

TITLE 5 – PUBLIC PLANNING BUDGET AND DEVELOPMENT

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- 01 Budget Manual-Program Planning and Budget Development
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TITLE 5 - CHAPTER 01 – BUDGET MANUAL-PROGRAM PLANNING & BUDGET DEVELOPMENT

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I. BUDGET CYCLE

5.0101 Budget cycle-Designated.

The American Samoa Government budget cycle is as set forth in the following illustration:

II. BUDGET TERMINOLOGY

5.0102 Preface.

Only the most frequently used terms in the American Samoa Government budgetary process are included in this section of the Manual. Their definitions are either copied verbatim or adapted from the third edition of A Glossary of Terms Used in The Federal Budget Process, March 1981, prepared by the United States General Accounting Office, Washington, D.C. The Manual users are encouraged to consult the above publication for applicable budget terminology excluded from the listing in 5.0103.

History: Rule 3-83, eff 4 Apr 83. § C.1.

5.0103 Terminology.

- (1) “Activity” means a specific and distinguishable line of work performed by one or more

organizational components of a governmental unit for the purpose of discharging a function or subfunction for which the governmental unit is responsible. For example, food inspection is an activity performed in the discharge of the health function.

- (2) “Advances” means amounts of money prepared pursuant to budget authority or emergency conditions in contemplation of the later receipt of goods, services, or other assets. Advances are ordinarily made only to payees to whom an agency has an obligation, and not in excess of the amount of the obligation. A common example is travel advances which are amounts made available to employees prior to the beginning of a trip for costs incurred in accordance with the ASG travel policy.
- (3) Agency. There is no single definition of the term “agency.” Any given definition usually relates to specific legislation. Generally, “execution agency” means any executive branch department, independent commission, board, bureau, office or other establishment of the American Samoa Government, including independent regulatory commissions and boards. Agency, in the broader sense, encompasses executive agencies and establishments in the judicial and legislative branches.
- (4) “Agency missions” means responsibilities assigned to a specific agency for meeting territorial needs.

Agency missions are expressed in terms of the purpose to be served by the programs authorized to carry out functions or subfunctions which, by law, are the responsibility of that agency and its component organizations. In contrast to territorial needs, generally described in the context of major functions, agency missions are generally described in the context of subfunctions.

- (5) “Allotment” means an authorization by the head (or other authorized employee) of an agency to his/her subordinates to incur obligations within a specified amount.
- (6) “Antideficiency act” means legislation enacted by the Legislature to prevent the incurring of

obligations or the making of expenditures (outlays) in excess of amounts available in appropriations or funds; to fix responsibility within an agency for the creation of any obligation or the making of any expenditure in excess of an apportionment or reapportionment; and to assist in bringing about the most effective and economical use of appropriations and funds.

- (7) “Apportionment” means a distribution made by the office of program planning and budget development of amounts available for obligation, including budgetary reserves established pursuant to law, in an appropriation or fund account. Apportionments divide amounts available for obligation by specific time periods (usually quarters), activities, projects, objects or a combination thereof. The amounts to be apportioned limit the amount of obligations that may be incurred. In apportioning any account, some funds may be reserved to provide for contingencies or to effect savings, pursuant to the antideficiency act.

The apportionment process is intended to prevent obligation of amounts available within an appropriations or fund account in a manner that would require deficiency or supplemental appropriations and to achieve the most effective and economical use of amounts made available for obligation.

- (8) “Appropriation act” means a statute, under the jurisdiction of the House and Senate Committees on Appropriations, that generally provides authorization for agencies to incur obligations and to make payments out of the treasury for specified purposes. An appropriation act, the most common means of providing budget authority, generally follows enactment of authorizing legislation unless the authorizing legislation itself provides the budget authority. From time to time, supplemental appropriation acts are enacted to serve territorial needs.
- (9) “Public enterprise fund” means expenditure accounts authorized by the Legislature or by Executive Authority to be credited with collections, primarily from the public, that are generated by, and earmarked to finance, a continuing cycle of business-type operations.

- (10) “Intragovernmental revolving fund” is authorized by law or Executive Authority to carry out a cycle of intragovernmental business-type operations. They are similar to public enterprise revolving fund accounts except they are credited with offsetting collections primarily from other agencies and accounts. Some examples are working capital fund, stock fund, industrial fund, and supply fund.
- (11) “Appropriation limitation” means a statutory restriction in appropriation acts that establishes the maximum or minimum amount that may be obligated or expended for specified purposes.
- (12) “Balanced budget” means a budget in which receipts are equal to or greater than outlays (see also Budget Deficits and Budget Surplus).
- (13) “Balances of Budget Authority. Balances of budget authority result from the fact that not all budget authority enacted in a fiscal year is obligated and paid out in that same year. Balances are classified as follows:
- (A) Obligated Balance. The amount of obligations already incurred for which payment has not yet been made. This balance can be carried forward indefinitely (unless restricted by policy) until the obligations are paid.
 - (B) Unobligated Balance. The portion of budget authority that has not yet been obligated. In 1-year accounts the unobligated balance expires (ceases to be available for obligation) at the end of the fiscal year. In multiple-year accounts the unobligated balance may be carried forward and remain available for obligation for the period specified. In no-year accounts the unobligated balance is carried forward indefinitely until (I) specifically rescinded by law, or (II) until the purposes for which it was provided have been accomplished, or (III), in any event, whenever disbursements have not been made against the appropriation for 2 full consecutive years.
- (14) “Budget activity” means categories within most accounts that identify the purpose, projects, or types of activities financed.
- (15) “Budget amendment” means a revision to some aspect of a previous budget request, submitted to the Legislature by the Governor before the Legislature completes appropriation action.
- (16) “Budget authority” means authority provided by law to enter into obligations that will result in immediate or future outlays involving Government funds, except that budget authority does not include authority to insure or guarantee the repayment of indebtedness incurred by another person or government. The basic forms of budget authority are appropriations, authority to borrow, and contract authority. Budget authority may be classified by the period of availability (1-year, multiple-year, no-year, by the timing of legislative actions (current or permanent), or by the manner of determining the amount available (definite or indefinite).
- (A) Forms of budget authority are as follows:
 - (I) Appropriations. An authorization by an act of the Legislature that permits agencies to incur obligations and to make payment out of the treasury for specified purposes. An appropriation usually follows enactment of authorizing legislation. An appropriation act is the most common means of providing budget authority. Appropriations do not represent cash actually set aside in the treasury for purposes specified in the appropriation act; they represent limitations of amounts that agencies may obligate during the period of time specified in the respective appropriation acts.
 - (II) Authority to Borrow. Also called borrowing authority or authority to spend debt receipts. Statutory authority that permits an agency to incur obligations and to make payments for specified purposes out of borrowed moneys.
 - (III) Contract Authority. Statutory authority that permits obligations to be incurred in advance of appropriations or in anticipation of receipts to be credited to a revolving fund or other account.

By definition, contract authority is unfunded and must subsequently be funded by an appropriation to liquidate obligations incurred under the contract authority, or by the collection and use of receipts.

(B) Periods of availability are as follows:

(I) One-year (Annual) Authority. Budget authority that is available for obligation only during a specified fiscal year and expires at the end of that time.

(II) Multiple-year authority. Budget authority that is available for a specified period of time in excess of one fiscal year. This authority generally takes the form of 2-year, 3-year, etc., availability, but may cover periods that do not coincide with the start or end of a fiscal year. For example, the authority may be available from 1 Jul of one year through 30 Sep of the following fiscal year (15 months). This type of multiple-year authority is sometimes referred to as “forward funding” (for distinction, see Full Funding; Multi-Year Budget Planning).

(III) No-year Authority. Budget authority that remains available for obligation for an indefinite period of time, usually until the objectives for which the authority was made available are attained.

(C) Extensions of budget authority are as follows;

(I) Reappropriations. Legislative action to continue the obligational availability, whether for the same or different purposes, of all or part of the unobligated portion of budget authority that has expired or would otherwise expire. Reappropriations are counted as budget authority in the year for which the availability is extended.

