



# USAID BUDGET PROCESS

February 2002



# Objective

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By the end of this presentation, you should explain the complexity of the USAID budget process, the directives and funding trends of the population, health and nutrition budget and their impact on Regional allocations.



# Role of Congress

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- Legislates annual appropriations
- Sets significant earmarks and directives
- May apply restrictions to funding

*Congressional earmarks and directives may not always correspond to White House priorities*

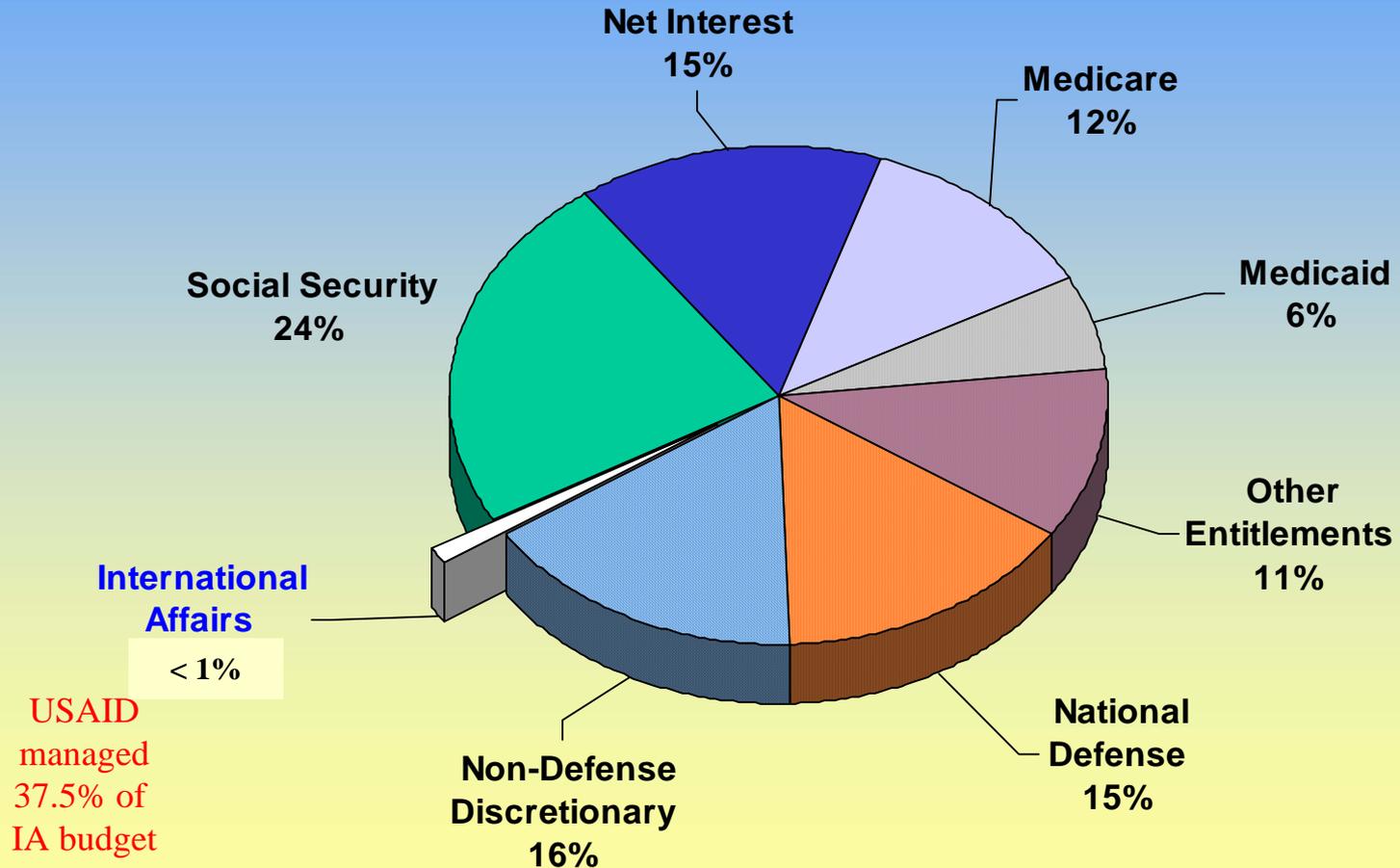


# Federal Budget Managed by OMB

- The federal budget consists of 18 functional funding “accounts”
- USAID programs are part of the “150” or “International Affairs” account
- Other 150 programs include State, Peace Corps, multilaterals, military assistance



# Allocation of U.S. Budget



US Budget for FY 1999. Source OMB



# Accounts Managed by USAID

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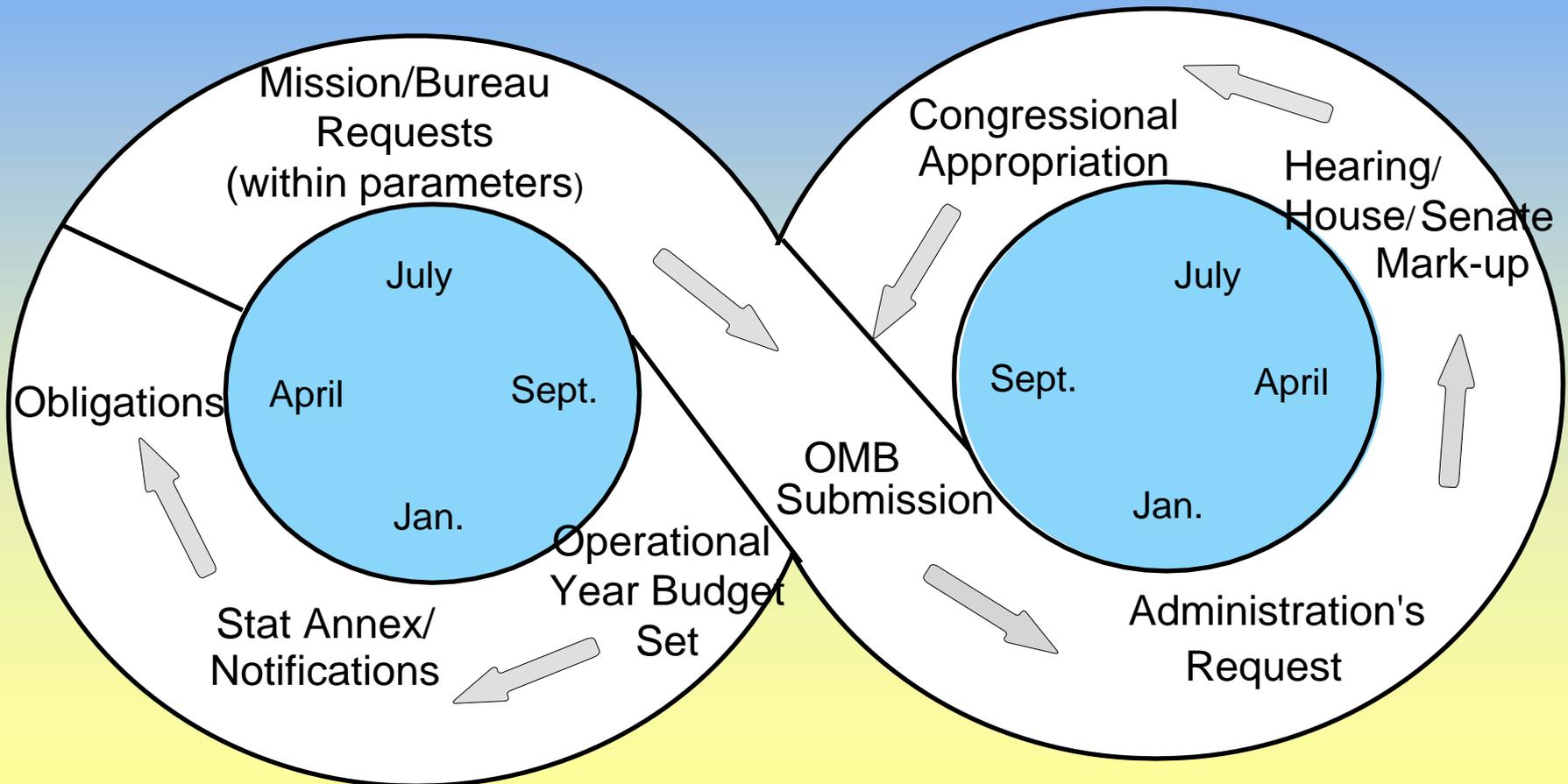
- Development Assistance (DA) (included family planning and reproductive health through 2001)
- Child Survival and Diseases (CSD)
- Child Survival Health (CSH) in 2002 (includes family planning and reproductive health)
- Economic Support Funds (ESF)
- Others, such as
  - International Disaster Assistance
  - P.L. 480 Title III sales proceeds
  - FSA (Freedom Support Act, ex.-Soviet Union)
  - AEEB (Support Eastern Europe Democracy)
  - Operating Expenses
  - Development Credit Authority



