

Minority Business Outreach

MINORITY BUSINESS OUTREACH

SUMMARY ANALYSIS OF CHANGE FROM FY 2008 TO FY 2009
Appropriations, Obligations, Limitations, and Exempt Obligations
(\$000)

Item	Change from FY 2008 to FY 2009	FY 2009 PC&B by Program	FY 2009 FTEs by Program	FY 2009 Contract Expenses	Total
FY 2008 Base (Enacted)		Note Columns are Non-Add			
Minority Business Outreach	\$2,970	125	1	2,845	\$2,970
Adjustments to Base					
Required Pay Increase	\$3	3			
Inflation	\$66			66	
Subtotal, Adjustments to Base	\$69	3		66	\$69
	\$3,039				
New or Expanded Programs	\$17				
Subtotal, New or Expanded Program Increases/Decreases	\$17			17	\$17
Total FY 2009 Request	\$3,056	128	1	83	\$3,056

Detailed Justification for the Minority Business Outreach

(In thousands of dollars)

	FY 2007 <u>Actual</u>	FY 2008 <u>Enacted</u>	FY 2009 <u>Request</u>	Difference From FY 2008 <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	125	125	128	3
Travel	75	75	77	2
Other Costs	2,770	2,770	2,850	80
TOTAL	2,970	2,970	3,056	86
<u>STAFFING</u>				
Direct Positions	1	1	1	0
Reimbursable Positions	0	0	0	0
Direct FTE	1	1	1	0
Reimbursable FTE	0	0	0	0

Minority Business Outreach	FY 2009 Request: \$ 3,056
<p>Overview: The Minority Business Outreach (MBO) program provides grants and contractual support to outreach to the small and small and disadvantaged business community to provide information dissemination, technical assistance and financial assistance services to empower them to compete for and obtain opportunities at DOT and DOT-funded, through contracts or grants, transportation-related projects throughout the country.</p> <p>In this capacity, the MBO operates regional Minority Resource Centers (MRCs) under Title 49, subtitle 1, chapter 3, subchapter II, Sec. 332. Through partnerships with chamber of commerce, trade associations, community organizations, and financial institutions, the Minority Resource Centers are a delivery system targeted to all small and small and disadvantaged business, including Disadvantaged Business Enterprises (DBEs) and women-owned businesses, to assist them to become successful transportation contractors. The MRCs outreach to small and small and disadvantaged businesses identify transportation-related opportunities, provide information on financing sources, technical assistance, and business training programs.</p> <p>In addition to the MRCs, the MBO operates the National Information Clearinghouse (NIC). The NIC publishes and distributes information on: DOT contracting opportunities, its procurement practices, and how to market to DOT; DOT-assisted contracting opportunities, through contracts and grants, to state and local transportation</p>	

projects; DOT financial assistance programs; market research through print, the OSDBU web-site and the toll-free number. The NIC also provides statistical and program feedback on OSDBU lending, technical assistance and procurement programs.

FY 2008 Base:

Minority Business Outreach will operate within the enacted budget amount to accomplish the elements of the Global Connectivity strategic goal.

Anticipated FY 2008 Accomplishments:

In fiscal year 2008, the Minority Business Outreach program will continue to focus on outreach activities, evaluate the performance of individual MRCs, and expand regional access to the MRC program.

FY 2009 Budget Request:

The Minority Business Outreach program is requesting \$3.056 million and 1 FTE in FY 2009 for outreach to the small and disadvantaged business community to encourage participation on DOT-funded contracting opportunities, empower them to compete for and obtain those opportunities and expand the community of successful small and small and disadvantaged transportation contractors.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS OUTREACH

