

The background of the slide is a golden-yellow color with a repeating pattern of various international currency symbols, including the dollar sign (\$), euro (€), yen (¥), and pound sterling (£). The symbols are rendered in a 3D, embossed style, creating a textured effect.

U.S. Environmental Protection Agency (EPA)

Budget Overview

Raven Austin
Comptroller
U.S. EPA Region 9

TEAM

- Raven Austin, Comptroller, Region 9
- Kat Meltzer, Manager, Budget Office, Region 9
- Hamilton Humes, OCFO, Office of Budget, EPA HQ
- Jessica Snyder, OCFO, OEEEE, EPA HQ



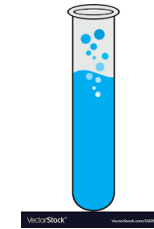
OVERVIEW OF FEDERAL BUDGET PROCESS

- What is the Budget?
- What is the President's Budget?
- Two Important Laws that Established the Federal Budget Process
 - Budget and Accounting of 1921
 - Budget and Impoundment Control Act of 1974

FEDERAL BUDGET– 2 PART

- **Generally divided into 2 parts:**

- 1) Budget Formulation
- 2) Budget Execution



- **Formulation** – Requesting funds, developing estimates and planning for future needs.

- The agency as a whole is formulating budgets for FY 2022 and beyond
- Disaster recovery normally involves asking supplemental budgets

- **Execution** - Correctly use monies that have been given (appropriated)

- We are executing FY 2020 and prior year monies, which includes disaster relief and FY 2020 supplemental funds



OVERVIEW OF FEDERAL BUDGET PROCESS

- Office of Management and Budget (OMB)
 - Initiates the budget formulation process
- Region 9
 - Region 9 begins budget planning in July, normally completes budget proposal process to HQ by end of the first qtr of the new fiscal year
 - HQ submits entire agency budget to OMB
- President's Budget
 - **OMB** prepares the President's **budget** proposal to Congress
 - By law, submitted to Congress no later than first Monday in February

OVERVIEW OF FEDERAL BUDGET PROCESS

- Congress
 - **Reviews** the President's **budget** and **adopts** budget resolutions
 - Appropriations committees **distribute** the funding
 - Chambers **vote** on appropriations bill
 - The President **signs the bill into law**, the appropriations bill is **enacted**
 - The enacted budget includes funding for EPA which becomes our blueprint for budget activities during the fiscal year



Annual Appropriation Formulation & Execution Schedule

- The Federal Government begins formulating (planning for) annual budgets about a year and a half before the start of the relevant Fiscal Year
- Following slides show 2 representations of the Budget Formulation and Execution Schedule, assuming the process occurs in regular order, i.e. no CRs or lapses
 - 1) Chronological - showing each step in succession
 - 2) Concurrently - displaying how these stages overlap

The Annual Federal Budget Formulation Process (Non-Transition Years)

Presidential and Congressional Processes

Presidential Process

Spring - December



Federal agencies submit budgets for review




December - 1st Monday in February




President submits budget request to Congress

Congressional Process
(Appropriations Process)

