



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

December 3, 2012

BUDGET DATA REQUEST NO. 13-10

MEMORANDUM FOR: PROGRAM ASSOCIATE DIRECTORS
PROGRAM DEPUTY ASSOCIATE DIRECTORS

FROM: Courtney Timberlake
Assistant Director for Budget

SUBJECT: Preparation for Potential FY 2013 Joint Committee Sequestration

Due Dates: Tuesday, December 11, 2012—Agencies Complete Submission of Sequestrable Resources

Affected Divisions: All Resource Management Offices (RMOs). This BDR must be shared with agencies.

Purpose: This BDR outlines the information agencies need to provide to the Office of Management and Budget (OMB) to prepare the fiscal year 2013 sequestration order under paragraphs (7)(A) and (8) of section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901a) (BBEDCA) that the President may be required to issue on January 2, 2013.

Background:

The Budget Control Act of 2011 required the Joint Select Committee on Deficit Reduction to propose, and Congress to enact by January 15, 2012, a plan to reduce the deficit by \$1.2 trillion. Their failure to do so triggered a requirement under section 251A of BBEDCA for the President to issue a sequestration order for fiscal year 2013. Unless Congress enacts the requisite deficit reduction measures to avoid the sequestration, the President will be required to issue the sequestration order on January 2, 2013. The Administration continues to believe that Congress can and should take action to avoid sequestration by passing a balanced and comprehensive deficit reduction package. However, for the President to be prepared to issue the sequestration order in the event it becomes necessary, OMB must work with agencies to finalize calculation of the reductions.

Consistent with law, the sequestration order would specify the reductions by budget account, and agencies would be required to apply the same percentage reductions by program, project, and activity (PPA) within each account. The order would be required to include the following information for each non-exempt budget account:

- estimates of the sequestrable budgetary resources,
- sequestration percentage, and

- amounts necessary to achieve the reductions required for FY 2013 by paragraphs (7)(A) and (8) of section 251A of BBEDCA, applied to defense and nondefense budgetary resources.

The sequestration calculation under section 251A requires that the reductions of budgetary resources be divided between the defense and non-defense functions, and between discretionary appropriations and direct spending within those functional categories. OMB must then determine the percentage reduction required in each category of spending. To facilitate the calculation of these percentages, OMB has prepared control totals for sequestrable budgetary resources within each account. These control totals reflect the sequestration classifications set forth in the Sequestration Transparency Act (STA) report transmitted to Congress on September 14, 2012, as well as adjustments to those classifications that were made subsequent to the report's release. The amounts have also been updated to reflect OMB's scoring of the Continuing Appropriations Resolution, 2013 (P.L. 112-175).

Consistent with BBEDCA, when determining the sequestration calculation, OMB will use the same economic and technical assumptions as used in the most recent Budget submitted by the President (i.e., the 2013 Budget).

Action Required: Agencies should follow the steps outlined below to provide OMB with the information needed to prepare the potential January 2, 2013 sequestration order and report.

- 1) Agencies should review OMB's control total report of sequestrable resources by budget account, found at the exercise guidance page: <https://max.omb.gov/community/x/ARCPJq>. More detailed descriptions of the assumptions underlying the control totals can also be found on the exercise guidance page.
- 2) By **Tuesday, December 11**, agencies should use MAX Collect (<https://max.omb.gov/exercises/collect/x/vkOb0j>) to approve or propose changes to control total estimates that are flagged for agency approval in the control total report. Specifically, the following data require specific responses (approval or proposed revisions) from the agencies:
 - sequestrable Federal administrative expenses in otherwise exempt mandatory accounts (please refer to the update to the definitions of Federal administrative expenses for different types of programs found on the exercise guidance page);
 - estimates of outlays in 2013 and 2014 from 2013 sequestrable mandatory BA where outlay rates were not used in the 2013 Budget;
 - budgetary resources marked as both sequestrable and exempt;
 - defense function unobligated balances; and
 - special rule amounts.

Please note that revisions to estimates prepared in response to BDR 12-38 for the STA report will only be accepted if agencies believe they had an error in their earlier estimates or new control totals have been identified by OMB (e.g., mandatory Federal administrative expenses).

- 3) By Friday, December 7, agencies should contact their OMB representative to provide proposed changes to the control totals for:
- discretionary funding based on the annualized level of funding enacted in the 2013 Continuing Appropriations Resolution, 2013 (P.L. 112-175); and
 - mandatory funding due to legislation enacted since the Mid-Session Review.

In the development of the STA report to Congress, OMB worked with agencies to resolve classification determinations regarding the exempt or non-exempt status of accounts. If an agency is aware of a classification question that was not addressed in the process of preparing the STA report, or if there is new information about a classification, the agency should raise the issue with its RMO before Friday, December 7.

Directions for Using MAX Collect: Changes to estimates must be made using the MAX Collect exercise. The MAX Collect exercise is arranged by agency, bureau, and account. Within an account there may be discretionary and mandatory funding, as well as resources within defense function 050 and outside of defense function 050.

The exercise has been pre-populated with accounts with mandatory outlays that have not been generated in MAX using outlay rates, budgetary resources marked as both sequestrable and exempt, sequestrable administrative expenses in otherwise exempt accounts, defense function unobligated balances, and special rule amounts. Agencies do not need to revise the estimates for any budget account if they concur with the control total. Once agencies are done reviewing the item in MAX Collect, they should mark the item as complete. If revisions are requested, OMB will review the request and determine whether the revisions will be accepted.

Agencies should inform their RMO contact if changes are necessary to discretionary funding based on the annualized level in the 2013 continuing resolution or mandatory funding due to legislation enacted since the Mid-Session Review. In these cases, RMOs should ask their BRD contact to create an item in the MAX Collect exercise where agencies can reflect this change.

Control totals for each type of sequestrable resource within each account are also included in the MAX Collect database. The following changes can be made to the control totals via MAX Collect:

Discretionary funding based on the annualized level enacted in the 2013 CR:

The discretionary control totals include both the appropriated budget authority (BA) levels and spending authority from offsetting collections based on the annualized level of funding enacted in the Continuing Appropriations Resolution, 2013 (P.L. 112-175). Agencies should request a control total change to the discretionary level if they believe that their control total has been calculated incorrectly. Please note that OMB will not make changes based on updated economic and technical assumptions. As described above, the OMB calculation must continue to use the assumptions from the 2013 Budget. In addition, consistent with how the CR is calculated, the discretionary totals will exclude all permissive transfers, and OMB will not accept requests to change the control totals to include such transfers.

From: Cahill, Kathleen
Sent: Tuesday, January 15, 2013 2:05 PM
To: Lucas, Adrienne C.
Subject: RE: US Forest Service Announces Rural Schools Funding Details

They are impacted. I would have to ask their plan.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Lucas, Adrienne C.
Sent: Tuesday, January 15, 2013 1:58 PM
To: Cahill, Kathleen
Subject: FW: US Forest Service Announces Rural Schools Funding Details

Do they have a plan for how/whether these programs would be impacted by a sequester?

From: USDA Office of Communications [mailto:usda@public.govdelivery.com]
Sent: Tuesday, January 15, 2013 1:32 PM
To: Lucas, Adrienne C.
Subject: US Forest Service Announces Rural Schools Funding Details

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You are subscribed to USDA Office of Communications.

Release No. 0011.13

Contact:
USDA Office of Communications (202) 720-4623

US Forest Service Announces Rural Schools Funding Details

More than \$320 million to be distributed under reauthorized program

WASHINGTON Jan. 15, 2013 – Agriculture Secretary Tom Vilsack today announced that

over \$323 million will be paid to 41 states and Puerto Rico in two distributions to support local schools and roads as part of the Congressional one -year reauthorization of the Secure Rural Schools and Community Self-Determination Act.

"These payments are part of the Department of Agriculture's long -standing commitment to rural communities, schools and American youth," said Vilsack. "Our century -long support of America's public schools and roads is one of many ways in which the Forest Service, as a good neighbor and partner, contributes to rural communities becoming self -sustaining and prosperous."

Below are the fiscal year 2012 amounts being distributed this month.

Alabama \$1,844,203

Alaska \$13,878,341

Arizona \$13,080,451

Arkansas \$6,653,117

California \$35,777,071

Colorado \$13,053,100

Florida \$2,340,725

Georgia \$1,549,619

Idaho \$26,628,284

Illinois \$253,892

Indiana \$269,003

Kentucky \$1,586,483

Louisiana \$1,734,539

Maine \$71,536

Michigan \$3,825,966

Minnesota \$8,477,537

Mississippi \$5,552,034

Missouri \$3,352,723

Montana \$19,746,884

Nebraska \$196,821
Nevada \$3,630,272
New Hampshire \$546,736
New Mexico \$10,264,288
New York \$18,825
North Carolina \$1,902,474
North Dakota \$630
Ohio \$268,359
Oklahoma \$916,663
Oregon \$63,015,475
Pennsylvania \$3,330,641
Puerto Rico \$147,252
South Carolina \$1,772,284
South Dakota \$1,600,459
Tennessee \$1,149,582
Texas \$2,331,150
Utah \$10,579,829
Vermont \$334,066
Virginia \$1,625,153
Washington \$20,094,767
West Virginia \$1,788,593
Wisconsin \$1,903,001
Wyoming \$4,309,863
Total \$291,402,691

The actual amount of each state's payment is determined by a number of factors written into the law, including how many counties ultimately decide to share in that payment. Each county's share of their state's payment amounts can be found on the Forest Service Web site at

<http://www.fs.usda.gov/main/pts/securepayments/projectedpayments>.

Earlier this year the U.S. Forest Service sent letters to each state advising them of the opportunity for counties where national forests are situated to receive a share of the state's payment based on the July 6 reauthorization of the act.

New language in the reauthorization required states to inform the agency how counties plan to allocate their share of the state's payment. The payments may be used for supporting public schools and public roads, for projects to help maintain and improve the health of forests, and for county projects including "Firewise Communities" programs, reimbursements for emergency services on national forests, and development of community wildfire protection plans.

"These forest projects were reviewed and recommended by resource advisory committees made up of local residents working together to improve the environment and help provide jobs in rural communities," Vilsack said.

Nearly \$32 million in support for Title II projects will be sent out in April. The payments listed above also include \$6 million to Minnesota under 16 U.S.C. 577g, seven thousand dollars to Arkansas under Section 323 of P.L. 100-446, and six thousand dollars to Washington state under Section 4 of P.L. 100-638.

Since 1908, the Forest Service has shared with states 25 percent of gross receipts from timber sales, grazing, minerals, recreation, and other land use fees on national forests to benefit public schools and public roads in the counties in which the forests are situated.

In the late 1980s, due largely to declines in timber sale receipts, payments began to drop significantly and fluctuate widely. In 1994, Congress responded by providing "safety net payments" to counties in northern California, western Oregon and western Washington.

In 2000, Congress passed the Secure Rural Schools and Community Self-Determination Act that provided enhanced, stabilized payments to more states through 2006. The act was extended for one year and then reauthorized in 2008 for four more years. Last year's reauthorization provides benefits for an additional year.

The mission of the U.S. Forest Service is to sustain the health, diversity, and productivity of the nation's forests and grasslands to meet the needs of present and future generations. The agency manages 193 million acres of public land, provides assistance to state and private landowners, and maintains the largest forestry research organization in the world. Forest Service lands contribute more than \$13 billion to the economy each year through visitor spending alone. Those same lands provide 20 percent of the nation's clean water supply, a value estimated at \$27 billion per year.

