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09-Aug-02

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ACTION OFFICE: CFO

AUTHOR: Mitchell Daniels
AFFILIATION: OMB
ADDRESSEE: Agency Heads
SUBJECT: Rescissions of funds in administrative and travel accounts

ACTION: Appropriate
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NOTES: Please note due dates of August 9 and Aug 12 for required
information..... 14?

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

THE DIRECTOR

July 29, 2002

BULLETIN NO. 02-05

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Rescissions of Funds in Administrative and Travel Accounts

Purpose. This bulletin provides guidance on the rescission of amounts from administrative and travel accounts required by section 1403 of the 2002 Supplemental Appropriations Act for Further Recovery From and Response to Terrorist Attacks on the United States (H.R. 4775). It is being issued in anticipation of enactment to permit orderly planning by agencies.

Background and coverage. Section 1403 of H.R. 4775 (Attachment A) rescinds \$350 million of the funds available from prior Appropriations Acts from administrative and travel accounts. It applies on a pro rata basis to funds available to every Federal agency, department, and office in the executive branch, including the Office of the President.

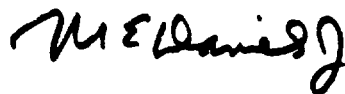
The bill also requires that, "Within 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a listing of the amounts by account of the reductions ..."

Required actions. Agencies will be separately provided with their pro rated rescission amounts in the format of Attachment B by their OMB representative. Agencies have the discretion to determine the allocation of their rescission amount by budget account and within accounts, provided that the rescissions are applied to expenses that that can be legitimately defined as administrative or travel expenses. OMB will review the agency allocations to ensure consistent application of this guidance. For computing each agency's share of the rescission, OMB used object classes 11.1 – 12.2 (salaries and benefits) and 21.0 – 26.0 (travel and other administrative expenses).

Agencies are required to submit their proposed allocation of the rescission by accounts and the amounts of the rescission in the same format as Attachment B, and any additional supporting information requested by their Resource Management Offices, to their OMB representative by Friday, August 9.

Agencies should reflect the proposed allocations in their FY 2002 reapportionments, which are due to OMB within three days of when the proposed allocations are submitted or by Wednesday, August 14, whichever is sooner.

Contact. Questions regarding this bulletin should be directed to the agency's OMB representatives.

A handwritten signature in black ink, appearing to read "M E Daniels Jr". The signature is written in a cursive, somewhat stylized font.

Mitchell E. Daniels, Jr.
Director

Attachments

**FEDERAL ADMINISTRATIVE AND TRAVEL EXPENSES
(RESCISSIONS)**

Sec. 1403. (a) Of the funds available to the agencies of the Federal Government from prior Appropriations Acts, \$350,000,000 are hereby rescinded: Provided, That rescissions pursuant to this subsection shall be taken only from administrative and travel accounts: Provided further, That rescissions shall be taken on a pro rata basis from funds available to every Federal agency, department, and office in the executive branch, including the Office of the President.

(b) Within 30 days after the date of the enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a listing of the amounts by account of the reductions made pursuant to the provisions of subsection (a) of this section: Provided, That the Office of Management and Budget shall also include with such listing an explanation of the methodology used to identify the offices, accounts, and amounts to be reduced.

H.R. 4775 Administrative and Travel Expense Rescissions

[Agency Name]

Total rescission amount, FY 2002 budgetary resources (dollars in thousands): \$xxx

ALLOCATION BY ACCOUNT:

Account Identification Code (Treasury agency and account symbol)	Account Title	Amount Rescinded
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OFFICE OF MANAGEMENT AND BUDGET
 FY 2002 ADMINISTRATIVE EXPENSE \$350M RESCISSION
 Base Is Direct Obligations in Object Classes 11.1-12.2, 21.0-26.0
 Dollars In Thousands

Agency	Base Amount	Rescission
Department of Agriculture	17,127,000	-12,857
Department of Commerce	4,153,000	-3,118
Department of Defense--Military	272,800,000	-204,782
Department of Education	1,705,000	-1,280
Department of Energy	18,337,000	-13,765
Department of Health and Human Services	17,322,000	-13,003
Department of Housing and Urban Development	1,690,000	-1,269
Department of the Interior	8,500,000	-6,381
Department of Justice	21,199,000	-15,913
Department of Labor	2,874,000	-2,157
Department of State	5,340,000	-4,009
Department of Transportation	16,495,000	-12,382
Department of the Treasury	16,160,000	-12,131
Department of Veterans Affairs	23,399,000	-17,565
Corps of Engineers-Civil Works	3,675,000	-2,759
Other Defense Civil Programs	366,000	-275
Environmental Protection Agency	4,780,000	-3,588
Executive Office of the President	264,000	-198
Federal Emergency Management Agency	1,110,000	-833
General Services Administration	211,000	-158
International Assistance Programs	1,777,000	-1,334
National Aeronautics and Space Administration	13,339,000	-10,013
National Science Foundation	418,000	-314
Office of Personnel Management	411,000	-309
Small Business Administration	646,000	-485
Social Security Administration	6,760,000	-5,075

