |
| Water Management (Control and Quality) Activities - Operation of Water Control Data Systems for Flood Damage Reduction | 60242 |
| Water Management (Control and Quality) Activities - Operation of Water Control Data Systems for Recreation | 60542 |
| Water Management (Control and Quality) Activities - Operation of Water Control Data Systems for Navigation | 60142 |
| Water Management (Control and Quality) Activities – Operation of Water Control Data Systems for Hydropower | 60342 |
| Water Management (Control and Quality) Activities for Environmental Stewardship | 60440 1/ |
| Water Management (Control and Quality) Activities for Flood Damage Reduction | 60240 1/ |
| Water Management (Control and Quality) Activities for Hydropower | 60340 1/ |
| Water Management (Control and Quality) Activities for Navigation | 60140 1/ |
| Water Management (Control and Quality) Activities for Recreation | 60540 1/ |

1/ SUMMARY COST ACCOUNT/WORK CATEGORY - COSTS MAY NOT BE CHARGED DIRECTLY TO THESE ACCOUNTS.

2/ PERIODIC INSPECTIONS AND REPORTS INCLUDING INSTRUMENTATIONS, DATA COLLECTION, AND ANALYSIS ARE TO BE INCLUDED IN THE MINIMUN PROGRAM FOR THE PROJECT TO MEET LEGAL RESPONSIBILITIES FOR OPERATIONS AND SAFETY. THIS FOOTNOTE APPLIES TO THE WORK CATEGORY CODES 60131, 60132, 60231, 60232, AND 60331, 60332, 60631 AND 60632.

*Work Category Codes marked with an asterisk require added data in project work description, justification statement, or output measures. See Table C-2.5.

**Although Work Category Codes marked with double asterisk require no description or funding argument, requested resources will be in consonance with the funding increment and prior year experience.

**TABLE C-2.3**
**O&M WORK CATEGORY CODE**
**MATRIXES AND DEFINITIONS**

Tables 2.3a and 2.3b are-Operation and Maintenance Work Category Code Matrix sheets. Table 2.3c includes the definitions of the Operation WCCs. Table 2.3d includes the definitions of the Maintenance WCCs.

The major O&M functions are broken down into Work Category Codes, together with a description of work to be performed the pages following the spreadsheet.

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

**Table C-2.3a**
**Operation Work Category Code Matrix (by Business Program)**

| WCC | NAVIGATION 601XX | FLOOD DAMAGE REDUCTION 602XX | HYDROPOWER 603XX | ENVIRONMENTAL STEWARDSHIP 604XX | RECREATION 605XX | JOINT ACTIVITIES 606XX |
|---|---|---|---|---|---|---|
| **60X10** | OPERATIONS | OPERATIONS | OPERATIONS | OPERATIONS | OPERATIONS | OPERATIONS |
| **60X20** | STUDIES & SURVEYS | STUDIES & SURVEYS | STUDIES & SURVEYS | STUDIES & SURVEYS | STUDIES & SURVEYS | STUDIES & SURVEYS |
| **60X30** | DAM SAFETY | DAM SAFETY | DAM SAFETY | DAM SAFETY | DAM SAFETY | DAM SAFETY |
| **60X40** | WATER MANAGEMENT | WATER MANAGEMENT | WATER MANAGEMENT | WATER MANAGEMENT | WATER MANAGEMENT | WATER MANAGEMENT |
| **60X50** | REAL ESTATE MANAGEMENT | REAL ESTATE MANAGEMENT | REAL ESTATE MANAGEMENT | REAL ESTATE MANAGEMENT | REAL ESTATE MANAGEMENT | REAL ESTATE MANAGEMENT |
| **60X60** | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE |
| **60X70** | RESERVED | RESERVED | RESERVED | RESERVED | RESERVED | RESERVED |
| **60X80** | RESERVED | RESERVED | RESERVED | RESERVED | RESERVED | RESERVED |
| **60X90** | FACILITY SECURITY | FACILITY SECURITY | FACILITY SECURITY | FACILITY SECURITY | FACILITY SECURITY | FACILITY SECURITY |

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

**Table C-2.3b**
**Maintenance Work Category Code Matrix (by Business Program)**

| WCC | NAVIGATION 611XX | FLOOD DAMAGE REDUCTION 612XX | HYDROPOWER 613XX | ENVIRONMENTAL STEWARDSHIP 614XX | RECREATION 615XX | JOINT ACTIVITIES 616XX |
|---|---|---|---|---|---|---|
| **61X10** | MAINTENANCE EXCLUDE DREDGING | MAINTENANCE EXCLUDE DREDGING | MAINTENANCE EXCLUDE DREDGING | MAINTENANCE EXCLUDE DREDGING | MAINTENANCE EXCLUDE DREDGING | MAINTENANCE EXCLUDE DREDGING |
| **61X20** | DREDGING | DREDGING | DREDGING | DREDGING | DREDGING | DREDGING |
| **61X30** | RESERVED | RESERVED | RESERVED | RESERVED | RESERVED | RESERVED |
| **61X40** | WATER MANAGEMENT EQUIPMENT | WATER MANAGEMENT EQUIPMENT | WATER MANAGEMENT EQUIPMENT | WATER MANAGEMENT EQUIPMENT | WATER MANAGEMENT EQUIPMENT | WATER MANAGEMENT EQUIPMENT |
| **61X50** | REAL ESTATE | REAL ESTATE | REAL ESTATE | REAL ESTATE | REAL ESTATE | REAL ESTATE |
| **61X60** | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE | ENVIRONMENTAL COMPLIANCE |
| **61X70** | REMAINING O&M MAJOR REHAB. | RESERVED | REMAINING O&M MAJOR REHAB. | RESERVED | RESERVED | RESERVED |
| **61X80** | RESERVED | RESERVED | RESERVED | RESERVED | RESERVED | RESERVED |
| **61X90** | FACILITY SECURITY | FACILITY SECURITY | FACILITY SECURITY | FACILITY SECURITY | FACILITY SECURITY | FACILITY SECURITY |

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**
**O&M Operations Accounts By Business Program:**

Navigation (**601--**)
Flood Damage Reduction **(602--**)
Hydropower (**603--**)
Environmental Stewardship (**604--**)
Recreation (**605--**)
Joint Activities (**606--**)

A Breakdown of Work Category Codes (WCCs) and descriptions under these functions is on the following pages:

WORK CATEGORY CODE: **60110** – Operations for Navigation

WORK CATEGORY DESCRIPTION: Operations of Locks, Dams, Reservoirs, Service Facilities (Buildings, Grounds, Utilities, and Roads, Railroads and Bridges), Permanent Operating Equipment, etc. for navigation features.

