BUILDINGS AND FACILITIES

Desired Outcome

To Implement the President's Management Agenda by improving FDA operations and the quality of its facilities. Buildings and Facilities funding is for greatly needed repairs and improvements to existing owned or leased facilities all across the U. S.

Program Objective

The $7 million requested increase is for construction, improvement and repair of FDA facilities. This includes approximately 40 buildings in 16 separate locations in Maryland; plus five regional offices, 19 field District complexes including 19 administrative and 13 specialized laboratory facilities nationwide; more than 120 field resident posts, eight field criminal investigation offices, two distinct program laboratory complexes outside the Washington D.C. Metro area; and the NCTR complex in Jefferson Arkansas. Overall, FDA maintains offices and staff in 49 states, and in the District of Columbia and Puerto Rico.

In FY 2005, the Agency did not request funding for building and facilities in an effort to fund other higher priority initiatives, but is now challenged to continue to sustain these buildings, some of which are over 50 years old, are in poor condition and which have deferred maintenance.

Requested Increases for FY 2006
(Dollars in $000)

Item	Dollars
Building and Facilities - BA	$7,000

Why is FDA's Contribution So Important?

FDA's field laboratories provide critical laboratory and analytical support to the domestic and import inspection effort and are a key element to the FDA science base. FDA's large laboratories provide a cost-effective critical mass of scientific expertise in the fields of chemistry, microbiology, pesticide chemistry, animal drug research and total diet research areas.

Consequences of Not Achieving the Goal

Without this increase, FDA will have to continue delaying completion of projects, which will cause additional operating costs to support personnel and equipment in different buildings and postponing planned inter-center research projects. The Agency would also be in a position of having to shut down critical laboratories and buildings due to safety issues, with field operations bearing the brunt of any such closures. Given the one-year pause in Building and Facilities funding in FY 2005, this restoration is especially important, and not receiving these resources will only lead to rising costs due to the continued delays in maintenance and deterioration of the FDA facilities.

MANAGEMENT SAVINGS

Desired Outcome

To support the Administration's goals by reducing administrative and information technology costs.

Program Objective

By implementing the President's Management Agenda and Secretarial reform initiatives, FDA has achieved increased efficiencies by streamlining its organizational structure, improving the delivery of administrative and IT services, and through a re-invigorated and strategic-orientated IT plan linking mission critical programs with performance outcomes and cost-effective IT solutions.

Management savings were achieved during FY 2004 with the creation of the shared services organization, results from competitive sourcing competitions, and consolidation efforts by the Department. These savings, which are continuing in FY 2005, have permitted FDA to meet its Administration goals for reducing spending and administrative staff by 15 percent.

The total aggregate savings has amounted to over $80 million and a loss of 204 FTE. While some costs savings may be achieved in FY 2006, FDA will not be able to replicate the degree of savings previously achieved. Further staff and resource reductions will directly impact on FDA's programs.

FY 2006 Management Savings
(Dollars in $000)

Item	Dollars	FTE
Administrative Efficiencies	($1,554)	(14)
Information Technology Reduction	($5,116)	(15)
Total	**($6,670)**	**(29)**

Why is FDA's Contribution So Important?

Human and IT resources are essential to accomplishing FDA's mission, as it is more people-intensive than many government agencies, with payroll accounting for more than 60 percent of its total budget. Critical IT systems allow FDA to handle the large amounts of data used for applications review processes as well as monitoring post-marketing surveillance of regulated products. Mission critical work includes:

- The Agency's regulatory mandate to protect the public health. Interpretation and enforcement of this mandate is an inherently governmental function;
- Inspectional responsibilities which require hands-on coverage domestically and abroad;
- Product review functions which require numerous interdependent specialists in product areas who interact with industry on a regular basis;

- Regulatory responsibilities which require staff to monitor the entire life cycle of all FDA-regulated products; and,

- Review an estimated 14.4 million import line entries in FY 2005 of FDA regulated products for admissibility into domestic commerce.