#

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#



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From: Hall, Tricia <tricia_hall@ios.doi.gov>
Sent: Thursday, January 17, 2013 5:01 PM
To: Hurban, James C.
Cc: Schory, Daniel
Subject: Sequestration Question on Secure Rural Schools

James,

Can you confirm for me that the BLM Secure Rural School funding, which is 2012 BA is not subject to sequestration. They are preparing to make the payments.

Thanks!

TRICIA HALL

Office of Budget
Office of the Secretary
Department of the Interior
Latricia_A_Hall@ios.doi.gov
202-208-2511

From: Hurban, James C.
Sent: Thursday, January 17, 2013 5:12 PM
To: Schory, Daniel
Subject: FW: Sequestration Question on Secure Rural Schools

Jen said to call Paul to get the accounts affected by SRS payments. Then I can check.

OK?

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Department of the Interior
[Latricia A Hall@ios.doi.gov](mailto:Latricia_A_Hall@ios.doi.gov)
202-208-2511

From: Cahill, Kathleen
Sent: Thursday, January 17, 2013 5:15 PM
To: Hurban, James C.
Subject: RE: Sequestration Question on Secure Rural Schools

They are sequesterable. Not exempt.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Hurban, James C.
Sent: Thursday, January 17, 2013 5:13 PM
To: Cahill, Kathleen
Subject: FW: Sequestration Question on Secure Rural Schools

Are your SRS accounts sequestered? (is that a word?)

From: Hall, Tricia [mailto:tricia_hall@ios.doi.gov]
Sent: Thursday, January 17, 2013 5:01 PM
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From: Hurban, James C.
Sent: Thursday, January 17, 2013 5:16 PM
To: Hall, Tricia
Cc: Schory, Daniel
Subject: RE: Sequestration Question on Secure Rural Schools

The Forest Service payments are sequestrable so we are doing more research to check on the BLM ones. But I suspect they would be treated the same.

Hold the payments for now. Will let you know tomorrow. OK?

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From: Hurban, James C.
Sent: Thursday, January 17, 2013 5:17 PM
To: Cahill, Kathleen
Subject: RE: Sequestration Question on Secure Rural Schools

Ok thanks. I am doubling checking on the BLM but they should be treated the same.

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Sent: Thursday, January 17, 2013 5:15 PM
To: Hurban, James C.
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From: Hurban, James C.
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Are your SRS accounts sequestrated? (is that a word?)

From: Hall, Tricia [mailto:tricia_hall@ios.doi.gov]
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From: Hall, Tricia <tricia_hall@ios.doi.gov>
Sent: Thursday, January 17, 2013 5:18 PM
To: Hurban, James C.
Cc: Schory, Daniel
Subject: Re: Sequestration Question on Secure Rural Schools

Okay, but we heard Forest Service is making their full payments. I will ask BLM to hold off.

Thanks!

TRICIA HALL

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[Latricia A Hall@ios.doi.gov](mailto:Latricia_A_Hall@ios.doi.gov)
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On Thu, Jan 17, 2013 at 5:16 PM, Hurban, James C. <James_C._Hurban@omb.eop.gov> wrote:

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From: Schory, Daniel
Sent: Thursday, January 17, 2013 5:23 PM
To: Hurban, James C.
Subject: RE: Sequestration Question on Secure Rural Schools

I think the question is whether a 2012 BA is sequestrable. Still want me to check?

From: Hurban, James C.
Sent: Thursday, January 17, 2013 5:12 PM
To: Schory, Daniel
Subject: FW: Sequestration Question on Secure Rural Schools

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From: Hall, Tricia <tricia_hall@ios.doi.gov>
Sent: Thursday, January 17, 2013 5:26 PM
To: Schory, Daniel
Cc: Balsarak, Paul (pBalsera@blm.gov); Hurban, James C.; Smith, Linda H (lhsmith@blm.gov)
Subject: Re: Sequestration Question on Secure Rural Schools

Dan,

Paul was not in today. I am hoping to get this tomorrow as well. We can coordinate. I believe there are three accounts, but I need BLM to verify.

We will get you the information. The accounts are generally lumped under the OMB Budget Account Miscellaneous Permanent Payments, but there are also other Treasury accounts in that budget account.

Thanks!

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On Thu, Jan 17, 2013 at 5:23 PM, Schory, Daniel <Daniel_K_Schory@omb.eop.gov> wrote:

Paul,

Can you send me a list of the Secure Rural School accounts? I am not sure how we track it. If it is easier, feel free to call me.

-Dan

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202-208-2511

From: Balserak, Paul <pbalsera@blm.gov>
Sent: Friday, January 18, 2013 8:04 AM
To: Schory, Daniel
Cc: Hall, Tricia; Hurban, James C.; Smith, Linda H (lsmith@blm.gov)
Subject: Re: Sequestration Question on Secure Rural Schools

Dan,
Three accounts are used for BLM's Secure Rural Schools payments. They are:
14X5884, Title I/III O&C payments;
14X5898, Title I/III CBWR payments; and
14X5485, Title II SRS payments.

Paul

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Tricia A. Hall@ios.doi.gov

202-208-2511

From: Balsarak, Paul <pbalsera@blm.gov>
Sent: Friday, January 18, 2013 8:19 AM
To: Hall, Tricia
Cc: Schory, Daniel; Hurban, James C.; Smith, Linda H (lhsmith@blm.gov)
Subject: Re: Sequestration Question on Secure Rural Schools

Tricia,
I was in. I'm sorry if I missed your call.

Paul

On Thu, Jan 17, 2013 at 5:26 PM, Hall, Tricia <tricia_hall@ios.doi.gov> wrote:
Dan,

Paul was not in today. I am hoping to get this tomorrow as well. We can coordinate. I believe there are three accounts, but I need BLM to verify.

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202-208-2511

From: Hurban, James C.
Sent: Friday, January 18, 2013 9:12 AM
To: Hoef, Jennifer E.; Cahill, Kathleen
Subject: FW: FS Secure Rural Schools Payments

It looks like these are the 2012 payments so these payments would not be sequestrable?

That is my read.

What ya think?

-----Original Message-----

From: Tricia Hall [mailto:tricia_hall@ios.doi.gov]
Sent: Friday, January 18, 2013 8:08 AM
To: Schory, Daniel; Hurban, James C.
Subject: FS Secure Rural Schools Payments

Good morning!

Below is the weblink to the Forest Service press release stating they have made their payments. They state they are the 2012 payments - which is we believe as well.

Thanks!

http://www.usda.gov/wps/portal/usda/usdahome?contentid=2013/01/0011.xml&navid=NEWS_RELEASE&navtype=RT&parentnav=LATEST_RELEASES&edeployment_action=retrievecontent

From: Hurban, James C.
Sent: Friday, January 18, 2013 9:21 AM
To: Hoef, Jennifer E.
Subject: FW: Sequestration Question on Secure Rural Schools

From: Balsarak, Paul [<mailto:pbalsera@blm.gov>]
Sent: Friday, January 18, 2013 8:19 AM
To: Hall, Tricia
Cc: Schory, Daniel; Hurban, James C.; Smith, Linda H (lhsmith@blm.gov)
Subject: Re: Sequestration Question on Secure Rural Schools

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From: Cahill, Kathleen
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To: Hurban, James C.; Hoef, Jennifer E.
Subject: RE: FS Secure Rural Schools Payments

Yes, these are 2012 payments. The OL occurs one FY later.

I am no expert in sequestration. The account is sequesterable and the OL occurs in 2013. The money does not come from Treasury in 2012 and sit in the account as obligated funds until it is OL. BRD experts would have to opine.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

-----Original Message-----

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Below is the weblink to the Forest Service press release stating they have made their payments. They state they are the 2012 payments - which is we believe as well.

Thanks!

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From: Cahill, Kathleen
Sent: Friday, January 18, 2013 9:29 AM
To: Hurban, James C.; Hoef, Jennifer E.
Subject: RE: FS Secure Rural Schools Payments

What makes it 2012? If the \$ is not in the account in 2012 but the payment is for 2012, does that make it 2012 BA?

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

-----Original Message-----

From: Hurban, James C.
Sent: Friday, January 18, 2013 9:28 AM
To: Cahill, Kathleen; Hoef, Jennifer E.
Subject: RE: FS Secure Rural Schools Payments

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Subject: FW: FS Secure Rural Schools Payments

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Sent: Friday, January 18, 2013 8:08 AM

To: Schory, Daniel; Hurban, James C.

Subject: FS Secure Rural Schools Payments

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From: Hoef, Jennifer E.
Sent: Friday, January 18, 2013 9:29 AM
To: Hurban, James C.; Cahill, Kathleen
Subject: RE: FS Secure Rural Schools Payments

I think that we need BRD to confirm in writing what USDA and DOI should be doing, especially regarding the piece from the general fund.

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To: Cahill, Kathleen; Hoef, Jennifer E.
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From: Hurban, James C.
Sent: Friday, January 18, 2013 9:30 AM
To: Balsarak, Paul; Schory, Daniel
Cc: Hall, Tricia; Smith, Linda H (lhsmith@blm.gov)
Subject: RE: Sequestration Question on Secure Rural Schools

Thanks. The main question now is: Are these payments from 2012 BA? I think they are but can you please confirm that.

If it is 2012 BA, then the money is not sequestrable but the 2013 BA is sequestrable in these accounts.

Makes sense?

Please let me know.

James

From: Balsarak, Paul [<mailto:pbalsera@blm.gov>]
Sent: Friday, January 18, 2013 8:04 AM
To: Schory, Daniel
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Three accounts are used for BLM's Secure Rural Schools payments. They are:
14X5884, Title I/III O&C payments;
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Paul

On Thu, Jan 17, 2013 at 5:23 PM, Schory, Daniel <Daniel_K_Schory@omb.eop.gov> wrote:

Paul,

Can you send me a list of the Secure Rural School accounts? I am not sure how we track it. If it is easier, feel free to call me.

-Dan

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Sent: Thursday, January 17, 2013 5:01 PM

To: Hurban, James C.
Cc: Schory, Daniel
Subject: Sequestration Question on Secure Rural Schools

James,

Can you confirm for me that the BLM Secure Rural School funding, which is 2012 BA is not subject to sequestration. They are preparing to make the payments.

Thanks!

TRICIA HALL

Office of Budget

Office of the Secretary

Department of the Interior

Latricia_A_Hall@ios.doi.gov

202-208-2511

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From: Hurban, James C.
Sent: Friday, January 18, 2013 9:42 AM
To: Cahill, Kathleen
Subject: RE: FS Secure Rural Schools Payments

Yes. Here is the link and the language: <http://www.gpo.gov/fdsys/pkg/BILLS-112hr4348enr/pdf/BILLS-112hr4348enr.pdf>

PILT got extended to 2013.

Subtitle A—Secure Rural Schools and
Community Self-determination Program

SEC. 100101. SECURE RURAL SCHOOLS AND COMMUNITY SELF -DETERMINATION PROGRAM.