Includes all costs for the operation; necessary materials, supplies, equipment and transportation costs associated with operations; associated hired labor and contract support; routine materials and supplies; and other costs:

of **lock gates and/or associated equipment**; maintaining lock records; removing debris, ice and snow, cleanup of lock facilities; routine adjusting of meters, relays, instruments, radios and regular equipment; lubrication of equipment;

of **dam structures and appurtenant equipment** such as spillway gates, intake and outlet works, and sluiceways for reservoir regulation; removing and disposing of ice, snow, trash, and debris on or in the vicinity of the dam or dam structures; cleanup of dam structures and facilities; routine testing and adjustment of gauges, meters, instruments, and relays in dam structures; disposal and control of weeds, brush, trees, and aquatic growth in the vicinity of dam structures; and grass cutting on earth-fill dams. Includes all costs for dam safety/failure training of project personnel, preparation of flood emergency plans, dam contingency plans, dam surveillance plans, and provision for technical assistance to local interests concerning dam failure. When this account includes municipal or industrial water delivery activities, a separate sub-element should be established in CEFMS to record appropriate costs for each such facility for cost allocation purposes;

to **perform reservoir inspections and patrols**, removal and control of trash and debris (major periodic or one-time removal of growth and debris from the reservoir should be recorded in Work Category Code 61110); minor bank erosion control; minor cleaning of reservoir area for weeds, brush, trees, and aquatic growth; boundary surveillance and routine, recurring maintenance of boundary monumentation at projects without natural resource activities; insect control and elimination of health and safety hazards;

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

of **project-owned permanent facilities** such as administration and shop buildings, storage and garage buildings and areas, community buildings, local streets and sidewalks, landscaping, utility facilities such as electric, gas, water, and sewage, all security and protective measures, and permanent roads, including the road across the top of the dam, and parking areas near the dam, railroads, and bridges required for access and other purposes in connection with the operation of a project. It also includes bridges provided as a project feature for the passage of highway and railway traffic over improved channels. Direct costs included are snow and ice removal from project roads, parking areas and walkways; sanding and salting project roads, parking areas and walkways; minor patching, signs, ditch cleaning, culvert cleaning and similar duties; bridge operation; cleanup of project roads, railroads, and bridges. Buildings which house operating machinery and serve other purposes as well are included in this activity, but the costs to operate the machinery are charged to the appropriate Work Categories. Buildings which house specific operating machinery, spare parts, equipment, etc., will be charged to the appropriate Work Categories. This activity includes costs of buildings, grounds and utilities related to the operation of the Los Angeles-Long Beach and San Francisco Bay hydraulic models located in South Pacific Division and it does not include costs associated with recreation facilities and areas which will be included in Work Category Code 60511;

of **all tools and equipment**, including laboratory, shop, warehousing, communications, surveys, and transportation equipment, office furniture and equipment. Project-owned sedimentation and degradation measuring facilities, rainfall and stream-gauging devices, fixed sand bypassing systems, and like equipment are also included. Includes direct costs of automotive and other equipment. Vehicle accounts will be maintained by group classifications as provided for Revolving Fund vehicles;

for **prevention of obstructive and injurious deposits at NAD projects** as authorized by the Act approved 29 June 1888, as amended, including all costs for surveillance at harbors, channels, waterfront construction sites, and at overboard ocean dumping sites, costs to administer outstanding enforcement actions on prior noted violations of Federal statutes, and any costs required for ground or aerial surveillance.

WORK CATEGORY CODE: **60121** – Studies and Surveys for the Navigation Function

WORK CATEGORY DESCRIPTION: Studies and Surveys including project condition surveys, dredging studies, etc. for navigation features.

Includes all costs to perform surveys for the purpose of determining elevation, grade and sedimentation conditions in navigation projects, investigation of sunken vessels, and to prepare dredging studies. For program management purposes, all projects with funding requirements (dredging or otherwise) under the Non-deferrable levels should have any needed surveys programmed under the project name. All other surveys should be programmed in aggregation under PWID 14600: Project Condition Surveys. Funding for PWID 14600: Project Condition Surveys, will

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

be adjusted after overall dredging program levels are determined.

\WORK CATEGORY CODE: **60122** - Studies and Surveys for Navigation - Major Rehabilitation Evaluation Reports

WORK CATEGORY DESCRIPTION: Major Rehabilitation Evaluation Reports for navigation features.

Includes all costs to initiate new, or continue ongoing, major rehabilitation evaluation reports. Operation and Maintenance (O&M) funds are to be used only until Construction, General (CG) funds are allocated to the project.

WORK CATEGORY CODE: **60123** - Studies and Surveys for Navigation - Environmental Studies and Monitoring for Dredging Purposes

WORK CATEGORY DESCRIPTION: Environmental Studies and Monitoring for Dredging Purposes.

Includes all costs for environmental studies and monitoring for dredging purposes including all costs of study and analysis activities associated with long range environmental activities related to waterways. These activities are needed to ensure that appropriate information and requirements are fulfilled so that E&D for dredging can be completed on a timely basis. Dredged Material Management Plans (DMMPs) are included in this Work Category. Environmental requirements to perform maintenance dredging of Federal channels (e.g. water quality certification, bio-assays, water quality testing, Environmental Impact Statements, and environmental assessments) should also be included in this Work Category.

WORK CATEGORY CODE: **60131** - Instrumentation, Data Collection and Analysis for Dam Safety related to the Navigation Function

WORK CATEGORY DESCRIPTION: Instrumentation for Engineering Analysis and Continuing Evaluation Data Gathering Inspections, and Data Analysis for Dam Safety related to navigation features.

Includes all costs for the operation of instruments in existing dam structures for safety evaluation and all costs of obtaining, analyzing and reporting instrumentation data for purposes consistent with an approved plan. This includes instrumentation for measuring horizontal and vertical movement, stresses and strains, pore pressure, phreatic surfaces, seismic effects, and seepage clarity and quality.

WORK CATEGORY CODE: **60132** - Formal Periodic Inspections and Reports for Dam Safety related to the Navigation Function

WORK CATEGORY DESCRIPTION: Formal Periodic Inspections and Reports for Dam Safety

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

related to navigation features.

Includes all costs related to the scheduled periodic inspections and reporting of projects and bridges needed to meet inspection frequency requirements of ER 1110-2-100 as follows:

(a) Dams, locks and dams, initial and second inspections if funded under O&M General, and high hazard structures.

(b) Public Bridges.

(c) Structures whose failure would be a major loss to the national infrastructure or cause severe economic distress.

(d) Other projects where known conditions warrant inspections at a frequency more often than normal including revetments, dikes, groins, breakwaters, jetties, seawalls, piers and other similar structures provided in seas, lakes, rivers, canals, exposed tidal waters and harbors.

WORK CATEGORY CODE: **60133** - Dam Safety Assurance Studies related to the Navigation Function

WORK CATEGORY DESCRIPTION: Dam Safety Assurance Studies for Dam Safety related to navigation features.

Includes all costs of reconnaissance studies and special engineering investigations for known or suspected dam safety deficiencies, e.g. seismic evaluations, seepage studies, erosion studies, etc.

WORK CATEGORY CODE: **60141** - Water Management (Control and Quality) Activities for Navigation - Analysis and Studies

WORK CATEGORY DESCRIPTION: Water Management (Control and Quality) Activities - Analysis, Studies and Regulation Instructions for navigation features.

Includes all costs for personnel and space to manage the hydrologic, hydraulic and meteorological data required for water control and quality activities in accordance with the current water control/quality plan; all costs to prepare routine regulation instructions and runoff forecasts, coordinate with other agencies and entities, prepare water control manuals, disseminate water control information, training, travel and other associated costs required to make sound water control management decisions; all costs for reservoir and river analyses to improve the quality of water within and downstream from the reservoirs; and all costs related to studies of the means to mitigate water quality problems and studies to determine present and future water quality needs. Also includes all costs for water management studies to improve efficiency or mitigate constraints on approved plans

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

of regulation, annual updating of notification lists, and funds transferred to other agencies and any similar items needed to accomplish this activity. This includes development of the water quality component of water control manuals and daily decisions on multi-level releases and pro-rata share of office and computer facilities and other related costs associated with water management. Included also are costs to calibrate and make operational the forecasting and decision support models within the new Corps Water Management System (CWMS). Costs for data collection are included in Work Category Code 60142.

WORK CATEGORY CODE: **60142** - Water Management (Control and Quality) Activities for Navigation - Operation of Water Control Data Systems

WORK CATEGORY DESCRIPTION: Water Management (Control and Quality) Activities - Operation of Water Control Data Systems including Data Collection for navigation features.