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2007	FY 2008	FY 2009
69-0119	ACTUAL	ESTIMATE	ESTIMATE
Obligations by program activity:			
0.01 General Administration	2,027	2,970	3,056
0.02 Bonding Assistance	24	5,706	0
9.01 Reimbursable program	0	0	0
10.00 Total obligations	2,051	8,676	3,056
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	7,772	9,123	3,417
22.00 New budget authority (gross)	2,970	2,970	3,056
22.10 Resources available from recoveries of prior year obligations	710	0	0
22.22 Unobligated balance transferred from other accounts	0	0	0
23.90 Total budgetary resources available for obligation	11,452	12,093	6,473
23.95 New obligations	-2,051	-8,676	-3,056
23.98 Unobligated balance expiring or withdrawn	-278	0	0
24.40 Unobligated balance available, end of year	9,123	3,417	3,417
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation (definite)	2,970	2,970	3,056
40.35 Appropriation permanently reduced	0	0	0
41.00 Transfers to other accounts	0	0	0
42.00 Transfers from other accounts	0	0	0
43.00 Appropriation (total)	2,970	2,970	3,056
Discretionary spending authority from offsetting collections:			
58.00 Offsetting collections (cash) (unexpired only)	0	0	0
58.10 Change in uncollected cust paymts fm Fed sources (unexp)	0	0	0
58.90 Spending authority fm offsetting collections (total)	0	0	0
70.00 Total new budget authority (gross)	2,970	2,970	3,056
Change in obligated balances:			
72.40 Obligated balance, start of year	5,452	3,930	809
73.10 New obligations	2,051	8,676	3,056
73.20 Total outlays (gross)	-1,733	-11,797	-3,047
73.32 Obligated balance transferred from other acct	0	0	0
73.40 Adjustments in expired accounts (net)	-1,130	0	0
73.45 Recoveries of prior year obligations	-710	0	0
74.00 Chg in Uncollected cust orders fm Fed Sources (unexpired)	0	0	0
74.10 Chg in Uncollected cust orders fm Fed Sources (expired)	0	0	0
74.40 Obligated balance end of year	3,930	809	818
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	48	2,673	2,750
86.93 Outlays from discretionary balances	1,685	9,124	297
87.00 Total outlays (gross)	1,733	11,797	3,047
Offsets:			
<i>Against gross budget authority and outlays</i>			
Offsetting collections (cash) from:			
88.00 Federal sources	-2	0	0
88.95 Portion of offsetting collection credited to unexpired accounts	0	0	0
88.96 Portion of offsetting collection credited to expired accounts	2	0	0
Net budget authority and outlays:			
89.00 Budget authority (net)	2,970	2,970	3,056
90.00 Outlays (net)	1,731	11,797	3,047
95.02 Unpaid Obligations, EOY	3,930		

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
MINORITY BUSINESS OUTREACH

OBJECT CLASSIFICATION
(In Thousands)

Identification Code	FY 2007	FY 2008	FY 2009	
69-0119-0-1-407	ACTUAL	ESTIMATE	ESTIMATE	
Direct obligations:				
11.0	Personnel compensation	16	100	100
12.1	Civilian benefits	4	25	28
21.0	Travel and transportation of persons	89	75	77
25.0	Other services	1,057	1,015	1,055
25.3	Bonding Assistance	24	5,706	0
26.0	Supplies & Materials	34	5	5
41.0	Grants, subsidies and contributions	<u>827</u>	<u>1,750</u>	<u>1,790</u>
99.9	Total obligations	2,051	8,676	3,056

PERSONNEL SUMMARY

Identification Code	FY 2007	FY 2008	FY 2009	
69-0119-0-1-407	ACTUAL	ESTIMATE	ESTIMATE	
Direct:				
1001	Total compensable workyears: Full-time equivalent employment	0	1	1
Reimbursable:				
2001	Total compensable workyears: Full-time equivalent employment	0	0	0

Minority Business Resource Center

MINORITY BUSINESS RESOURCE CENTER

**SUMMARY ANALYSIS OF CHANGE FROM FY 2008 TO FY 2009
Appropriations, Obligations, Limitations, and Exempt Obligations
(\$000)**

Item	Change from FY 2008 to FY 2009	FY 2009 PC&B by Program	FY 2009 FTEs by Program	FY 2009 Contracts/ Subsidy	Total
FY 2008 Base (Enacted)		Note Columns are Non-Add			
Minority Business Resource Center	\$893	131	1	760	\$893
Adjustments to Base					
Required Pay Increase	5	5			
Inflation	18			18	
Subtotal, Adjustments to Base	\$23				\$23
	\$916				
New or Expanded Programs					
Net Subsidy Rate Adjustment	-4			-4	
Subtotal, New or Expanded Program Increases/Decreases	-\$4				-\$4
Total FY 2009 Request	\$912				\$912