(II) Continuing Resolution. Legislation enacted by the Legislature of Congress to provide budget authority for agencies and/or specific activities to continue in operation until the regular appropriations are enacted. Continuing resolutions are enacted when action on appropriations is not completed by the beginning of a fiscal year. The continuing resolution usually specifies a maximum rate of which the obligations may be incurred, based on the rate of the prior year, the executive budget request, or an appropriation bill passed by either or both houses of the legislative body.

(17) “Budget deficit” means the amount by which the Government’s budget outlays exceed its budget receipts for a given fiscal year (see also Balanced Budget; Budget Surplus).

(18) “Budget estimates” means estimates of budget authority, outlays, receipts, or other budget measures that cover the current and budget years.

(19) “Budget surplus” means the amount by which the Government’s budget receipts exceed its budget outlays for a given budget! Fiscal year (see also Balanced Budget, Budget Deficit).

(20) “Concurrent resolution on the budget” means a resolution passed by both Houses of Congress, but not requiring the signature of the President, setting forth, reaffirming, or revising the congressional budget for the United States Government for a fiscal year.

Two such resolutions are required before the start of a fiscal year. The first, due by 15 May, establishes the congressional budget targets for the next fiscal year; the second, scheduled to be passed by 15 Sep, sets a ceiling on authority and outlays and a floor on receipts. Additional concurrent resolutions revising the previously established budget levels may be passed by Congress at any time (see also Congressional Budget; First Concurrent Resolution on the Budget; Second Concurrent Resolution on the Budget).

(21) “Congressional budget” means the budget as set forth by Congress in a concurrent resolution of the budget. By law the resolution includes:

- (A) The appropriate level of total budget outlays and of total new budget authority;
- (B) An estimate of budget outlays and new budget authority for each major functional category, for undistributed intergovernmental transactions and for such other matters relating to the budget as may be appropriate to carry out the purposes of the 1974 Congressional Budget and Impoundment Control Act;
- (C) The amount, if any, of the surplus or deficit in the budget;
- (D) The recommended level of federal receipts; and
- (E) The appropriate level of the public debt (see also Concurrent Resolution on the Budget; President’s Budget).

(22) “Cost-based budgeting” means budgeting in terms of costs to be incurred, that is, the resources to be consumed in carrying out a program, regardless of when the funds to acquire the resources were obligated or paid and without regard to the source of funds (i.e., appropriation). For example, inventory items become costs when they are withdrawn from inventory, and the cost of building is distributed over time, through periodic depreciation charges, rather than in a lump sum when the buildings are acquired.

Cost-based budgeting, in lieu of reflecting the obligational requirements for programs, reflects costs expected to be incurred during the budget year.

(23) “Deficiency appropriation” means an appropriation made to an expired account to excess of available funds.

Deficiency appropriations are rare since obligating in excess of available funds generally is prohibited by law. Deficiency appropriation is sometimes erroneously used as a synonym for supplemental appropriation (see also Anti-

deficiency Act; Apportionment; Deficiency Apportionment; Supplemental Appropriation).

(24) “Deficit financing” means a situation in which the federal government’s excess of outlays over receipts for a given period is financed primarily by borrowing from the public.

(25) “Deobligation” means a downward adjustment of previously recorded obligations. This may be attributable to the cancellation of a project or contract, price revisions, or corrections of estimates previously recorded as obligations.

(26) “Fiscal policy” means ASG policies with respect to taxes, spending and debt management, intended to promote the territories macroeconomic goals, particularly with respect to employment, gross domestic product, price level stability, and equilibrium in balance of payments. The budget process is a major vehicle for determining and implementing ASG fiscal policy. The other major component of macroeconomic policy is monetary policy which is determined at the federal level.

(27) “Fiscal year” means any yearly accounting period, without regard to its relationship to a calendar year. The fiscal year for the ASG begins on 1 Oct and ends on 30 Sep. The fiscal year is designated by the calendar year in which it ends; for example, fiscal year 1 980 is the year beginning 1 Oct 79 and ending 30 Sep 80 (prior to fiscal year 1977, the ASG fiscal year began on 1 Jul and ended on 30 Sep).

(A) Budget Year. The fiscal year for which the budget is being considered; the fiscal year following the current year.

(B) Current Year. The fiscal year in progress.

(C) Prior Year. The fiscal year immediately preceding the current year.

(28) “Full funding”, means the providing of budgetary resources to cover the total cost of a program or project at the time it is undertaken. Full funding differs from incremental funding, where budget authority is provided or recorded for only a portion of total estimated obligations expected to be incurred during a single fiscal year. Full funding is generally discussed in terms

of multiyear programs, whether or not obligations for the entire program are made in the first year.

- (29) “Grants” means assistance awards in which substantial involvement is not anticipated between the federal government and the state or local government or other recipient during the performance of the contemplated activity. Such assistance is not limited to a state or local government as in the case of grantsinaid.

The two major forms of federal grants are block and categorical. Block grants are given primarily to general purpose governmental units in accordance with a statutory formula. Such grants can be used for a variety of activities within a broad functional area. Examples for federal block-grant programs are Omnibus Crime Control and Safe Streets Act of 1968, Comprehensive Employment and Training Act of 1973, Housing and Community Development Act of 1974, and the 1974 Amendments to the Social Security Act of 1935 (Title XX).

Categorical grants can be used only for a specific program and are usually limited to narrowly defined activities. Categorical grants consist of formula, project, and formula project grants.

Formula grants allocate federal funds to states or their subdivisions in accordance with a distribution formula prescribed by law or administrative regulation.

Project grants provide federal funding for fixed or known periods for specific projects or the delivery of specific services or products (see also Grant-In-Aid).

- (30) Grants-in-Aid. For purposes of the budget, grants-in-aid consist of budget outlays by the federal government to support state or local programs of government service to the public. Grants-in-aid do not include purchases from state or local governments or assistance awards to other classes of recipients (e.g., outlays for research or support of federal prisoners). (See also Grants, Revenue Sharing).
- (31) “Incremental funding” means the provision (or recording) of budgetary resources for a program or project based on obligations estimated to be

incurred within a fiscal year when such budgetary resources will cover only a portion of the obligations to be incurred in completing the program or project as programmed. This differs from full funding, where budgetary resources are provided or recorded for the total estimated obligations for a program or project in the initial year of funding (for. distinction, see Full Funding).

- (32) “Multiyear budget planning” means a budget planning process designed to make sure that the long-range consequences of budget decisions are identified and reflected in the budget totals. Currently, multiyear budget planning in the executive branch encompasses a policy review for a 3-year period beginning with the budget year, plus projections for the subsequent 2 years. This process provides a structure for the review and analysis of long-term program and tax policy choices (see also Full Funding; Projections).
- (33) “Object classification” means a uniform classification identifying the transactions of the Government by the nature of the goods or services purchased (such as personnel compensation, supplies and materials, and equipment), without regard to the agency involved or the purposes of the programs for which they are used.
- (34) “Obligational authority” means the sum of (A) budget authority provided for a given fiscal year, (B) balances of amounts brought forward from prior years that remain available for obligation, and (C) amounts authorized to be credited to a specific fund or account during that year, including transfers between funds or accounts.
- (35) “Obligations-based budgeting” means financial transactions involving the use of funds are recorded in the accounts primarily when obligations are incurred, regardless of when the resources acquired are to be consumed. (For distinction, see Cost-Based Budgeting.)
- (36) “Obligations incurred” means amounts of orders placed, contracts awarded, services received, and similar transactions during a given period that will require payments during the same or a future period. Such amounts will include outlays for which obligations had not been previously

recorded and will reflect adjustments for differences between obligations previously recorded and actual outlays to liquidate those obligations.

- (37) Outlays. Obligations are generally liquidated when checks are issued or cash disbursed. Such payments are called outlays. In lieu of issuing checks, obligations may also be liquidated (and outlays occur) by the maturing of interest coupons in the case of some bonds, or by the issuance of bonds or notes (or increases in the redemption value of bonds outstanding).