Includes all costs for the operation of equipment, personnel and space to collect and process the hydrologic, hydraulic and meteorological data required for water control and quality activities in accordance with the current plan, data collection, and pro-rata share of office and computer facilities and other related costs associated with operations of water management data systems including the new Corps Water Management System (CWMS). Includes all costs to coordinate with other agencies and entities, training, travel, funds transferred to other agencies, and other associated costs required for operation of water management data systems. Costs for purchase and maintenance of new water control data systems equipment are included in Work Category Code 61140.

WORK CATEGORY CODE: **60150** - Real Estate Management for the Navigation Function

WORK CATEGORY DESCRIPTION: Real Estate Management including Compliance, and Utilization Inspections for navigation features.

Includes all costs, including contractual services, incident to granting to others the use of and performing inspections of property for purposes such as commercial concessions, industrial uses, public park and recreation, quasi-public and group camp use, fish and wildlife habitat management, selected agricultural and grazing uses and reconveyance clauses (restrictions) in deeds. Also includes granting use of and performing inspections of property granted and reserved to others for purposes such as road, street, waterline, powerline, and communication rights-of-way, as well as requests to drill for oil or gas on Government owned property where no oil or gas lease is required, and other uses covered by easements, licenses, and permits. Includes report preparation, determination of compliance after vacation of property subsequent to expiration or revocation of grant, and corrective measures where non-compliance is noted. Also includes appraisals, surveys, mapping, negotiations, preparation and execution of outgrants, renewal, extension, cancellation/termination documents, responses to request for use of real or related personal property, Executive Order surveys and public land withdrawals (applies to the 11 western states). Includes costs of utilization inspections of real property under the control of or subject to a service agreement with the Corps or the Government, and real property accountability, including real property inventory updates and preparation of annual civil-owned property reports (GSA 1166).

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

WORK CATEGORY CODE: **60160** - Environmental Compliance Management for the Navigation Function

WORK CATEGORY DESCRIPTION: Environmental Compliance Management for navigation features.

Includes all operational costs to comply with applicable Federal laws and regulations, including the Safe Drinking Water Act, Resource Conservation and Recovery Act (RCRA), Clean Air Act, Hazardous Materials Transportation Act, Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), EO 13148, and applicable state and local regulations. Includes cost to complete annual environmental compliance assessment, external or internal. Federal, DOD and Corps of Engineers requirements are described in the ERGO/TEAM environmental assessment manuals. Includes all costs associated with management and oversight of environmental compliance for operations activities. Includes cost associated with implementing and maintaining an Environmental Management System (EMS). Costs include salaries, training, materials, supplies, regulatory fees, drinking water and waste analysis, inspection of waste collection and disposal facilities, and internal and external environmental compliance assessments. Costs associated with medical surveillance and other employee health and safety requirements are not included.

WORK CATEGORY CODE: **60170**

WORK CATEGORY DESCRIPTION: Reserved.

WORK CATEGORY CODE: **60180**

WORK CATEGORY DESCRIPTION: Reserved.

WORK CATEGORY CODE: **60191** – Facility Security Assessments for Navigation

WORK CATEGORY DESCRIPTION: Facility Security – Assessments, reviews, studies and analyses for navigation features.

Includes all costs to conduct and prepare security risk assessments, reviews, evaluations, studies and analyses for facility security related to criminal and terrorist activities. Includes costs to evaluate threats, consequences and security system effectiveness for navigation features. Also includes costs to prepare or revise Emergency Action Plans and plans to address facility protection and security, training and appropriate coordination with other agencies as they relate to criminal and terrorist activities. Costs for guards and surveillance activities are included in Work Category Code 60192, and costs to acquire, install and maintain structural and physical improvements for security are included in Work Category Code 61190.

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

WORK CATEGORY CODE: **60192** – Facility Security Guards, Monitoring Activities for Navigation

WORK CATEGORY DESCRIPTION: Facility Security – Guards and Monitoring Activities for navigation features.

Includes all costs for guards and security system monitoring activities including training of personnel for facility security related to criminal and terrorist activities. Costs for assessments are included in Work Category Code 60191, and costs to acquire, install and maintain structural and physical improvements for security are included in Work Category Code 61190.

WORK CATEGORY CODE: **60210** - Operations for Flood Damage Reduction

WORK CATEGORY DESCRIPTION: Operations of Dams, Reservoirs, Levees, Hurricane Barrier Gates, and Other Flood Damage Reduction Non-Dam Structures, Pumping Plants, Service Facilities (Buildings, Grounds, Utilities, and Roads, Railroads and Bridges), Permanent Operating Equipment, etc. for flood damage reduction features.

Includes all costs for the operation; necessary materials, supplies, equipment and transportation costs associated with operations; associated hired labor and contract support; routine materials and supplies; and other costs:

of **dam structures and appurtenant equipment** such as spillway gates, intake and outlet works, and sluiceways for reservoir regulation; removing and disposing of ice, snow, trash, and debris on or in the vicinity of the dam or dam structures; cleanup of dam structures and facilities; routine testing and adjustment of gauges, meters, instruments, and relays in dam structures; disposal and control of weeds, brush, trees, and aquatic growth in the vicinity of dam structures; and grass cutting on earth-fill dams. Includes all costs for dam safety/failure training of project personnel, preparation of flood emergency plans, dam contingency plans, dam surveillance plans, and provision for technical assistance to local interests concerning dam failure. When this account includes municipal or industrial water delivery activities, a separate sub-element should be established in CEFMS to record appropriate costs for each such facility for cost allocation purposes;

to **perform reservoir inspections and patrols**, removal and control of trash and debris (major periodic or one-time removal of growth and debris from the reservoir should be recorded under Work Category Code 61210); minor bank erosion control; minor cleaning of reservoir area for weeds, brush, trees, and aquatic growth; boundary surveillance and routine, recurring maintenance of boundary monumentation at projects without natural resource activities, insect control and elimination of health and safety hazards;

of **levees, hurricane barrier gates, and other gated non-dam flood damage reduction structures**; vegetation control on flood damage reduction structures; removal of snow and ice from structures;

of **pumping plants, pumps and associated equipment**; collecting and maintaining operational records; routine replacement, purification and testing of insulating, lubricating and

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

hydraulic oils; lubricants and lubricating equipment; minor maintenance of electrical equipment, cleaning, testing, and adjustment of motor starters, relays, meters, and similar equipment; minor maintenance and repair of pumps, motors, engines, trash raking equipment, gate hoists, gates, fire fighting, and other equipment required for operation; minor maintenance of buildings, roads, and grounds; removal of debris, ice, and snow;

of **project-owned permanent facilities** such as administration and shop buildings, storage and garage buildings and areas, community buildings, local streets and sidewalks, landscaping, utility facilities such as electric, gas, water, and sewage, all security and protective measures, and permanent roads, including the road across the top of the dam, and parking areas near the dam, railroads, and bridges required for access and other purposes in connection with the operation of a project. It also includes bridges provided as a project feature for the passage of highway and railway traffic over improved channels. Direct costs included are snow and ice removal from project roads, parking areas and walkways; sanding and salting project roads, parking areas and walkways; minor patching, signs, ditch cleaning, culvert cleaning and similar duties; bridge operation; cleanup of project roads, railroads, and bridges. Buildings which house operating machinery and serve other purposes as well are included in this activity, but the costs to operate the machinery are charged to the appropriate Work Categories. Buildings which house specific operating machinery, spare parts, equipment, etc., will be charged to the appropriate Work Categories. This activity does not include costs associated with recreation facilities and areas which will be included in Work Category Code 60511;

of **all tools and equipment**, including laboratory, shop, warehousing, communications, surveys, and transportation equipment, office furniture and equipment. Project-owned sedimentation and degradation measuring facilities, rainfall and stream-gauging devices, fixed sand bypassing systems, and like equipment are also included. Includes direct costs of automotive and other equipment. Vehicle accounts will be maintained by group classifications as provided for Revolving Fund vehicles.

of all specific **Water Supply activities** including that required by water supply contracts, collections including delinquencies and the renegotiation of existing water supply contracts.