(a) AMENDMENTS. —The Secure Rural Schools and Community Self -Determination Act of 2000 (16 U.S.C. 7101 et seq.) is amended—

(1) in section 3(11) —

(A) in subparagraph (A), by striking “and” after the semicolon at the end;

(B) in subparagraph (B) —

(i) by striking “fiscal year 2009 and each fiscal year thereafter” and inserting “each of fiscal years 2009 through 2011”; and

(ii) by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(C) for fiscal year 2012 and each fiscal year thereafter, the amount that is equal to 95 percent of the full funding amount for the preceding fiscal year.”;

(2) in sections 101, 102, 203, 207, 208, 304, and 402, by striking “2011” each place it appears and inserting “2012”;

(3) in section 102 —

(A) by striking “2008” each place it appears and inserting “2012”;

(B) in subsection (b)(2)(B), by inserting “in 2012” before “, the election”; and

(C) in subsection (d) —

(i) in paragraph (1)(A), by striking “paragraph (3)(B)” and inserting “subparagraph (D)”; and

(ii) in paragraph (3) —

(I) by striking subparagraph (A) and inserting the following:

“(A) NOTIFICATION. —The Governor of each eligible State shall notify the Secretary concerned of an election by an eligible county under this subsection not later than September 30, 2012, and each September 30 thereafter for each succeeding fiscal year.”;

(II) by redesignating subparagraph (B) as subparagraph (D) and moving the subparagraph so as to appear at the end of paragraph (1) of subsection (d); and H. R. 4348 —502

(III) by inserting after subparagraph (A) the

following:

“(B) FAILURE TO ELECT. —If the Governor of an eligible State fails to notify the Secretary concerned of the election for an eligible county by the date specified in subparagraph (A) —

“(i) the eligible county shall be considered to have elected to expend 80 percent of the funds in accordance with paragraph (1)(A); and

“(ii) the remainder shall be available to the Secretary concerned to carry out projects in the eligible county to further the purpose described in section 202(b).”;

(4) in section 103(d)(2), by striking “fiscal year 2011” and inserting “each of fiscal years 2011 and 2012”;

(5) in section 202, by adding at the end the following:

“(c) ADMINISTRATIVE EXPENSES. —A resource advisory committee may, in accordance with section 203, propose to use not more than 10 percent of the project funds of an eligible county for any fiscal year for administrative expenses associated with operating the resource advisory committee under this title.”;

(6) in section 204(e)(3)(B)(iii), by striking “and 2011” and inserting “through 2012”;

(7) in section 205(a)(4), by striking “2006” each place it appears and inserting “2011”;

(8) in section 208(b), by striking “2012” and inserting “2013”;

(9) in section 302(a)(2)(A), by inserting “and” after the semicolon; and

(10) in section 304(b), by striking “2012” and inserting “2013”.

(b) FAILURE TO MAKE ELECTION. —For each county that failed to make an election for fiscal year 2011 in accordance with section

102(d)(3)(A) of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 7112(d)(3)(A)), there shall be available to the Secretary of Agriculture to carry out projects to further the purpose described in section 202(b) of that Act (16 U.S.C.

7122(b)), from amounts in the Treasury not otherwise appropriated, the amount that is equal to 15 percent of the total share of the State payment that otherwise would have been made to the county under that Act for fiscal year 2011.

Subtitle B—Payment in Lieu of Taxes

Program

SEC. 100111. PAYMENTS IN LIEU OF TAXES.

Section 6906 of title 31, United States Code, is amended by striking “2012” and inserting “2013”.

Subtitle C—O

-----Original Message-----

From: Cahill, Kathleen

Sent: Friday, January 18, 2013 9:34 AM

To: Hurban, James C.

Subject: RE: FS Secure Rural Schools Payments

What was the name of the bill that extended it? I think it was the transportation bill?

Kathleen Cahill

Program Examiner

Office of Management and Budget

Voice 202-395-6826

Fax 202-395-4941

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From: Hurban, James C.
Sent: Friday, January 18, 2013 9:56 AM
To: Cahill, Kathleen; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: FS Secure Rural Schools Payments
Attachments: CBO Score hr4348conference.pdf

Here is the CBO score. Looks like outlays in 2013 and 2014.

-----Original Message-----

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 9:50 AM
To: Hurban, James C.; Hoef, Jennifer E.
Subject: RE: FS Secure Rural Schools Payments

Looking further into what we did. I looked at my change sheets for MSR and all the outlays are in 2013 and 2014. No BA listed on the change sheet. In MAX MSR, I reflect a large chunk of BA in 2013. That does not mean it is correct though. Did we ever get a BRD scoring of the bill?

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From: Hurban, James C.
Sent: Friday, January 18, 2013 9:49 AM
To: Cahill, Kathleen; Hoef, Jennifer E.
Subject: RE: FS Secure Rural Schools Payments

We probably need an email to Art and Hee explaining the programs. I called him and he started talking about when we obligate the funds.

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From: Cahill, Kathleen
Sent: Friday, January 18, 2013 9:42 AM
To: Hurban, James C.; Hoef, Jennifer E.
Subject: RE: FS Secure Rural Schools Payments

I thought we scored outlays in mandatory accounts not BA.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826

From: Hurban, James C.
Sent: Friday, January 18, 2013 9:58 AM
To: Cahill, Kathleen; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: FS Secure Rural Schools Payments

Yes I think so!!

-----Original Message-----

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 9:57 AM
To: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: FS Secure Rural Schools Payments

But they have the BA in 2012. That is what we are looking for right?

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From: Balserek, Paul <pbalsera@blm.gov>
Sent: Friday, January 18, 2013 11:03 AM
To: Hurban, James C.
Cc: Schory, Daniel; Hall, Tricia; Smith, Linda H (lhsmith@blm.gov)
Subject: Re: Sequestration Question on Secure Rural Schools

Sorry, but I will have to send my answer through channels. I'll send it to Linda Smith.

Paul

On Fri, Jan 18, 2013 at 9:59 AM, Balserek, Paul <pbalsera@blm.gov> wrote:
The answer is a bit complicated. I'll send you later this morning a document that I think answers your question.

Paul Balserek

On Fri, Jan 18, 2013 at 9:29 AM, Hurban, James C. <James_C._Hurban@omb.eop.gov> wrote:

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TRICIA HALL

Office of Budget

Office of the Secretary

Department of the Interior

Latricia_A_Hall@ios.doi.gov

202-208-2511

From: Stigile, Art
Sent: Friday, January 18, 2013 11:42 AM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

How is it shown in the baseline?

Patrick/Jessie, do you know how it was scored?

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 11:33 AM
To: Stigile, Art
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: Secure Rural Schools in MAP-21

Art,

We are still grappling with when the SRS BA was scored (2012 or 2013). The main documents I have are concerned with OL. I have not been able to find the OMB scoring of MAP -21. Can you have someone send it to us?

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Hall, Tricia <tricia_hall@ios.doi.gov>
Sent: Friday, January 18, 2013 12:07 PM
To: Hurban, James C.; Schory, Daniel
Cc: Hoef, Jennifer E.; Adrienne Moss
Subject: Re: Sequestration Question on Secure Rural Schools
Attachments: SRS in MAP 21.pdf

James and Dan,

The BA for the Secure Rural Schools payments is in the MAP -21 authorization from this past summer. The bill provided for a one-year extension of SRS. I have attached the language from MAP -21 for reference. I do not know whether CBO scored the SRS BA as 2012 or 2013. This would likely be something BRD would know since they work with CBO on scoring the bill.

The three accounts used by BLM for Secure Rural Schools payments are:

- 14X5884 - Funds Reserved, Oregon and California Grant Lands, Bureau of Land Management
- 14X5898 - Payments to Coos and Douglas Counties, Oregon, from Receipts, Coos Bay Wagon Road Grant Lands, Bureau of Land Management
- 14X5485 - Title II Projects on Federal Lands, Bureau of Land Management

The estimated payments under MAP -21 by account are:

- 14x5584 - \$35.884 million
- 14X5485 - \$296,000
- 14x5485 - \$3.872 million

I will send in a separately the email from August where we were told to remove SRS from the sequestration report because it was 2012 BA.

Please let me know if you have any questions. We will continue to hold SRS payments until we hear from you on this issue.

Thanks!

TRICIA HALL

Office of Budget
Office of the Secretary
Department of the Interior
Latricia_A_Hall@ios.doi.gov
202-208-2511

On Fri, Jan 18, 2013 at 9:29 AM, Hurban, James C. <James_C_Hurban@omb.eop.gov> wrote:

Thanks. The main question now is: Are these payments from 2012 BA? I think they are but can you please confirm that.

If it is 2012 BA, then the money is not sequestrable but the 2013 BA is sequestrable in these accounts.

Makes sense?

Please let me know.

James

From: Balserek, Paul [mailto:pbalsera@blm.gov]
Sent: Friday, January 18, 2013 8:04 AM
To: Schory, Daniel
Cc: Hall, Tricia; Hurban, James C.; Smith, Linda H (lhsmith@blm.gov)
Subject: Re: Sequestration Question on Secure Rural Schools

Dan,

Three accounts are used for BLM's Secure Rural Schools payments. They are:

14X5884, Title I/III O&C payments;

14X5898, Title I/III CBWR payments; and

14X5485, Title II SRS payments.

Paul

On Thu, Jan 17, 2013 at 5:23 PM, Schory, Daniel <Daniel_K_Schory@omb.eop.gov> wrote:

Paul,

Can you send me a list of the Secure Rural School accounts? I am not sure how we track it. If it is easier, feel free to call me.

-Dan

From: Hall, Tricia [mailto:tricia_hall@ios.doi.gov]
Sent: Thursday, January 17, 2013 5:01 PM
To: Hurban, James C.
Cc: Schory, Daniel
Subject: Sequestration Question on Secure Rural Schools

James,

Can you confirm for me that the BLM Secure Rural School funding, which is 2012 BA is not subject to sequestration. They are preparing to make the payments.

Thanks!

TRICIA HALL

Office of Budget

Office of the Secretary

Department of the Interior

Latricia_A_Hall@ios.doi.gov

202-208-2511

From: Hall, Tricia <tricia_hall@ios.doi.gov>
Sent: Friday, January 18, 2013 12:11 PM
To: Hurban, James C.; Schory, Daniel
Cc: Hoef, Jennifer E.; Adrienne Moss
Subject: Fwd: Question on SRS PPA disconnect

James and Dan,

FYI - Below is the email we received this past summer when we were preparing the sequestration report saying that Secure Rural Schools should not be included. This information is from the initial report where we input the PPA data.

Thanks!

TRICIA HALL

Office of Budget
Office of the Secretary
Department of the Interior
Latricia_A_Hall@ios.doi.gov
202-208-2511

----- Forwarded message -----

From: Hurban, James C. <James_C._Hurban@omb.eop.gov>
Date: Fri, Aug 17, 2012 at 2:44 PM
Subject: RE: Question on SRS PPA disconnect
To: "Hall, Tricia A" <Tricia_Hall@ios.doi.gov>

Ok ..other than that one things are looking great.

Did you plan to create a plug account for the rounding issues?

From: Hall, Tricia A [mailto:Tricia_Hall@ios.doi.gov]
Sent: Friday, August 17, 2012 2:43 PM
To: Hurban, James C.
Subject: RE: Question on SRS PPA disconnect

I will delete the line James – I didn't think about SRS being BA in 2012, but you're correct.

Thanks!

From: Hurban, James C. [[mailto:James C. Hurban@omb.eop.gov](mailto:James_C._Hurban@omb.eop.gov)]

Sent: Friday, August 17, 2012 2:31 PM

To: Hall, Tricia A

Subject: Question on SRS PPA disconnect

It seems that this SRS payment is an outlay in 2013 but we are only counting BA for the sequester. I think the control total is fine and have checked with BRD.