# USAID Budget Process

## USAID

## Congress





## ILLUSTRATIVE PROGRAM BUDGET CYCLE 1

- Below is a month-by-month breakout of the events in the program and budget cycles\*. Events described cover three budget years and four budget stages: FY 2001 (October 2000 - September 2001) the current operating year (OYB), FY 2002 (October 2001 - September 2002) the proposed budget year and FY 2003 (October 2002 - September 2003) the request year. Thus, during 2001, Formulation involves the request year (FY 2003); Justification deals with the proposed year (FY 2002); and Implementation covers completion of the current operating year (FY 2001) and the beginning of the subsequent operating year (FY 2002).

<u>CY 2001</u>	<u>Formulation</u>	<u>Justification</u>	<u>Implementation</u>
	(FY 2003)	(FY 2002)	(FY 2001/FY 2002)
January	Strategic Plans	FY 2002 Pres. Budget	Implement FY 2001 OYB
February	Strategic Plans	FY 2002 CBJ to Congress	Implement FY 2001 OYB
March	Agency Guidance on FY 2003		
	Results Review and Resource Request (R-4)	FY 2002 Hearings	Implement FY 2001
April	Bureau FY 2003 guidance (R4)	FY 2002 Hearings	Implement FY 2001 OYB
May	Operating Units Prepare FY 2003 R-4s	Congressional Budget Resolution FY 2002	Implement FY 2001 OYB



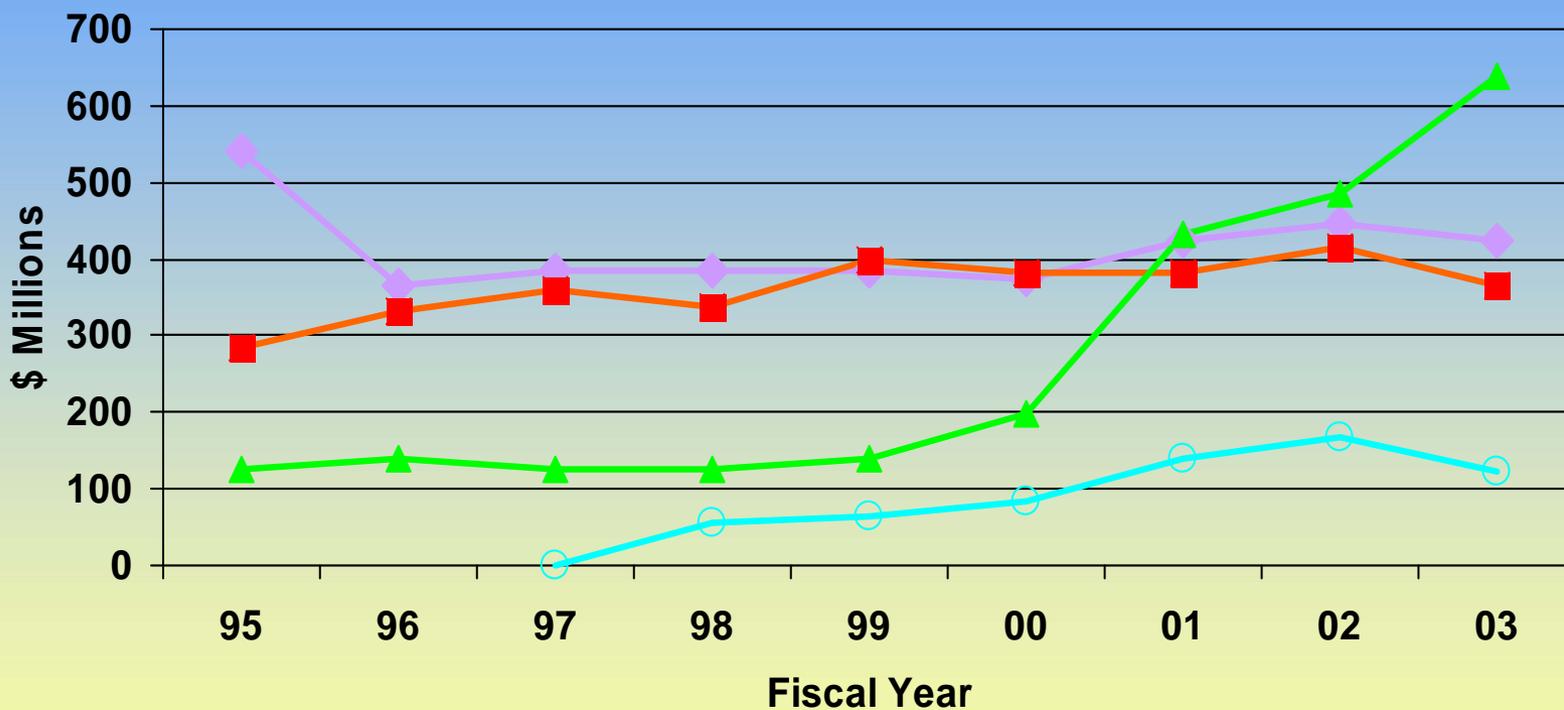
## ILLUSTRATIVE PROGRAM BUDGET CYCLE 2

- |             |                    |                        |                        |
|-------------|--------------------|------------------------|------------------------|
| • June      | Operating Units    | Cong. Mark- up         | Implement FY 2001 OYB, |
| •           | Submit R4s to      | of FY 2002 Request     | Green Book             |
| •           | Bureau             |                        |                        |
| • July      | FY 2003 BPBS       | Cong. Mark-up          | Implement FY 2001 OYB  |
| •           | Submitted          | floor action           |                        |
| • August    | FY 2003 Budget     | Congressional          |                        |
| •           | Reviews            | Recess until Labor Day | Implement FY 2001 OYB  |
| • September | FY 2003 OMB        | Complete FY 2002       | Wrap-up FY 2001 OYB    |
| •           | Submission         | appropriations         |                        |
| • October   | OMB Reviews        | New Appropriation      | Set FY 2002 OYB        |
| •           | of 2003 request    | Bill on Continuing     | 653 (a) report         |
| •           |                    | Resolution             |                        |
| • November  | FY 2003 OMB        |                        | Implement FY 2002 OYB  |
| •           | Passback           |                        |                        |
| • December  | FY 2003 appeal and |                        | Implement FY 2002 OYB  |
| •           | President's Mark.  |                        |                        |
| •           | Begin FY 2003 CBJ  |                        |                        |
| •           |                    |                        |                        |

- \* Note: These time frames reflect the ideal, but may be adjusted to reflect reality.