WORK CATEGORY CODE: **60221** - Studies and Surveys for the Flood Damage Reduction Function

WORK CATEGORY DESCRIPTION: Non-Navigation Project Condition Studies, including Dredging Studies, for flood damage reduction features.

Includes all costs to prepare reconnaissance reports or studies related to the maintenance and rehabilitation of Civil Works projects such as foundation reports, embankment criteria, O&M manuals, sediment surveys at flood damage reduction projects, surveillance of northern boundary waters, and hydraulic model analyses prior to the engineering and design phase. Includes all Water Supply reallocation study costs including initial appraisal costs.

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

WORK CATEGORY CODE: **60222** - Studies and Surveys for Flood Damage Reduction - Major Rehabilitation Evaluation Reports

WORK CATEGORY DESCRIPTION: Major Rehabilitation Evaluation Reports for flood damage reduction features.

Includes all costs to initiate new, or continue ongoing, major rehabilitation evaluation reports. Operation and Maintenance (O&M) funds are to be used only until Construction, General (CG) funds are allocated to the project.

WORK CATEGORY CODE: **60223** – Studies, Surveys and Inspections of Completed Works - Local Protection Projects

WORK CATEGORY DESCRIPTION: Studies, Surveys and Inspections of Local Protection Projects for flood damage reduction features.

Includes all costs related to the inspection of Federally constructed, locally operated and maintained projects to ensure compliance with local cooperative agreements. This Work Category does not include costs for projects covered by PL 84-99. Includes all costs for technical review and approval of sponsor-proposed alterations, improvements, excavation or construction within the limits of the project right-of-way; advice given to sponsors related to the effects of such activities on the function/operation of the project and information on acceptable construction methods; all costs to update O&M Manuals; initial funding of reconnaissance or evaluation reports; and PED for major rehabilitation, dam safety assurance, deficiency correction and reconstruction as applicable until Construction, General (CG) funds are allocated.

WORK CATEGORY CODE: **60231** - Instrumentation, Data Collection and Analysis for Dam Safety related to the Flood Damage Reduction Function

WORK CATEGORY DESCRIPTION: Instrumentation for Engineering Analysis and Continuing Evaluation Data Gathering Inspections, and Data Analysis for Dam Safety related to flood damage reduction features.

Includes all costs for the operation of instruments in existing dam structures for safety evaluation and all costs of obtaining, analyzing and reporting instrumentation data for purposes consistent with an approved plan. This includes instrumentation for measuring horizontal and vertical movement, stresses and strains, pore pressure, phreatic surfaces, seismic effects, and seepage clarity and quality.

WORK CATEGORY CODE: **60232** - Formal Periodic Inspections and Reports for Dam Safety related to the Flood Damage Reduction Function

WORK CATEGORY DESCRIPTION: Formal Periodic Inspections and Reports for Dam Safety related to flood damage reduction features.

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

Includes all costs related to the scheduled periodic inspections and reporting of projects and bridges needed to meet inspection frequency requirements of ER 1110-2-100 as follows:

(a) Dams, locks and dams, initial and second inspections if funded under O&M General, and high hazard structures.

(b) Public Bridges.

(c) Structures whose failure would be a major loss to the national infrastructure or cause severe economic distress.

(d) Other projects where known conditions warrant inspections at a frequency more often than normal.

WORK CATEGORY CODE: **60233** - Dam Safety Assurance Studies related to the Flood Damage Reduction Function

WORK CATEGORY DESCRIPTION: Dam Safety Assurance Studies for Dam Safety related to flood damage reduction features.

Includes all costs of reconnaissance studies and special engineering investigations for known or suspected dam safety deficiencies, e.g. seismic evaluations, seepage studies, erosion studies, etc.

WORK CATEGORY CODE: **60241** - Water Management (Control and Quality) Activities for Flood Damage Reduction - Analysis and Studies

WORK CATEGORY DESCRIPTION: Water Management (Control and Quality) Activities - Analysis, Studies and Regulation Instructions for flood damage reduction features.

Includes all costs for personnel and space to manage the hydrologic, hydraulic and meteorological data required for water control and quality activities in accordance with the current water control/quality plan; all costs to prepare routine regulation instructions and runoff forecasts, coordinate with other agencies and entities, prepare water control manuals, disseminate water control information, training, travel and other associated costs required to make sound water control management decisions; all costs for reservoir and river analyses to improve the quality of water within and downstream from the reservoirs; and all costs related to studies of the means to mitigate water quality problems and studies to determine present and future water quality needs. Also includes all costs for water management studies to improve efficiency or mitigate constraints on approved plans of regulation, annual updating of notification lists, and funds transferred to other agencies and any similar items needed to accomplish this activity. This includes development of the water quality component of water control manuals and daily decisions on multi-level releases and pro-rata share of office and computer facilities and other related costs associated with water management. Included also are costs to calibrate and make operational the forecasting and decision support models within the new Corps Water Management System (CWMS). Costs for data collection are included in Work

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

Category Code 60242.

WORK CATEGORY CODE: **60242** - Water Management (Control and Quality) Activities for Flood Damage Reduction - Operation of Water Control Data Systems

WORK CATEGORY DESCRIPTION: Water Management (Control and Quality) Activities - Operation of Water Control Data Systems including Data Collection for flood damage reduction features.

Includes all costs for the operation of equipment, personnel and space to collect and process the hydrologic, hydraulic and meteorological data required for water control and quality activities in accordance with the current plan, data collection, and pro-rata share of office and computer facilities and other related costs associated with operations of water management data systems including the new Corps Water Management System (CWMS). Includes all costs to coordinate with other agencies and entities, training, travel, funds transferred to other agencies, and other associated costs required for operation of water management data systems. Costs for purchase and maintenance of new water control data systems equipment are included in Work Category Code 61240.

WORK CATEGORY CODE: **60250** - Real Estate Management for the Flood Damage Reduction Function

WORK CATEGORY DESCRIPTION: Real Estate Management including Compliance, and Utilization Inspections for flood damage reduction features.

Includes all costs, including contractual services, incident to granting to others the use of and performing inspections of property for purposes such as commercial concessions, industrial uses, public park and recreation, quasi-public and group camp use, fish and wildlife habitat management, selected agricultural and grazing uses and reconveyance clauses (restrictions) in deeds. Also includes granting use of, and performing inspections of property granted and reserved to others for purposes such as road, street, waterline, powerline, and communication rights-of-way, as well as requests to drill for oil or gas on Government owned property where no oil or gas lease is required, and other uses covered by easements, licenses, and permits. Includes report preparation, determination of compliance after vacation of property subsequent to expiration or revocation of grant, and corrective measures where non-compliance is noted. Also includes appraisals, surveys, mapping, negotiations, preparation and execution of outgrants, renewal, extension, cancellation/termination documents, responses to request for use of real or related personal property, Executive Order surveys and public land withdrawals (applies to the 11 western states). Includes costs of utilization inspections of real property under the control of or subject to a service agreement with the Corps or the Government. Includes reconciliation of financial records with flood damage reduction land and mineral lease receipts, andreal property accountability, including real property inventory updates and preparation of annual civil-owned property reports (GSA 1166).

WORK CATEGORY CODE: **60260** - Environmental Compliance Management for the Flood Damage Reduction Function

WORK CATEGORY DESCRIPTION: Environmental Compliance Management for flood damage reduction features.