February 15 - September

House review & budget resolution

Senate review & budget resolution

Conference committee budget resolution

12 House Appropriations subcommittee markups & votes

12 Senate Appropriations subcommittee markups & votes


House Appropriations Committee markup

Senate Appropriations Committee markup

House floor vote



Senate floor vote

Conference Committee



Final Step


By October 1

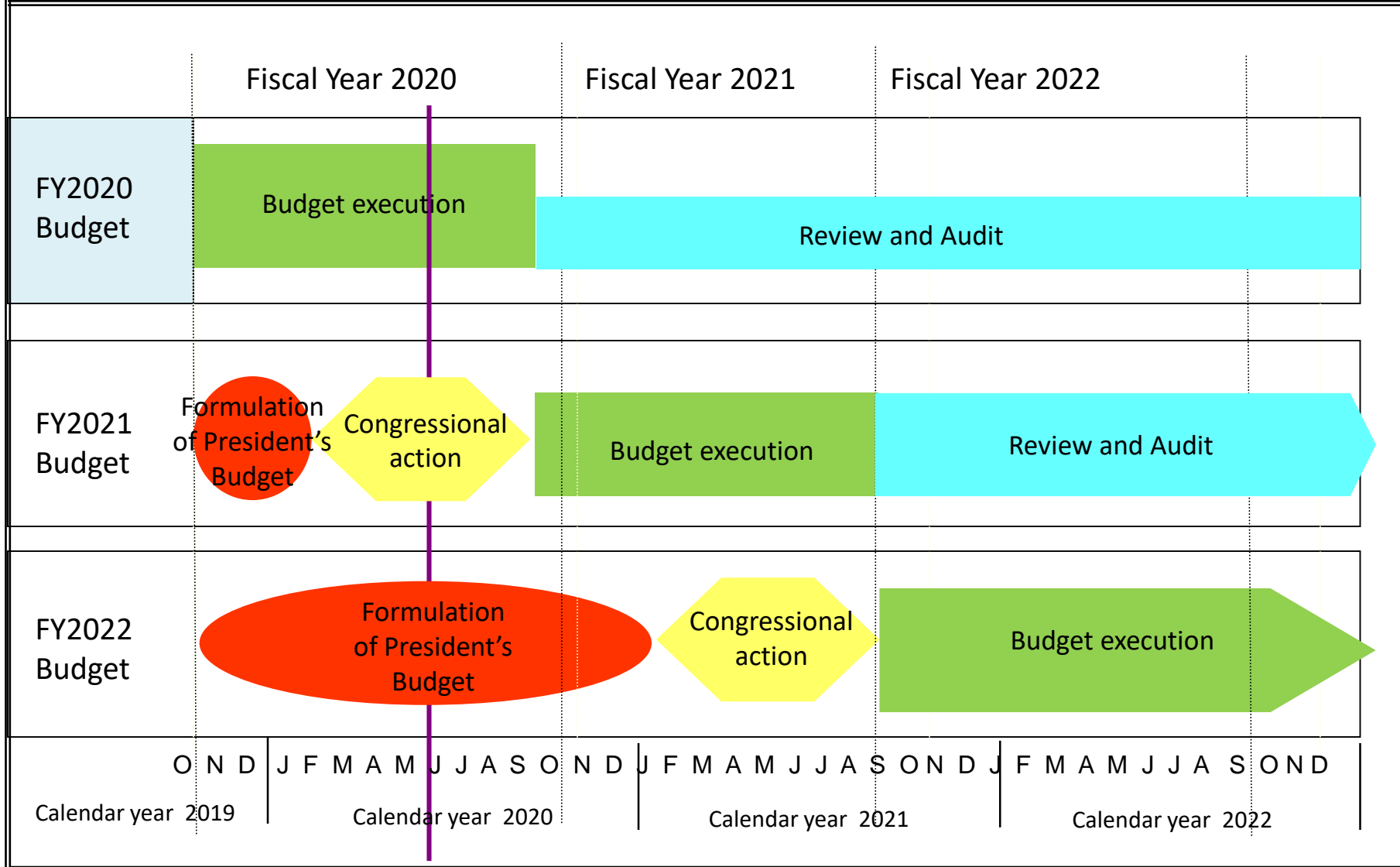
Veto

OR

Sign into law



Working on Three Budgets at One Time



Today

CURRENT STATUS

- Fiscal Year 2020
 - Appropriation enacted December 20, 2019
 - OCFO allocated funds to Regions February 12, 2020
- Fiscal Year 2021
 - President's Budget was sent to Congress on February 10, 2020
 - Congress began reviews
 - Appropriation enacted by end of fiscal year
 - Agency will develop operating plan based on enacted legislation



EPA's Overall Funding Sources

EPA organizations use dollars from different sources, many with different rules and requirements. We should be familiar with the rules for funding sources.

Regular Annual Appropriation

- Each year's annual appropriation contains detailed specific descriptions of how EPA may spend its funding.

Supplemental Appropriations

- For specific "emergency" needs, Congress appropriates money in addition to regular annual appropriations, mainly for large natural disasters like hurricanes or floods.

Reimbursables

- EPA performs work for another Federal Agency or State and is reimbursed through that Agency's funds. **Includes FEMA Mission Assignments.**

Settlements

- EPA received some monies through the Natural Resources Damages Assessments (NRDA) arising as a result of the Deep Water Horizon incident or in specific court settlements.

Trust Funds

- Superfund, OIL, and LUST, are EPA's main trust funds. Generally, Congress must also appropriate these funds before EPA can use them.

Fees

- Dollars collected in fees must be independently tracked and managed (it also might mean fee-funded employees don't stop working during shutdowns).

Special Accounts

- When EPA wins Superfund judgments or a responsible party settles, money may be reserved in special accounts to be used solely for the clean-up of that site.

Federal Spending Terms

Each step of the funding process and who does it

- **Appropriation (Congress)** – Congress passes a bill giving specific organizations permission to spend a certain amount of money for a particular purpose for a particular period of time
- **Apportionment (OMB)** – OMB, on behalf of the Executive Branch, allows Agencies to use specified amounts of appropriated dollars in Federal financial systems for particular programs (It violates the Anti-deficiency Act to use dollars without an apportionment.)
- **Allocation or Allowance (Agency)** – EPA allocates or provides an allowance to particular parts of the Agency (NPMs and Regions or portions thereof)
 - EPA designates **Allowance Holders** – who receive the allocation and then they can commit, obligate and outlay their portions of the EPA's budget
- **Commitment (Allowance Holder)** – An administrative reservation of funds for a particular purpose in anticipation of their obligation
- **Obligation (Allowance Holder)** – A definite legal liability of the government to pay money for goods and services ordered or received. E.g. the award of a grant or contract.
 - **Recording an Obligation** – Formally recording the obligation in a Federal financial system (Compass for EPA) to satisfy (recognize) the government's liability
- **Expenditure, Liquidation, Disbursements, Outlays (Normally accounting)** – EPA pays the bill. EPA expends, disburses or outlays the funds
 - Accounting distinction is when a resource is expended, when it actually sends cash – it is disbursed or outlaid. Accruals to account for the difference
- **Remaining Balances** (what is left) is generally: “un” + the basic budget term,
 - e.g. Un + obligated = un-obligated, however un-outlaid is normally called “unliquidated”