Outlays during a fiscal year may be for payment of obligations incurred in prior years (prior-year outlays) or in the same year. Outlays, therefore, flow in part from unexpended balances of prior-year budget authority and in part from budget authority provided for the year in which the money is spent.

The terms expenditure and net disbursement are frequently used interchangeably with the term outlays.

- (38) “Oversight committee” means the legislative committee charged with general oversight of the operation of an agency or program. In most cases, but not all, the oversight committee for an agency is also the authorizing committee for that agency’s programs (see also Authorizing Committee).
- (39) “Personnel compensation” comprises gross compensation (before deduction for taxes and other purposes) for services of individuals, including terminal leave payments. This classification covers all payments (salaries, wages, fees) for personal services rendered to the Government by its officers or employees, either civil or military, and compensation for special services rendered consultants or others.
- (40) “Personnel benefits” comprises cash allowances paid to civilian and military employees incident to their employment and payment to other funds for the benefit of employees. Prerequisites provided in kind, such as uniforms or quarters, and payments to veterans and former employees resulting from their employment are excluded.

- (41) “Planned fiscal year” the fiscal year immediately preceding the budget year.

- (42) “Program” is generally defined as an organized set of activities directed toward a common purpose, or goal, undertaken or proposed by an agency in order to carry out its responsibilities. In practice, however, the term program has many uses and thus does not have a well-defined, standard meaning in the legislative process. Program is used to describe an agency’s mission, programs, functions, activities, services, projects, and processes.

- (43) “Program evaluation,” in general, is the process of assessing program alternatives, including research and results, and the options for meeting program objectives and future expectations. Specifically, program evaluation is the process of appraising the manner and extent to which programs:

- (A) Achieve their stated objectives;
- (B) Meet the performance perceptions and expectations of responsible public officials and other interested groups;
- (C) Produce other significant effects of either a desirable or undesirable character.

- (44) “Projections” means estimates of budget authority, outlays, receipts or other budget amounts that extend several years into the future. Projections generally are intended to indicate the budgetary implications of continuing or proposed programs and legislation for an indefinite period of time. These include alternative program and policy strategies and ranges of possible budget amounts. Projections usually are not firm estimates of what will occur in future years, nor are they intended to be recommendations for future budget decisions.

- (45) “Reprogramming” means utilization of funds in an appropriation account for purposes other than those contemplated at the time of appropriation.

- (46) “Rescission” means the consequence of enacted legislation that cancels budget authority previously provided by the Legislature before the time when the authority would otherwise lapse; i.e., cease to be available for obligation.

- (47) “Revenue sharing” means federal funds distributed by formula to states and general-purpose local governments with few or no limits on the purposes for which the funds may be used and few restrictions on the procedures which must be followed in spending the funds (see also Grants-in-Aid).
- (48) “Subfunction” means subdivisions of a budget function. For example, health care services and health research are subfunctions of the function health.
- (49) “Subsidy” means, generally, a payment or benefit made by the ASG for which there is no current charge. Subsidies are designed to support the conduct of an economic enterprise or activity, such as utility operations. They may also refer to provisions in the tax laws that provide certain tax expenditures and to the provisions of loans, goods, and services to the public at prices lower than market value, such as interest subsidies.
- (50) “Substantive law” means statutory public law other than appropriation law; sometimes referred to as basic law. Substantive law usually authorizes, in broad general terms, the executive branch to carry out a program of work. Annual determination as to the amount of the work to be done is usually thereafter embodied in appropriation law.
- (51) “Supplemental appropriation” means an act appropriating funds in addition to those in an annual appropriation act. Supplemental appropriations provide additional budget authority beyond the original estimates for programs or activities (including new programs authorized after the date of the original appropriation act) in cases where the need for funds is too urgent to be postponed until enactment of the next regular appropriation bill. Supplementals may sometime include items not appropriated in the regular bills for lack of timely authorizations (see also Antideficiency Act; Apportionment; Appropriation Act; Deficiency Apportionment: Deficiency Appropriation).

History: Rule 3-83, eff 4 Apr 83, § C.2.

III. THE BUDGET

5.0104 Budget defined.

Basically, the budget is a plan which specifies what, how, when, who and how much it takes to achieve pre-determined objectives. Broadly speaking, however, the budget serves many other important purposes which are often functionally diffused and frequently misunderstood because of its subtle influence on the decision making process. Some of these purposes are explained in the following section.

History: Rule 3.83, eff 4 Apr 83, § D.1.

5.0105 Budget as a tool.

- (a) As a planning tool, the budget serves the following functions:
- (1) To allocate the production and delivery of goods and services between the public and the private sector;
 - (2) To distribute the limited resources productively and equitably among competing agency and public demands;
 - (3) To stabilize local fiscal policies aimed at stimulating employment opportunities, industrial production, equitable interest rates and a balanced approach towards economic, social and political growth.
- (b) As a managerial tool, public managers use the budget document to merge various sectoral plans to form an agency plan of action for the ensuing fiscal year, to control the operating strategies within the approved agency plan, to evaluate agency performance and to monitor agency compliance with the appropriation act as well as other ASG policies and regulations applicable to the budgetary process.

History: Rule 3-83, eff 4 Apr 83, § D.2.

5.0106 Budget policy.

- (a) It shall be the policy of the American Samoa Government to use the “all inclusive concept” in its budgetary process. This concept, described simply, calls for the inclusion of estimated outstanding obligations and supplies and materials inventory on hand at the end of the current fiscal year plus new appropriated funds to determine total resources available to an agency for its planned programs. For example, if Agency “A” estimate its planned programs for

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the budget year will cost \$500,000 and its projected outstanding obligations and supplies inventories are \$100,000 and \$50,000 respectively, the contract between the old budget concept and the new all-inclusive concept should look something like this:

Agency A Variance	Old Budget Concept	New All- Inclusive Concept
Estimated Outstanding Obligations (\$100,000)	-0-	\$100,000
Estimated supplies in inventory ((50,000))	-0-	50,000
Request for appropriated funds <u>150,000</u>	500,000	350,000
Total Planned Programs -0-	500,000	500,000

- (b) The difference between the two concepts is the impact on appropriated funds. Under the old concept, Agency “A” will receive \$500,000 for its planned programs from appropriated funds plus \$150,000 from outstanding obligations and supplies inventories over and above its planned requirements. Under the new concept only 350,000 will be needed from appropriated funds to complete the resource requirements for Agency “A”’s planned programs.
- (c) The key to the success of this new concept is the reasonable accuracy of the estimates for outstanding obligations and supplies inventories and the provision of some flexibility in the budget to make up for the errors in the estimates. The agency and the department of administrative services are responsible for accurate estimates of the items mentioned while budget flexibility will be the responsibility of the OPPBD.

History: Rule 3-83. eff 4 Apr 83, § D.3.

IV. BUDGET DEVELOPMENT PROCESS

5.0107 Basic principles.

- (a) The basic principles which guide the budget developmental process for the ASG are contained in the Executive Budget Act. Supplementing these principles are federal rules and policies which control the application, receipt, execution and evaluation of federal funds and their uses.
- (b) For all practical purposes, these guiding principles are subject to change as a result of amendments to existing laws, introduction of new laws, different philosophies and managerial perspectives of a new administration or other operating constraints beyond the control of the ASG.
- (c) This budget manual attempts to develop a framework which not only builds capacity within those individuals involved in the budget process but also flexible enough to accommodate both short and long term changes. For example, the ASG through the evolutionary process retained the basic budget format from which important information can be extracted and laid out differently to accommodate the Governor’s and the local legislative reviews, the Department of the Interior requirements and the annual congressional budget submission. Moreover, the enforcement of the Executive Budget Act is done in phases to insure understanding of the basic concepts contained in each phase before the next one begins, to insure selection of only the most useful information desired by the managers for evaluation purposes and to make sure that the cost of information gathering processing and evaluating does not outweigh the benefits to be gained.

History: Rule 3-83. eff 4 Apr 83, § E 1.