OFFICE OF MANAGEMENT AND BUDGET
 FY 2002 ADMINISTRATIVE EXPENSE \$350M RESCISSION
 Base Is Direct Obligations in Object Classes 11.1-12.2, 21.0-26.0
 Dollars In Thousands

Agency	Base Amount	Rescission
Advisory Council on Historic Preservation	2,000	-2
Appalachian Regional Commission	11,000	-8
Architectural and Transportation Barriers Compliance Board	3,000	-2
Broadcasting Board of Governors	385,000	-289
Central Intelligence Agency	79,000	-59
Chemical Safety and Hazard Investigation Board	8,000	-6
Commission on Civil Rights	9,000	-7
Commission on Ocean Policy	4,000	-3
Committee for Purchase from People who are Blind or Severely Disabled	2,000	-2
Commodity Futures Trading Commission	84,000	-63
Consumer Product Safety Commission	53,000	-40
Corporation for National and Community Service	223,000	-167
Court of Appeals for Veterans Claims	11,000	-8
Court Services and Offender Supervision Agency for the District	126,000	-95
Defense Nuclear Facilities Safety Board	19,000	-14
Delta Regional Authority	1,000	-1
District of Columbia	34,000	-26
Equal Employment Opportunity Commission	278,000	-209
Export-Import Bank of the United States	61,000	-46
Federal Communications Commission	38,000	-29
Federal Deposit Insurance Corporation	779,000	-585
Federal Drug Control Programs	236,000	-177
Federal Election Commission	43,000	-32
Federal Financial Institutions Examination Council Appraisal Sub.	1,000	-1
Federal Labor Relations Authority	27,000	-20
Federal Maritime Commission	15,000	-11
Federal Mediation and Conciliation Service	37,000	-28

OFFICE OF MANAGEMENT AND BUDGET
 FY 2002 ADMINISTRATIVE EXPENSE \$350M RESCISSION
 Base Is Direct Obligations in Object Classes 11.1-12.2, 21.0-26.0
 Dollars In Thousands

Agency	Base Amount	Rescission
Federal Mine Safety and Health Review Commission	7,000	-5
Federal Retirement Thrift Investment Board	89,000	-67
Institute of Museum and Library Services	6,000	-5
Intelligence Community Management Account	109,000	-82
International Trade Commission	52,000	-39
Marine Mammal Commission	1,000	-1
Merit Systems Protection Board	29,000	-22
Morris K. Udall Scholarship and Excellence in National Environment	2,000	-2
National Archives and Records Administration	239,000	-179
National Capital Planning Commission	8,000	-6
National Commission on Libraries and Information Science	1,000	-1
National Council on Disability	1,000	-1
National Credit Union Administration	99,000	-74
National Endowment for the Arts	19,000	-14
National Endowment for the Humanities	17,000	-13
National Labor Relations Board	224,000	-168
National Mediation Board	10,000	-8
National Transportation Safety Board	68,000	-51
National Veterans Business Development Corporation	4,000	-3
Nuclear Regulatory Commission	573,000	-430
Nuclear Waste Technical Review Board	2,000	-2
Occupational Safety and Health Review Commission	8,000	-6
Office of Government Ethics	9,000	-7
Office of Navajo and Hopi Indian Relocation	5,000	-4
Office of Special Counsel	11,000	-8
Pacific Charter Commission	2,000	-2
Railroad Retirement Board	102,000	-77

OFFICE OF MANAGEMENT AND BUDGET
FY 2002 ADMINISTRATIVE EXPENSE \$350M RESCISSION
Base Is Direct Obligations in Object Classes 11.1-12.2, 21.0-26.0
Dollars In Thousands

Agency	Base Amount	Rescission
Securities and Exchange Commission	448,000	-336
Smithsonian Institution	634,000	-476
United States Holocaust Memorial Museum	35,000	-26
United States Institute of Peace	10,000	-8
Vietnam Education Foundation	1,000	-1
GOVERNMENT TOTAL	466,252,000	-350,007