# Funding Trends for PHN



- ◆ Family Planning Reproductive Health
- Child Survival
- ▲ HIV/AIDS
- Infectious Diseases



# Total Funding for PHN Sector FY 1997-2001

(in millions of dollars) - all accounts

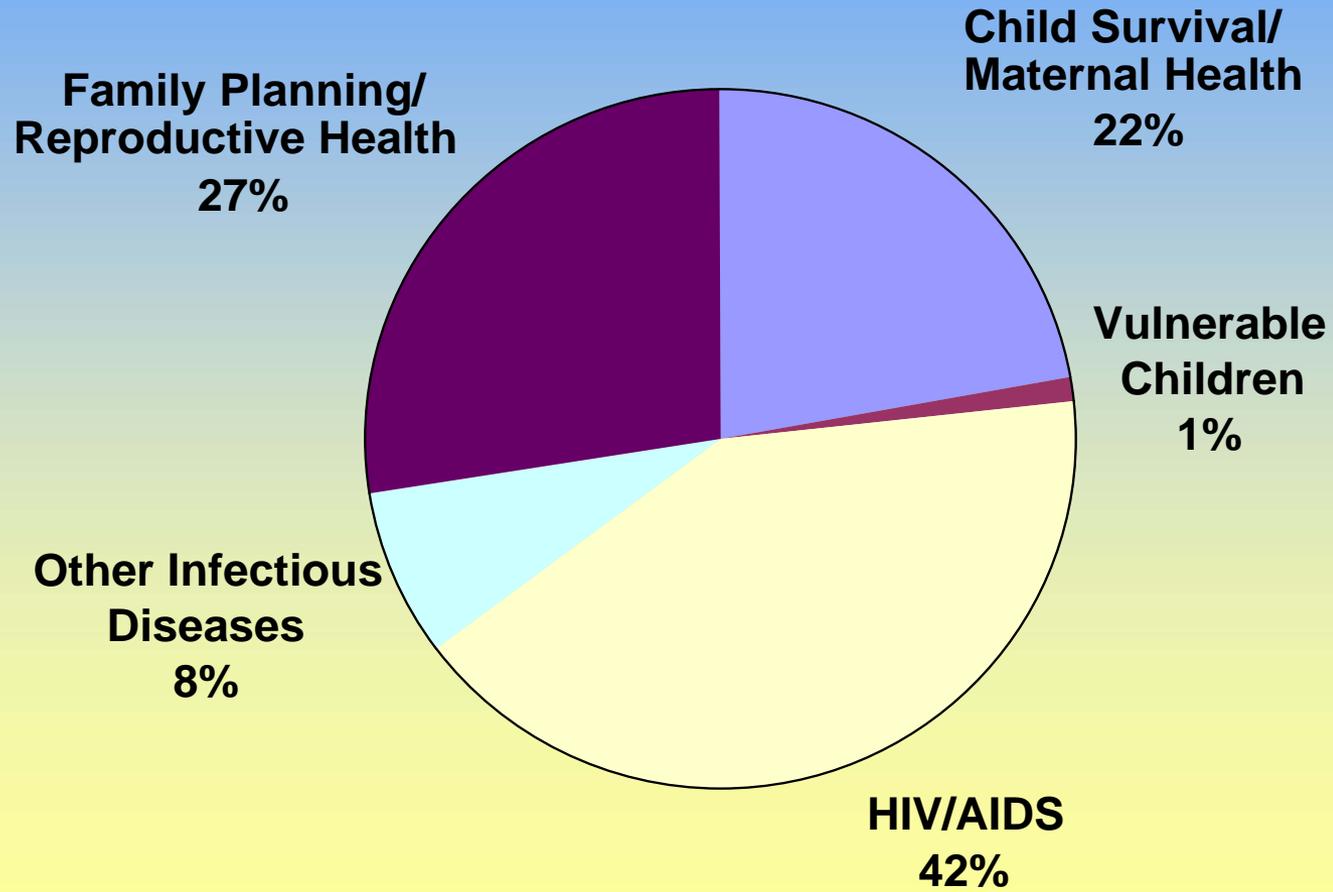
Category	FY 97 Actual	FY 98 Actual	FY 99 Actual	FY 00 Actual	FY 01 Actual	FY 02 Actual	FY 03 Actual
Family Planning/ Reproductive Health	385	385	385	373	424	447	425
Child Survival/ Maternal Health**	361	338	401	383	383	415	364
HIV/AIDS	125	125	139	197	433	485	640
Infectious Diseases	0.6	55	64	83	140	168	122
UNICEF	100	100	107	112	110	120	0*
<b>Total</b>	<b>\$971.6</b>	<b>\$1,003</b>	<b>\$1,096</b>	<b>\$1,148</b>	<b>\$1,490</b>	<b>\$1,635</b>	<b>\$1,551</b>

\*UNICEF is funded in the by State IO account in 2003

\*\*Includes Vulnerable Children



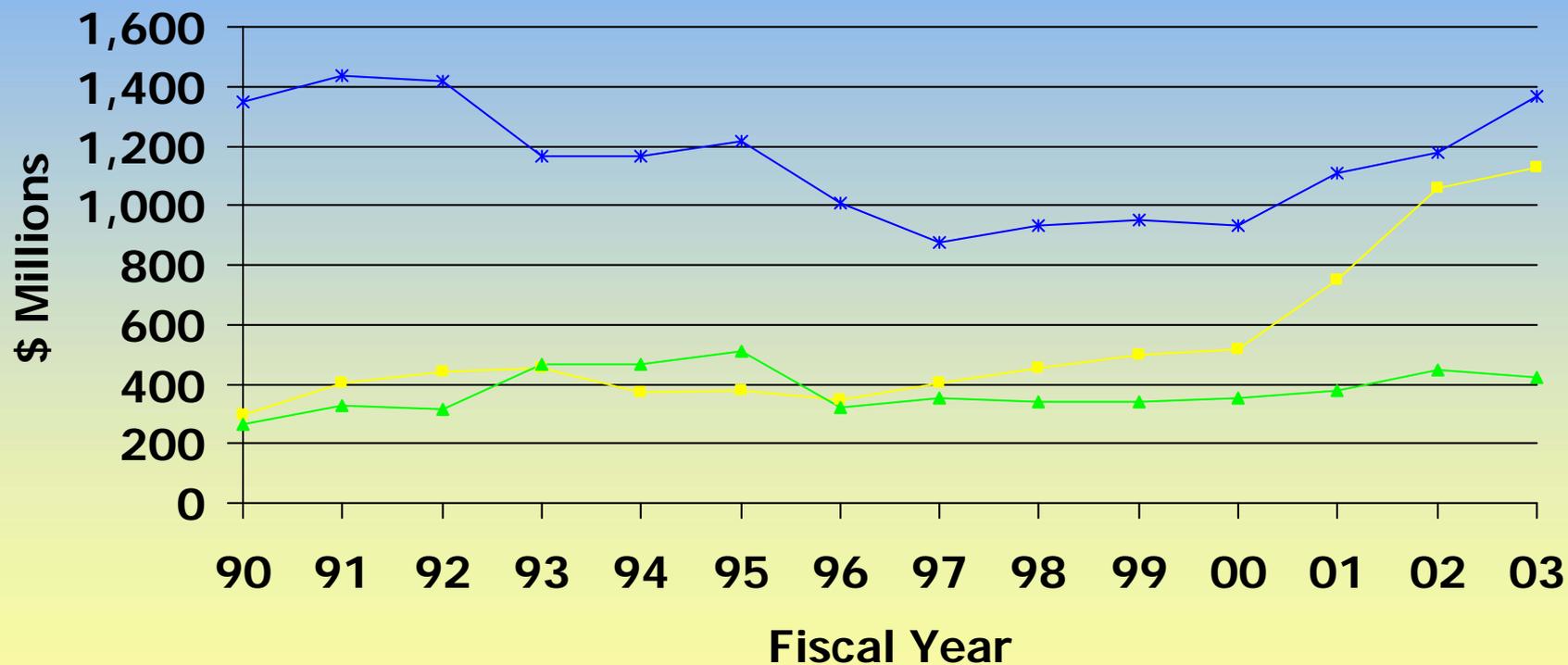
# Population, Health and Nutrition FY 2003 - All Accounts