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

Includes all operational costs to comply with applicable Federal laws and regulations, including the Safe Drinking Water Act, Resource Conservation and Recovery Act (RCRA), Clean Air Act, Hazardous Materials Transportation Act, Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), EO 13148, and applicable state and local regulations. Includes cost to complete annual environmental compliance assessment, external and internal. Federal, DOD and Corps of Engineers requirements are described in the ERGO/TEAM environmental assessment manuals. Includes all costs associated with management and oversight of environmental compliance for operations activities. Includes costs associated with implementation and maintaining an Environmental Management System (EMS). Costs include salaries, training, materials, supplies, regulatory fees, drinking water and waste analysis, inspection of waste collection and disposal facilities, and internal and external environmental compliance assessments. Costs associated with medical surveillance and other employee health and safety requirements are not included. This Work Category also includes all costs for the management and curation of Orphan Collections and archeological materials collected from early local protection projects and subsequently turned over to local sponsors for operation and maintenance. All other costs for management and curation of archeological resources are included in Work Category Code 60412.

WORK CATEGORY CODE: **60270**

WORK CATEGORY DESCRIPTION: Reserved.

WORK CATEGORY CODE: **60280**

WORK CATEGORY DESCRIPTION: Reserved.

WORK CATEGORY CODE: **60291** – Facility Security Assessments for Flood Damage Reduction

WORK CATEGORY DESCRIPTION: Facility Security – Assessments, reviews, studies and analyses for flood damage reduction features.

Includes all costs to conduct and prepare security risk assessments, reviews, evaluations, studies and analyses for facility security related to criminal and terrorist activities. Includes costs to evaluate threats, consequences and security system effectiveness for flood damage reduction features. Also includes costs to prepare or revise Emergency Action Plans and plans to address facility protection and security, training and appropriate coordination with other agencies as they relate to criminal and terrorist activities. Costs for guards and surveillance activities are included in Work Category Code 60292, and costs to acquire, install and maintain structural and physical improvements for security are included in Work Category Code 61290.

WORK CATEGORY CODE: **60292** – Facility Security Guards, Monitoring Activities for Flood Damage Reduction

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

WORK CATEGORY DESCRIPTION: Facility Security – Guards and Monitoring Activities for flood damage reduction features.

Includes all costs for guards and security system monitoring activities including training of personnel for facility security related to criminal and terrorist activities. Costs for assessments are included in Work Category Code 60291, and costs to acquire, install and maintain structural and physical improvements for security are included in Work Category Code 61290.

WORK CATEGORY CODE: **60310 (60311-60314)** - Hydropower Operations. Costs for this function will be sub-divided as follows:

**60311** - Hydropower Operations - Supervision and Engineering, FERC #535. Costs for labor, materials and other expenses incurred in the general supervision of the operation of hydraulic generating stations. Direct supervision of specific activities will be charged to the appropriate accounts;

**60312** - Hydropower Operations - Hydraulic Expenses, FERC #537. Costs for labor, materials and other expenses incurred in operating power intake works whether or not the powerhouse is an integral part of the intake dam;

**60313** - Hydropower Operations - Electric Expenses, FERC #538. Costs for labor, materials and other expenses incurred in operating turbines, generators, auxiliary apparatus, switchgear and other electric equipment to the point where electricity leaves for transmission by the marketing agency or other project. Keeping plant logs and records, and preparing reports of operation are included herein;

**60314** - Hydropower Operations - Miscellaneous Hydraulic Power Generation Expenses, FERC #539. Costs for labor, materials and other expenses not specifically provided for in other power plant operation accounts. Includes costs for custodial and other administrative services.

WORK CATEGORY DESCRIPTION: Operations of Power Plants.

Includes specific costs for the general supervision and engineering associated with the operation; routine materials, supplies, equipment and transportation costs; associated hired labor and contract support; and other costs: :

of **power plants** including hydraulic generating stations, and their associated power intake structures, turbines, generators, auxiliary apparatus, switchgear, and other electrical or electronic equipment to the point where electricity leaves for transmission by the marketing agency or project. Includes miscellaneous costs such as custodial, administrative services and training power plant trainees including labor. Costs not specific to hydropower will be included in Work Category Code 60610.

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

WORK CATEGORY CODE: **60320 (60321-60324)** - Studies and Surveys for the Hydropower Function Costs for this function will be sub-divided as follows:

**60321** - Studies and Surveys - Supervision and Engineering, FERC #535. Costs for labor, materials and other expenses incurred in the general supervision of the operation of hydraulic generating stations. Direct supervision of specific activities will be charged to the appropriate accounts;

**60322** - Studies and Surveys - Hydraulic Expenses, FERC #537. Costs for labor, materials and other expenses incurred in operating power intake works whether or not the powerhouse is an integral part of the intake dam;

**60323** - Studies and Surveys - Electric Expenses, FERC #538. Costs for labor, materials and other expenses incurred in operating turbines, generators, auxiliary apparatus, switchgear and other electric equipment to the point where electricity leaves for transmission by the marketing agency or other project;

**60324** - Studies and Surveys - Miscellaneous Hydraulic Power Generation Expenses, FERC #539. Costs for labor, materials and other expenses not specifically provided for in other power plant operation accounts.

WORK CATEGORY DESCRIPTION: Studies and Surveys for hydropower features.

Includes all costs to prepare reconnaissance reports or studies related to the maintenance and rehabilitation of hydropower projects such as foundation reports, embankment criteria, O&M manuals, sediment surveys and hydraulic model analyses prior to the engineering and design phase.

WORK CATEGORY CODE: **60325** - Studies and Surveys for Hydropower - Major Rehabilitation Evaluation Reports

WORK CATEGORY DESCRIPTION: Major Rehabilitation Evaluation Reports for hydropower features.

Includes all costs for specific hydropower purposes to initiate new, or continue ongoing, major rehabilitation evaluation reports. Operation and Maintenance (O&M) funds are to be used only until Construction, General (CG) funds are allocated to the project.

WORK CATEGORY CODE: **60331** - Instrumentation, Data Collection and Analysis for Dam Safety related to the Hydropower Function, FERC #537

WORK CATEGORY DESCRIPTION: Instrumentation for Engineering Analysis and Continuing Evaluation Data Gathering Inspections, and Data Analysis for Dam Safety related to hydropower features.

Includes all specific costs for the operation of instruments in existing dam structures for safety evaluation and all costs of obtaining, analyzing and reporting instrumentation data for purposes consistent with an approved plan. This includes instrumentation for measuring horizontal and vertical

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

movement, stresses and strains, pore pressure, phreatic surfaces, seismic effects, and seepage clarity and quality.

WORK CATEGORY CODE: **60332** - Formal Periodic Inspections and Reports for Dam Safety related to Hydropower Activities, FERC #537

WORK CATEGORY DESCRIPTION: Formal Periodic Inspections and Reports for Dam Safety related to hydropower features.

Includes all specific costs related to the scheduled periodic inspections and reporting of projects and bridges needed to meet inspection frequency requirements of ER 1110-2-100 as follows:

(a) Dams, locks and dams, initial and second inspections if funded under O&M General, and high hazard structures.

(b) Public Bridges.

(c) Structures whose failure would be a major loss to the national infrastructure or cause severe economic distress.

(d) Other projects where known conditions warrant inspections at a frequency more often than normal.

WORK CATEGORY CODE: **60333** - Dam Safety Assurance Studies related to the Hydropower Function, FERC #537

WORK CATEGORY DESCRIPTION: Dam Safety Assurance Studies for Dam Safety activities related to hydropower features.

Includes all specific costs of reconnaissance studies and special engineering investigations for known or suspected dam safety deficiencies, e.g. seismic evaluations, seepage studies, erosion studies, etc.

WORK CATEGORY CODE: **60341** - Water Management (Control and Quality) Activities for Hydropower - Analysis and Studies, FERC #537

WORK CATEGORY DESCRIPTION: Water Management (Control and Quality) Activities - Analysis, Studies and Regulation Instructions for hydropower features.

