



Department of Energy

Bonneville Power Administration
 P.O. Box 3621
 Portland, Oregon 97208-3621

ENVIRONMENT, FISH AND WILDLIFE

October 17, 2003

In reply refer to: KEW-4

Dear Fish and Wildlife Contractor:

Thank you for your participation in the FY 2003 year-end accrual estimate activity. Bonneville Power Administration (BPA) appreciates the time and effort contractors spent preparing estimates, as well as your prompt response. The Fish and Wildlife Program concluded Fiscal Year (FY) 2003 with accrued expenses of \$140.5 million, and we are thankful for your efforts in helping us manage the work and costs for these important projects.

This letter provides information about:

1. Submitting invoices for work performed in FY 2003;
2. Separating charges for work performed in each fiscal year;
3. Requesting rescheduling of work from FY 2003;
4. Your FY 2004 project budget;
5. The F&W Program process for FY 2004;
6. Procedures for requesting:
 - a) Rescheduling work from FY 2003,
 - b) Scope Change, and
 - c) Budget Modification.

1. INVOICES FROM FY 2003: DUE DATE IS DECEMBER 31, 2003:

All outstanding FY 2003 invoices must be submitted to BPA as soon as possible, but no later than December 31, 2003. **This includes any invoice for work performed prior to September 30, 2003, including work performed by subcontractors. This request is consistent with the Draft Policy Manual, which states: "Invoices shall be submitted no more than 90 days after performance of the work."**

[Draft Policy Manual (PDF-0.30MB), page 17, July 24, 2003], posted at http://www.efw.bpa.gov/cgibin/FW/Info_For_Fish_Wildlife_Contractors.cgi.

2. WORK CHARGES MUST BE SEPARATED BY FISCAL YEAR:

Invoices must separate charges for work performed in FY 2003 from charges for work performed in FY 2004. Ideally, we would like two separate invoices for charges for work performed in FY 2003 and FY 2004. However, given the variability in the invoicing systems of our contractors, BPA will accept invoices with both FY 2003 and FY 2004 charges, as long as they are clearly distinguishable (as separate line items or under separate headings, for example). If charges cannot be separated on the invoice, the contractor may provide a cover

letter that explains which charges belong to which fiscal year. This guidance was discussed in the July 2003 contractor workshops and in the **Contractor Instructions for FY03 Year-End Accrual Estimate Activity**, posted at [\[http://www.efw.bpa.gov/cgibin/FW/Info For Fish Wildlife Contractors.cgi\]](http://www.efw.bpa.gov/cgibin/FW/Info%20For%20Fish%20Wildlife%20Contractors.cgi).

3. RESCHEDULING: DUE DATE IS OCTOBER 27, 2003:

If you believe you have work to propose to reschedule from FY 2003 to FY 2004, we ask that you provide this information to your Contracting Officer's Technical Representative (COTR) by October 27, 2003, in order for your request to be brought forward for consideration at the November 13, 2003, Program Status Review meeting. (See "TO RESCHEDULE" under #6.) While it is not yet clear how much funding will be available for rescheduling work into FY 2004, it is important that we have a list of projects requesting rescheduling so funds, if available, can be applied quickly.

Rescheduling: Rescheduling is a shift in work (and associated budget) between fiscal years without changing the overall project budget or scope. If work will take longer to perform for reasons beyond the sponsors' control, the funding associated with that work may be rescheduled, as long as the total program budget remains within the parameters of the annual average and associated four-year cap.

Rescheduling only applies when *all* of the following conditions are true:

- There is a need to change the timing of work. (This will entail an associated adjustment to a work schedule and contract spending caps.)
- There is no need to change the project's overall scope.
- There is no need to change the project's overall budget.
- The work is valid and relevant and the work can realistically be performed on the new schedule.
- Funding will only be rescheduled to support distinct tasks within the FY 2003 Statement of Work that are above and beyond tasks scheduled in the FY 2004 Statement of Work.

4. YOUR PROJECT BUDGET FOR FY 2004:

The BPA web site will have a report that shows both the Northwest Power and Conservation Council (Council) recommendation and the BPA "decision" for your project for Fiscal Year 2004. (Please note that if your project budget includes rescheduling and the Council has recommended approval of the rescheduling, BPA has not yet made a decision about any rescheduling. You must provide information to your COTR by October 27, 2003, as described under #6, "TO RESCHEDULE".)

5. THE FY 2004 F&W PROGRAM BUDGETING RULES:

A letter from Therese Lamb describing the budgeting rules that will be used to manage the program through FY 2006 is being sent out this week. These rules were developed over the last several months with collaboration between BPA, the Council, and the Columbia Basin Fish and Wildlife Association (CBFWA) staff. We recognize that the process to implement the budgeting rules will be developed over time.

Program Status Review (PSR) meetings: A key part of managing the Fish and Wildlife Program budget effectively will be holding **PSR meetings**. These meetings will provide the opportunity for BPA, Council and CBFWA staff to discuss the progress of projects, with BPA's Managers/COTRs and contractors attending as necessary. These are expected to be held quarterly but may need to be more frequent.