Budget Trends

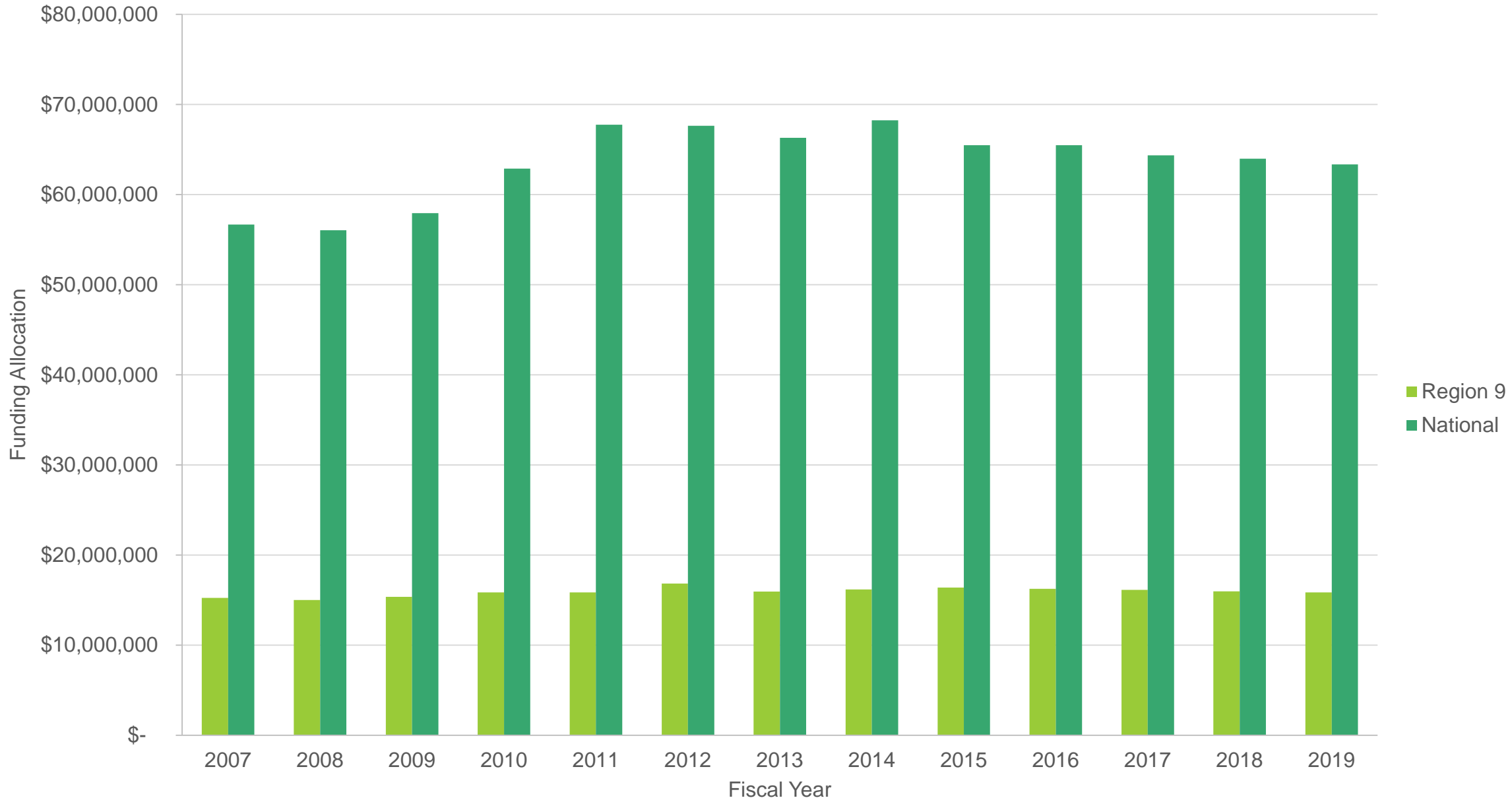
FY 2017 – FY 2019 Awarded Grants

NPM Title	Program Project Name	FY17 \$ (Dollars in Thosands)	FY18 \$ (Dollars in Thosands)	FY19 \$ (Dollars in Thosands)
OW	Categorical Grant: Nonpoint Source (Sec. 319)	\$4,221.9	\$4,594.2	\$4,006.9
OW	Categorical Grant: Public Water System Supervision (PWSS)	\$866.1	\$799.2	\$710.5
OW	Categorical Grant: Pollution Control (Sec. 106)	\$8,807.1	\$9,335.3	\$8,937.4
OW	Categorical Grant: Wetlands Program Development	\$282.7	\$1,047.7	\$448.8
OW	Categorical Grant: Underground Injection Control (UIC) Contract	\$0.0	\$174.7	\$0.0
OW	Categorical Grant: Underground Injection Control (UIC)	\$74.9	\$73.3	\$76.8
OW	Infrastructure Assistance: Clean Water SRF	\$0.0	\$0.0	\$2,921.0
OW	Infrastructure Assistance: Drinking Water SRF	\$98.7	\$1,593.4	\$2,275.9
OAR	Categorical Grant: Radon	\$0.0	\$80.0	\$75.0