**Total= 1.55 Billion**



# PHN & DA Funding Trends



■ Health/Nutrition ▲ Population \* Other Development Assistance



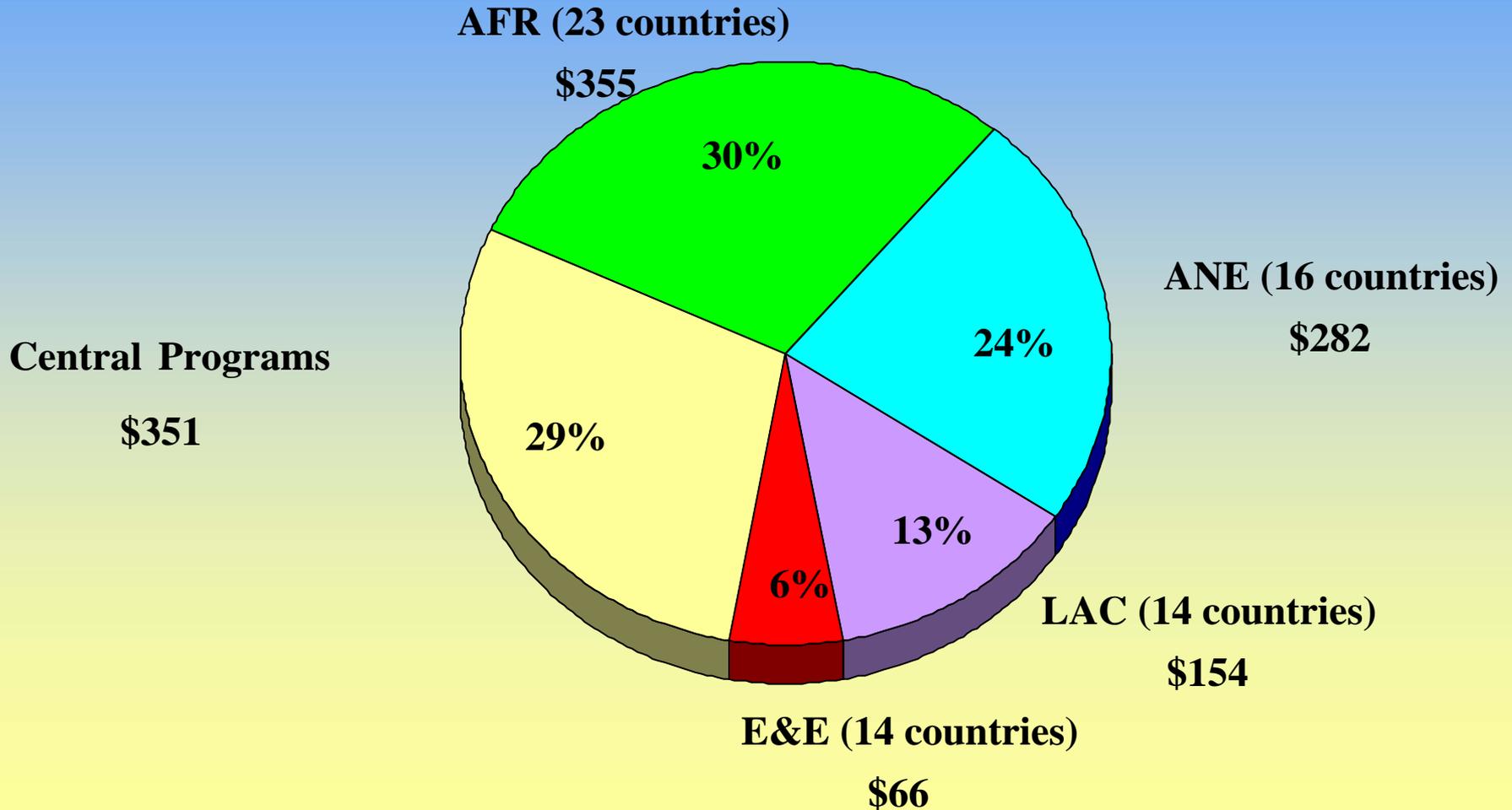
# Setting Region and Country Levels

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- Mission requests, within parameters (based on history)
- Congress sets some country levels (impacts on other countries)
- State sets ESF, FSA, and AEEB country levels
- Some broad strategic input (largely at the regional level)
- Country levels are not always driven by strategic choices