Detailed Justification for the Minority Business Resource Center Program

(In thousands of dollars)

	FY 2007	FY 2008	FY 2009	Difference From FY 2008
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Guaranteed Loan Subsidy	495	370	353	-17
Administrative Expenses	398	523	559	36
TOTAL	893	893	912	19
<u>STAFFING</u>				
Direct Positions	1	1	1	0
Reimbursable Positions	0	0	0	0
Direct FTE	1	1	1	0
Reimbursable FTE	0	0	0	0

Minority Business Resource Center Program Account	FY 2009 Request: \$912
<p>Overview: The Short Term Lending Program (STLP) offers certified small businesses, including disadvantaged business enterprises (DBEs) and women-owned businesses, the opportunity to obtain short-term working capital at a reasonable interest rate for DOT and DOT-funded transportation-related contracts. The program guarantees revolving lines of credit to finance accounts receivable arising from DOT-funded transportation-related contracts. The primary collateral is the proceeds of the contracts. Access to the lines of credit allows the small business to meet short-term operating costs that it would otherwise be unable to finance and results in increased participation in DOT-funded transportation-related projects. Lines of credit are \$750,000 or less, and DOT guarantees up to 75 percent of the loan. This program is a vital tool to empower certified small business to participate in DOT procurement opportunities and contribute to DOT's achievement of its small business procurement goals.</p>	
<p>FY 2008 Base: The FY 2008 base is comprised of the subsidy and administrative costs of the STLP.</p>	

Anticipated FY 2008 Accomplishments:

In FY 2008, priority will continue to be placed on broadening participation in the program through more focused outreach efforts and increasing both the number of and the geographic distribution of participating lenders, while maintaining or reducing the historically low default rate.

FY 2009 Budget Request:

The Minority Business Resource Center (MBRC) is requesting \$912,000 in FY 2009 for the Short Term Lending Program (STLP). Of this, \$353,000 is requested for the guaranteed loan subsidy, and \$559,000 is requested for the program's administrative expenses, including 1 FTE. With this funding, the MBRC will be able to expand participation in the program and guarantee revolving lines of credit totaling \$18.367 million to certified small businesses, including DBEs and women-owned businesses, performing on DOT-funded transportation-related contracts. With this funding, the MBRC will continue to maintain or reduce the historically low default rate and redirect funding to empower more certified small businesses to participate in DOT-funded opportunities and successfully graduate from the program.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs administrative expenses of the Short Term Lending Program.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER
PROGRAM ACCOUNT

PROGRAM AND FINANCING
(In thousands of dollars)

Identification code	FY 2007	FY 2008	FY 2009
69-0155-0-1-407	ACTUAL	ESTIMATE	ESTIMATE
Program by activities:			
00.02	62	370	353
00.07	105	28	0
00.08	8	2	0
00.09	<u>356</u>	<u>523</u>	<u>559</u>
10.00	531	923	912
Budget resources available for obligation:			
22.00	1,006	923	912
23.95	<u>-531</u>	<u>-923</u>	<u>-912</u>
23.98	475	0	0
New budget authority (gross), detail:			
Discretionary:			
40.00	893	893	912
40.33	0	0	0
40.35	<u>0</u>	<u>0</u>	<u>0</u>
43.00	893	893	912
Mandatory:			
60.00	<u>113</u>	<u>30</u>	<u>0</u>
70.00	1,006	923	912
Change in unpaid unobligation			
72.40	504	361	0
73.10	531	923	912
73.20	-418	-1,284	-912
73.40	<u>0</u>	<u>0</u>	<u>0</u>
74.40	361	0	0
74.99	361	0	0
Outlays (gross) detail:			
86.90	296	893	912
86.93	9	361	0
86.97	<u>113</u>	<u>30</u>	<u>0</u>
87.00	418	1,284	912
Net budget authority and outlays:			
89.00	1,006	923	912
90.00	418	1,284	912
95.02	361	0	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER
PROGRAM ACCOUNT