OAR	Categorical Grant: Tribal Air Quality Management	\$3,480.3	\$2,978.9	\$3,054.1
OCSP	Categorical Grant: Pesticides Program Implementation	\$148.9	\$175.7	\$258.9
OCSP	Categorical Grant: Pollution Prevention	\$0.0	\$106.5	\$131.7
OLEM	Categorical Grant: Hazardous Waste Financial Assistance	\$91.5	\$0.0	\$0.0
OLEM	Categorical Grant: Brownfields	\$1,512.4	\$1,697.0	\$1,715.5
OLEM	Brownfields Projects	\$600.0	\$0.0	\$1,300.0
OLEM	LUST / UST - EPM	\$368.1	\$250.0	\$350.0
OLEM	Superfund Emergency Response and Removal	\$0.0	\$0.9	\$0.2
OITA	Categorical Grant: Tribal General Assistance Program	\$18,275.4	\$16,093.1	\$17,235.7
OECA	Categorical Grant: Pesticides Enforcement	\$599.9	\$488.9	\$658.1
Grand Total by Program Projects		\$39,427.9	\$39,488.7	\$44,156.6

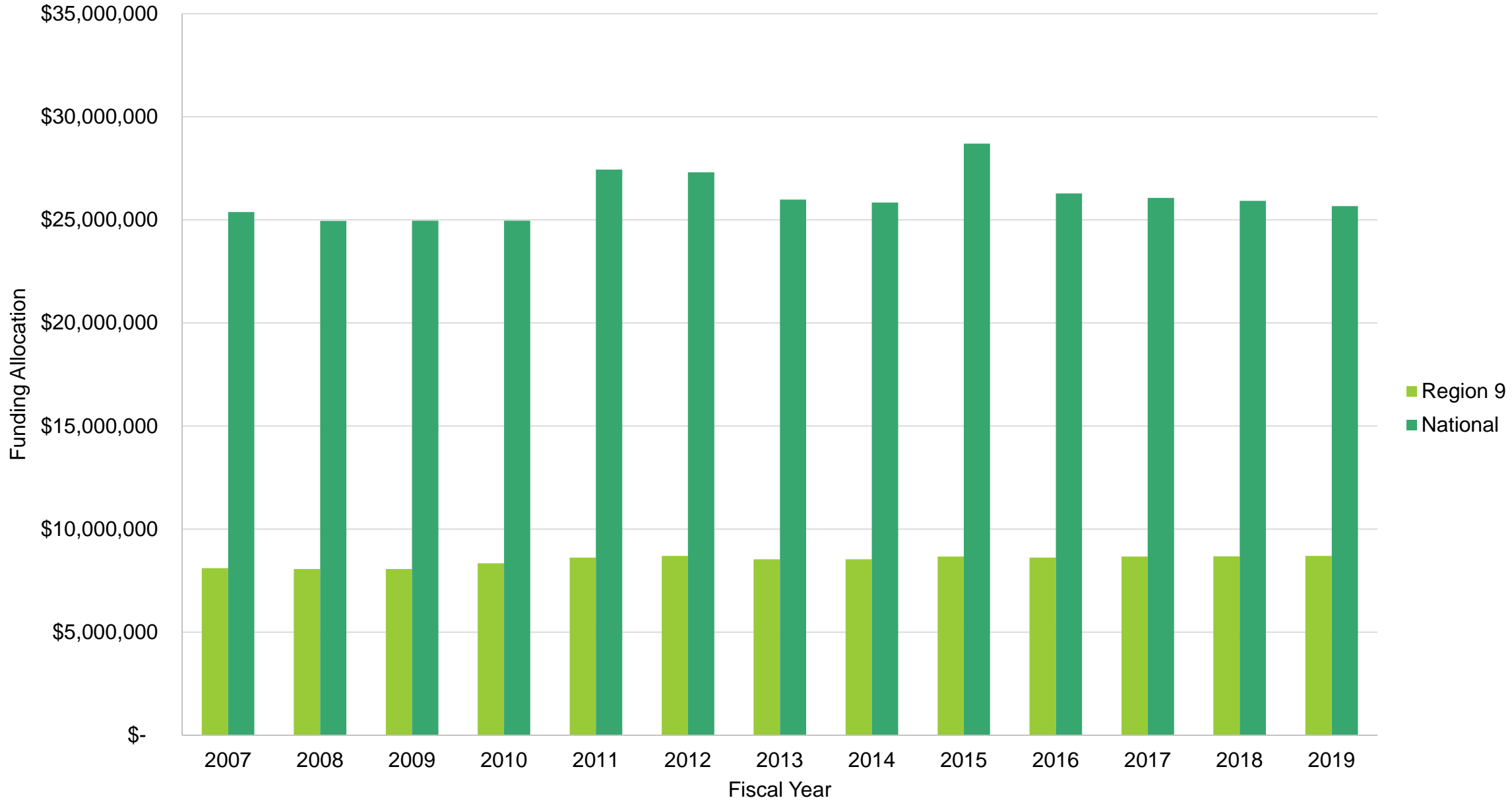
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ADDITIONAL BUDGET INFO