5.0108 Policy planning and future outlook.

- (a) The first step in the budget development is the determination by the Governor (based on assessment of past achievements, current problems and future plans) of the territorial priorities to be addressed during the budget year, identification of the most critical issues to be

resolved, specification of his operating strategies, a preliminary estimate of resource requirements for the budget year and their projected impact over the next four years, an assessment of the territorial and world economic outlook and impact on estimated resources and an inventory of legislative proposals required to implement the proposed programs. The Governor's determination is normally made in conceptual terms which are later summarized and translated into specific targets for use by the agencies in the preparation of their preliminary budget proposals.

- (b) By December first of each year, the director of development planning office will provide the Governor with charts and graphs depicting employment trends, industrial production, inflation rate, interest rates and sales trends with appropriate narratives explaining the assumptions supporting his perceptions of the territory's future economic outlook. The projections should cover the period of five years (budget year plus four years in the future). The original and two copies should be sent to the Governor with carbon copies to the director of planning and budget.
- (c) Between the first of October and the last day of November each year, ASG agencies are requested by the office of program planning and budget (OPPBD) explaining the present status of their programs, what they intend to accomplish in the current fiscal year, the nature of the improvements they foresee during the budget year and general ideas as to what is envisioned as the agency's mission for the planned fiscal year and how this relates to the overall objectives for the ASG. The GDPM's are due at the OPPBD on the last day of November each year. OPPBD will summarize all of the agencies' GDPM's, develop three options and present them to the Governor on the third week of December for his consideration. This information, together with OPPBD's estimate of resource requirements and legislative changes desired plus the director of development planning office's economic outlook will form the basis for the Governor's determination of policy planning and future outlook for the territory.

History: Rule 3-83, eff 4 Apr 83, § E.2.

5.0109 Call for preliminary budgets.

- (a) Based on the Governor's determination of policy direction, the OPPBD issues a call for the preparation of preliminary budgets for the planned fiscal year specifying the future policy direction, budget forms required for each departmental activity and the department, the due date and other special instructions to assist the agencies in the preparation of their budgets.
- (b) For each department or office, the following budget forms are required:
 - (1) Summary-2 Departmental highlight statement;
 - (2) Summary-3 Resource summary.
- (c) For each departmental activity, the following budget forms are required:
 - (1) Detail-1 Program budget summary;
 - (2) Detail-2 Personnel costs;
 - (3) Detail-3 Travel expense;
 - (4) Detail-4 Contractual services;
 - (5) Detail-5 Materials and supplies;
 - (6) Detail-6 Equipment;
 - (7) Detail-7 All other costs;
 - (8) Detail-8 Motor vehicle schedule,
- (d) In addition to the above forms, each department or office should submit in 8 1/2 X 14" paper its latest approved organizational chart as part of its budget submission.
- (e) The completion of the above requirements constitutes the official budget submission of an agency. Letters transmitting the budget, copies of cost/benefit analyses and studies, etc. are optional unless requested by the OPPBD.
- (f) The budget office requires the original and copy of all forms at the specified date in the approved budget calendar for the given fiscal year.

History: Rule 3-83, eff 4 Apr 83, § E.3.

V. **BUDGET FORMS AND INSTRUCTIONS**

5.0110 Summary-2-Departmental highlight statement. (See Figure 1 for sample)

Department Request. A summary statement stating the departmental mission, outcomes expected and total funding request.

Governor’s Recommendations. (For budget use only).

Functional Statement. State briefly the functional responsibilities of the department. The most recent information on the ASG reorganization may be used for this purpose or modified to fit the department’s needs. Reference to laws, executive orders, policy memorandums or other documents creating the department of office is required.

Long-term Goal and Impact on Territorial Goals. State the department’s long-term goal and identify specifically (in quantifiable terms if necessary) the contribution by the department towards the attainment of territorial goals contained in the economic development plan or other relevant plans.

Budget Year Objectives. State clearly and concisely the departmental objectives you intend to accomplish in the fiscal year.

Projected Accomplishments for this Activity. If measures of outcomes or effectiveness (such as reduced accident rates, higher test scores, etc.) are not available, substitute workload measures. Do not use dollar figures unless you are measuring average cost of production per unit or other performance measures requiring dollars.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

5.0111 Summary-3-Resource summary. (See Figure 2 for sample format)

This form contains resource requirements, budget History, funding for budget year, object class summary and staffing requests for each unit. The information to complete this form comes from Detail-1 and Detail-2 forms. Detail-1 provides the object class summary and budget History while Detail-2 provides the staffing requests for each activity.

To complete this form, start with the grant accounts first and subtotal it. Next, list all the special programs

and enterprise funds under the agency’s jurisdiction and subtotal it. Finally, list all the activities funded by appropriated funds and subtotal it. Compute grand totals from the three subtotals and record them on the line for the budget year.

Identification. Fill in department name, unit title, account number for unit, date document was finalized and person’s name who prepares Summary-3.

Funding Source. Mark the appropriate box to identify the funding source based on the subtotals shown on the form.

Approved Budget. The totals for this line are compiled by adding the object class totals on all the Detail-1 forms within the agency.

Actual Expenditures. Same instructions as the “approved budget” line.

History: Rule 3-83, eff 4 Apr 83, § P.4 (part).

5.0112 Detail-1-Program budget summary. (See Figure 3 for sample format)

Identification. Fill in department name, activity, account number, date prepared and preparer’s name who will provide testimony during the review process.

Funding Source. Put an “X” in the appropriate box to identify the funding source for the activity.

Objective. State briefly and in quantifiable terms what the activity intends to accomplish during the budget year.

Output Measures. Identify measures of output and quantify each measure.

Budget Requirements. Post object class totals from forms Detail-2 to Detail-7. For quarterly apportionments, either divide each object class into four equal installments or according to your agency’s annual work plan.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

5.0113 Detail-2-Personnel costs. (See Figure 4 for sample format)

This form analyzes your needs for personnel. Start your listing with contract employees and subtotal this category. Next, list your local employees and subtotal

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this group. The sum of the two subtotals should equal your total salaries.

Explanation of requirements under column is shown below:

Position No. Refers to number shown on computerized personnel reports.

Employee Name. The name of the person currently occupying the position. This schedule will remain in the budget office and is intended for internal use only. A different format, excluding the employee's name will be used for public documents.

Position Title. The title shown on the computerized personnel reports. If there are any changes in titles between the reports and the budget documents, there should be a reconciliation and explanation of the differences.

Grade/Step. The salary grade and step shown on the latest computerized reports. If the position is vacant, show the budgeted grade and step.

Current Salary. Show the employee's current salary including any increment entitlements during the current fiscal year.

Step Increments. Show the next step to which the employee is entitled during the budget year. If the employee has reached the top of his grade, show zero unless the position has been reclassified and approved.

Other Change. Show increase or decrease in salaries due to promotions, reclassifications, demotions, position terminations, interagency transfers, downgrades and tenure awards.

Proposed Funding. Show the current employee's current salary plus his step increment including any extraneous adjustments to his position. Care should be taken to record only that portion of the increment that is due within the budget year. This would mean close scrutiny of the anniversary dates, promotions, etc.

Explanation of Other Change. Refers to position deletions, additions, promotions, tenure awards, demotions, reclassifications, transfers, etc.

Overtime. Based on actual cost in prior fiscal year, analyze the circumstances that created the overtime,

provide an estimate of the absolute minimum required and offer alternative solution to overtime.

Fringe Benefits. This item is computed against total salaries for career service and contract employees. Overtime should be charged the career service rate.

Career Service

Contract Employees

FICA Taxes—Employer's share

ASG retirement

Workmen's Compensation (Composite rate)

Terminal leave

(a) No consideration is given to the maximum ceiling taxable under FICA taxes since it is estimated that less than 1% of the ASG total work force will exceed the maximum subject to FICA which is \$29,700 per annum.

Total Personnel Costs. Sum of total salaries, overtime and fringe benefits.

Rounded Totals (to nearest \$500). Total personnel costs should be rounded to the nearest \$500 and recorded on this line. These should be the totals that are transferred to Detail-1.

Staffing. Show the total number of positions for local and contract employees. This block should tie in all the positions listed on Detail-2 forms.