Includes all costs for personnel and space to manage the hydrologic, hydraulic and meteorological data required for water control and quality activities in accordance with the current water control/quality plan; all costs to prepare routine regulation instructions and runoff forecasts, coordinate with other agencies and entities, prepare water control manuals, disseminate water control information, training, travel and other associated costs required to make sound water control management decisions; all costs for reservoir and river analyses to improve the quality of water within and downstream from the reservoirs; and all costs related to studies of the means to mitigate water quality problems and studies to determine present and future water quality needs. Also includes all

Table C-2.3c
Work Category Codes and Definitions

**O&M Operations Accounts**

costs for water management studies to improve efficiency or mitigate constraints on approved plans of regulation, annual updating of notification lists, and funds transferred to other agencies and any similar items needed to accomplish this activity. This includes development of the water quality component of water control manuals and daily decisions on multi-level releases and pro-rata share of office and computer facilities and other related costs associated with water management. Included also are costs to calibrate and make operational the forecasting and decision support models within the new Corps Water Management System (CWMS). Costs for data collection are included in Work Category Code 60342.

WORK CATEGORY CODE: **60342** - Water Management (Control and Quality) Activities for Hydropower - Operation of Water Control Data Systems, FERC #537

WORK CATEGORY DESCRIPTION: Water Management (Control and Quality) Activities - Operation of Water Control Data Systems including Data Collection for hydropower features.

Includes all costs for the operation of equipment, personnel and space to collect and process the hydrologic, hydraulic and meteorological data required for water control and quality activities in accordance with the current plan, data collection, and pro-rata share of office and computer facilities and other related costs associated with operations of water management data systems including the new Corps Water Management System (CWMS). Includes all costs to coordinate with other agencies and entities, training, travel, funds transferred to other agencies and other associated costs required for operation of water management data systems. Costs for purchase and maintenance of new water control data systems equipment are included in Work Category Code 61340.

WORK CATEGORY CODE: **60350** - Real Estate Management for the Hydropower Function, FERC #537

WORK CATEGORY DESCRIPTION: Real Estate Management including Compliance, and Utilization Inspections for hydropower features.

Includes all costs, including contractual services, incident to granting to others the use of and performing inspections of property for purposes such as commercial concessions, industrial uses, public park and recreation, quasi-public and group camp use, fish and wildlife habitat management, selected agricultural and grazing uses and reconveyance clauses (restrictions) in deeds. Also includes granting use of and performing inspections of property granted and reserved to others for purposes such as road, street, waterline, powerline, and communication rights-of-way, as well as requests to drill for oil or gas on Government owned property where no oil or gas lease is required, and other uses covered by easements, licenses, and permits. Includes report preparation, determination of compliance after vacation of property subsequent to expiration or revocation of grant, and corrective measures where non-compliance is noted. Also includes appraisals, surveys, mapping, negotiations, preparation and execution of outgrants, renewal, extension, cancellation/termination documents, responses to request for use of real or related personal property, Executive Order surveys and public land withdrawals (applies to the 11 western states). Includes costs of utilization inspections of real property under the control of or subject to a service agreement

# APPENDIX D
# GENERAL EXPENSES
# TABLE OF CONTENTS

| | Paragraph | Page |
|---|---|---|
| SUB-APPENDIX D-1. APPLICABILITY | | |
| Appropriation Title | D-1.1 | D-1-1 |
| Purpose | D-1.2 | D-1-1 |
| Activities Included | D-1.3 | D-1-1 |
| SUBAPPENDIX D-2. PROGRAM GUIDANCE | | |
| Program Objective | D-2.1 | D-2-1 |
| Supporting Data | D-2.2 | D-2-2 |
| Submission Requirements | D-2.3 | D-2-2 |

**ILLUSTRATIONS**

| | Illustration | Page |
|---|---|---|
| Program and Financing Summary | D-2.1 | D-2-3 |
| Personnel Summary | D-2.2 | D-2-4 |

SUBAPPENDIX D-1
**GENERAL EXPENSES**
**APPLICABILITY**

D-1.1. **Appropriation Title.** General Expenses 96X3124

D-1.2. **Purpose.** This appendix provides guidance for development of the General Expenses (GE) Program for Headquarters, U. S. Army Corps of Engineers (HQUSACE), Major Subordinate Commands (MSCs), and other command and control support activities.

D-1.3. **Activities Included.**

| Activity Title | Appn | Cat/Class/ Subclass | Guidance Located in Subappendix |
|---|---|---|---|
| Headquarters, US Army Corps of Engineers | 905 | 800 | D-2 |
| Major Subordinate Commands | 905 | 800 | D-2 |
| Humphreys Engineer Center Support Activity | 905 | 800 | D-2 |
| Engineer Research and Development Center | 905 | 800 | D-2 |
| Institute for Water Resources | 905 | 800 | D-2 |
| USACE Finance Center | 905 | 800 | D-2 |

SUBAPPENDIX D-2
**GENERAL EXPENSES**
**PROGRAM GUIDANCE**

D-2.1. **Program Objective.** The objective of the General Expenses (GE) Program is to resource the Civil Works Executive Direction and Management (ED&M) activities of the US Army Corps of Engineers (USACE).

a. **Program and Financing.** The GE Program will be developed for the accomplishment of the program objective by HQUSACE, Major Subordinate Commands (MSCs), and other USACE command and control support activities. The GE Program will reflect any carry-over from prior fiscal years and the USACE Consolidated Command Guidance (CCG), last updated on 18 July 2003, as well as any new initiatives approved by the Chief of Engineers' and/or directed by Assistant Secretary of Army (ASA) for Civil Works (CW)/Office of Management and Budget (OMB)/Congress.

b. **Labor Requirements and Funding.**

(1) **Labor Requirements.** Estimates of labor requirements for the PY-1 (FY2005) and PY (FY2006) will reflect the most efficient utilization of personnel necessary to achieve the program objective. MSCs will be staffed at levels authorized by the Chief of Engineers' and the FY04 CCG, or subsequent guidance as appropriate. ED&M full time equivalent (FTE) work-years are constrained by GE Program funding, USACE restructuring/realignment initiatives, Congressional appropriations language, such as the limitations on the use of other Title I funds and Administration initiatives to reduce the size of "headquarters" activities and the overall Federal workforce.

(2) **Labor Funding.** Funding requests for the PY will include base labor costs as of 1 October of PY-2, plus projected inflation based on Class 1 rates shown in Table 1 of the main part of this EC. These rates reflect national and locality pay raises, plus agency contributions for employee benefits. In preparing estimates for overtime, analyze the use of overtime to ensure that it is prudent and efficient; explore all reasonable alternatives to overtime, such as flexible scheduling; and assure that adequate approval, monitoring, and audit procedures are in place to avoid abuses. Total labor funding requirements should be adjusted to include incentive awards as well as projected hire lag. Costs for employees in the Student Educational Employment Program and costs for GE-funded military/uniformed-officers will be included in estimating total labor/personnel-compensation costs.

c. **Non-labor Requirements and Funding.** Estimates of non-labor requirements for the PY-1 and PY will cover non-labor features listed in Illustration D-2.1. Use Object Class (OC) definitions contained in paragraph 83.7 of OMB Circular A-11 dated July 2003. They can be accessed and downloaded from the following Internet site:

http://www.whitehouse.gov/OMB/circulars/a11/s83.pdf.

Funding requests will reflect inflation based on Class 2 rates shown in Table 1 of the Main Part of this EC. If your PY request includes inflation greater than that based on the PY Class 2 rate, you must explain why in your justification statement. Cost growth above Class 2 rates will not be considered without the explanation. All funding entries will be **rounded to the nearest thousand dollars**.