Can you check and delete the SRS line of \$38,035 then we are much closer to the control total.

Thanks. James

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 1:52 PM
To: Lucas, Adrienne C.
Subject: weekly for janet

Week of 1/14/2013

Working with Interior Branch and BRD to clarify the impact of sequestration on the 2012 payments for SRS. Though the program is sequesterable, the BA associated with the current payments may not be.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Hurban, James C.
Sent: Friday, January 18, 2013 4:41 PM
To: Tricia Hall
Cc: Schory, Daniel
Subject: RE: SRS Payments

No. I was hoping by the end of the day. Forest Service is in the same boat even though they publicly put out the amounts.

From: Tricia Hall [mailto:tricia_hall@ios.doi.gov]
Sent: Friday, January 18, 2013 4:38 PM
To: Hurban, James C.
Cc: Schory, Daniel
Subject: Re: SRS Payments

Thanks for the update. Do you have any idea when they may respond?

Thanks!

From: Hurban, James C. [mailto:James_C._Hurban@omb.eop.gov]
Sent: Friday, January 18, 2013 02:37 PM
To: Hall, Tricia A (Tricia_Hall@ios.doi.gov) <Tricia_Hall@ios.doi.gov>
Cc: Schory, Daniel <Daniel_K_Schory@omb.eop.gov>
Subject: SRS Payments

We are still waiting to hear from BRD on the scoring and sequestration issues so don't have an answer for you yet.

*James C. Hurban, Program Examiner
Office of Management and Budget, Interior Branch
Program Examiner for the Bureau of Indian Affairs and the Office of Insular Affairs
202-395-6833*

From: Hall, Tricia <tricia_hall@ios.doi.gov>
Sent: Tuesday, January 22, 2013 8:27 AM
To: Hurban, James C.; Schory, Daniel; Hoef, Jennifer E.
Cc: Adrienne Moss
Subject: Fwd: scoring of 2013 SRS payments

Good morning!

Paul at BLM was able to find the CBO scoring of MAP -21 for Secure Rural Schools. The scoring shows that the BA was scored for 2012 with outlays in 2013 and 2014. We will wait until we hear from you before proceeding with the payments.

Thanks!

TABLE 1. ESTIMATE OF THE EFFECTS ON DIRECT SPENDING AND REVENUES REPORT FOR H.R. 4348, MAP-21, AS POSTED ON THE WEB SITE OF THE HOUSE OF REPRESENTATIVES ON JUNE 28, 2012

	By Fiscal Year, in Millions of Dollars									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
CHANGES IN DIRECT SPENDING										
Transportation Contract Authority										
Budget Authority ^a	0	388	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082
Estimated Outlays ^b	0	0	0	0	0	0	0	0	0	0
Gulf Coast Restoration										
Estimated Budget Authority	0	0	45	127	184	339	366	399	37	37
Estimated Outlays	0	0	2	14	47	105	175	260	32	32
Pension Provisions										
Estimated Budget Authority	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0	-220	-350	-1,065	-1,885	-1,685	-1,555	-1,255	-1,110	-1,110
Secure Rural Schools										
Estimated Budget Authority	288	0	0	0	0	0	0	0	0	0
Estimated Outlays	0	253	35	0	0	0	0	0	0	0

Revised July 3, 2012

TABLE 1. ESTIMATE OF THE EFFECTS ON DIRECT SPENDING AND REVENUES OF THE CONFERENCE REPORT FOR H.R. 4348, MAP-21, AS POSTED ON THE WEB SITE OF THE HOUSE COMMITTEE ON RULES ON JUNE 28, 2012

By Fiscal Year, in Millions of Dollars

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2012- 2017	2012- 2022
CHANGES IN DIRECT SPENDING													
Transportation Contract Authority													
Budget Authority ^a	0	388	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	4,716	10,126
Estimated Outlays ^b	0	0	0	0	0	0	0	0	0	0	0	0	0
Gulf Coast Restoration													
Estimated Budget Authority	0	0	45	127	184	339	366	399	372	328	302	695	2,462
Estimated Outlays	0	0	2	14	47	105	175	260	322	351	352	168	1,628
Pension Provisions													
Estimated Budget Authority	0	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0	-220	-350	-1,065	-1,885	-1,685	-1,555	-1,255	-1,115	-1,055	-1,040	-5,205	-11,225
Secure Rural Schools													
Estimated Budget Authority	288	0	0	0	0	0	0	0	0	0	0	288	288
Estimated Outlays	0	253	35	0	0	0	0	0	0	0	0	288	288

From: Cahill, Kathleen
Sent: Tuesday, January 22, 2013 10:23 AM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

First to clarify the years as referenced below. All payments are issued the year following. So the 2011 payment was issued in January of FY2012 and the 2012 payment will be issued in January of FY2013. As done since I have been handling the Forest Service accounts, the funds needed from Treasury are not warranted until the FY when the payment is made. So the 2011 payment funding from Treasury was not provided to the Forest Service until FY2012.

Essentially I read all the changes as making necessary updates to extend the program for 1 year, except for one where there was an issue when several counties failed to elect.

Change (a)(1) updates the definition of full funding to define what happens after 2011.

Change (a)(2) replaces many "2011" with 2012, thereby making this extended to 2012.

Change (a)(3) replaces 2008 with 2012, changes dates when certain actions are to be done

Replaces 2001 with 2012 extending the election to receive payment to 2012

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Change (a)(9) corrects format

Change (a)(10) extends the availability of funds to 9/30/2013

Change (b) Provides that the Secretary shall have access to funds to perform projects in areas that failed to elect in 2011. This corrects for an issue that arose for the 2011 payment where several counties (supposedly by accident) failed to elect. May increase costs for 2011 (though I do not think it will be a lot).

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art
Sent: Friday, January 18, 2013 6:27 PM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Do you have something that shows how the underlying reads with these revisions, or something that describes the effect of each change?

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To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Subtitle A—Secure Rural Schools and
Community Self-determination Program

SEC. 100101. SECURE RURAL SCHOOLS AND COMMUNITY SELF -DETERMINATION PROGRAM.

(a) AMENDMENTS. —The Secure Rural Schools and Community Self -Determination Act of 2000 (16 U.S.C. 7101 et seq.) is amended—

(1) in section 3(11) —

(A) in subparagraph (A), by striking “and” after the semicolon at the end;

(B) in subparagraph (B) —

(i) by striking “fiscal year 2009 and each fiscal year thereafter” and inserting “each of fiscal years

2009 through 2011”; and

(ii) by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(C) for fiscal year 2012 and each fiscal year thereafter, the amount that is equal to 95 percent of the full funding amount for the preceding fiscal year.”;

(2) in sections 101, 102, 203, 207, 208, 304, and 402, by striking “2011” each place it appears and inserting “2012”;

(3) in section 102 —

(A) by striking “2008” each place it appears and inserting “2012”;

(B) in subsection (b)(2)(B), by inserting “in 2012” before “, the election”; and

(C) in subsection (d) —

(i) in paragraph (1)(A), by striking “paragraph (3)(B)” and inserting “subparagraph (D)”; and

(ii) in paragraph (3) —

(I) by striking subparagraph (A) and inserting the following:

“(A) NOTIFICATION. —The Governor of each eligible State shall notify the Secretary concerned of an election by an eligible county under this subsection not later than September 30, 2012, and each September 30 thereafter for each succeeding fiscal year.”;

(II) by redesignating subparagraph (B) as subparagraph (D) and moving the subparagraph so as to appear at the end of paragraph (1) of subsection (d); and H. R. 4348 —502

(III) by inserting after subparagraph (A) the following:

“(B) FAILURE TO ELECT. —If the Governor of an eligible State fails to notify the Secretary concerned of the election for an eligible county by the date specified in subparagraph (A) —

“(i) the eligible county shall be considered to have elected to expend 80 percent of the funds in accordance with paragraph (1)(A); and

“(ii) the remainder shall be available to the Secretary concerned to carry out projects in the eligible county to further the purpose described in section 202(b).”;

(4) in section 103(d)(2), by striking “fiscal year 2011” and inserting “each of fiscal years 2011 and 2012”;

(5) in section 202, by adding at the end the following:

“(c) ADMINISTRATIVE EXPENSES. —A resource advisory committee may, in accordance with section 203, propose to use not more than 10 percent of the project funds of an eligible county for any fiscal year for administrative expenses associated with operating the resource advisory committee under this title.”;

(6) in section 204(e)(3)(B)(iii), by striking “and 2011” and inserting “through 2012”;

(7) in section 205(a)(4), by striking “2006” each place it appears and inserting “2011”;

(8) in section 208(b), by striking “2012” and inserting “2013”;

(9) in section 302(a)(2)(A), by inserting “and” after the semicolon; and

(10) in section 304(b), by striking "2012" and inserting "2013".

(b) FAILURE TO MAKE ELECTION. —For each county that failed to make an election for fiscal year 2011 in accordance with section

102(d)(3)(A) of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 7112(d)(3)(A)), there shall be available to the Secretary of Agriculture to carry out projects to further the purpose described in section 202(b) of that Act (16 U.S.C.

7122(b)), from amounts in the Treasury not otherwise appropriated, the amount that is equal to 15 percent of the total share of the State payment that otherwise would have been made to the county under that Act for fiscal year 2011.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art
Sent: Friday, January 18, 2013 1:00 PM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Could someone send the language from MAP-21, so we can figure out which year the BA should be recorded?

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 12:58 PM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

I put all the BA in 2013 and the ol in 2013 and 2014. However, that does not mean it is correct. CBO scored the BA in 2012 and the OL in 2013 and 2014.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art
Sent: Friday, January 18, 2013 11:42 AM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

How is it shown in the baseline?

Patrick/Jessie, do you know how it was scored?

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 11:33 AM
To: Stigile, Art

Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel

Subject: Secure Rural Schools in MAP-21

Art,

We are still grappling with when the SRS BA was scored (2012 or 2013). The main documents I have are concerned with OL. I have not been able to find the OMB scoring of MAP -21. Can you have someone send it to us?

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art
Sent: Wednesday, January 23, 2013 11:32 AM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

We think the issue came up when we scored the 2008 extension. Our vague memory is that it we decided to score the BA in 2008 (for payments made in 2009) and had to backdate the amount in FACTS II. Teresa is going to check FACTS II to confirm this.

From: Cahill, Kathleen
Sent: Wednesday, January 23, 2013 11:28 AM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Art,

I was wondering if you had a chance to review further. I was asked if we need bullets for this program on the impacts of a sequester. It sounds like the BA associated with this program should be scored in 2012, so there would not be a sequester impact. However, I want to make sure before I definitively tell my boss that this program is not impacted for the payments issued this January.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Cahill, Kathleen
Sent: Tuesday, January 22, 2013 10:23 AM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
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Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art

Sent: Friday, January 18, 2013 1:00 PM

To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.

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Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Murray, Jenny Winkler
Sent: Tuesday, October 07, 2008 7:14 PM
To: Tancre, Teresa A.; Stigile, Art; Aitken, Steven D.; Luczynski, Kimberley; Crutchfield, Craig; Burnett, Ben; Hoef, Jennifer E.; Pasquantino, John; James, Dana M.; Kearney, Regina L.
Subject: Secure Rural Schools and PILT
Attachments: omb help_0001.pdf

Follow Up Flag: Follow up
Flag Status: Completed

While our call this afternoon with DOI and Agriculture was definitely fruitful, I think that there are still several outstanding questions to resolve. After the meeting, I talked to Art and we think that we probably need to meet again internally tomorrow and that we definitely need to have input from OMB GC at that meeting.