GENERAL ASSISTANCE PROGRAM (GAP)



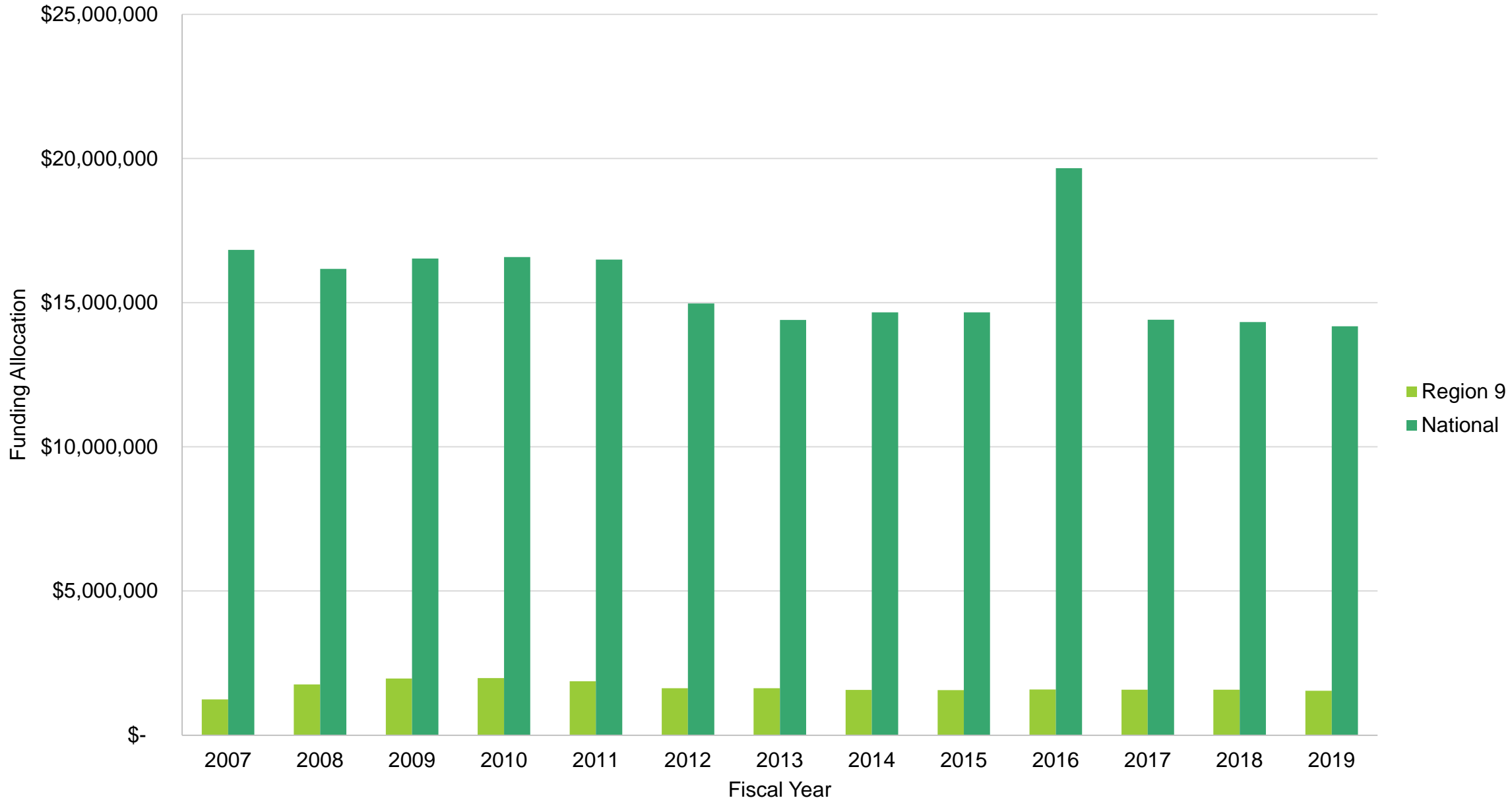
Clean Water Act 106



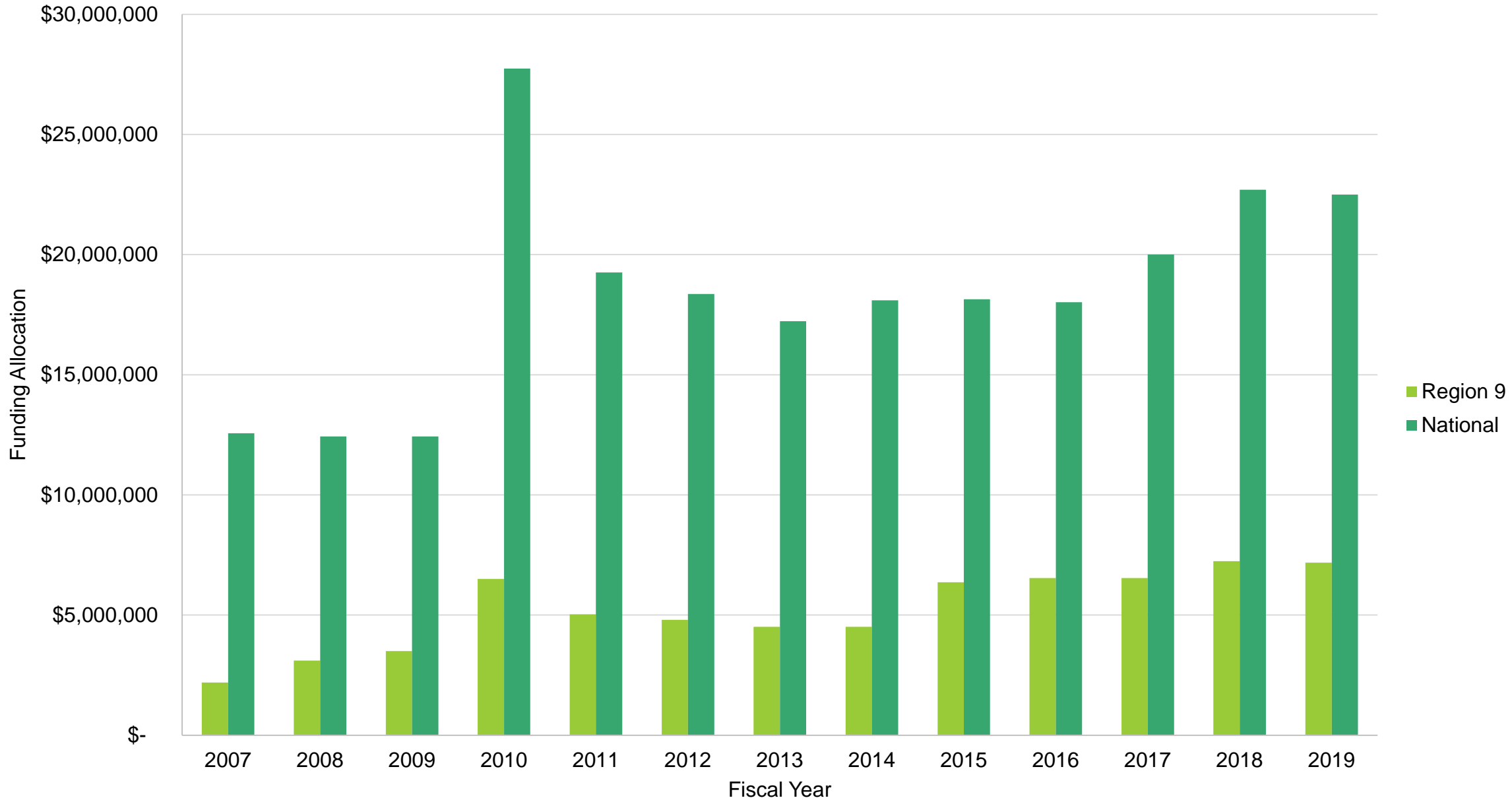
Clean Water Act 319



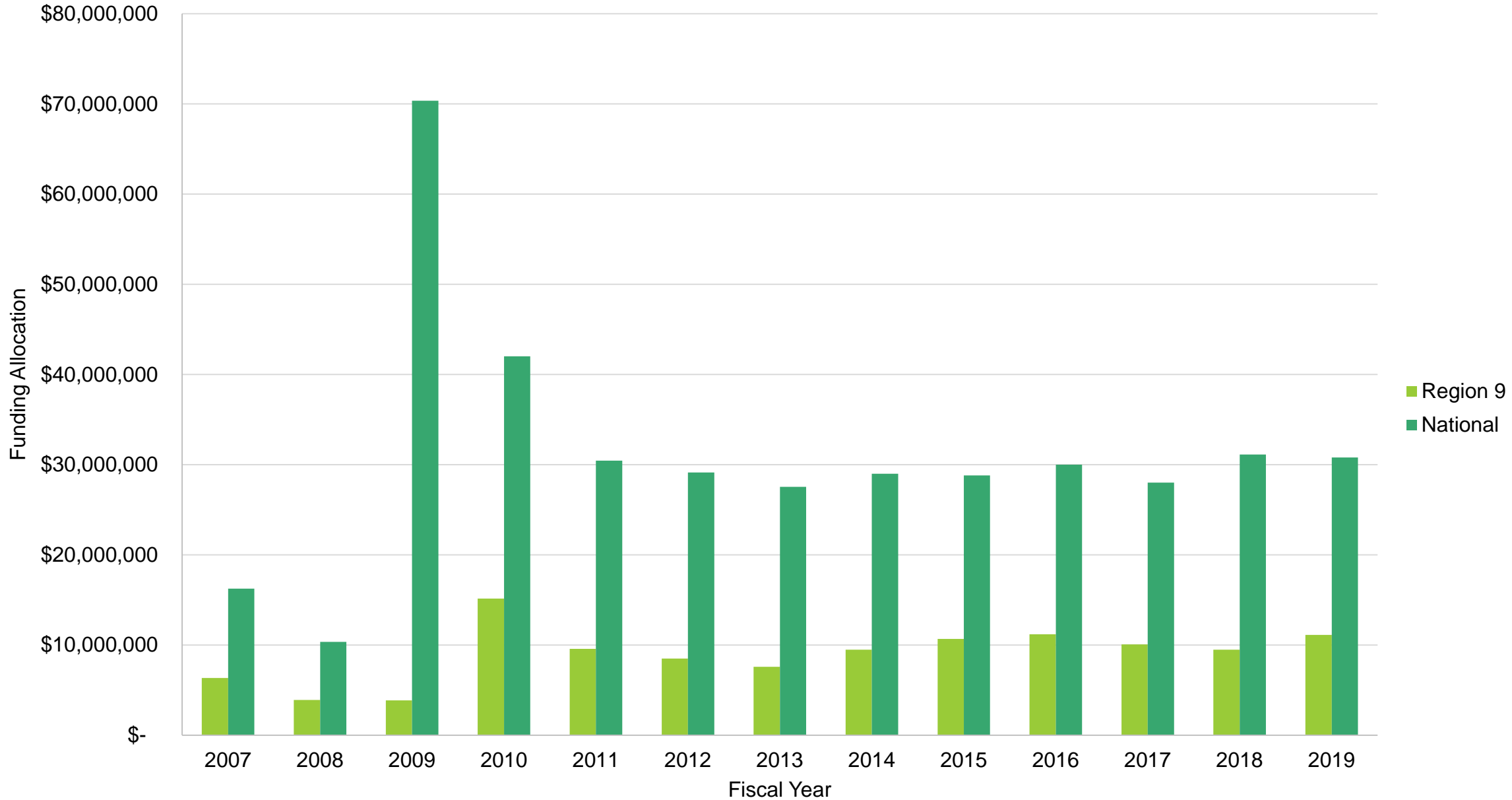
CWA 104(b)3 - Wetlands



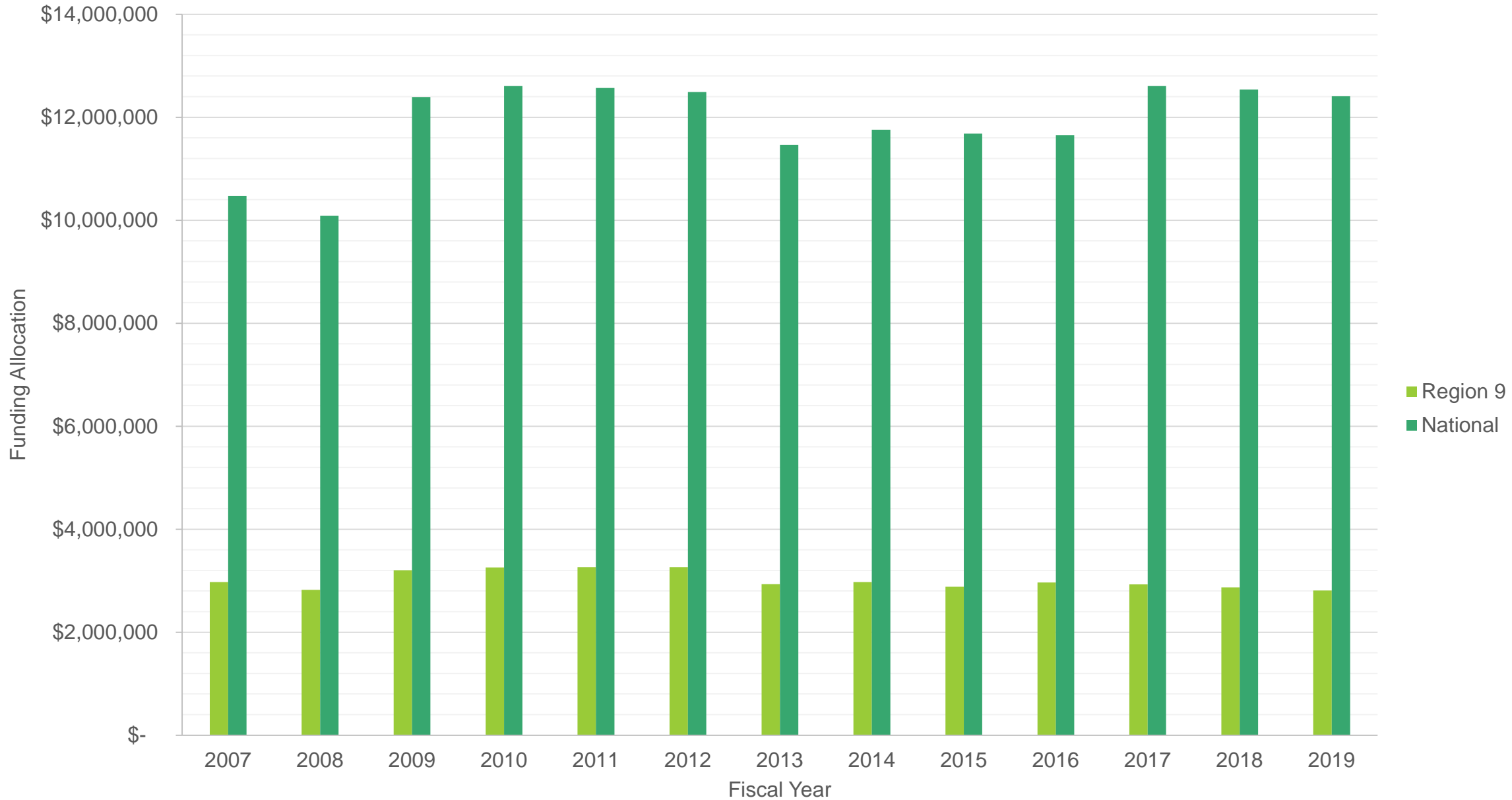
Drinking Water Tribal Set-Aside



Clean Water Tribal Set-Aside



Clean Air Act



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OTHER EPA PROGRAMS

- FIFRA
- Brownfields
- UST/LUST

Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) Grants

Year	FIFRA (OECA)		FIFRA (OPP)	
	Region 9	National	Region 9	National
2016	\$685,000	\$1,290,000	\$196,130	\$908,000
2017	\$685,100	\$1,290,000	\$196,130	\$811,590
2018	\$685,000	\$1,290,000	\$196,134	\$693,000
2019	\$658,100	\$1,292,000	\$258,900	\$660,000

Brownfield Grants – FY19 Funding

- Establishing and Enhancing State and Tribal Response Programs (128(a))
 - National: \$46M | Region 9: \$5.7M | Tribal Set Aside: \$1.7M
- Targeted Brownfields Assessment Funds