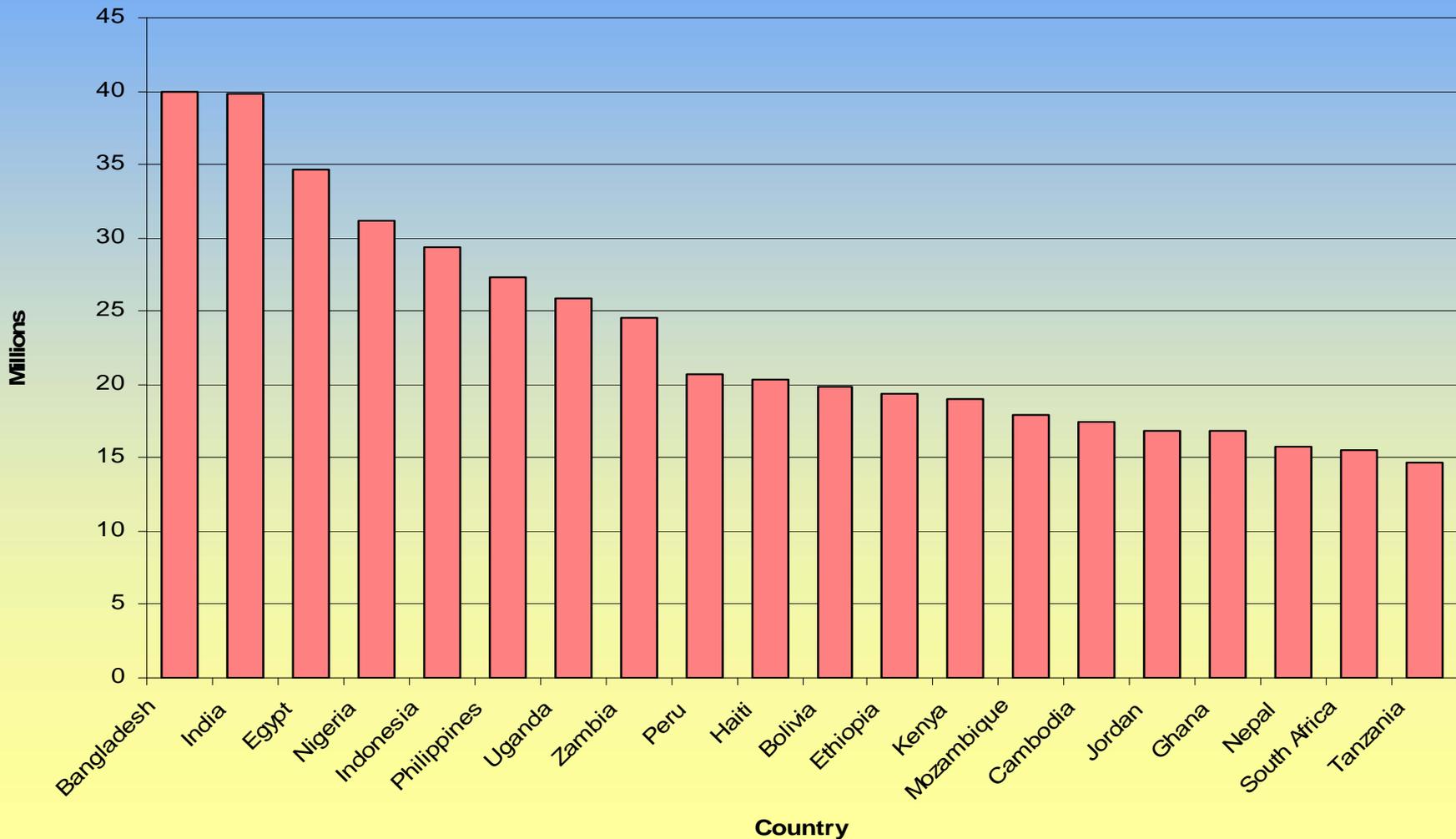


# FY 2001 PHN Funding by Region





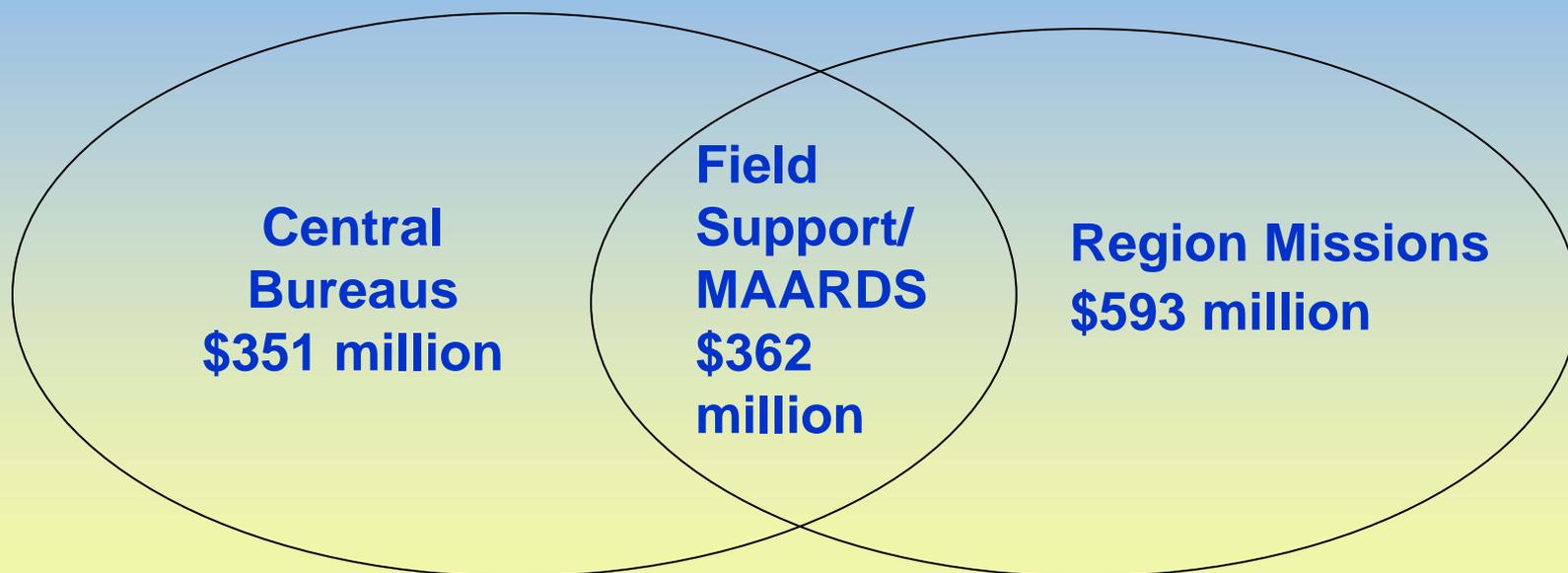
# Top 20 PHN Funded Countries FY 2001





# PHN Sector Budget Allocation FY 2001

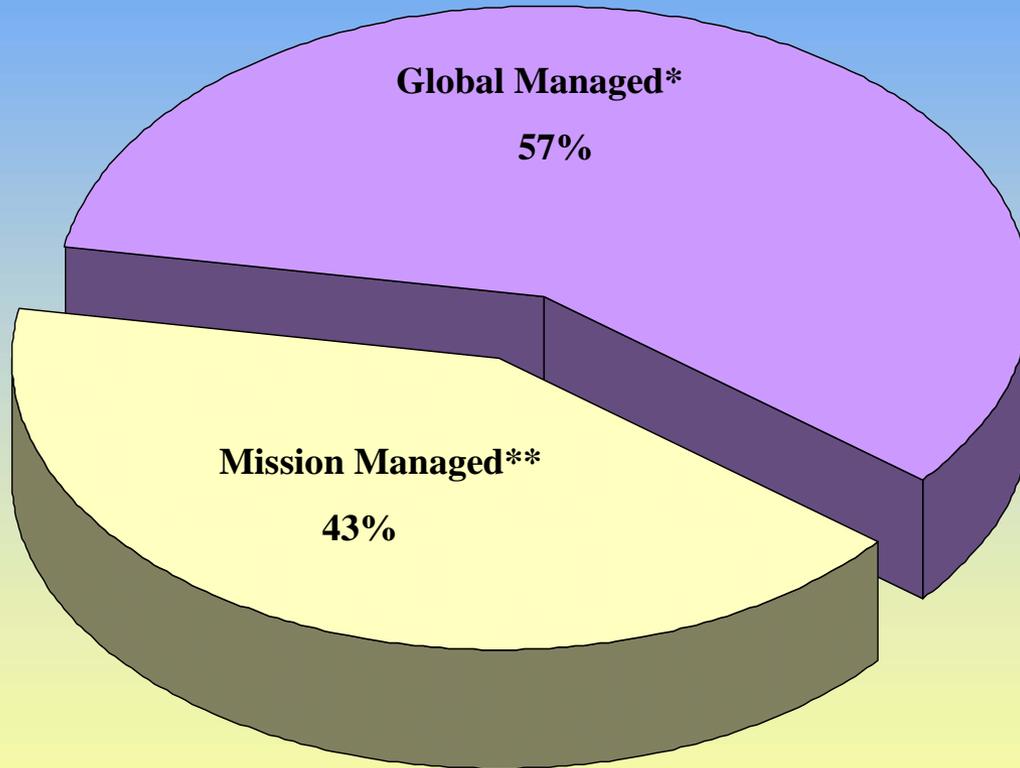
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# HIV/AIDS Budget FY 2000



**Total Budget: \$126 million**



\*Global managed includes central CA expenditures incurred via long-term technical assistance; sub-agreements; equipment, supplies, commodities, publications used in-country; training for host country participants; and total condom shipments for HIV/AIDS prevention. Field support provided by Missions to G/PHN is included under global managed..

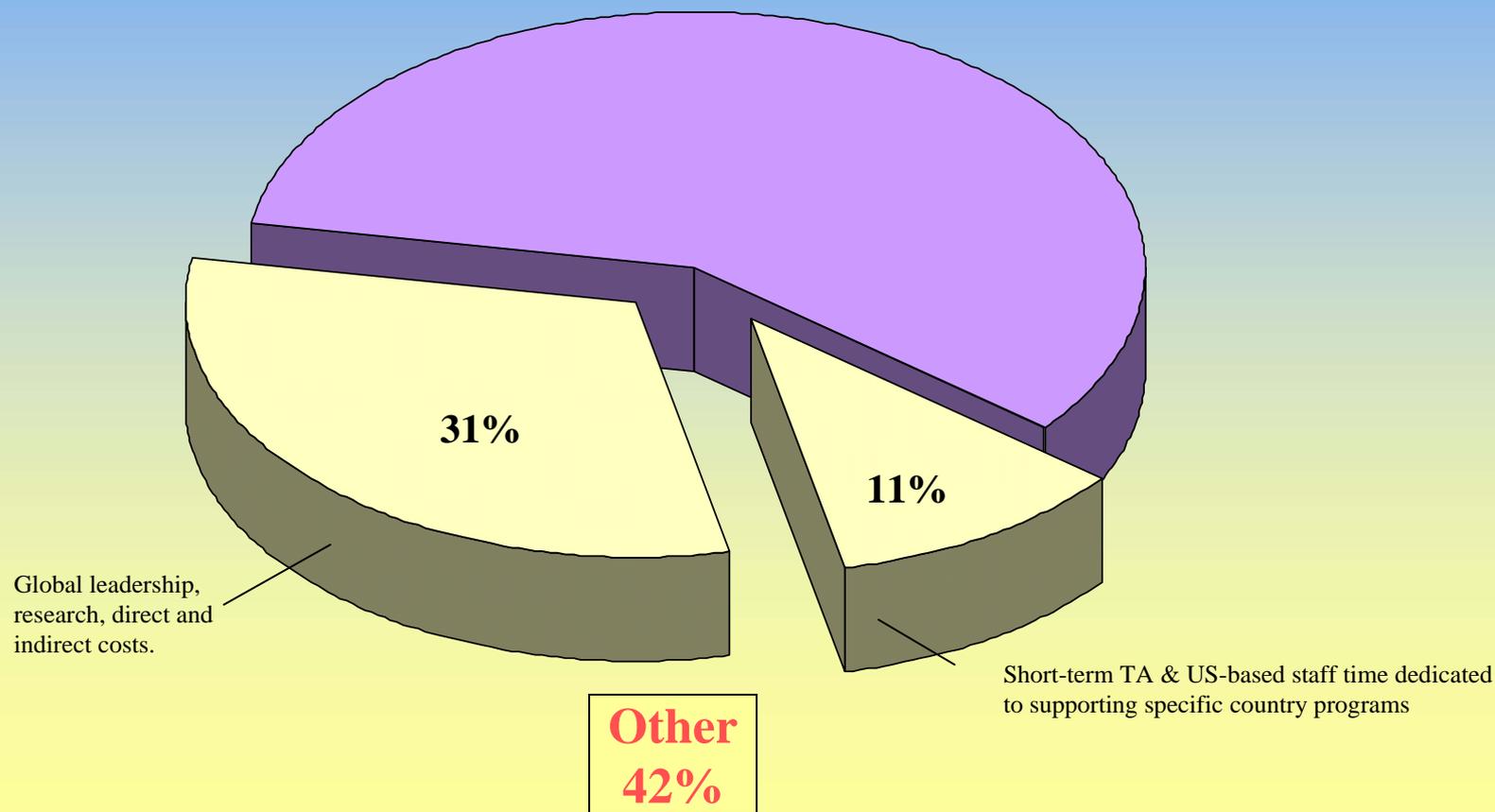
\*\*Some mission-managed HIV/AIDS activities may be directly financed by missions through grants and contracts with US-based cooperating agencies.