For everyone's reference, attached is the memo from Interior and immediately below is a link to the H.R. 1424 (the language in question begins on page 337):

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=110_cong_bills&docid=f:h1424eas.txt.pdf

As I see it, the remaining questions are as follows (others should feel free to chime in if they disagree with this assessment or have anything else to add):

- For Secure Rural Schools, how should the BA and outlays be recorded? There are several options:
 - In every year, we allow the agencies to record the BA and outlays when the payment is made in the subsequent fiscal year (for 2008 appropriations, both BA and outlays would be recorded in 2009). This option would result in matching BA and outlays in 2009 through 2013.
 - In every year, we require that the agencies record the BA in the year the money is appropriated and the outlays would be recorded in the subsequent year (for 2008 appropriations, BA would be recorded in 2008 and outlays in 2009).
 - Recognizing that the agencies need time to consult with the Counties in the first year, we allow the agencies to record the BA and outlays when the payment is made in the subsequent fiscal year for the 2008 appropriations only (both BA and outlays would be recorded in 2009), but thereafter the agencies must record the BA in the year the money is appropriated and the outlays would be recorded in the subsequent year (for 2009 appropriations, BA would be recorded in 2009 and outlays in 2010).

Obviously, all of these options have pros and cons associated with them. We need to make sure that we get consensus amongst this group that we feel comfortable with whichever imperfect outcome we choose.

- For PILT, is appropriations language necessary in order for the Department of the Interior to begin spending these funds or is there some authority in the underlying statute that allows them to obligate funding in the absence of a further appropriation? If this is an appropriated entitlement, then the assumption would have to be that no money can be spent pursuant to this legislation in 2008 or 2009 until the appropriators include the requisite language in an appropriations bill. If we decide that such appropriations language is necessary, is the assumption that the entire program is still operating under the terms and conditions of the 2009 CR? Alternatively, if we decide that such appropriations language is not necessary, then the question becomes whether or not the \$400,000 in administrative expenses can be funded pursuant to H.R. 1424. If it cannot, would we agree that only those administrative appropriations now subject to the terms and conditions of the CR because the rest of the appropriation has now been superseded pursuant to (1) in section 106 of the CR (see below)?

SEC. 106. Unless otherwise provided for in this joint resolution or in the applicable appropriations Act for fiscal year 2009, appropriations and funds made available and authority granted pursuant to this joint resolution shall be

available until whichever of the following first occurs: (1) the enactment in to law of an appropriation for any project or activity provided for in this joint resolution; (2) the enactment into law of the applicable appropriations Act for fiscal year 2009 without any provision for such project or activity; or (3) March 6, 2009.

For reference, here is the 2008 appropriations language:

DEPARTMENT-WIDE PROGRAMS

Federal Funds

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901 –6907), \$232,528,000, of which not to exceed \$400,000 shall be available for administrative expenses: *Provided*, That no payment shall be made to otherwise eligible units of local government if the computed amount of the payment is less than \$100.

From: Crutchfield, J C.
Sent: Monday, October 06, 2008 12:04 PM
To: Tancre, Teresa A.; Winkler, Jennifer; Stigile, Arthur W.; Shaughnessy, Dianne M.
Cc: Hoef, Jennifer E.; Burnett, Benjamin; Pasquantino, John; James, Dana M.; Goldberg, Adam H.
Subject: FW: DOI request for accounting advice on Interior provisions in bailout

I'm afraid we have some new challenges with Secure Rural Schools and PILT payments, which are somewhat similar to the problems we worked through last year. This time, however, it's complicated by the fact that FY08 funding was not enacted until after we entered into FY09.

The attached letter from DOI asks a number of questions that I cannot answer without assistance from BRD and OFFM. The timing is tight as well, since DOI has to move quickly to close its 2008 books.

Jennifer is out today, so I'm trying to get this moving quickly. Please call me as soon as you get a moment.

Thanks, Craig

From: Jan_H_Smith@ios.doi.gov [mailto:Jan_H_Smith@ios.doi.gov]
Sent: Monday, October 06, 2008 11:12 AM
To: Hoef, Jennifer E.; Crutchfield, J C.; Burnett, Benjamin
Cc: Paul_Balserak%BLM@ios.doi.gov; Brian_Yost@ios.doi.gov; William_Howell@ios.doi.gov
Subject: DOI request for accounting advice on Interior provisions in bailout

We are ready willing and ready to run over and meet with you - We can telecon in finance folks if needed. Thanks!!!!



UNITED STATES
DEPARTMENT OF THE INTERIOR
Director of Budget

OCT 06 2008

Note

To: Craig Crutchfield
Chief, Interior Branch
Office of Management and Budget

The Department requests OMB to advise us on when and how the budget authority should be reported in FACTS 2 and OMB's budget database MAX for provisions in the recently passed HR 1424 bill.

HR 1424 has three provisions in Title VI – Other Provisions that relate to Interior. There is an extension and modification of the Secure Rural Schools Act, full funding of and a BEA classification change for the Payment in Lieu of Taxes program, and a simple extension of funding for the UMWA benefits from the Abandoned Mine Reclamation Fund.

Given we are quickly approaching the final close out of FY 2008, the Department needs advice quickly.

Secure Schools. Do we need to get any 2008 warrants for Secure Rural Schools? We believe HR 1424 is a re-authorization and not appropriation. We believe the authorization for the payment is provided for 2008 with the warrant and distribution to be made as soon as practicable in FY 2009.

Payment in lieu of Taxes. How do we warrant Payments in lieu of Taxes for 2008? If Title VI is an authorization does the 2008 to 2012 refer to calendar year or fiscal year? If fiscal year, we have already made FY2008 payments from our discretionary appropriations. Do we request a negative warrant for that discretionary amount and get a warrant for the larger mandatory budget authority amount authorized in HR 1424? If calendar year, then is the warrant amount for the fully authorized level of the difference between the fully authorized level and the payments we made in June?

We appreciate your quick attention to our questions and are ready to meet with you at your convenience.

cc: Brian Yost
Bill Howell
Brenda Rodriguez
Paul Balsarak

Paul Haze

From: Tancre, Teresa A.
Sent: Thursday, January 24, 2013 11:23 AM
To: Murray, Jenny Winkler; Stigile, Art
Subject: [FY08 Discussion] Secure Rural Schools - accounting adjustment (OMB account 010-04-9921 Miscellaneous Permanent Payment Accounts)

Jenny and Art:

Below is email traffic related to OMB's position. Additionally, I queried the FY08 FACTS II data, and it confirms that Treasury warrants were actually processed and backdated to FY07. The Treasury documents were processed sometime during February - March 2008. See below.

TRAGENCY	FY2	TRACCT	TREASURY ACCOUNT TITLE
14	X	5884	Funds Reserved, Oregon and California Grant Lands
14	X	5898	Payments to Coos and Douglas Counties, Oregon, from Receipts, Coos Bay, Wagon Road Grant Lands

Teresa A Tancre | *Budget Methods Specialist*
Office of Management and Budget | Budget Review and Concepts Division | Budget Concepts Branch
Office Hours: M, T, W & Th (10:00 AM - 6:30 PM), F (3:00 - 5:30 PM)
Telework Hours: F (5:00-7:00 AM), F (9:30 AM - 1:00 PM) | Telework Phone: 571-224-7216

From: JPaul Balsarak [<mailto:balsarak@verizon.net>]
Sent: Thursday, February 21, 2008 3:53 PM
To: [Jan H Smith@ios.doi.gov](mailto:Jan_H_Smith@ios.doi.gov); [Sally Cresci@blm.gov](mailto:Sally_Cresci@blm.gov); [Brenda Adams@blm.gov](mailto:Brenda_Adams@blm.gov)
Cc: Tancre, Teresa A.
Subject: Re: Secure Rural Schools - accounting adjustment

I would like to participate if that can be permitted. If it is okay, is there a conference call number I should dial up? Thanks.

----- Original Message -----

From: [Jan H Smith@ios.doi.gov](mailto:Jan_H_Smith@ios.doi.gov)
To: [Sally Cresci@blm.gov](mailto:Sally_Cresci@blm.gov); [Brenda Adams@blm.gov](mailto:Brenda_Adams@blm.gov)
Cc: balsarak@verizon.net; [Teresa A. Tancre@omb.eop.gov](mailto:Teresa_A_Tancre@omb.eop.gov)
Sent: Thursday, February 21, 2008 1:42 PM
Subject: Fw: Secure Rural Schools - accounting adjustment

I have it on my calendar. Sally, are you ok with the time? If Brenda is busy, I can will email you notes from the quick meeting.

Thanks

----- Forwarded by Jan H Smith/POB/OS/DOI on 02/21/2008 01:39 PM -----

"Tancre, Teresa A."
<Teresa_A_Tancre@omb.eop.gov>

To: Jan H Smith/POB/OS/DOI@DOI
cc: "Hoef, Jennifer E." <Jennifer_E_Hoef@omb.eop.gov>, <Sonja.Robinson@fms.treas.gov>, <Carolann.Marker@fms.treas.gov>
Subject: RE: Secure Rural Schools - accounting adjustment

02/21/2008 12:55 PM

What about 11:00 am on 2/25/08? We should also invite Carolann and Sonja (FMS, Treasury). I have copied them on this message.

The language below is the appropriation language whereby OMB feels the warrants (see below) processed in FY 2008 should have been processed in FY 2007. I'm told that the account that received \$110.9m in appropriations was 14X5884: Payments to Counties, Oregon and California Grant Lands. However, to date, I only see FY 2008 appropriation warrants processed and posted to OMB's website for the following:

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- 698,030.08 [WT002937 22-Oct-07 2007-10] processed for 14X5898 (Payments to Coos and Douglas Counties, Oregon, from Receipts, Coos Bay Wagon Road)

'SEC. 5401. (a) For fiscal year 2007, payments shall be made from any revenues, fees, penalties, or miscellaneous receipts described in sections 102(b)(3) and 103(b)(2) of the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106-393; 16 U.S.C. 500 note), not to exceed \$100,000,000, and the payments shall be made, to the maximum extent practicable, in the same amounts, for the same purposes, and in the same manner as were made to States and counties in 2006 under that Act.

(b) There is appropriated \$425,000,000, to remain available until December 31, 2007, to be used to cover any shortfall for payments made under this section from funds not otherwise appropriated.

c) Titles II and III of Public Law 106-393 are amended, effective September 30, 2006, by striking "2006" and "2007" each place they appear and inserting "2007" and "2008", respectively.'

From: [Jan H Smith@ios.doi.gov](mailto:Jan_H_Smith@ios.doi.gov) [mailto:Jan_H_Smith@ios.doi.gov]

Sent: Tuesday, February 19, 2008 3:06 PM

To: Tancre, Teresa A.

Cc: Hoef, Jennifer E.

Subject: Fw: Secure Rural Schools - accounting adjustment

Teresa, See Sally's availability to discuss how to make the warrant and FACTS 2 adjustments. Please let me know when you are free to help me understand what we need to do. I believe you wanted FMS on the line as well. Thanks!