History: Rule 3-83, eff 4 Apr 83. § E.4 (part).

5.0114 Detail-3 -Travel expense. (See Figure 5 for sample format)

This form details the information required to justify the request for travel expenses. Request for travel funds must be justified and each request must stand on its own merits. There is no automatic travel allowance budget, that is, if your department was given \$10,000 for travel last fiscal year, it does not mean that your department will automatically be entitled to \$10,000 plus any increments this fiscal year.

Format. The new format is similar to the old form with the exception of the addition of "household effects to travel costs." In the past, this item was budgeted under "all other costs" expense category.

For the latest ASG policy on the shipment of household effects for contract personnel and per diem rates, please check with the director of administrative services to assist you in your projections.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

5.0115 **Detail-4-Contractual services. (See Figure 6 for sample format)**

This form provides justification for the budget request for contractual services.

Consultant. Justification for the project should include the need for the project, targets for consultation, benefits to be derived from the project and alternative solutions considered.

Cost estimates should be broken down between airfare, per diem, fees and other expenses.

Maintenance. For duplicating machines, typewriters and other office machines a current fee schedule should be obtained from the contracting office to guide you with your projections. For specialized equipment or other facilities maintenance, use actual data from previous years to base your calculations. In justification, it is suggested that the total number of machines by make be shown and their average life since acquisition stated. In this connection, it would be prudent to review the recently compiled ASG fixed assets inventory to ascertain what you actually have and budget accordingly. (Note: If there are any discrepancies between the inventory and your physical count, please contact the property management division for any adjustments and not the budget office).

Employee Training. These estimates should include only the benefits provided by contract to those employees who are off-island on training except salaries. Salaries should continue to be shown under Detail-2.

Others (Specify). This category may include contracts for promotional activities and sub-contracts for operating programs which the department lets to the private sector for handling. In any event, justification requirements are similar to those specified under “consultants.”

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

5.0116 **Detail-5-Materials and supplies. (See Figure 7 for sample format)**

This form provides detail justification for the budget request for materials and supplies. In projecting your needs you should analyze actual usage and cost for this expense category in the previous fiscal year, compare it with the approved budget and deduct inventory on hand at the end of the fiscal year to arrive at your actual needs. On the basis of this information and your projected service levels for the proposed fiscal year, estimate your funding requirements and add 8% for inflation.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

5.0117 **Detail-6-Equipment. (See Figure 8 for sample format)**

This form provides detailed justification for the budget request for equipment. Estimates for these and other equipment should be based on current GSA prices (which may be obtained from the office of material management) plus an inflation factor of 8%. If the request is for the replacement of an old piece of equipment, the item being replaced must be described to include the year and make, present condition, and a cost benefit analysis between retaining, renting a new one from a private firm, and buying a new piece of equipment. If the request is for a new piece of equipment, state specifically the need for it, describe what is being done now without it and the effectiveness of the present method, and the net effect if the request was not approved.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

5.0118 **Detail-7-All other costs. (See Figure 9 for sample format)**

This form provides detailed justification for the budget request for all other costs not specifically enumerated in other forms or categories. Most of the costs under this category should be estimated on the basis of actual usage in past fiscal years, plus an 8% inflation factor.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

5.0119 **Detail-8-Motor vehicle schedule. (See Figure 10 for sample format)**

This form lists all the vehicles each agency currently owns by type, year, make, license number, year in which it was purchased, cost, mileage driven, to whom assigned and identification between those

purchased by federal grants and local and Department of Interior funds. The data produced determines the size of the ASG fleet, justifies the need for new vehicles and ascertains a practical replacement program that is efficient and economical.

History: Rule 3-53, eff 4 Apr 83, § E.4 (part).

5.0120 CIP-I-Capital Improvement Projects.
(See Figure 11 for sample format)

These forms provide detail information to justify the need for a CIP request. Each CIP project will be considered separately and no request will be considered unless adequate preplanning has taken place and only funds to cover work scheduled for completion during the proposed fiscal year have been identified. In addition, departments requesting the CIP must identify how the new CIP will be maintained in the future and where the funds should come from to maintain the completed facility.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

5.0121 Enterprise and special revenue funds.

Figure 12 and Figure 13 illustrate the format for enterprise and special revenue funds fashioned after a profit and loss statement format for business type operations. The proforma statements are projected on the accrual basis of accounting and allows for the matching of revenues against expenses for the planned fiscal year.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

VI. GUIDELINES, CRITERIA AND INSTRUCTIONS FOR EVALUATION OF GENERAL FUND NONTAX REVENUES

5.0122 Guidelines and criteria.

- (a) Periodically, it becomes necessary to survey and evaluate the existing fee structure of nontax revenues accruing to the ASG's general fund. We do not know when was the last time this was done. Nonetheless, the office of program planning and budget is conducting a study in order to compile a catalog of general fund nontax revenues and to examine each fee from the point of appropriateness and adequacy.
- (b) There are no clear-cut criteria that can serve to determine whether an activity should be

appropriately financed from specially levied fees or from general tax revenues. If it is determined that the individual benefiting from the service (rather than the general taxpayer) should pay for the service, the question of how much to charge the individual (whether the fee is equitable and produces adequate revenues) remains to be answered and again must depend on a value judgment.

- (c) The following are some generally stated guidelines and criteria which can be used in evaluating the appropriateness as well as the adequacy of fees:
 - (1) Where governmental services are provided to private individuals and the receipt of such services accrues to the economic advantage of the individual, fees should at least cover the cost providing such services.
 - (2) Where government provides services that are similar to or competitive with those provided by private industry, fees should equal those charged by private industry.
 - (3) Where government provides services that are intended primarily for the protection and promotion of private industry, fees should at least cover the cost of providing such services.
 - (4) Revenues from fees may exceed the cost of providing the service if the level of the fees is imposed to maintain comparability with fees levied for other similar services, or if the level of the fees is reasonably commensurate with the value of the services rendered or if the level of fees is deemed to be reasonable and nonconfiscatory.
 - (5) Revenues from fees need not provide the full cost of the service, if the potential long-term gain to the public justifies such action.
 - (6) As much as possible, fees for similar services should be at uniform levels.
 - (7) Fees imposed on services that are required primarily for the protection of the public should give sufficient consideration to the fact that it is the presence of these activities that creates the need for such protection.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

5.0123 Instructions.

- (a) Complete and attach this evaluation to the revenue estimate form.
- (b) A separate form must be completed for each revenue source.
- (c) Detailed explanation of items:
 - (1) Item I-Services Provided. Briefly describe the kinds of services for which fees are being charged by the program.
 - (2) Item II-Clients Served. List the classes of persons or organizations that directly benefit from the services provided. The general public may be benefited by regulatory and enforcement activities, but the beneficiaries to be reported in these instances are the licensees of those whose premises or processes are being inspected.
 - (3) Item III-Year and Authority to Establish Fee. All user charges should have a beginning point. If the fee was established by memorandum, state the date of the most recent memo, initiator’s name, nature of authority and attach copy of memo. If fee was created by law, cite the title and section number of the American Samoa Code.
 - (4) Item IV-Adequacy of Current Fees. Report dollars realized from the services provided and the total of all costs. It may be necessary to prorate the costs if the same resource is used to provide more than one type of service, i.e., if the same program/organizational unit receives revenues from more than one nontax revenue source.
 - (5) Item V-Recommended Fee Structure. List each different type of rate being charged, including a description, the current rate, the recommended rate, and whether legislation, administrative action or other action is required to achieve the changes.
 - (6) Item VI-Comments on Recommended Fee. Include the reasons for recommending or not recommending changes to the fee

structure. If changes are recommended, include the proposed course of action and timetable for achieving the changes.

- (7) Item VII-Net Effect of Recommended Fees. As in Item IV report all dollars realized from the services provided but this time on the basis of the revised fee structure.
- (d) This form may also be used to recommend the establishment of fees for those services which are currently being provided without charge. In this case, Item IV need not be completed.
- (e) If no change to the fee structure is being recommended, complete Items I, II, III, IV, V (reporting “no change”) and VI (with reasons for not recommending any change).