# HIV/AIDS Expenditures through Central Cooperating Agencies FY 2000



Total expenditures: \$73 million

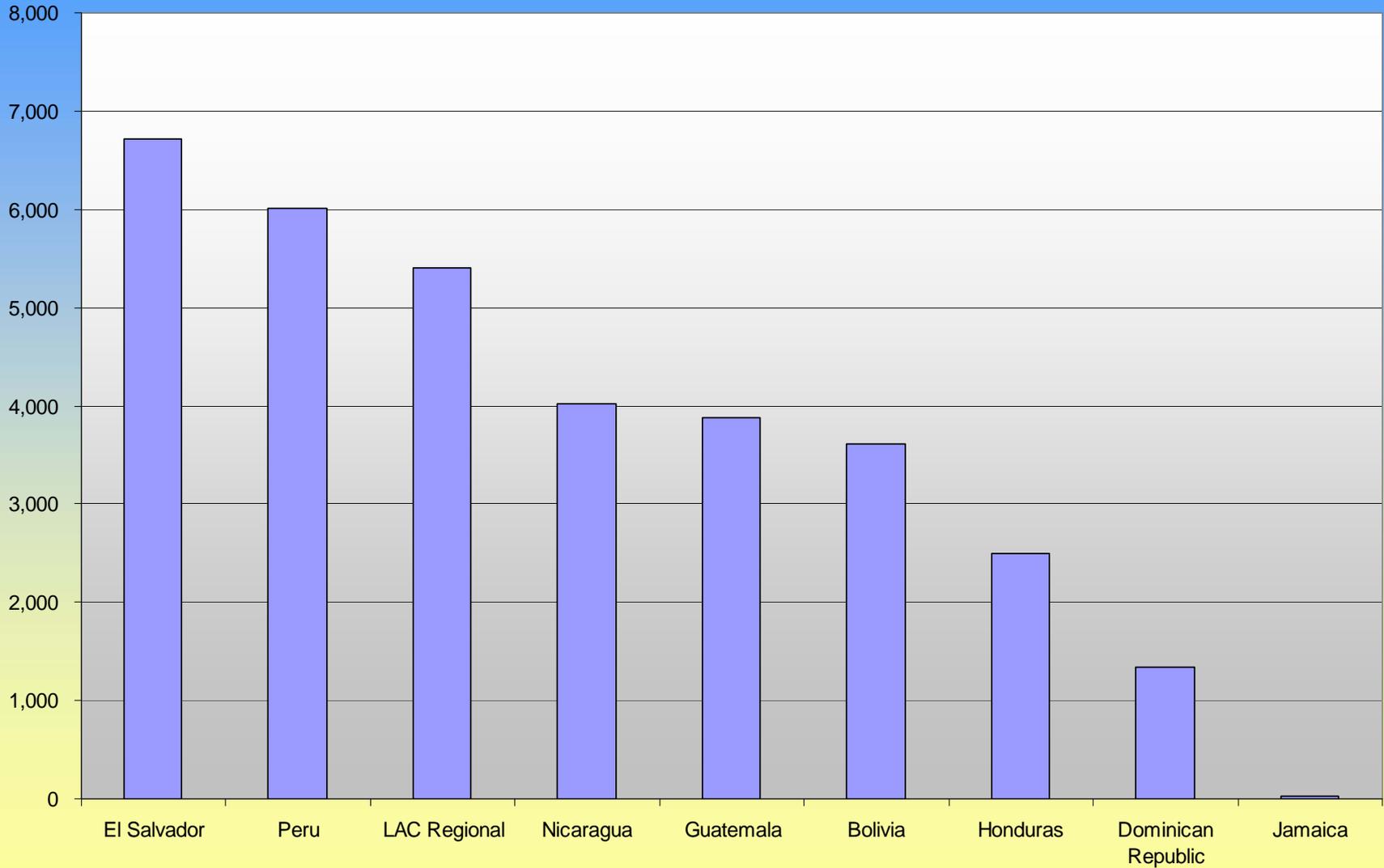
**In-Country Expenditures = 58%**



\*Central CAs include: Expenditures incurred via long-term technical assistance; sub-agreements; equipment, supplies, commodities, publications used in-country; training for host country participants; and total condom shipments for HIV/AIDS prevention. Field support is reported under central cooperating agencies.