----- Forwarded by Jan H Smith/POB/OS/DOI on 02/19/2008 03:03 PM -----

Sally Cresci@BLM

02/19/2008 02:35 PM

To: Jan H Smith/POB/OS/DOI@DOI
cc: Helen Prosser/NOC/BLM/DOI@BLM, Carol Hooper/NOC/BLM/DOI@BLM
Subject: Re: Fw: Secure Rural Schools - accounting adjustment [Link](#)

Dear Jan,

I am **not** available Thursday 2/21 1pm-3pm ET, Wednesday 2/27 3pm-5pm ET and Friday 2/29 all day.

Thank you,
Sally

Jan H
Smith/POB/OS/DOI@DOI

To Sally Cresci/NOC/BLM/DOI@BLM

02/19/2008 12:01 PM

cc: Bob Blaicher/WO/BLM/DOI@BLM, Brenda Adams/WO/BLM/DOI@BLM, Helen Prosser/NOC/BLM/DOI@BLM, Paul Balsarak/WO/BLM/DOI@BLM, balsarak@verizon.net

Subject: Re: Fw: Secure Rural Schools - accounting adjustment [Link](#)

Sally

Can you let me know when you would NOT be available and then I let Teresa Tancre know. Others are more than welcome to listen in to the accounting details. It would be good to get this in for March reporting.

Thanks.

Sally
Cresci@BLM

To: Jan H Smith/POB/OS/DOI@DOI
cc: Bob Blaicher/WO/BLM/DOI@BLM, Brenda Adams/WO/BLM/DOI@BLM, Helen Prosser/NOC/BLM/DOI@BLM, Paul Balsarak/WO/BLM/DOI@BLM

02/01/2008 06:44
PM

Subject: Re: Fw: Secure Rural Schools - accounting adjustment [Link](#)

Dear All,

I will be out of the office at training until Monday, 2/11/08.

Thank you,
Sally

Jan H
Smith/POB/OS/DOI@DOI

To: Brenda Adams/WO/BLM/DOI@BLM, Bob Blaicher/WO/BLM/DOI@BLM, Helen Prosser/NOC/BLM/DOI@BLM, Sally Cresci/NOC/BLM/DOI@BLM, Paul Balsarak/WO/BLM/DOI@BLM

02/01/2008 10:32 AM

cc:
Subject: Fw: Secure Rural Schools - accounting adjustment

An offshoot of the OMB "MAX" budget process this year is that OMB wants the agencies to make adjustments to the Secure Rural Schools warrant authorized in PL 110-028 Section 5401(a), the emergency supplemental signed on May 25, 2007. Since this extension was made in an appropriations act, OMB believes the warrant should have been booked to FY 2007 activity even though the payment was not to be made until FY 2008. The apportionment we will be getting soon covering the 2008 appropriations will have the funds on the unobligated balance line.

I apologize in advance for the inconvenience. Could BLM please let me know who should participate on the telecon with OMB and FMS and what times would NOT be convenient for those people.

Thanks

[attachment "Doc1.doc" deleted by Sally Cresci/NOC/BLM/DOI]

----- Forwarded by Jan H Smith/POB/OS/DOI on 02/01/2008 12:16 PM -----

"Tancre, Teresa A." <Teresa.A.Tancre@omb.eop.gov>

02/01/2008 11:22 AM

To: Jan H Smith/POB/OS/DOI@DOI
cc: "Hoef, Jennifer E." <Jennifer_E.Hoef@omb.eop.gov>
Subject: RE: Secure Rural Schools

BLM will have to reverse the warrant that it had processed in FY 2008 and request that a warrant be backdated to FY 2007. Then it will have to use USSGL account 4119 along with the appropriate FACTS II adjustment attribute domain value that gets the information crosswalked to SF 133 line 1B.

If you want to coordinate a conference call with BLM, I could be available. We also would want to have FMS on the line as well.

Before we have the meeting, we should make sure that all players have a copy of the language.

From: [Jan H Smith@ios.doi.gov](mailto:Jan_H_Smith@ios.doi.gov) [mailto:Jan_H_Smith@ios.doi.gov]

Sent: Wednesday, January 30, 2008 8:18 AM

To: Hoef, Jennifer E.; Tancre, Teresa A.

Subject: Secure Rural Schools

Weren't we to get an email at some point with how you want BLM to recode in FACTS 2 what you wanted. Not a rush but just wanted to keep in your radar screen.

From: Tancre, Teresa A.
Sent: Friday, January 25, 2013 1:40 PM
To: Murray, Jenny Winkler; Stigile, Art
Subject: Re: [FY08 Discussion] Secure Rural Schools - accounting adjustment (OMB account 010-04-9921 Miscellaneous Permanent Payment Accounts)

I'm on my way to work, but here's Jan's telephone number [REDACTED] if you would like to call her yourself.

From: Tancre, Teresa A.
Sent: Friday, January 25, 2013 10:29 AM
To: Murray, Jenny Winkler; Stigile, Art
Subject: RE: [FY08 Discussion] Secure Rural Schools - accounting adjustment (OMB account 010 -04-9921 Miscellaneous Permanent Payment Accounts)

I just called her home telephone number and left a message asking her if she was available to discuss secure rural schools today.

Teresa A Tancre | *Budget Methods Specialist*
Office of Management and Budget | Budget Review and Concepts Division | Budget Concepts Branch
Office Hours: M, T, W & Th (10:00 AM - 6:30 PM), F (3:00 - 5:30 PM)
Telework Hours: F (5:00-7:00 AM), F (9:30 AM - 1:00 PM) | Telework Phone: 571 -224-7216

From: Murray, Jenny Winkler
Sent: Friday, January 25, 2013 10:24 AM
To: Tancre, Teresa A.; Stigile, Art
Subject: RE: [FY08 Discussion] Secure Rural Schools - accounting adjustment (OMB account 010 -04-9921 Miscellaneous Permanent Payment Accounts)

Let's call her. I have meetings a lot of the day today, but will make time.

From: Tancre, Teresa A.
Sent: Friday, January 25, 2013 7:15 AM
To: Murray, Jenny Winkler; Stigile, Art
Subject: RE: [FY08 Discussion] Secure Rural Schools - accounting adjustment (OMB account 010 -04-9921 Miscellaneous Permanent Payment Accounts)

To clarify, the FACTS II data and email traffic below tells the story that FY 2008 payments should have been recorded as FY 2007 BA. When the Treasury documents were backdated to September 2007 in February -March 2008 (FY 2008), I feel this transaction confirms your gut that we score the BA for the payments a year before they are made.

However, I have Jan's telephone number, and she was more closely involved in the discussion than me. We can arrange a call with her today if you have time.

Teresa A Tancre | *Budget Methods Specialist*
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Telework Hours: F (5:00-7:00 AM), F (9:30 AM - 1:00 PM) | Telework Phone: 571 -224-7216

From: Murray, Jenny Winkler
Sent: Thursday, January 24, 2013 11:23 PM
To: Tancre, Teresa A.; Stigile, Art
Subject: RE: [FY08 Discussion] Secure Rural Schools - accounting adjustment (OMB account 010 -04-9921 Miscellaneous Permanent Payment Accounts)

As I told Art this afternoon, everything in my gut tells me that we score the BA for the payments a year before they are made, but I am a bit troubled because the information that you present below appears to be for the FY 2008 payments and the e-mail traffic that I forwarded on Tuesday night was in relation to a discussion that we had about where to assume the BA for the FY 2009 payments.

To be able to confidently tell Art that the BA for the 2013 payments should be scored as 2012 BA I really feel like we need to be as sure as we can as to how we had been recording it before 2006, how we recorded it for the one year extension in 2007 (which is a question you seem to have answered below) and how we recorded it for the 2008 reauthorization (where, according to the e-mail traffic I shared, we at least discussed the possibility of changing course).

I have already reached out to both CBO and to Jen Hoef and have gotten little from either of them in the way of concrete answers. I hate to do this, but my suggestion is that we give a quick call to Jan. Jen was confident that she would either actually know the answer or would be able to point us to the person that does. What do you think?

From: Tancre, Teresa A.
Sent: Thursday, January 24, 2013 12:24 PM
To: Stigile, Art; Murray, Jenny Winkler
Subject: RE: [FY08 Discussion] Secure Rural Schools - accounting adjustment (OMB account 010 -04-9921 Miscellaneous Permanent Payment Accounts)

Based on what I have read in the email traffic, I would respond "yes," but I would defer to Jenny.

Teresa A Tancre | *Budget Methods Specialist*
Office of Management and Budget | Budget Review and Concepts Division | Budget Concepts Branch
Office Hours: M, T, W & Th (10:00 AM - 6:30 PM), F (3:00 - 5:30 PM)
Telework Hours: F (5:00-7:00 AM), F (9:30 AM - 1:00 PM) | Telework Phone: 571-224-7216

From: Stigile, Art
Sent: Thursday, January 24, 2013 12:20 PM
To: Tancre, Teresa A.; Murray, Jenny Winkler
Subject: RE: [FY08 Discussion] Secure Rural Schools - accounting adjustment (OMB account 010 -04-9921 Miscellaneous Permanent Payment Accounts)

So, do we agree that the BA for the 2013 payments should be scored as 2012 BA?

From: Tancre, Teresa A.
Sent: Thursday, January 24, 2013 11:23 AM
To: Murray, Jenny Winkler; Stigile, Art
Subject: [FY08 Discussion] Secure Rural Schools - accounting adjustment (OMB account 010 -04-9921 Miscellaneous Permanent Payment Accounts)

Jenny and Art:

Below is email traffic related to OMB's position. Additionally, I queried the FY08 FACTS II data, and it confirms that Treasury warrants were actually processed and backdated to FY07. The Treasury documents were processed sometime during February - March 2008. See below.

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From: JPaul Balserak [mailto:balserak@verizon.net]
Sent: Thursday, February 21, 2008 3:53 PM
To: Jan H Smith@ios.doi.gov; Sally Cresci@blm.gov; Brenda Adams@blm.gov
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I would like to participate if that can be permitted. If it is okay, is there a conference call number I should dial up? Thanks.

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From: Jan H Smith@ios.doi.gov
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<Teresa.A.Tancre@omb.eop.gov>

To: Jan H Smith/POB/OS/DOI@DOI
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02/21/2008 12:55 PM

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Subject: Fw: Secure Rural Schools - accounting adjustment

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Subject: Re: Fw: Secure Rural Schools - accounting adjustment [Link](#)

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Subject: Re: Fw: Secure Rural Schools - accounting adjustment [Link](#)

Sally

Can you let me know when you would NOT be available and then I let Teresa Tancre know. Others are more than welcome to listen in to the accounting details. It would be good to get this in for March reporting.

Thanks.

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Cresci@BLM

02/01/2008 06:44
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Subject: Re: Fw: Secure Rural Schools - accounting adjustment [Link](#)

Dear All,

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Thank you,
Sally

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Smith/POB/OS/DOI@DOI

To Brenda Adams/WO/BLM/DOI@BLM, Bob Blaicher/WO/BLM/DOI@BLM, Helen Prosser/NOC/BLM/DOI@BLM, Sally Cresci/NOC/BLM/DOI@BLM, Paul Balsarak/WO/BLM/DOI@BLM

02/01/2008 10:32 AM

cc

Subject Fw: Secure Rural Schools - accounting adjustment

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02/01/2008 11:22 AM

To: Jan H Smith/POB/OS/DOI@DOI
cc: "Hoef, Jennifer E." <Jennifer.E.Hoef@omb.eop.gov>
Subject: RE: Secure Rural Schools

BLM will have to reverse the warrant that it had processed in FY 2008 and request that a warrant be backdated to FY 2007. Then it will have to use USSGL account 4119 along with the appropriate FACTS II adjustment attribute domain value that gets the information crosswalked to SF 133 line 1B.