 - National: \$5.3M | Region 9: \$1.1M | Tribal Set Aside: \$0.4M
- Revolving Loans
 - National: \$8M

UST and LUST Grants – FY19 Funding

- Underground Storage Tanks
 - National: \$1.4M | Region 9: \$350K
- Leaking Underground Storage Tanks
 - National: \$2M | Region 9: \$350K

Closing Remarks



QUESTIONS?

GENERAL ASSISTANCE PROGRAM (GAP)

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
National	56,654,000	56,036,970	57,925,000	62,875,000	67,739,000	67,631,000	66,300,000	68,241,000	65,476,000	65,476,000	64,340,000	63,981,000	63,343,000
Regional	15,243,232	14,996,995	15,347,337	15,840,000	15,840,000	16,822,585	15,946,200	16,170,000	16,381,589	16,249,000	16,120,000	15,964,000	15,840,000

WATER POLLUTION CONTROL (CLEAN WATER ACT SECTION 106) GRANTS

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
National	25,376,385	24,943,747	25,954,717	24,954,717	27,434,400	27,300,000	25,978,000	25,840,560	28,698,000	26,280,000	26,060,000	25,920,000	25,660,000
Regional	8,102,385	8,054,847	8,057,217	8,335,217	8,612,400	8,700,000	8,528,000	8,528,000	8,669,000	8,610,000	8,660,000	8,670,000	8,700,000

