

**US Army Corps
of Engineers®**

FY 09 PROGRAM PROCESS

Use Performance Measures and Policy Direction Guidance memo to:

- Rank competing investments in each business program
- Demonstrate improved outcomes from added increments

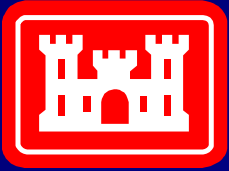
Develop amounts based on their own internal performance metrics for:

- GE; REG; FCCE; REC; ENV Stewardship; FUSRAP

Develop Performance Based program for project competing business lines:

- Initial level (NO new work, phases or contracts, previously budgeted projects only)
- Categorize and Prioritize CG projects into Priority levels
- Add Performance Base High Return items and increments for GI and O&M items

Add to the Highest Priority, ongoing projects & contracts to “Final Budget”

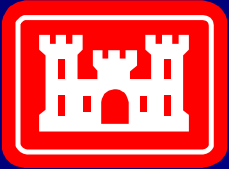


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Budgeting Metrics

Main Ranking Criteria

- All - New/Continuing/Completing/Years to Complete
- ENR - Loss prevention for significant natural resources
- FRM & NAV & HYDRO - Benefit to Cost Ratio
- FRM & NAV - Dam Safety & Seepage Stability
- FRM - People in the 100-yr floodplain
- FRM - Flood "Risk" Index
- NAV- Tonnage movements
- NAV & HYDRO - "Risk" Assessments
- ALL INV - Watershed Elements
- ALL CONST - ESA & compliance needs
- ALL O&M - Safety, Caretaker, Compliance, Subsistence



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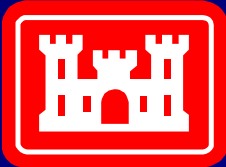
Simple FY 08 Budget Arithmetic

\$4.8B “Gross National Allocation”

- **\$ 1.8B Base O&M**
- **\$900M GE, REG, FCCE, REC, FUSRAP etc.**
- **\$500M Dam Safety**
- **\$400M National Priority**
- **\$700M Continuing Const Cont**
- **\$100M Investigations**

\$400M Left for “Distribution” THAT’S IT!

- **A tough job to make it ALL fit!**



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Program Comparison

	FY06 Appr	FY07 Appr (1) (2)	FY08 Budget
		<u>\$ Millions</u>	
Investigations	162	162	90
Operation & Maintenance	1,969	1,969	2,471 (2,185)
Construction	2,348	2,325	1,523 (1,809)
Miss. River & Tribs.	396	396	260
Regulatory Program	158	159	180
Flood Control & Coastal Em.	0	22 ⁽³⁾	40
F.U.S.R.A.P.	139	133	130
Expenses	152	163	171
ASA(CW)	<u>4</u>	<u>4</u>	<u>6</u>
Total	5,329	5,334	4,871

(1) = FY06 – 1% rescission + FY07 labor adjustment

(2) Administration may propose rescission

(3) Proposed