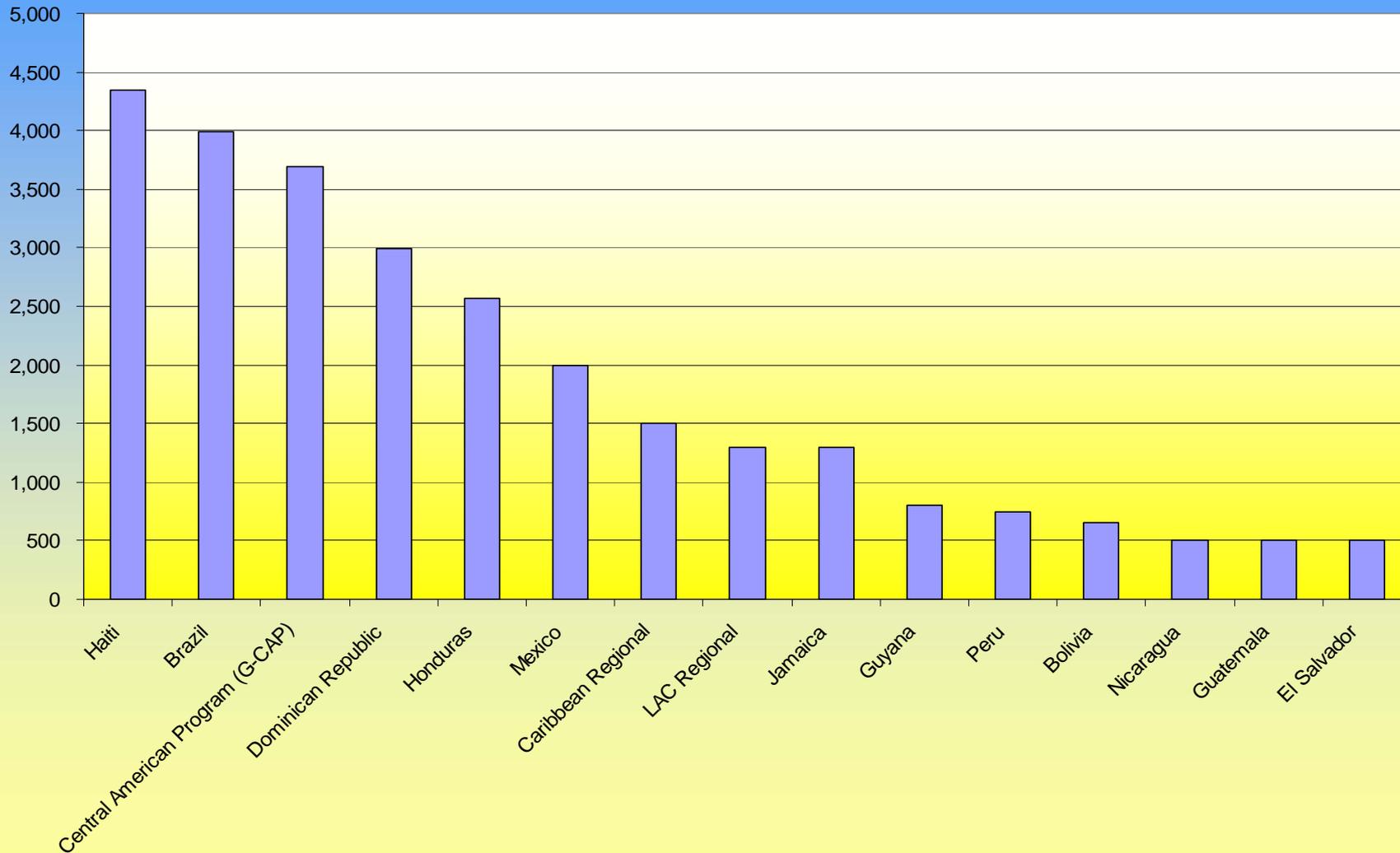


# LAC Countries CS-MH funding



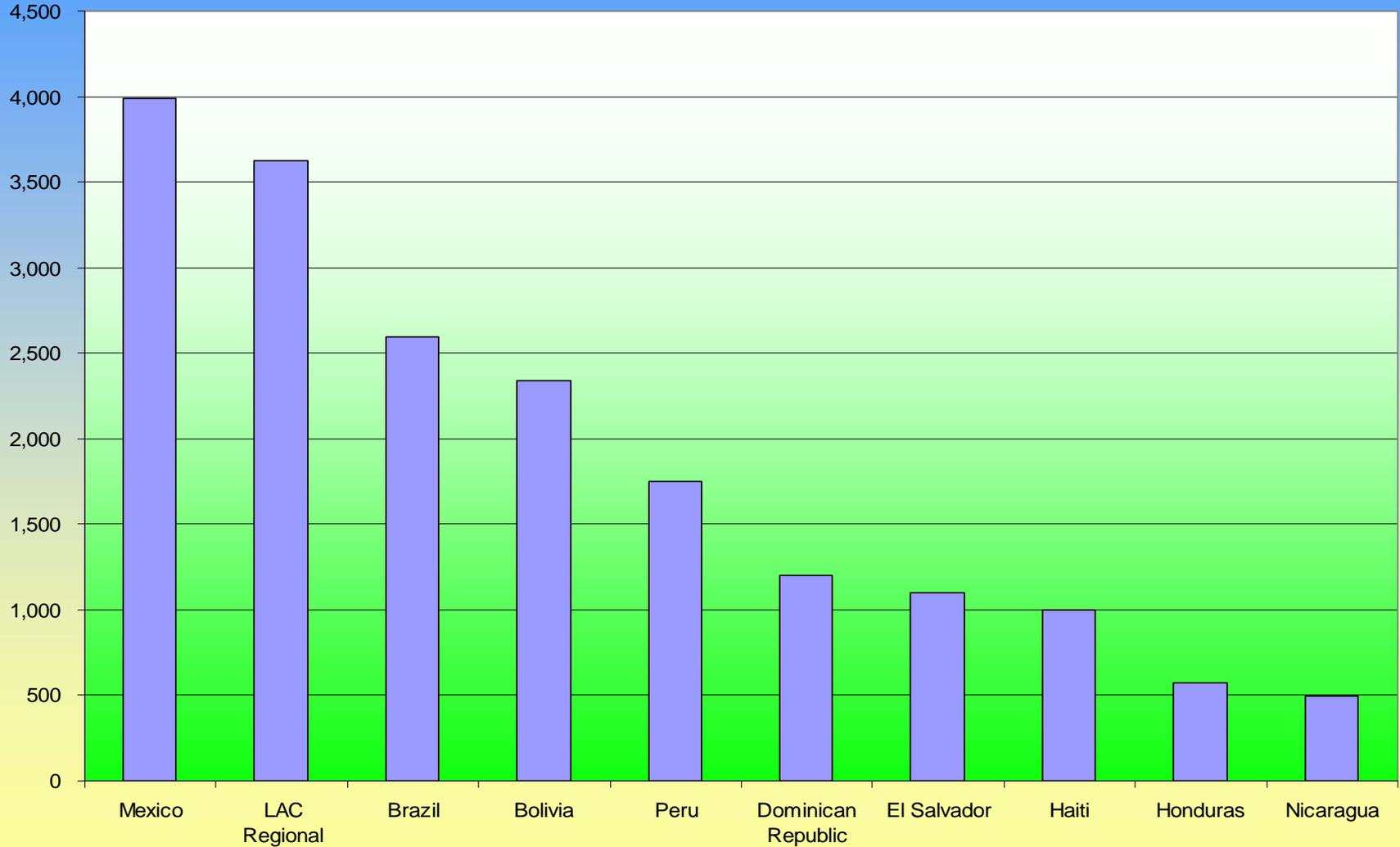


# LAC countries HIV funding



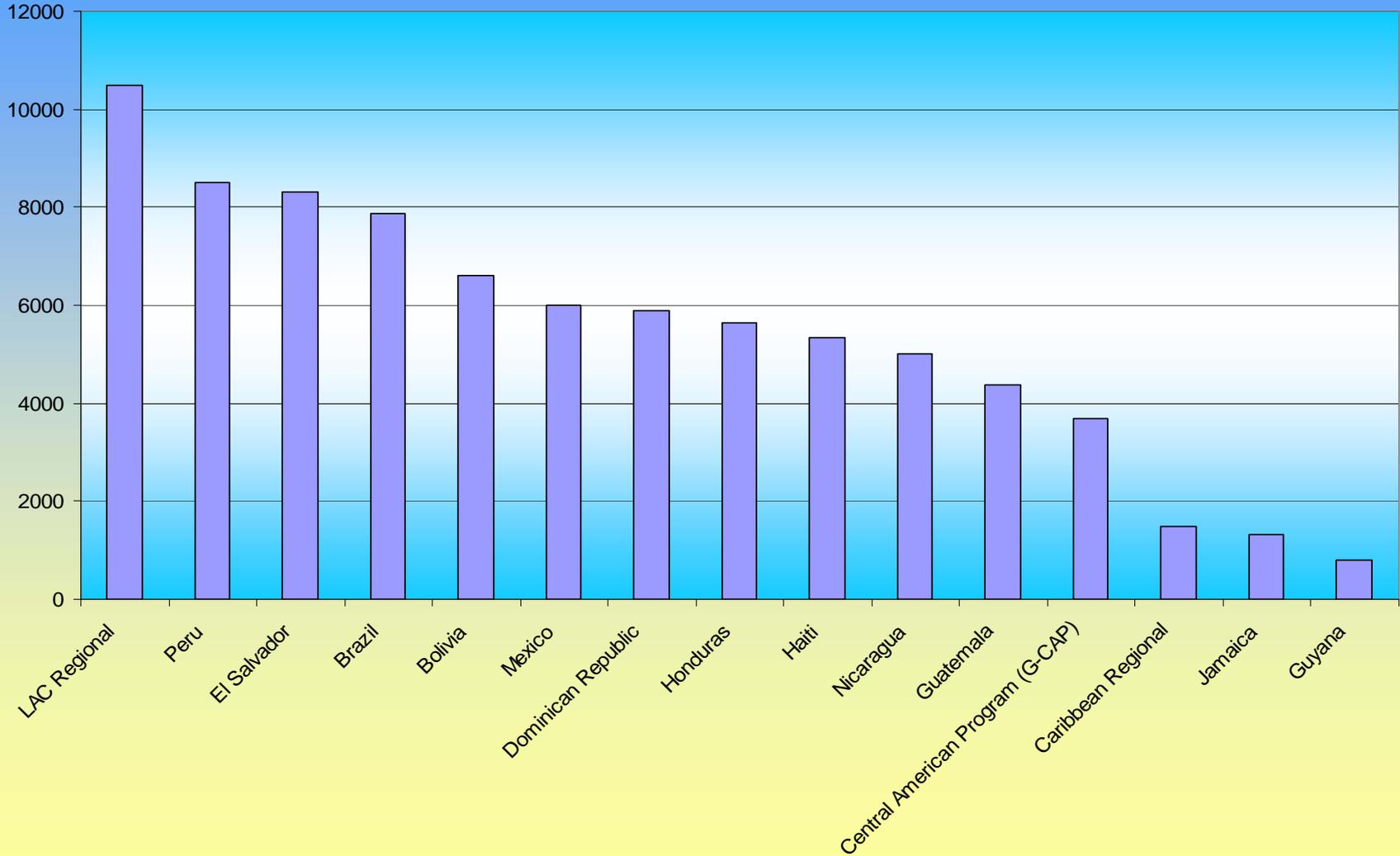