D-2.2. **Supporting Data.** The PY GE Program request will be comprised of a Transmittal Letter, Program Justification Statement, and two detailed summaries.

a. **Transmittal Letter.** The Program request will be transmitted by a letter signed by the MSC

Commander/Director of Separate Office/Activity, or authorized delegate. This transmittal letter will confirm compliance with this guidance and the accuracy and adequacy of the request.

b. **Program Justification Statement.** This statement will explain any extraordinary requirements above inflation, and the negative impact of not funding them. If you are planning additional restructuring, consolidation or downsizing initiatives or collocation with another Corps activity, include justification showing estimated costs and savings, and your funding timetable, with anticipated PY costs broken out between civil and military functions. In addition, if your requirements exceed your latest FTE guidance for the PY, you must justify the positions individually and explain why these cannot be accommodated within the current guidance. The name, office symbol, and telephone number of the preparer will be provided in the narrative or transmittal letter.

c. **Program and Financing Summary (Illustration D-2.1).** This is a summary of GE Program funding broken down by feature/sub-feature, as shown. The PY-2 funding total equals the amount of the Funding Authorization Documents (FAD) received in the PY-2, plus any prior year carry-over, and includes any adjustments to your program since the last CCG. The sum of amounts shown under O/C 11 and O/C 12 equals the salaries and benefits for the GE Program staff reflected under Item III of Illustration D-2.2. Following are some specific instructions on the treatment of several expenses which have caused some confusion in the past. Permanent Change of Station (PCS) costs should be recorded as follows: Temporary Quarters Supplemental Expenses, sale of residence allowance and miscellaneous moving expenses under O/C 12.1; Transportation and Per Diem while on travel status under O/C 21; Transportation of Household Goods (HHG) under O/C 22; and, Storage of HHG under O/C 25.7. **The total (GE) projected costs of PCS for each year should be footnoted at the bottom of the page.** Training costs should be recorded as follows: payments to private sector for training courses under O/C 25.01; tuition payments to universities or colleges leading to a degree and payments for attendance at conferences under O/C 25.02; and payments to other Federal Government agencies for training under O/C 25.03. **The total (GE) projected costs of training for each year should also be footnoted at the bottom of the page.**

d. **Personnel Summary (Illustration D-2.2).** This is a summary of ED&M labor, expressed in FTE workyears and full-time permanent (FTP) positions. Item III equals the sum of Items I and II, while Item IV reflects all non-GE Program labor, broken out by civil and military functions. These categories are further broken out by direct-funded (funded by direct obligational authority appropriated to the Corps) and reimbursable-funded (funded by reimbursable obligational authority established upon acceptance of customer orders and/or funds received from other programs or agencies, e. g., Department of Energy, Air Force, etc.). Item V is the sum of Items III and IV, which equals the total ED&M labor.

D-2.3. **Submission Requirements.** Supporting data, described above, will be submitted in hard copy to the Director of Resource Management (CERM-ZA), WASH DC 20314-1000, and by electronic mail to, CERM-B (Attn: Ms. Sue Bobby) by the date shown in the schedule of the main part of the EC. An Excel workbook, with separate worksheets for the two illustrations will be provided to you via e-mail and **must** be used in order to assure consistency in the program submissions. If there are problems complying with these submission requirements, contact Ms. Bobby at 202-761-4728, or Mr James DeAngelis at 202-761-1104.

ILLUSTRATION D-2.1
**GENERAL EXPENSES**
**PROGRAM AND FINANCING SUMMARY** ($000)

**MSC/Other Activity**: _____ **Date** :_____

| **Feature/ Subfeature** | **Title** | **Current Program PY-2** | **Assumed Budget PY-1** | **Budget Request PY** |
|---|---|---|---|---|
| **DIRECT OBLIGATIONS:** | | | | |
| 11 01 | Full Time Permanent (FTP) | | | |
| 11 03 | Other than FTP | | | |
| 11 05 | Other Personnel Compensation | | | |
| 11 07 | Military Officer's Pay (Incl BAS/BAQ) | | | |
| 12 01 | Civilian Personnel Benefits | | | |
| 12 02 | Military Benefits | | | |
| 13 01 | Former Personnel Benefits | | | |
| **Subtotal Labor** | | | | |
| **2100** | Travel/Transportation of Persons | | | |
| **2200** | Transportation of Things | | | |
| **Subtotal Travel/Transportation** | | | | |
| 23 01 | Rental Payments to GSA | | | |
| 23 02 | Rental Payments to Others | | | |
| 23 03 | Communications, Utilities & Miscellaneous | | | |
| **Subtotal Rent/Comm/Utilities & Misc Charges** | | | | |
| **24 00** | **Printing & Reproduction** | | | |
| 25 01 | Advisory & Assistance Services | | | |
| 25 02 | Other Services | | | |
| 25 03 | Purchase of Goods & Services from Government Accts | | | |
| 25 04 | O&M of Facilities | | | |
| 25 07 | O&M of Equipment by non-government | | | |
| **Subtotal Other Contracts** | | | | |
| **26 00** | **Supplies & Materials** | | | |
| **31 00** | **Equipment** | | | |
| **32 00** | **Lands and Structures** | | | |
| **TOTAL DIRECT OBLIGATIONS** | | | | |
| **REIMBURSABLE OBLIGATIONS** | | | | |
| **TOTAL NEW OBLIGATIONS** | | | | |

ILLUSTRATION D-2.2
**EXECUTIVE DIRECTION AND MANAGEMENT**
**PERSONNEL SUMMARY**

**MSC/Other Activity**: _____ **Date**:_____

| | ACTUAL PY-2 | | | ESTIMATE PY-1 | | | ESTIMATE PY _____ | | |
|---|---|---|---|---|---|---|---|---|---|
| **Title** | **FTE Work Years** | **Total FTP Posn** | **Salaries and Benefits** | **FTE Work Years** | **Total FTP Posn** | **Salaries and Benefits** | **FTE Work Years** | **Total FTP Posn** | **Salaries and Benefits** |
| I. GE-funded civilians | | | | | | | | | |
| II. GE-funded military | | | | | | | | | |
| III. **Total GE-funded staff** | | | | | | | | | |
| IV. Remaining Staff | | | | | | | | | |
| a. **Military functions**: Direct-funded | | | | | | | | | |
| Reimbursable | | | | | | | | | |
| b. **Civil functions**: Direct-funded | | | | | | | | | |
| Reimbursable | | | | | | | | | |
| V. **TOTAL MSC/SFOA STAFFING** (SUM of III, IVa. & IVb.) | | | | | | | | | |

# APPENDIX E
# REVOLVING FUND
# PLANT REPLACEMENT AND IMPROVEMENT PROGRAM (PRIP)
# TABLE OF CONTENTS

| | Paragraph | Page |
|---|---|---|
| Purpose and Scope | E-1.1 | E-1-1 |
| Program Development Concepts | E-1.2 | E-1-1 |
| Program and Budget Guidance | E-1.3 | E-1-2 |
| Submission Requirements and Dates | E-1.4 | E-1-2 |

# APPENDIX E
# PLANT, REVOLVING FUND
# PLANT REPLACEMENT AND IMPROVEMENT PROGRAM (PRIP)
# (RCS CECW-D-1)

E-1.1. **Purpose and Scope.** This appendix provides policy and general procedural guidance for Plant Replacement and Improvement Program (PRIP) development. To provide a uniform approach for program development and justification, the various plant items have been grouped into categories. Guidance for the electronic transmission of automated data for submittal of limited program recommendations is contained in the 1130 series of Engineer Regulations (ERs). Procedures for preparing input, for generating these reports, and for updating data are also included in the ER 1130 series. From time to time, additional detailed guidance will be provided by CERM-B in supplemental memoranda.