PSR Schedule: The first meeting will be held on November 13, 2003. Attachment A is a Tentative Schedule for FY 2004 that details the proposed dates and topics for PSR meetings.

PSR Purpose: The meetings will be used to:

- Discuss projects that appear to be considerably ahead of or behind schedule;
- Consider requests for rescheduling;
- Report rescheduling or mid-year changes to project budgets;
- Recommend the appropriate process and level of review for requests of additional funding or changes in scope;
- Identify the amount of funds available for contracting;
- Identify and discuss other budget-related issues.

6. PROCEDURES FOR REQUESTING RESCHEDULING, SCOPE CHANGES, BUDGET MODIFICATIONS

TO RESCHEDULE (shift work and associated budget from FY 2003):

- Requires a Rescheduling Request.
- If you have a project for which work didn't get done in FY 2003 and you want to request that it be moved to FY 2004, or other future period, you will need to document what tasks from 2003 need to be moved to 2004, and the budget for that work.
- Discuss your request with your COTR to ensure that all relevant information has been considered. Then fill out the Rescheduling Request Form online and submit the request to BPA.
- Form and instructions are located at BPA's web site:
http://www.efw.bpa.gov/cgi-bin/FW/Info_For_PM_and_COTRs.cgi
- **Rescheduling requests must be submitted to BPA by October 27, 2003, in order to have your project addressed at the November Program Status Review meeting.**

TO REQUEST SCOPE CHANGES (increasing or decreasing the work of a project):

- Requires a Within-Year Modification Request.
- Form is located on the CBFWA web site:
<http://www.cbfwa.org/files/province/fy03withinyear/default.htm>
- Complete the form and discuss the request with your COTR to ensure that all relevant information has been considered. Then forward the request to your COTR. (COTR will ensure CBFWA and Council get copies.)

TO REQUEST BUDGET MODIFICATIONS (increasing or decreasing the budget of a project):

- Requires a Within-Year Modification Request.
- Form is located on the CBFWA web site:
<http://www.cbfwa.org/files/province/fy03withinyear/default.htm>
- Complete the form and discuss the request with your COTR to ensure that all relevant information has been considered. Then forward the request to your COTR. (COTR will ensure CBFWA and Council get copies.)

Thank you. Your timely submittal of FY 2003 invoices will enable BPA and the region to accurately capture FY 2003 Fish & Wildlife Program costs and to determine whether additional funds may be available in the FY 2004 program budget. Additionally, your timely submittal of the Rescheduling Request Form will ensure that your request to complete pending FY 2003 work is considered when funds are available. If you have any questions or need assistance, please contact your COTR.

Sincerely,



Terry A. Larson
Acting Director for Fish and Wildlife

Attachment A

cc:

Ms. Judi Danielson, Northwest Power and Conservation Council
Mr. Rod Sando, Columbia Basin Fish and Wildlife Association

TENTATIVE SCHEDULE FOR FY 2004

October 27, 2003	All requests for Rescheduling are due to BPA.
November 13, 2003	<p>First Program Status Review meeting</p> <p>At this meeting, the following will be provided and discussed:</p> <ul style="list-style-type: none"> • The total end-of-year accrued expenses by project, including end-of-year accrual estimates provided by sponsors FY 2004 start of year project budgets, • A list of all projects for which rescheduling has been requested, and the documentation provided for each request, • A list of requested within-year budget modifications (scope change or budget modification requests), and • After this meeting, CBFWA will take the list of rescheduling, scope and budget modification requests and will provide a prioritization of projects by group or tier by the January Program Status Review meeting.
Early December	We will hold contractor workshops at which the budgeting rules, the rescheduling process and accrual and invoicing issues will be presented and discussed.
December 31, 2003	All invoices are due to BPA for work done in FY 2003 (separate from FY 2004).
Mid-January 2004	We will identify the actual accrued expenses, including the actual amounts billed in October-December for work done in FY 2003. From that, we will determine what funds are available for FY 2004.
January 29, 2004	<p>Second Program Status Review meeting</p> <p>At this meeting:</p> <ul style="list-style-type: none"> • The level of funds available for contracting will be identified and discussed, and • A recommendation to fund rescheduling/scope/budget requests will be developed based on the dollars available and the prioritized list of projects. (If adequate funding is identified sooner than Mid January, the Council may take action to recommend rescheduling or within-year changes earlier than February.)
February 2004	Staff recommendations will be brought to the Council Fish Committee
March 2004	Staff recommendations will be brought to the full Council
April 15, 2004	<p>Third Program Status Review meeting</p> <p>Objectives are to:</p> <ul style="list-style-type: none"> • Evaluate project performance, • Identify new within-year budget modification requests, and • Begin preparing to develop FY 2005 start-of-year budgets.
June 17, 2004	<p>Fourth Program Status Review meeting</p> <p>Objectives are to:</p> <ul style="list-style-type: none"> • Evaluate performance, • Identify new within-year budget modification requests, and • Continue development of FY 2005 start-of-year budgets.
August 19, 2004	<p>Fifth Program Status Review meeting</p> <p>Objectives are to:</p> <ul style="list-style-type: none"> • Evaluate performance.