

NATIONAL WEATHER SERVICE INSTRUCTION 70-204

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Financial Management

Financial Management, NWSPD 70-2

GUIDANCE FOR CONTINUING RESOLUTIONS

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OPR: W/CFO2 (C. Kirby)

Certified by: W/CFO/CAO (R. Byrd)

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SUMMARY OF REVISIONS:

This instruction supersedes the National Weather Service Instruction (NWSI) 70-204, Guidance for Continuing Resolutions, dated April 11, 2005. The changes were as follows: (1) Section 1, Introduction, updated paragraph (2) Section 2, General Rules, updated the fiscal years (3) Section 3.1 Inserted the word “Each” in the first sentence, (4) Section 3.1 Inserted the word “The” in the second sentence, (5) Section 3.1 Added a bullet format (6) Section 3.1 Deleted Authorizing Official in the first bullet (7) Section 3.1 Updated CD-435 to C. Request (8) Section 3.1 Deleted the duplicate word “terminations” in the second bullet (9) Section 3.1 Inserted a bullet for Long Lead Requisitions for clearer instruction (10) Section 3.1 Multi-year Contracts: Deleted “Upon enactment of the appropriations bill, multi-year contracts may be forward funded, if multi-year funding is available. A contract which may span multiple years, could be funded in its entirety, or as much of it could be funded as funds are available.” (11) Section 3.1 Firm Fixed Price: Deleted the words “Contracts: Normally” and “for the next fiscal year” (12) Deleted: “See paragraphs 3.1a and 3.1c above (13) Section 3.2, All Other Purchases: Deleted “pending availability of funds” before the word “statement” (14) Inserted Section 5, References.

Signed

1/7/10

Robert J. Byrd
Chief Financial Officer/Chief
Administrative Officer

Date

Guidance for Continuing Resolutions

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1 Introduction

Ideally, NOAA would receive an appropriation before the start of the fiscal year. In the event that an appropriation is not signed at the start of the fiscal year, a Continuing Resolution (CR) would be enacted by Congress to provide intervening authority to operate. NOAA's Execution planning is based on a CR as passed by Congress and signed by the President. These plans are then updated based on the final appropriation.

2 General Rules

Usually CRs do not appropriate specific sums of money. Rather, they provide "formulas" for calculating the amounts available for continuing programs at minimal levels. CRs normally provide temporary funding. In exceptional cases, CRs have been in effect through the end of a fiscal year. In such cases, regular appropriations language replaces the formula in the CR. All the appropriations normally provided in the appropriations bills can be provided in one joint resolution making consolidated appropriations. Consolidated appropriations are also referred to as omnibus appropriations acts.

The following general rules apply when operating under a CR:

- Line/Staff Offices must record the obligations in the organizations and projects existing in the previous fiscal year (i.e. FY 2009 obligations are the basis for FY 2010.) Line/Staff Offices must be prepared to make adjustments when NOAA receives its appropriation.
- New programs cannot be started.
- Programs cannot be terminated. However, for programs not in the current fiscal year House or Senate Mark, or funded at reduced levels, obligations must be kept to a minimum during the CR period. Line Offices are responsible to cover these obligations in the event that they are not funded in the enacted appropriation.
- New or renewal contracts can only be funded at the CR rate.

Travel, training, and other discretionary costs should be limited to essential programmatic requirements.

3 Guidance for Obligating Documents

3.1 Procurement Requests

Each Financial Management Center (FMC) Director, or other official delegated to sign procurement requests, certifies that funds are available. The type of purchase/contract is critical:

- One time purchases authorize a specific dollar amount to procure an item or service. Funds must be available within the FMC's budget to cover these items purchased during the period of a CR. If funds are available during the period of the CR, there is no need to include a statement "pending availability of funds" on the document. If funds are available, the signature of the approver on the C. Request authorizes the purchase/contract to be processed. *If funds are not available, do not hold the paperwork. Submit it for processing with the "pending availability of funds" statement. This will allow the requisition to be processed up*

to the point of award and save considerable time. Award will not be made until the responsible budget official provides written verification that funds are available.

- **Recurring Purchases:** Contracts where the entire annual amount was obligated during the period of the CR in the previous year may be obligated without any clause referencing the CR. Typically, these will include service contracts for NWS facilities. If the entire amount was not obligated during the same period in the prior year, follow instructions below for option year contracts. In the event it is determined that sufficient funds are not available to cover these costs, the contract may be terminated for the convenience of the Government. Please note, however, that any such termination may result in costs due to the contractor. Please consult the assigned Contracting Officer to obtain an estimate of these potential costs.
- **Long Lead Time Requisitions:** Even though funds might not be available under the CR, because some large dollar acquisitions can take over one year, it is necessary to submit requisitions based on the acquisition lead time and not the availability of funds.
- **Option Year Contracts:** Funds are available during the CR up to the amount authorized. Sometimes the period of the CR limits the number of days for which funding is available. In this case, the purchase must state: *“Funds are provided for the period of performance of 1 October - 30 October (or enter the actual ending date of the CR as appropriate), under authority of the FY__ CR. The remaining balance will be made available upon enactment of the FY__ budget.”*
- The amount shown will include only those dollars authorized during the CR period. A modification to the procurement request will be required when funds become available.
- **Multi-year Contracts:** Under a CR, procurements for recurring services which employ multi-year contract vehicles may only be funded at the same obligation rate as the same time period of the previous fiscal year. Multiple year contracts require the inclusion of a “cancellation charge” which NWS would have to pay the contractor if subsequent funding adequate to complete the contract is not received.
- **Firm Fixed Price Contracts:** Normally, for firm-fixed price contracts must be available for obligation at the time of contract award. They may, however, be conditioned upon availability of funds.

3.2 All Other Purchases

Subject to the restrictions in the general rules in section 2, purchases can proceed at the CR rate without a statement. FMC Directors are responsible for ensuring they do not exceed the authorized funds during a CR.

4 General Guidance

In general, CRs authorize spending at the same rate during the CR period as the previous year. When formulas are applied to calculate the amounts available and/or seasonal rates used as the basis for the calculations, the amounts available may not exactly match what was spent in the

same period in the previous year. Spending in excess of the available CR rate during the previous year is not counted when calculating the amounts available. The amounts available to each FMC will be provided by the Office of the Chief Financial Officer/Chief Administrative Officer (CFO). Any questions on the amounts available should be directed to the CFO's office. Questions related to procurement actions should be directed to the Contracting Officer that handles procurement for the FMC.

5 References

OMB Circular A-11 Section 123 Apportionments under Continuing Resolutions

NOAA Business Operations Manual, Version 5.2, Chapter 5 09/2009

http://www.ppi.noaa.gov/PPI_Capabilities/Documents/BOM.pdf