Omit Item VII.

See Figure 14 and 15 for completed sample formats for general fund nontax revenues and local tax revenue estimates.

History: Rule 3-83, eff 4 Apr 83, § E.4 (part).

VII. BUDGET REVIEW

5.0124 First local budget review.

- (a) Preliminary budget proposals for the budget year are normally due on the first week of February. During the remainder of February, the OPPBD analyzes agency budgets, directs inquiries to the agencies for more information, informs the agencies of its tentative decisions based on the initial review, receives reactions from the agencies and conducts budget negotiations with the agency directors where disagreements exist.
- (b) Where the agency director finds it necessary to appeal his case, he has the first week of March to discuss his agency’s budget request with the Governor. His appeal is focused primarily on the areas of disagreement between the OPPBD and his agency. After his appeal, the Governor’s decision becomes final and binding on both the agency director and the OPPBD. The Governor’s decision is to be communicated in writing to the parties involved.
- (c) During the remainder of March, the OPPBD devotes the rest of the time to make final changes

and technical adjustments to the agency requests, prepares final revenue projections, makes appropriate summaries for the Governor's review of the final tradeoffs to be made and prepares the budget document for printing and the budget resolution for the Fono's consideration.

- (d) The Fono reviews the budget resolution during the first half of April and accepts it in principle or revises it piecemeal or rejects it in its entirety. During the Fono review, directors are called to testify before the appropriate committees concerning their budget requests. The remainder of April is devoted to translating the approved budget resolution together with comments from the Governor and the Fono into the Department of Interior budget format. American Samoa's preliminary budget proposal is due at DOI on the middle of May.

History: Rule 3-83, eff 4 Apr 83, § E.5.

5.0125 Federal budget review.

- (a) The federal budget review process depends on the whims of each administration. For example, some administrations prefer open communication and appeal for both departmental and OMB passback while others prefer total secrecy until ASG is told to make the necessary revisions to the ASG budget for the Presidential submission to the U.S. Congress. Under the policy of open communication, the office of territorial and international affairs (OTIA) would inform the ASG about the Department of the Interior (DOI) passback. In consultation with the Fono leaders and chairmen of the appropriations committees of both houses, the Governor advises the OTIA of the areas adjusted and those which ASG would strongly appeal even to the extent of asking the appropriate congressional committees to include them as add-ons in their deliberations. Final decisions by OTIA are made by mid-June. The DOT budget is then forwarded to OMB in mid-September. Between mid-September and mid-December the consultation and concurrence process continues among OMB, DOI, OTIA and the ASG. Final allowance for ASG is advised in mid-December with appropriate revisions to the DOI budget due in Washington D.C. before the

first of January for inclusion in the President's budget.

- (b) The next step is for OPPBD to prepare for the congressional budget hearings which are normally scheduled between March and June of the following year. This involves the preparation of budget briefings for the Governor and those attending the hearings in anticipation of committee questions. The briefing summarizes the texts from past hearings, departmental accomplishments and future plans, financial status of the ASG, current status of CIP and federally funded special programs, status of economic, social and political developments, the identification of the most critical problems facing the territory and reporting on long range plans for the ASG.
- (c) At the conclusion of the budget hearings, OPPBD staff remain in Washington D.C. to edit the hearing transcripts, provide answers to additional committee questions, follow through with OTIA and congressional staff on additional data requirements and perform liaison services between the ASG, various congressional offices, DOI and OMB on budget matters.
- (d) Based on past experience, results of final congressional actions are communicated between late September and the first half of December.

History: Rule 3-83, eff 4 Apr 83, § E.6.

5.0126 Call for final budget estimates.

- (a) At the beginning of June, the OPPBD issues a call for final budget estimates for the budget year. Essentially, the call requests the agencies to review their preliminary estimates approved earlier under the budget resolution and submit any revisions due to significant changes that may have occurred since the budget resolution was approved. The changes and financial impact must be clearly identified and the alternatives considered by the agency to take care of the changes must be explained before requesting additional resources.
- (b) Agencies which opted for their preliminary estimates are not required to submit any additional documentation. The OPPBD will

prepare the preliminary estimates in final form and submit a copy for review by the agency.

- (c) The forms used in the preliminary budgets will also be used for the final budget estimates. Blank forms are available at the OPPBD at no cost to the agency.

History: Rule 3-83, eff 4 Apr 83, § E.7.

5.0127 Second local budget review.

The local review procedures for the final budget estimates are the same as those used for the preliminary budget estimates. The differences are the quality of estimates and the end product. During the final budget estimating process, objectives become better refined and related cost estimates more accurate over time and experience gained from the fiscal year in progress. The end product for the preliminary budget estimates is a budget resolution while the final budget estimates result in an appropriation act.

History: Rule 3-83, eff 4 Apr 83, § E.8.

VIII. THE BUDGET EXECUTION PHASE

5.0128 Budget resolution.

After its review of the preliminary budget, the Fono passes a resolution supporting the preliminary budget proposal and noting any changes desired prior to the preparation of the budget submitted in early May to DOI. The resolution does not appropriate revenues; it demonstrates that the Fono has reviewed the budget proposal and concurs in principle with the programs and funding proposed.

History: Rule 3-83, eff 4 Apr 83, § F.1.

5.0129 Appropriations act.

This bill when passed by the Fono and approved by the Governor constitutes the authority to expend funds in the amounts and for the purposes stated in the budget request. The Fono may make additions or deletions to the Governor's budget proposal. The amount approved at departmental level will be reflected in the "Act" and details will generally be provided in the appropriations committee report and detailed justification.

History: Rule 3-83, eff 4 Apr 83, § F.2.

5.0130 Continuing resolution.

The continuing resolution authorizes the continuation of federally funded agencies at current service levels based on some specified percentage of the current fiscal year's budget or the President's request for the budget year. Because of the uncertainty in federal funds, the ASG normally follows the operating guidelines under the continuing resolution for all agencies regardless of funding source to allow for future contingencies while congressional action is in progress.

History: Rule 3-83, eff 4 Apr 83, § F.3.

5.0131 Notification of authorization.

The director of planning and budget will prepare a notification of authorization after the Governor has signed the appropriations act. The notification will normally contain a copy of the appropriations act, a narrative summary of changes made by the Fono, amended detailed budget schedules and limitation on spending under the concurrent resolution. The notification is usually issued on the first day of October.

History: Rule 3-83, eff 4 Apr 83, § F.4.

5.0132 Quarterly apportionments.

Quarterly apportionments primarily serve two purposes. First, they serve as a control mechanism for the agency manager to make sure expenditures will not exceed the approved budget at the end of the fiscal year. Secondly, they serve as an advisory to the director of administrative services as to what the total agency cash requirements are for the quarter. Conversely, they act as a means of communicating back to the agencies the need to contain costs to meet cash collections.

Preceding the preparation of quarterly apportionments is the completion of the agency annual work plan (AWP) as required by law. The AWP provides the basis for the computation of quarterly apportionments. See Figure 16 for sample format.

- (a) Initial authorization of the quarterly apportionment will come from the summary budget schedules (Detail-1) submitted for each line account. In the event the agency consolidates several numbered accounts into one line account, summary budget schedules will be

required for each numbered account to be used for control purposes. The planning and budget office will input the approved apportionment for each quarter into the computer based on Figure 17 submitted by the agency.

- (b) Changes in quarterly apportionment may be requested. Required documentation supporting the request will be as follows:

- (1) A letter of explanation summarizing the request;
- (2) A revised apportionment schedule using Figure 17.

Note: Any budget transfer or reprogramming will normally require a change of allotment thus preparation of Figure 17 for all accounts changed will be necessary to effect the transfer or reprogramming.

- (c) Input of changes will be accomplished by the budget staff.

History: Rule 3-83, eff 4 Apr 83, § F.5.