CLEAN WATER ACT SECTION 319 NONPOINT SOURCE MANAGEMENT PROGRAM

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
National	7,000,000	8,000,000	8,000,000	8,000,000	8,010,141	7,900,000	7,570,000	7,500,000	800,000	8,245,750	8,660,000	8,350,000	8,280,000
Regional	3,748,383	4,443,360	3,738,666	4,252,230	4,133,082	4,200,000	3,940,510	3,769,900	4,080,000	4,220,000	4,210,000	4,660,000	3,900,000

CLEAN WATER ACT SECTION 104(b)3- WETLANDS

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
National	16,830,000	16,170,000	16,530,000	16,580,000	16,496,000	14,771,000	14,400,000	14,660,000	14,661,000	19,661,000	14,487,000	14,326,000	14,183,000
Regional	1,239,882	1,564,540	1,964,000	1,977,730	1,870,768	1,627,500	1,627,500	1,573,000	1,564,540	1,585,982	1,581,394	1,581,394	1,543,000

WATER INFRASTRUCTURE FUNDING - DRINKING WATER TRIBAL SET-ASIDE

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
National	12,562,000	12,435,000	12,435,000	27,740,000	19,260,000	18,360,000	17,227,000	18,100,000	18,138,000	18,019,000	20,000,000	22,700,000	22,500,000
Regional	2,196,786	3,106,000	3,501,000	6,503,257	5,026,000	4,804,000	4,508,000	4,502,000	6,368,000	6,537,000	6,537,000	7,240,000	7,180,000

WATER INFRASTRUCTURE FUNDING - CLEAN WATER TRIBAL SET-ASIDE

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
National	16256000	10335000	70,336,000	42,000,000	30,439,000	29,134,000	27,522,000	28,978,000	28,788,000	30,000,000	28,000,000	31,104,000	30,777,000
Regional	6,338,600	3,908,390	3,865,930	15,141,400	9,576,610	8,497,160	7,578,110	9,486,000	10,667,000	11,191,000	10,064,000	9,470,000	11,120,000

TRIBAL CLEAN AIR ACT GRANTS

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
National	10,472,100	10,088,430	12,390,110	12,608,480	12,570,870	12,489,000	11,462,000	11,758,000	11,683,900	11,651,000	12,610,000	12,540,000	12,410,000
Regional	2,972,604	2,822,404	3,202,184	3,256,376	3,260,523	3,259,737	2,933,750	2,874,502	2,883,487	2,967,439	2,930,000	2,890,000	2,810,000