E-1.2. **Program Development Concepts.**

a. **Categories.** All plant items should be identified by category. Detailed definitions for the categories and subcategories can be found in Appendix G, ER 37-1-29, Financial Administration, Financial Management of Capital Investments. The categories and subcategories authorized for use with this program submission are as follows:

| Category/Subcategory Title | Category/Subcategory Code | |
|---|---|---|
| Leasehold Improvements | LH | |
| Land | 00 | |
| Buildings | 05 | |
| Structures | 10 | |
| Aircraft | 20 | |
| Dredges | 30 | |
| Other Floating Plant | 40 | |
| Total Mobile Land Plant | 50 | |
| Passenger Vehicles (Suspended) | | 5V |
| Other Mobile Land Plant | | 5X |
| Total Fixed Land Plant | 60 | |
| Communications Equipment | | 6C |
| Other Fixed Land Plant | | 6X |
| Tools, Office Furniture, and Equipment | 70 | |
| Software | 80 | |
| Total Automatic Data Processing Hardware | 90 | |
| Computers and Peripherals | | 9A |
| Computer Aided Design and Drafting | | 9D |
| Water Control Data Systems | | 9W |

b. **Major and Minor Items.** For programming purposes all items of plant will be classified as either major or minor items. Major Items will be further classified as either new or continuing items.

(1) **Major Items.** New Major Items consist of those items which exceed HQUSACE authority and which require submittal through the Assistant Secretary of the Army (CW) to the Office of Management and Budget (OMB) and the Congressional Committees on Appropriations for concurrence. The limit of Chief of Engineers authority is $700,000. However, for purposes of the FY 06 program submission, all new requirements estimated to cost $525,000 or more will be treated as New Major Items. Continuing Major Items consist of those acquisitions costing more than $700,000, which were previously submitted to and concurred in by OMB; and authorized by the Congressional committees. An update shall be submitted on all continuing major items with scheduled obligations in FY06. Continuing Major Items with cost increases of 10% or more require re-authorization. Documentation to support the increase will be submitted along with an updated Economic Analysis. In the absence of Congressional action on the current year appropriations, the President's current year program will be used along with the assumption that the program request for continuing items and new starts will be enacted by 1 October of the current year.

(2) **Minor Items.** For FY06, minor items are those items which exceed the capitalization threshold of $250,000 but which do not exceed the Chief of Engineers authority level.

E-1.3. **Program Guidance.** Major Subordinate Command (MSC) Commanders will develop and submit a total PRIP for their command to include district requirements. Tabulation of program requirements will reflect the total MSC program and will show both MSC and district priorities for each item of plant. Each item of plant (major and minor) shall be submitted with full justification. This justification shall be submitted on ENG Form 4613-R for major items and ENG Form 4943-R for minor items. Electronic facsimiles of these forms are acceptable. In addition, major item new starts proposed for FY 06 shall be submitted in accordance with ER 37-1-29 and are to be accompanied by economic and affordability analyses. A five year PRIP plan will be submitted annually, showing the current year, the program year, and the follow- on three out-years using ENG Form 1978-R or an approved electronic facsimile. The PRIP plan shall be updated only after the mid-year review at the end of the second fiscal quarter or whenever significant changes occur. A copy of the semiannual update and changes shall be forwarded to CERM-B not later than 15 April.

E-1.4. **Submission Requirements and Dates.** See Table 2 of the main part of this EC.

# APPENDIX F
# AUTOMATION PROGRAM
# TABLE OF CONTENTS

| | Paragraph | Page |
|---|---|---|
| Background | F-1.1 | F-1-1 |
| Program Development Concepts | F-1.2 | F-1-1 |
| Program and Budget Guidance | F-1.3 | F-1-1 |
| Submission Dates and Requirements | F-1.4 | F-1-2 |

# APPENDIX F
# AUTOMATION PROGRAM

F-1.1. **Background.** House Report 103-135, June 17, 1993, accompanying the Energy and Water Development Appropriations Bill, 1994, directs the Corps to "provide separate and distinct data for automation costs" in future program requests. The basis for this request is the Committee ' s belief that "the cost attributable to the development and implementation of automated programs of the Corps of Engineers is entirely unreasonable." In accordance with this direction, the Civil Works Directorate provides Congress with a display of estimated automation costs with its annual program submissions.

F-1.2. **Program Development Concepts.** For FY06, the Corps will provide a display similar to that of FY05, organizing CW automation costs according to the eight information technology (IT) portfolios or IT programs for major investments and one additional group of small/other IT investments.

The Programmatic management of major IT investment enables the Corps to achieve greater efficiencies within these investments. The eight IT programs are:

- Financial Management Services Program
- Asset Management Services Program
- Emergency Preparedness and Response Program
- Business Management Tools Program
- Acquisition Services Program
- Science and Engineering Technology Program
- Real Estate Management Program
- IT Infrastructure and Office Automation Program
- Small/Other Projects

Additionally, we will distinguish between items proposed for PRIP acquisition (i. e., items supporting more than one project or program and costing more than $250,000), also displayed under the Revolving Fund section of the program; and items costing less than $250,000, and expensed, or acquired using specific study, project or program funds.

F-1.3. **Program Guidance.** Information Technology Investment Portfolio System (ITIPS) must be maintained up-to-date and reflect your best estimate of what actual requirements will be since it is the data source for the estimate of our automation costs being reported to Congress. The PRIP Five-Year Plan remains primarily a planning tool, but since the data in it is used to prepare our automation costs estimate it is important that it too reflect your best estimate of what actual requirements will be. Justifications to support FY06 PRIP requirements in plan are to be submitted with the PRIP budget submittal due 1 Jun. Refer to ER 37-1-29 for instructions for preparing, justifying and submitting PRIP budget requirements

a. **SPECIAL NOTE FOR AUTOMATED ENGINEERING TOOLS** (ITIPS classification). The Automated Engineering Tools (AET) classification represents an aggregation of field-level initiatives of individual offices throughout USACE for procurement and support of AIS products in support of assigned

technical functions. Nearly three-quarters of this funding item is identified for Computer Aided Design (CAD) and Geographic Information System (GIS) tools. The remainder includes surveying, mapping, global positioning systems, data management, and remote lock and dam operating systems. AET represents the largest single cost item under the Science and Engineering Technology Program, approximately $40M USACE-wide in FY05. Please pay particular attention to the accuracy of this line item in the update of your ITIPS record. We will be utilizing these numbers to better define the magnitude of our Science and Engineering (S&E) tools investments, as part of the ongoing USACE efforts to improve the support of S&E.

F-1.4. **Submission Dates and Requirements.**

a. **Information Technology Investment Portfolio System (ITIPS).** In the case of the ITIPS, which is updated annually as part of the Headquarters' Capital Planning and Investment Control Process (CPIC), the most important data elements for the Civil Works automation budget are contained in the FY06 Requirements Tabs (Direct, Site, Metered, and PRIP) for program, enhancements, and operations and support. Although ITIPS is continually available for updating, the Requirements Tabs (for financial data input) are only open during the 1st quarter of the FY to coincide with the start of the CPIC process. Please ensure that the ITIPS is kept up to date and all cost data are entered during the aforementioned update period. (In accordance with ER 25-1-2, the functional proponent has Life Cycle Management of Information Systems (LCMIS) responsibility for any Automated Information System AIS. Although this party may not be responsible for entering data into the ITIPS, it is responsible for the accuracy of the data.)

b. **PRIP Five-year Plan.** A new PRIP Five-year Plan must be submitted annually on 30 Jul. Please ensure that your annual PRIP Five-year Plan contains accurate FY 06 estimates for Categories 80 (Software) and 90 (Hardware). Refer to ER 37-1-29 for instructions for preparing the PRIP Five-Year Plan and update submission requirements.