5.0133 Budget transfers.

- (a) A budget transfer is defined as the transfer of a budgeted function from one agency to another for administrative purposes only which does not require a change in purpose nor the approved budget or the transfer of funds between object classes within the same numbered account.
- (b) Request for a budget transfer requires the submission of a letter detailing the transfer, justification and a completed form BUD-14 (see Figure 18 for sample format). In addition, Figure 16 and Figure 17 should be completed to show the change in scope of operation and quarterly apportionment. The planning and budget office will approve or reject the transfer request based on the merits of each case.

History: Rule 3-83, eff 4 Apr 83, § F.6.

5.0134 Budget reprogramming-Generally.

- (a) A budget reprogramming is a transfer of funds which changes the approved character and scope of operation subject to dollar limitations contained in the budget act, between numbered accounts or major program categories (as opposed to object classes) as displayed in the

budget justification submitted to the Fono. A reprogramming of funds between account 041004, director's office and account 044008, grants management division within the department of administrative services is an example of transfers between numbered accounts. A reprogramming of funds from capital improvement projects to operating or special programs constitutes the transfer of funds between major program categories.

- (b) The basic rationale for allowing reprogramming action is to provide public managers the flexibility to deal with contingencies that were not anticipated during the regular budget development process. This flexibility must be dealt with prudently and in consideration of the policymakers' and the people's wishes.

History: Rule 3-83, eff 4 Apr 83, § F.7 (part).

5.0135 Reprogramming rules for local funds.

- (a) Reprogramming between numbered accounts shall be made only once per quarter.
- (b) Reprogramming between major program categories shall be made only once a year and with the Governor's approval.
- (c) Reprogramming of funds between departments or offices shall be made only once a year and with the Governor's approval.
- (d) An approved revised annual work plan is required before any reprogramming action is permitted.
- (e) Line account, for purposes of reprogramming, is defined as numbered account within a department or office, a special program, a capital improvement project, operating programs, special revenue or enterprise funds.
- (f) For control and coordination purposes, the director of budget shall approve all reprogrammings up to \$25,000 or 30% of the line account, whichever is less.
- (g) All reprogrammings which exceed \$25,000 or 30% of the line account must be approved by the Legislature.

- (h) Each reprogramming request is treated as a separate action subject to rules (f) and (g) of this section.

History: Rule 3-83, eff 4 Apr 83, § F.7 (part).

5.0136 Reprogramming rules for DOI funds.

- (a) Grantees shall be subject to the following reprogramming procedures as set forth by the House and Senate Committees on Appropriations on 1 Aug 77:

- (1) Definition. “Reprogramming”, as defined in these procedures, includes the allocation of funds from one budget activity to another. In cases where either committee report displays an allocation of an appropriation below the activity level, that finer level of detail shall be the basis for reprogramming. For construction accounts, a reprogramming constitutes the reallocation of funds from one construction project identified in the justifications to another. A reprogramming shall also consist of any other significant departure from the program described in the agency’s budget justifications.

- (2) Criteria for Reprogramming.

- (A) Any project or activity which may be deferred through reprogramming shall not later be accomplished by means of further reprogramming; but, instead, funds should again be sought for the deferred project or activity through regular appropriation processes.
- (B) A reprogramming should be made only when an unforeseen situation arises; and then only if postponement of the project or the activity until the next appropriation year would result in actual loss or damage. Mere convenience or desire should not be factors for consideration.
- (C) Reprogramming should not be employed to initiate new programs or to change allocations specifically denied, limited or increased by the Congress in the Act or the report. In

cases where unforeseen events or conditions are deemed to require such changes, proposals shall be submitted in advance to the Committee, regardless of amounts involved, and be fully explained and justified.

- (3) Reporting and Approval Procedures.

- (A) Any proposed reprogramming must be submitted to the committee in writing prior to implementation if it exceeds \$250,000 annually or results in an increase or decrease of more than 10% annually in affected programs.
- (B) All reprogrammings shall be reported to the committee quarterly and shall include cumulative totals.
- (C) Any significant shifts or funding among object classifications should all be reported to the committees in a timely manner.
- (D) Reprogramming proposals submitted to the committee for prior approval shall be considered approved after 30 calendar days if the committee has posed no objection. However, agencies will be expected to extend the approval deadline if specifically requested by either Committee.

- (4) Administrative Overhead Accounts. For all appropriations where costs of overhead administrative expenses are funded in part from “assessments” of various budget activities within an appropriation, the assessment shall be shown in justifications under the discussion of administrative expenses.

- (5) Contingency Accounts. For all appropriations where assessments are made against various budget activities or allocations for contingencies, the Committee expects a full explanation, separate from the justifications. The explanation shall show the amount of the assessment, the activities assessed, and the purpose of the fund. The committee expects annual reports each year detailing the use of

these funds. In no cases shall such a fund be used to finance projects and activities disapproved or limited by Congress or to finance new permanent positions or to finance programs or activities that could be foreseen and included in the normal budget review process. Contingency funds shall not be used to initiate new programs.

- (b) It is understood that, where appropriate, federal grant moneys and local revenues shall be spent at the same ratio by which they were appropriated.
- (c) It is understood that the grant(s) here offered represent(s) the total amount of funds available for the fiscal year for which moneys are appropriated.

It is further understood that these funds are not to be used for any purpose other than that for which they are offered, except as in accordance with the guidelines for reprogramming of funds enclosed herein.

- (d) Reporting requirements will be in accordance with the office of management and budget circular A-102. In this regard, please complete and provide us with the following reports as required.

- (1) Financial Status Report-Quarterly. This report will be completed at the end of each quarter and a final report will be completed at the conclusion of the project.

- (2) Federal Cash Transactions Report-Monthly. This report will be completed at the end of each month, and forwarded to office of territorial affairs by the 15th of the following month.

- (3) Request for Advance or Reimbursement-Monthly. The Trust Territory of the Pacific Island and the Northern Mariana Governments will not use this report. Both of these governments will utilize the services of the TT assistant disbursing officer for drawdowns of cash, Virgin Islands is on a letter of credit.

- (e) Unless otherwise indicated, all grant moneys will remain available until expended.

History: Rule 3-83, eff 4 Apr 83, § F.7 (part).

5.0137 Request.

Requests for reprogramming should be in the form of a three page memorandum accompanied by Figures 16, 17 and 18. No more than five days will be allowed for processing the request by OPPBD.

History: Rule 3-83, eff 4 Apr 83. § F.7 (part).

5.0138 Other budget rules.

- (a) No territorial agency may increase the salaries of its employees, employ additional employees, or expend money or incur any obligations except in accordance with law and with a properly approved operations plan.

- (b) New organizational plans and reorganizations affecting the shift of functions, employees and salary reclassifications must be approved by OPPBD before implementation. Position reclassifications, job descriptions and salary determinations are functions of the office of manpower resources. OPPBD is primarily concerned with organizational efficiency, management methods and compliance with the appropriation and budget acts.

- (c) No agency may design and issue new standard forms for government wide use without approval and form number from OPPBD.

History: Rule 3-83. eff 4 Apr 83. § F.8.

IX. PERFORMANCE EVALUATION

5.0139 Quarterly performance reports.

Each ASG agency is required by law to submit a quarterly performance report to the OPPBD on 15 Jan, 15 Apr, 15 Jul and 15 Oct of each year. The report shall consist of the following documents:

- (a) Annual Work Plan. See Figure 16 for sample format. This form is already in use and needs no further instructions.

- (b) Quarterly Budget vs. Expenditure Report. Use RSM 244A computer report format. Significant negative or positive budget variances must be explained on the report. In addition, show as a footnote the total budgeted positions, filled and vacant. Explain the status of vacancies.

(c) Narrative Summary. State the progress made on your annual work plan, problems encountered, adjustments needed to the plan and future outlook for the agency. Progress should be measured in quantifiable terms wherever possible. Use graphs and charts necessary. Your narrative summary should be no longer than three double-spaced typewritten pages.

History: Rule 3-83, eff 4 Apr 83. § 0.1

5.0140 Reviews.

In addition to the quarterly performance reports, agencies will be reviewed by the office of the federal comptroller. Financial and operational audits will also be performed by the office of the Territorial auditor OPPBD from time to time, will make program analyses and performance evaluations of selected agencies. ASG agencies are encouraged to conduct internal evaluation as a management tool for self-improvement.