SUMMARY OF LOAN LEVELS, SUBSIDY BA AND OUTLAYS BY PROGRAM
(In thousands of dollars)

Identification code	FY 2007	FY 2008	FY 2009
69-0155-0-1-407	ACTUAL	ESTIMATE	ESTIMATE
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels	3,415	18,367	18,367
2159 Total loan guarantee levels	3,415	18,367	18,367
2320 Subsidy rate	1.82	2.03	1.86
2329 Weighed average subsidy rate	1.82	2.03	1.86
2330 Subsidy BA	62	370	353
2339 Total subsidy BA	62	370	353
2340 Subsidy outlays	62	370	353
2349 Total subsidy outlays	62	370	353
2350 Upward reestimate	113	30	0
2370 Downward reestimate	115	183	0
3510 Administrative expense BA	398	523	559
3580 Administrative expense outlays from balances	9	361	0
3590 Administrative expense outlays from new authority	234	523	559

OBJECT CLASSIFICATION

(In thousands of dollars)

Identification code	FY 2007	FY 2008	FY 2009
69-0155-0-1-407	ACTUAL	ESTIMATE	ESTIMATE
Direct obligations:			
99.50 Below reporting threshold	531	923	912

PERSONNEL SUMMARY

(In thousands of dollars)

Identification code	FY 2007	FY 2008	FY 2009
69-0155-0-1-407	ACTUAL	ESTIMATE	ESTIMATE
Direct:			
Total compensable workyears: Civilian full-time			
1001 equivalent employments	1	1	1

Section 3 - FY 2009 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARYMINORITY BUSINESS RESOURCE CENTER
GUARANTEED LOAN FINANCING ACCOUNT

PROGRAM AND FINANCING

(In thousands of dollars)

Identification Code	FY 2007 ACTUAL	FY 2008 ESTIMATE	FY 2009 ESTIMATE
69-4082-0-3-407			
Program by activities:			
00.01 Default claims	378	68	367
00.02 Payment of interest to Treasury	4	1	0
08.02 Downward subsidy reestimate	104	145	0
08.04 Interest on downward subsidy reestimate	<u>11</u>	<u>38</u>	<u>0</u>
10.00 Total obligations	497	252	367
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	532	247	397
22.00 New financing authority (gross)	212	402	393
23.90 Total budgetary resources available for obligation	744	649	790
23.95 Total new obligations	<u>-497</u>	<u>-252</u>	<u>-367</u>
24.40 Unobligated balance carried forward, end of year	247	397	423
New financing authority (gross), detail:			
Spending authority from offsetting collections			
Mandatory			
67.10 Borrowing authority	142	0	0
69.00 Offsetting collections (cash)	191	432	393
69.10 Change in uncollected customer payments from Federal sources	-9	0	0
69.47 Portion applied to repay debt	<u>-112</u>	<u>-30</u>	<u>0</u>
69.90 Spending authority from offsetting collections (total)	70	402	393
Change in obligated balances:			
72.40 Obligated balance, start of year	-9	4	0
73.10 Total new obligations	497	252	367
73.20 Total financing disbursements (gross)	-493	-256	-367
74.00 Change in uncollected customer payments from Federal sources	<u>2</u>	<u>0</u>	<u>0</u>
74.40 Obligated balance, end of year	4	0	0
Outlays (gross), detail			
87.00 Total financing disbursements (gross)	493	256	367
Offsets			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from : Federal sources (subsidy)	62	370	353
88.00 Offsetting collections (cash) from : Federal sources (upward reestimate)	113	30	0
88.25 Interest on uninvested funds	16	32	40
88.90 Total offsetting collections (cash)	191	432	393
88.95 Change in uncollected customer payments from Federal sources	<u>-9</u>	<u>0</u>	<u>0</u>
Net financing authority and financing disbursements			
89.00 Financing authority	30	-30	0
90.00 Financing disbursements	<u>302</u>	<u>-176</u>	<u>-26</u>