If you want to coordinate a conference call with BLM, I could be available. We also would want to have FMS on the line as well.

Before we have the meeting, we should make sure that all players have a copy of the language.

From: [Jan H Smith@ios.doi.gov](mailto:Jan_H_Smith@ios.doi.gov) [mailto:Jan_H_Smith@ios.doi.gov]

Sent: Wednesday, January 30, 2008 8:18 AM

To: Hoef, Jennifer E.; Tancre, Teresa A.

Subject: Secure Rural Schools

Weren't we to get an email at some point with how you want BLM to recode in FACTS 2 what you wanted. Not a rush but just wanted to keep in your radar screen.

From: Murray, Jenny Winkler
Sent: Monday, January 28, 2013 10:48 AM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21

Please also make sure to include Jen Hoef, the Interior examiner for Secure Rural Schools.

From: Stigile, Art
Sent: Monday, January 28, 2013 10:47 AM
To: Murray, Jenny Winkler; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21

This seems definitive, and makes a lot of sense. I'll pass it along to Kathleen.

From: Murray, Jenny Winkler
Sent: Saturday, January 26, 2013 11:06 AM
To: Locke, Patrick; Stigile, Art; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21

I never could find an e-mail indicating the option that we chose, but after I talked to CBO and to Jen Hoef and still did not get a clear answer as to how the BA should be recorded, Teresa did a little digging into the accounting data and then we decided to call Jan Smith to confirm our findings.

The short answer is that the BA for the 2012 payments should be recorded in 2013 and, therefore, subject to sequester. The longer explanation is as follows:

- For payments through FY 2006, the program was mandatory and the BA had always been warranted by Treasury and recorded in the year in which funds were obligated, which was the subsequent fiscal year. Therefore, for example, the BA for the FY 2006 payments would not have been recorded until FY 2007. The logic here was that, as with a good number of mandatory programs, the BA was driven by the obligations and as a result the obligational authority was not needed before the funds were actually to be obligated.
- The FY 2007 payments were instead included in an appropriations rather than an authorizing bill, after the program's authorization had been allowed to lapse. The FY 2007 payments were therefore considered a new program and scored as discretionary. They were not scored as a CHIMP and rebased. Given that decision, it was also determined that the FY 2007 payments should be scored similar to other discretionary programs where the BA is always recorded in the year in which it was appropriated. This was accomplished through backdated Treasury documents for FY 2007 that were processed in February or March of 2008.
- It was when the program was reauthorized by the Authorizers for FY 2008 through FY 2011 payments that the discussion in the attached e-mail occurred. The outcome of that discussion was that we reverted to both scoring and recording the FY 2008 payments the way we always had historically, as FY 2009 BA. The FY 2009, FY 2010 and FY 2011 payments were to be recorded (and have been recorded) similarly.
- Since the FY 2012 payments were accomplished through a simple extension of the program in MAP-21 (an authorizing bill), I believe that the method for recording the BA should continue. Although CBO scored this

extension for FY 2012 payments in FY 2012, in talking to the analyst he claimed to only be mirroring what he thought OMB would do. I plan to pass along these findings to him.

Teresa should chime in if she wants to clarify anything in or add anything to this explanation.

Let us know if you have any questions.

From: Murray, Jenny Winkler
Sent: Tuesday, January 22, 2013 11:48 PM
To: Locke, Patrick; Stigile, Art; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21

Attached is an e-mail indicating that we talked about this exact issue the last time that the program was reauthorized in 2008. Unfortunately, I can't find an e-mail tonight indicating which option we ultimately chose. Let me take a look again in the morning. If there was an e-mail that stated the resolution, I should be able to find it more easily from my computer at work.

From: Locke, Patrick
Sent: Tuesday, January 22, 2013 4:13 PM
To: Stigile, Art; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Murray, Jenny Winkler; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21

Way out of my area of competence. I'm fine with whatever others decide.

From: Stigile, Art
Sent: Tuesday, January 22, 2013 3:58 PM
To: Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Murray, Jenny Winkler; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21

Limiting to BRD. Does anyone think the BA should have been scored in 2012 instead of in 2013?

From: Cahill, Kathleen
Sent: Tuesday, January 22, 2013 10:23 AM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

First to clarify the years as referenced below. All payments are issued the year following. So the 2011 payment was issued in January of FY2012 and the 2012 payment will be issued in January of FY2013. As done since I have been handling the Forest Service accounts, the funds needed from Treasury are not warranted until the FY when the payment is made. So the 2011 payment funding from Treasury was not provided to the Forest Service until FY2012.

Essentially I read all the changes as making necessary updates to extend the program for 1 year, except for one where there was an issue when several counties failed to elect.

Change (a)(1) updates the definition of full funding to define what happens after 2011.

Change (a) (2) replaces many "2011" with 2012, thereby making this extended to 2012.

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Replaces 2001 with 2012 extending the election to receive payment to 2012

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Change (a)(9) corrects format

Change (a)(10) extends the availability of funds to 9/30/2013

Change (b) Provides that the Secretary shall have access to funds to perform projects in areas that failed to elect in 2011. This corrects for an issue that arose for the 2011 payment where several counties (supposedly by accident) failed to elect. May increase costs for 2011 (though I do not think it will be a lot).

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art
Sent: Friday, January 18, 2013 6:27 PM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Do you have something that shows how the underlying reads with these revisions, or something that describes the effect of each change?

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 1:01 PM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Subtitle A—Secure Rural Schools and
Community Self-determination Program

SEC. 100101. SECURE RURAL SCHOOLS AND COMMUNITY SELF -DETERMINATION PROGRAM.

(a) AMENDMENTS. —The Secure Rural Schools and Community Self -Determination Act of 2000 (16 U.S.C. 7101 et seq.) is amended—

(1) in section 3(11)—

(A) in subparagraph (A), by striking “and” after the semicolon at the end;

(B) in subparagraph (B) —

(i) by striking “fiscal year 2009 and each fiscal year thereafter” and inserting “each of fiscal years

2009 through 2011”; and

(ii) by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(C) for fiscal year 2012 and each fiscal year thereafter, the amount that is equal to 95 percent of the full funding amount for the preceding fiscal year.”;

(2) in sections 101, 102, 203, 207, 208, 304, and 402, by striking “2011” each place it appears and inserting “2012”;

(3) in section 102—

(A) by striking “2008” each place it appears and inserting “2012”;

(B) in subsection (b)(2)(B), by inserting “in 2012” before “, the election”; and

(C) in subsection (d)—

(i) in paragraph (1)(A), by striking "paragraph (3)(B)" and inserting "subparagraph (D)"; and
(ii) in paragraph (3) —

(I) by striking subparagraph (A) and inserting the following:

"(A) NOTIFICATION. —The Governor of each eligible State shall notify the Secretary concerned of an election by an eligible county under this subsection not later than September 30, 2012, and each September 30 thereafter for each succeeding fiscal year.";

(II) by redesignating subparagraph (B) as subparagraph (D) and moving the subparagraph so as to appear at the end of paragraph (1) of subsection (d); and H. R. 4348 —502

(III) by inserting after subparagraph (A) the following:

"(B) FAILURE TO ELECT. —If the Governor of an eligible State fails to notify the Secretary concerned of the election for an eligible county by the date specified in subparagraph (A) —

"(i) the eligible county shall be considered to have elected to expend 80 percent of the funds in accordance with paragraph (1)(A); and

"(ii) the remainder shall be available to the Secretary concerned to carry out projects in the eligible county to further the purpose described in section 202(b).";

(4) in section 103(d)(2), by striking "fiscal year 2011" and inserting "each of fiscal years 2011 and 2012";

(5) in section 202, by adding at the end the following:

"(c) ADMINISTRATIVE EXPENSES. —A resource advisory committee may, in accordance with section 203, propose to use not more than 10 percent of the project funds of an eligible county for any fiscal year for administrative expenses associated with operating the resource advisory committee under this title.";

(6) in section 204(e)(3)(B)(iii), by striking "and 2011" and inserting "through 2012";

(7) in section 205(a)(4), by striking "2006" each place it appears and inserting "2011";

(8) in section 208(b), by striking "2012" and inserting "2013";

(9) in section 302(a)(2)(A), by inserting "and" after the semicolon; and

(10) in section 304(b), by striking "2012" and inserting "2013".

(b) FAILURE TO MAKE ELECTION. —For each county that failed to make an election for fiscal year 2011 in accordance with section

102(d)(3)(A) of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 7112(d)(3)(A)), there shall be available to the Secretary of Agriculture to carry out projects to further the purpose described in section 202(b) of that Act (16 U.S.C.

7122(b)), from amounts in the Treasury not otherwise appropriated, the amount that is equal to 15 percent of the total share of the State payment that otherwise would have been made to the county under that Act for fiscal year 2011.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art

Sent: Friday, January 18, 2013 1:00 PM

To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.

Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel

Subject: RE: Secure Rural Schools in MAP-21

Could someone send the language from MAP-21, so we can figure out which year the BA should be recorded?

From: Cahill, Kathleen

Sent: Friday, January 18, 2013 12:58 PM

To: Stigile, Art; Locke, Patrick; LaVine, Jessie

Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

I put all the BA in 2013 and the ol in 2013 and 2014. However, that does not mean it is correct. CBO scored the BA in 2012 and the OL in 2013 and 2014.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art
Sent: Friday, January 18, 2013 11:42 AM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

How is it shown in the baseline?

Patrick/Jessie, do you know how it was scored?

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 11:33 AM
To: Stigile, Art
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: Secure Rural Schools in MAP-21

Art,

We are still grappling with when the SRS BA was scored (2012 or 2013). The main documents I have are concerned with OL. I have not been able to find the OMB scoring of MAP -21. Can you have someone send it to us?

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art
Sent: Monday, January 28, 2013 11:08 AM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Thomas, Judy
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21
Attachments: RE: Secure Rural Schools in MAP-21

After a lot of research, we tracked down the history of how the BA has been scored. Below is a summary from Jenny (see the attached email for additional info). Based on this, we think the BA should be scored in the year it is obligated, which means that the BA for the 2012 payments would be recorded as 2013 BA.

Jenny's summary:

The short answer is that the BA for the 2012 payments should be recorded in 2013 and, therefore, subject to sequester. The longer explanation is as follows:

- For payments through FY 2006, the program was mandatory and the BA had always been warranted by Treasury and recorded in the year in which funds were obligated, which was the subsequent fiscal year. Therefore, for example, the BA for the FY 2006 payments would not have been recorded until FY 2007. The logic here was that, as with a good number of mandatory programs, the BA was driven by the obligations and as a result the obligational authority was not needed before the funds were actually to be obligated .
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- It was when the program was reauthorized by the Authorizers for FY 2008 through FY 2011 payments that the discussion in the attached e-mail occurred. The outcome of that discussion was that we reverted to both scoring and recording the FY 2008 payments the way we always had historically, as FY 2009 BA. The FY 2009, FY 2010 and FY 2011 payments were to be recorded (and have been recorded) similarl y.
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To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Art,

I was wondering if you had a chance to review further. I was asked if we need bullets for this program on the impacts of a sequester. It sounds like the BA associated with this program should be scored in 2012, so there would not be a sequester impact. However, I want to make sure before I definitively tell my boss that this program is not impacted for the payments issued this January.