History: Rule 3-83. eff 4 Apr 83. § G.2.

TITLE 5 - CHAPTER 02 – TERRITORIAL PLANNING COMMISSION RULES

Sections:

- 5.0201 Definitions.
- 5.0202 Authority.
- 5.0203 Chair-person and officers.
- 5.0204 Meetings.
- 5.0205 Attendance.
- 5.0206 Quorum.
- 5.0207 Duties.
- 5.0208 The comprehensive general plan.
- 5.0209 District planning areas and boards.
- 5.0210 Advisory committee.
- 5.0211 Other committees.
- 5.0212 Public participation.
- 5.0220 Business licenses.

5.0201 Definitions.

As used in this chapter the term definitions in 10.0101 A.S.C.A., shall have the meanings ascribed to terms in that section and as supplemented, explained and further defined in this chapter.

History: Rule 16-87, eff 12 Oct 87.

5.0202 Authority.

The territorial planning commission derives its authority to promulgate these rules pursuant to 10.0102(e) A.S.C.A.

History: Rule 16-47, eff 12 Oct 87.

5.0203 Chairperson and officers.

The chairperson of the commission shall be designated by the Governor from among the commissioners. The commission may elect one of its members as secretary. Should the chairperson be unable to attend a meeting, the members shall elect an interim chairperson.

History: Rule 16-87. eff 12 Oct 87.

5.0204 Meetings.

The commission shall meet on the first and third Tuesday of each month at 9:00 a.m. in the office of development planning, unless otherwise announced. Such other meetings and hearings as are necessary for the efficient conduct of its business may be held at such times and places as determined by the chair. All meetings shall be public and may be recorded.

History: Rule 16-87, eff 12 Oct 87.

5.0205 Attendance.

The commission by a majority vote shall recommend to the Governor the need for a replacement for any member who misses 3 consecutive meetings without cause. Cause shall include health reasons and off-island business trips.

History: Rule 16-87. eff 12 Oct 87.

5.0206 Quorum.

A quorum shall be one-half or more of the appointed members in attendance at a meeting. A quorum shall not be lost when members leave the meeting unless the quorum is questioned by at least 1 member still in attendance. No official business can be conducted without a quorum.

History: Rule 16-87. eff 12 Oct 87.

5.0207 Duties.

In addition to duties found in 10.0101 et seq. A.S.C.A., the commission shall have the following jurisdiction and authority:

- (1) To review and approve a comprehensive general plan for the future development of the territory

and to make a report of its findings and recommendations to the Governor and Legislature following public hearings;

- (2) to initiate a review of the provisions of the zoning law and to make a report of its findings and recommendations based on the comprehensive general plan;
- (3) to hold public hearings on elements of amendments to, and the total comprehensive general plan to review public opinion;
- (4) to prepare revisions annually as needed coinciding with the fiscal year;
- (5) to prepare necessary documents for the Governor and Legislature summarizing the highlights and the budget implications, if any, of the comprehensive general plan.

History: Rule 16-87, eff 12 Oct 87.

5.0208 The comprehensive general plan.

- (a) The comprehensive general plan may be concerned particularly with industrial, commercial or agricultural development; with education, social services, housing, essential fire, water and electric utilities services, and with transportation, communications, recreation, conservation, cultural services and with other relevant aspects of life in American Samoa.
- (b) In order that a comprehensive general plan may be developed for the territory, it is desirable that any of its foregoing subjects be considered in terms of:
 - (1) defining existing problems, policies, and plans;
 - (2) establishing goals;
 - (3) developing and evaluating the impact of alternative strategies;
 - (4) determining any necessary revisions to local decision-making processes; and
 - (5) developing an implementation plan, having broad-based community support, which defines priorities and assigns responsibilities for action.

(c) The comprehensive general plan shall be established for the following purposes;

- (1) to promote the public health, safety, morals, convenience, comfort, prosperity and general welfare of the residents of American Samoa;
 - (2) to preserve a wholesome, serviceable and attractive community that increases the safety and security of home life;
 - (3) to prevent congestion, disorder and changes: and
 - (4) to prevent overcrowding, and other conditions which generally tend to diminish the well-being of residents.
- (d) To accomplish the purposes stated in this section, the territory is divided into 6 planning districts as stated in 10.0105 A.S.C.A., to promote the public health, safety, welfare and morals.

History: Rule 16-47, eff 12 Oct 87.

5.0209 District planning areas and boards.

The commission shall meet with each planning district boards or all such boards as a need arises but shall meet with them at least once each year.

History: Rule 16-87, eff 12 Oct 87.

5.0210 Advisory committee.

- (a) Pursuant to 10.0102(c) there is an advisory board to the commission which shall consist of 7 department and office heads or their delegates of the government of American Samoa. The commission shall name the advisory committee annually at its meeting in October or as needed to replace members.
- (b) The commission by majority vote shall decide what departments or offices shall be requested to serve on the advisory committee and may request particular talent, expertise or persons in such departments or offices.
- (c) Members of the advisory committee shall be expected to attend certain commission meetings and may work with the planning district as well.

- (d) The following departments or offices shall be ex officio members of the committee:
- (1) Office of development planning;
 - (2) Department of public works;
 - (3) Office of the attorney general; and
 - (4) Department of parks and recreation.

History: Rule 16-47. eff 12 Oct 87.

5.0211 Other committees.

The chairperson may name additional committees of the commission to perform certain investigations or tasks to report back to the commission. These may be committees of the whole or committees of no less than 3 members of the commission. Committees shall report to the commission in a public session with its recommendations or report.

The commission may accept, reject or amend the recommendation or report of any committee.

History: Rule 16-47. eff 12 Oct 87.

5.0212 Public participation.

- (a) All persons addressing the commission at a public hearing shall identify themselves by name, village of residence, and, if applicable, employment or group affiliation. Persons may make oral or written presentation in person or through a representative or attorney. The chairperson may limit any oral presentation to no more than 5 minutes duration to allow for full participation. The chairperson may require representation scheduling of persons who wish to address the commission to ascertain the number of presentations for full participation and to set equitable time limits.
- (b) Prior to recommending a plan to the Governor and Legislature the commission shall hold a public hearing(s) so that all parties in interest and residents will be given an opportunity to be heard in respect to the plan. Notice shall be sent to the press and media and all other means reasonably to attract public attention at least 15 days prior to any hearing relative to a plan or the comprehensive general plan. Said notices shall also be sent to the Governor, the President of the Senate, the Speaker of the House, director of the office of development planning, the attorney

general, director of public works, members of the advisory committee, and members of the district planning boards(s) affected.

History: Rule 16-87, eff 12 Oct 87.

5.0220 Business licenses.

- (a) Pursuant to 27.0201 et seq., A.S.C.A., the commission will review all new applications for a business license including those filed by individuals, partnerships and corporations. “New business licenses” includes first applications for a business license, for additional locations and relocations, and applications for businesses which have changed ownership. All individuals, partnerships and corporations regardless of race, sex, national origin, or status in the territory will be subject to this review.
- (b) The applicant shall file with the commission the business license application, the partnership agreement or articles of incorporation if a partnership or a corporation, a copy of any requests filed or to be filed with the zoning board for a variance, including but not limited to a description the location, a plot plan showing existing and proposed structures with necessary dimensions indicating yard spaces and adjoining structure when required, and a ground and typical floor plan of the building showing work area, bathrooms, water and sewage facilities, storage area, and other uses with all necessary measurements.
- (c) The applicant shall be given at least a day notice of a hearing at which time the applicant shall be prepared to discuss with the commission the following factors:
- (1) traffic safety;
 - (2) adequate parking facilities;
 - (3) availability of water and sewage facilities;
 - (4) effect on land resources and economic opportunities for resident Samoans;
 - (5) effect on Samoan customs, culture and traditions; and
 - (6) conformity to the general comprehensive plan and the general economic plan.

History: Rule 16-87. eff 12 Oct 87.

END OF TITLE 5 – PUBLIC PLANNING
BUDGET AND DEVELOPMENT