Section 3 - FY 2009 Budget Request by Appropriation

- DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER
GUARANTEED LOAN FINANCING ACCOUNT

STATUS OF GUARANTEED LOANS
(In thousands of dollars)

Identification Code	FY 2007	FY 2008	FY 2009
69-4082-0-3-407	ACTUAL	ESTIMATE	ESTIMATE
Position with respect to appropriations act limitation on commitments			
2111	18,367	18,367	18,367
2142	-14,952	0	0
2150	3,415	18,367	18,367
2199	2,561	13,775	13,775
Cumulative balance of guaranteed loans outstanding:			
2210	8,420	4,415	19,653
2231	3,415	18,367	18,367
2251	-7,042	-3,061	-14,561
2263	-378	-68	-367
2264	0		
2290	4,415	19,653	23,092
Memorandum:			
2299	3,311	14,740	17,319
6300	302	-176	-26

MINORITY BUSINESS RESOURCE CENTER
 GUARANTEED LOAN FINANCING ACCOUNT

BALANCE SHEET
 (In thousands of dollars)

Identification Code	FY 2007
69-4082-0-3-407	ACTUAL
ASSETS:	
Federal assets:	
1101 Fund balances with Treasury	251
1106 Receivables, Net	0
1999 Total assets	251
LIABILITIES:	
2103 Debt	30
2104 Resources payable to Treasury	4
2204 Non-Federal liabilities: Liabilities for loan guarantees	217
2999 Total liabilities	251
NET POSITION:	
3999 Total net position	
4999 Total liabilities and net position	251

Essential Air Service/Payments to Air Carriers

ESSENTIAL AIR SERVICE
Mandatory Funding

SUMMARY ANALYSIS OF CHANGE FROM FY 2008 TO FY 2009
Appropriations, Obligations, Limitations, and Exempt Obligations
 (\$000)

Item	Change from FY 2008 to FY 2009	FY 2009 PC&B by Program	FY 2009 FTEs by Program	FY 2009 Contract Expenses	Total
FY 2008 Base (Enacted)		Note Columns are Non-Add			
Essential Air Service	\$50,000	1,017	10.0	48,765	\$50,000
Adjustments to Base					
Required Pay Increase	30	30			
Subtotal, Adjustments to Base	\$30				\$30
	\$50,030				
New or Expanded Programs					
Redirection of Resources	-30.0			-30.0	
Subtotal, New or Expanded Program Increases/Decreases	-\$30				-\$30
Total FY 2009 Request	\$50,000				\$50,000

Detailed Justification for Essential Air Service Program

(In thousands of dollars)

	FY 2007	FY 2008	FY 2009	Difference From FY 2008
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Request</u>
<u>FUNDING LEVELS</u>				
Payments to Air Carriers (Trust Fund) - Discretionary				
Other Costs	59,400	60,000	0	-60,000
 <i>Essential Air Service (Overflight Fees) - Mandatory</i>				
Personnel Compensation and Benefits	893	987	1,017	30
Travel	8	9	9	0
Other Costs	216	195	255	60
Payments to Air Carriers	<u>48,883</u>	<u>48,809</u>	<u>48,719</u>	<u>-90</u>
Subtotal - Mandatory	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
 TOTAL - Discretionary & Mandatory	 <u>109,400</u>	 <u>110,000</u>	 <u>50,000</u>	 <u>-60,000</u>
 P.L. 109-171 Funds from Sale of Spectrum	 <u>0</u>	 <u>15,000</u>	 <u>0</u>	
TOTAL Program Funding	109,400	125,000	50,000	-75,000
 <u>STAFFING</u>				
Direct Positions	10	14	14	0
Reimbursable Positions	0	0	0	0
 Direct FTE	 10	 10	 10	 0
Reimbursable FTE	0	0	0	0

Essential Air Service	FY 2009 Request: \$ 50,000
Overview: The Essential Air Service program provides subsidies for air transportation service to communities that received schedule air service prior to airline deregulation, but could not otherwise support such service under deregulation.	
FY 2008 Base: In FY 2008, funding for the Essential Air Service program is comprised of \$50 million of overflight fees collected by the Federal Aviation Administration, \$60 million from the Airport and Airway Trust Fund, and \$15 million provided by P.L. 109-171.	

