

NATIONAL WEATHER SERVICE INSTRUCTION 70-204

AUGUST 21, 2017

Financial Management, NWSPD70-2
GUIDANCE FOR CONTINUING RESOLUTIONS

NOTICE: This publication is available at: <http://www.nws.noaa.gov/directives/>.

OPR: W/CFO1 (C. Kirby)

Certified by: W/CFO1 (T. Napora)

Type of Issuance: Routine

SUMMARY OF REVISIONS: This directive supersedes NWSI 70-204 “*Guidance for Continuing Resolutions*” dated October 5, 2015. Changes were made to reflect the NWS Headquarters reorganization effective April 1, 2015.

Signed

8/7/2017

John E. Potts
Chief Financial Officer/Chief
Administrative Officer

Date

Guidance for Continuing Resolutions

Table of Contents	Page
1. Introduction.....	3
2. General Rules.....	3
3. Guidance for Obligating Documents.	4
3.1 Procurement Requests.....	4
3.2 All Other Purchases.	4
4. Spend Plans during a CR	5
5. Required Transfers to Other Line Offices.....	5
6. References.....	5
7. Appendix A--Memorandum Example.....	6

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. This formula is applied by the Office of Management and Budget (OMB) in apportioning funds under the CR. Once the CR is enacted, OMB usually issues a bulletin to automatically apportion funds available under the CR. This automatic apportionment applies to most accounts, but not all. For particular accounts, OMB provides a separate written apportionment.

Each CR should be carefully reviewed to determine the formula provided. The amount available under a CR is the result of negotiations in Congress and the Administration. As a result, the formula provided in each CR will likely differ from the formula in previous CRs.

The following general rules apply when operating under a CR:

- When using the fixed rate, the previous year's obligations are the basis for the current year. The fixed rate is equivalent to the number of days elapsed in the fiscal year. The first quarter equals 25%.
- NWS must be prepared to make adjustments when NOAA receives its appropriation.
- If the CR is based on a seasonal fixed rate then it is based on the average of several prior year obligations. NWS can only obligate up to the rate provided.
- Depending on the obligation rate and associated funds availability. Contracts may need to be incrementally funded, however, nothing in the CR precludes full obligation of a contract base or option year.
- 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 may be awarded, but only in support of ongoing program. As long as it supports an ongoing program and is affordable in the funds provided. Non-severable contracts cannot be incrementally funded.

- Travel, training, and other discretionary costs should be limited to essential operational and 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:

- Funds must be available within the FMC's budget to cover items purchased during the period of a CR. If funds are available during the period of the CR, signature of the approver on the request authorizes the purchase/contract to be processed.
- Long Lead Time Requisitions: Zero dollar requisitions should be used during a CR when the NOAA Acquisition Lead Time (PALT) requires submission of a requisition to make a planned award beyond the expiration of the CR period. When using zero dollar requisitions state "Pending Availability of funds" on requisition.
- 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, firm-fixed price contracts must be available for obligation at the time of contract award. They may, however, be conditioned upon availability of funds.
- Procurement requests for grants are only authorized for ongoing activities and when funding is available for that purpose. A continuing resolution memorandum must be attached to the grant. This memorandum requires the NWS CFO letterhead. A sample is attached for reference in appendix A.

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. Spend Plans During a CR:

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. CFO will establish spend plan and associated delegation memos during the CR at the program/FMC level. NWS will establish spend plans in MARS during CR.

5. Required Transfers to Other Line Offices:

Necessary transfers during a CR can be completed through manual allotment by the NOAA Budget Office with coordination through NWS Office of the CFO/CAO. (Example: AGO Direct Bill OAR Summary Level Agreements)

6. References:

https://obamawhitehouse.archives.gov/sites/default/files/omb/assets/a11_current_year/s123.pdf

Appendix A—Memorandum Example

MEMORANDUM FOR: Arlene Simpson-Porter, Director
Grant Management Division (GMD)

FROM: John R. Potts, Chief Financial Officer
National Weather Service

RE: UCAR/COMET Funding Under the Continuing Resolution
(CR)

Date:

The purpose of this memorandum is to provide confirmation that funding is available, during the CR, for the University Corporation for Atmospheric Research’s Cooperative Program for Operational Meteorology, Education, and Training (COMET) cooperative agreement for ongoing activities consistent with mission requirements and the Annual Operating Plan. As such, it is requested that the pending procurement request for Award number NA16NWS4670042 be approved and processed.

The purpose for the funding of this Cooperative Agreement (Multi-year Cooperative Agreement with UCAR/COMET for Education, Training, and Capacity Development for Weather, Water, and Climate Forecasting) is: 1) support the NOAA-USAID International Training Workshop on Climate Variability and Prediction (ITWCVP), (\$150,000); 2) to support Weather Ready Nations pilot projects in selected Central American countries, as requested by the NWS leadership; (\$200,000); Support training development and validation efforts for Numerical Weather Prediction and National Water Model, and provide infrastructure support for the COMET/FDTD (\$497,536).

The NWS total of \$847,536 will be charged to the following accounts: NWS/IA PAPA: 0007, 04-30-10-011, (\$150,000), NWS/IA VCP: 006, 04-30-10-001 (\$200,000), and STI: 1043, 04-50-50-001 (Training infrastructure) (\$497,536).

I request that GMD processes this action, as well as any follows on actions, as deemed appropriate by NWS OCFO.

Signed