Kathleen Cahill
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Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Cahill, Kathleen
Sent: Tuesday, January 22, 2013 10:23 AM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zim merman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
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Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
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Subtitle A—Secure Rural Schools and
Community Self-determination Program

SEC. 100101. SECURE RURAL SCHOOLS AND COMMUNITY SELF -DETERMINATION PROGRAM.

(a) AMENDMENTS.—The Secure Rural Schools and Community Self -Determination Act of 2000 (16 U.S.C. 7101 et seq.) is amended—

(1) in section 3(11)—

(A) in subparagraph (A), by striking “and” after the semicolon at the end;

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(i) by striking “fiscal year 2009 and each fiscal year thereafter” and inserting “each of fiscal years

2009 through 2011”; and

(ii) by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(C) for fiscal year 2012 and each fiscal year thereafter, the amount that is equal to 95 percent of the full funding amount for the preceding fiscal year.”;

(2) in sections 101, 102, 203, 207, 208, 304 , and 402, by striking “2011” each place it appears and inserting “2012”;

(3) in section 102—

(A) by striking “2008” each place it appears and inserting “2012”;

(B) in subsection (b)(2)(B), by inserting “in 2012” before “, the election”; and

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“(A) NOTIFICATION.—The Governor of each eligible State shall notify the Secretary concerned of an election by an eligible county under this subsection not later than September 30, 2012, and each September 30 thereafter for each succeeding fiscal year.”;

(II) by redesignating subparagraph (B) as subparagraph (D) and moving the subparagraph so as to appear at the end of paragraph (1) of subsection (d); and H. R. 4348 —502

(III) by inserting after subparagraph (A) the following:

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Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art
Sent: Friday, January 18, 2013 1:00 PM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
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Kathleen Cahill
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Voice 202-395-6826
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From: Cahill, Kathleen
Sent: Monday, January 28, 2013 1:42 PM
To: Lucas, Adrienne C.
Subject: FW: Secure Rural Schools in MAP-21
Attachments: RE: Secure Rural Schools in MAP-21

FYI. It is sequesterable according to BRD.

Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
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Sent: Monday, January 28, 2013 11:08 AM
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Kathleen Cahill
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From: Cahill, Kathleen
Sent: Tuesday, January 22, 2013 10:23 AM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

First to clarify the years as referenced below. All payments are issued the year following. So the 2011 payment was issued in January of FY2012 and the 2012 payment will be issued in January of FY2013. As done since I have been handling the Forest Service accounts, the funds needed from Treasury are not warranted until the FY when the payment is made. So the 2011 payment funding from Treasury was not provided to the Forest Service until FY2012.

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Change (a)(3) replaces 2008 with 2012, changes dates when certain actions are to be done

Replaces 2001 with 2012 extending the election to receive payment to 2012

Adds a new notification paragraph and reorders the others

Adds a provision on how to handle counties that fail to elect and applies this to both 2011 and 2012.

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Kathleen Cahill
Program Examiner
Office of Management and Budget
Voice 202-395-6826
Fax 202-395-4941

From: Stigile, Art
Sent: Friday, January 18, 2013 6:27 PM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Do you have something that shows how the underlying reads with these revisions, or something that describes the effect of each change?

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 1:01 PM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Subtitle A—Secure Rural Schools and
Community Self-determination Program

SEC. 100101. SECURE RURAL SCHOOLS AND COMMUNITY SELF -DETERMINATION PROGRAM.

(a) AMENDMENTS. —The Secure Rural Schools and Community Self -Determination Act of 2000 (16 U.S.C. 7101 et seq.) is amended—

(1) in section 3(11) —

(A) in subparagraph (A), by striking “and” after the semicolon at the end;

(B) in subparagraph (B) —

(i) by striking “fiscal year 2009 and each fiscal year thereafter” and inserting “each of fiscal years

2009 through 2011”; and

(ii) by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(C) for fiscal year 2012 and each fiscal year thereafter, the amount that is equal to 95 percent of the full funding amount for the preceding fiscal year.”;

(2) in sections 101, 102, 203, 207, 208, 304, and 402, by striking “2011” each place it appears and inserting “2012”;

(3) in section 102 —

(A) by striking “2008” each place it appears and inserting “2012”;

(B) in subsection (b)(2)(B), by inserting “in 2012” before “, the election”; and

(C) in subsection (d) —

(i) in paragraph (1)(A), by striking “paragraph (3)(B)” and inserting “subparagraph (D)”; and

(ii) in paragraph (3) —

(I) by striking subparagraph (A) and inserting the following:

“(A) NOTIFICATION. —The Governor of each eligible State shall notify the Secretary concerned of an election by an eligible county under this subsection not later than September 30, 2012, and each September 30 thereafter for each succeeding fiscal year.”;

(II) by redesignating subparagraph (B) as subparagraph (D) and moving the subparagraph so as to appear at the end of paragraph (1) of subsection (d); and H. R. 4348 —502 (III) by inserting after subparagraph (A) the following:

“(B) FAILURE TO ELECT. —If the Governor of an eligible State fails to notify the Secretary concerned of the election for an eligible county by the date specified in subparagraph (A) —

“(i) the eligible county shall be considered to have elected to expend 80 percent of the funds in accordance with paragraph (1)(A); and

“(ii) the remainder shall be available to the Secretary concerned to carry out projects in the eligible county to further the purpose described in section 202(b).”;

(4) in section 103(d)(2), by striking “fiscal year 2011” and inserting “each of fiscal years 2011 and 2012”;

(5) in section 202, by adding at the end the following:

“(c) ADMINISTRATIVE EXPENSES. —A resource advisory committee may, in accordance with section 203, propose to use not more than 10 percent of the project funds of an eligible county for any fiscal year for administrative expenses associated with operating the resource advisory committee under this title.”;

(6) in section 204(e)(3)(B)(iii), by striking “and 2011” and inserting “through 2012”;

(7) in section 205(a)(4), by striking “2006” each place it appears and inserting “2011”;

(8) in section 208(b), by striking “2012” and inserting “2013”;

(9) in section 302(a)(2)(A), by inserting “and” after the semicolon; and

(10) in section 304(b), by striking “2012” and inserting “2013”.

(b) FAILURE TO MAKE ELECTION. —For each county that failed to make an election for fiscal year 2011 in accordance with section

102(d)(3)(A) of the Secure Rural Schools and Community Self -Determination Act of 2000 (16 U.S.C. 7112(d)(3)(A)), there shall be available to the Secretary of Agriculture to carry out projects to further the purpose described in section 202(b) of that Act (16 U.S.C.

7122(b)), from amounts in the Treasury not otherwise appropriated, the amount that is equal to 15 percent of the total share of the State payment that otherwise would have been made to the county under that Act for fiscal year 2011.

Kathleen Cahill
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From: Stigile, Art
Sent: Friday, January 18, 2013 1:00 PM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

Could someone send the language from MAP -21, so we can figure out which year the BA should be recorded?

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 12:58 PM
To: Stigile, Art; Locke, Patrick; LaVine, Jessie
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

I put all the BA in 2013 and the ol in 2013 and 2014. However, that does not mean it is correct. CBO scored the BA in 2012 and the OL in 2013 and 2014.

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From: Stigile, Art
Sent: Friday, January 18, 2013 11:42 AM
To: Cahill, Kathleen; Locke, Patrick; LaVine, Jessie
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: RE: Secure Rural Schools in MAP-21

How is it shown in the baseline?

Patrick/Jessie, do you know how it was scored?

From: Cahill, Kathleen
Sent: Friday, January 18, 2013 11:33 AM
To: Stigile, Art
Cc: Hurban, James C.; Hoef, Jennifer E.; Schory, Daniel
Subject: Secure Rural Schools in MAP-21

Art,

We are still grappling with when the SRS BA was scored (2012 or 2013). The main documents I have are concerned with OL. I have not been able to find the OMB scoring of MAP -21. Can you have someone send it to us?

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From: Murray, Jenny Winkler
Sent: Saturday, January 26, 2013 11:06 AM
To: Locke, Patrick; Stigile, Art; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21
Attachments: Secure Rural Schools and PILT

I never could find an e-mail indicating the option that we chose, but after I talked to CBO and to Jen Hoef and still did not get a clear answer as to how the BA should be recorded, Teresa did a little digging into the accounting data and then we decided to call Jan Smith to confirm our findings.

The short answer is that the BA for the 2012 payments should be recorded in 2013 and, therefore, subject to sequester. The longer explanation is as follows:

- For payments through FY 2006, the program was mandatory and the BA had always been warranted by Treasury and recorded in the year in which funds were obligated, which was the subsequent fiscal year. Therefore, for example, the BA for the FY 2006 payments would not have been recorded until FY 2007. The logic here was that, as with a good number of mandatory programs, the BA was driven by the obligations and as a result the obligational authority was not needed before the funds were actually to be obligated .
- The FY 2007 payments were instead included in an appropriations rather than an authorizing bill, after the program's authorization had been allowed to lapse. The FY 2007 payments were therefore considered a new program and scored as discretionary. They were not scored as a CHIMP and rebased. Given that decision, it was also determined that the FY 2007 payments should be scored similar to other discretionary programs where the BA is always recorded in the year in which it was appropriated. This was accomplished through backdated Treasury documents for FY 2007 that were processed in February or March of 2008.
- It was when the program was reauthorized by the Authorizers for FY 2008 through FY 2011 payments that the discussion in the attached e-mail occurred. The outcome of that discussion was that we reverted to both scoring and recording the FY 2008 payments the way we always had historically, as FY 2009 BA. The FY 2009, FY 2010 and FY 2011 payments were to be recorded (and have been recorded) similarly.
- Since the FY 2012 payments were accomplished through a simple extension of the program in MAP -21 (an authorizing bill), I believe that the method for recording the BA should continue. Although CBO scored this extension for FY 2012 payments in FY 2012, in talking to the analyst he claimed to only be mirroring what he thought OMB would do. I plan to pass along these findings to him.

Teresa should chime in if she wants to clarify anything in or add anything to this explanation.

Let us know if you have any questions.

From: Murray, Jenny Winkler
Sent: Tuesday, January 22, 2013 11:48 PM
To: Locke, Patrick; Stigile, Art; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21

Attached is an e-mail indicating that we talked about this exact issue the last time that the program was reauthorized in 2008. Unfortunately, I can't find an e-mail tonight indicating which option we ultimately chose. Let me take a look again

in the morning. If there was an e-mail that stated the resolution, I should be able to find it more easily from my computer at work.

From: Locke, Patrick
Sent: Tuesday, January 22, 2013 4:13 PM
To: Stigile, Art; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tan cre, Teresa A.; Murray, Jenny Winkler; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21

Way out of my area of competence. I'm fine with whatever others decide.

From: Stigile, Art
Sent: Tuesday, January 22, 2013 3:58 PM
To: Locke, Patrick; LaVine, Jessie; Zimmerman, Gail S; Jun, Hee K.; Tancre, Teresa A.; Murray, Jenny Winkler; Thomas, Judy
Subject: RE: Secure Rural Schools in MAP-21

Limiting to BRD. Does anyone think the BA should have been scored in 2012 instead of in 2013?

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(III) by inserting after subparagraph (A) the following:

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