# LAC countries ID funding



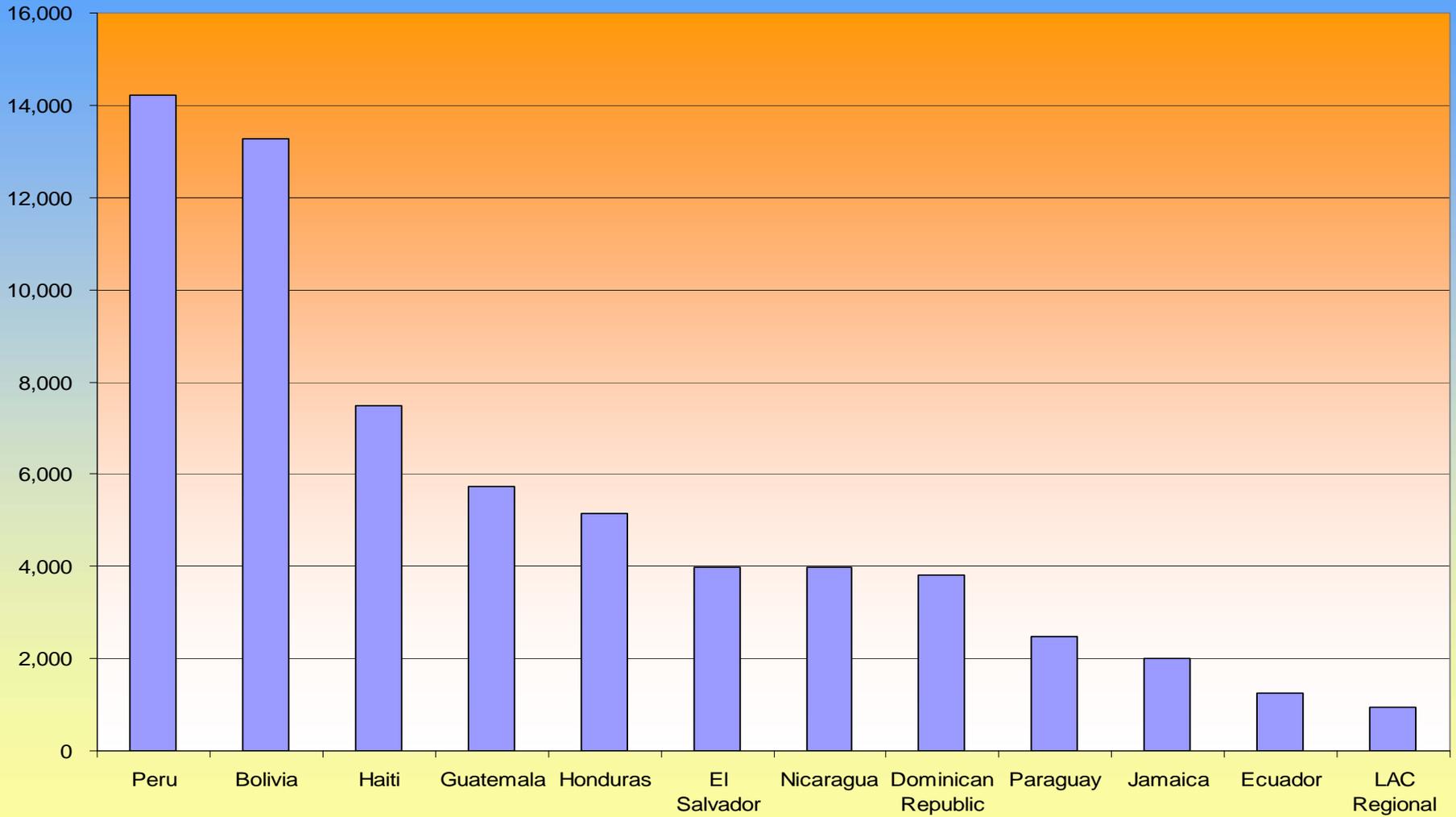


# LAC Region CSD funding



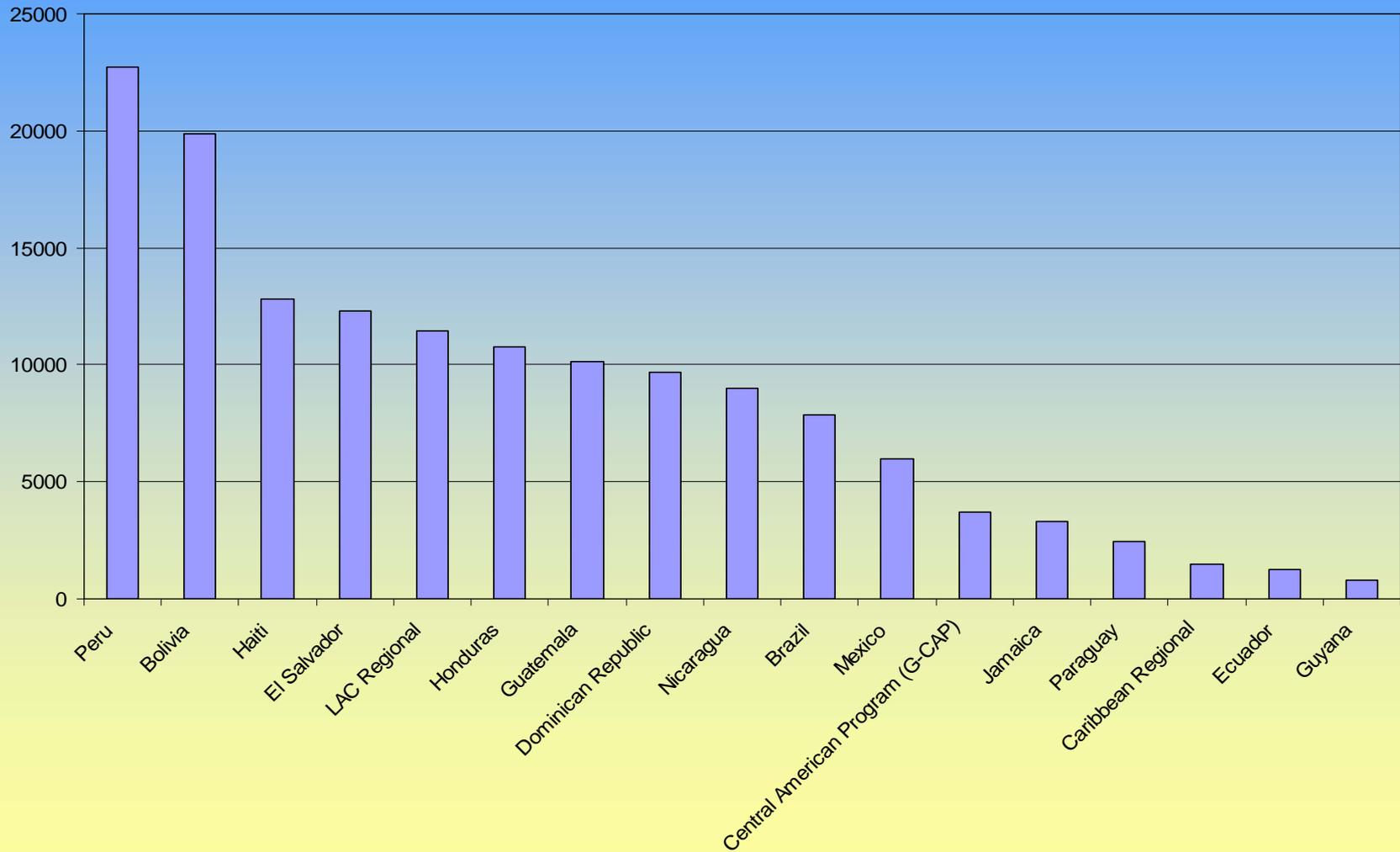


# LAC countries POP funding





# LAC Region Total PHN funding per country





# LAC Region funding per program