Anticipated FY 2008 Accomplishments:

In FY 2008, the Essential Air Service program will maintain continuous scheduled air service at all eligible communities by paying commuter and regional airlines (under 49 U.S.C. 41731 *et. seq.*) to provide service that otherwise would not be provided.

FY 2009 Budget Request:

For FY 2009, the Department assumes that \$50 million of overflight fees collected by the Federal Aviation Administration will fund the EAS program managed by the Office of the Secretary. Funds will be used to connect eligible communities to the national air transportation network in the most cost-effective way available. The budget also proposes a general provision to restructure the program in order to administer it more efficiently and to ensure the most isolated small communities maintain access to the national air transportation system.

The EAS program was established as a ten-year transition program following airline deregulation in 1978. The Airport and Airway Safety and Capacity Expansion Act of 1987 extended the program through September 30, 1998. Subsequently, as part of the Federal Aviation Reauthorization Act of 1996, Congress passed the Rural Air Service Survival Act. That Act mandates the collection of user fees – commonly known as overflight fees – for flights operated by other than U.S. airlines that fly over, but do not take-off from or land in, the United States.

Beginning in FY 1998, the first \$50 million of each year's overflight fees were legislated to go directly to carry out the EAS program. Because no overflight fees were collected in FYs 1998, 1999, or 2000, the \$50 million required for EAS was funded from the FAA Operations and the FAA Facilities and Equipment appropriations. In FY 2001 and FY 2002, almost \$30 million was collected in overflight fees each year, but could not be made available for the EAS program pending resolution of litigation; therefore, EAS was again funded from other FAA accounts. In FY 2003, the litigation continued and the program was funded from other FAA accounts. In FY 2004, no overflight fees were collected, the overflight fee litigation was settled, and the EAS program was funded from balances in the overflight fee account. In FY 2005, the program was funded with overflight fees and an additional \$52 million appropriated from the Airport and Airway Trust Fund to OST's Payments to Air Carriers Trust Fund account. In FY 2006, the program was funded with overflight fees and an additional \$59.4 million appropriated from the Airport and Airway Trust Fund to OST's Payments to Air Carriers Trust Fund account. In FY 2007, the program was funded with overflight fees and an additional \$59.4 million appropriated from the Airport and Airway Trust Fund to OST's Payments to Air Carriers Trust Fund account. In FY 2008, the program is being funded with overflight fees and an additional \$60 million appropriated from the Airport and Airway Trust Fund to OST's Payments to Air Carriers Trust Fund account. In addition, in FY 2008, \$15 million from the sale of spectrum will be available to fund the program.

History of EAS Funding Sources
(In thousands of dollars)

	<u>FAA Operations</u>	<u>FAA F&E</u>	<u>P.L. 109- 171</u>	<u>Overflight Fees</u>	<u>Payments to Air Carriers (A&ATF)</u>
FY 1998	\$50,000	.....		.....	.....
FY 1999	.....	\$48,000		.....	.....
FY 2000	\$50,000	.....		.....	.....
FY 2001	\$50,000	.....		.....	.....
FY 2002	.....	\$50,000		.....	\$62,952
FY 2003	.....	\$50,000		.....	\$51,761
FY 2004	.....	.....		/1	\$51,662
FY 2005	.....	.....		\$50,000	\$51,549
FY 2006 Enacted	.....	.....		\$50,000	\$59,400
FY 2007 CR Rate				\$50,000	\$59,400
FY 2008 Enacted			\$15,000 ²	\$50,000	\$60,000
FY 2009 Request				\$50,000	

¹ In FY 2004, \$50,000 was funded from unobligated balances of overflight fees.

² P.L. 109-171 provides funds from the sale of spectrum.

For FY 2009, the Department proposes a \$50 million EAS program to be funded by overflight fees collected by the Federal Aviation Administration. The budget proposes needed revisions to the EAS program in order to administer the program more efficiently and to ensure the most isolated small communities maintain access to the national air transportation system.

Communities' eligibility for inclusion in the EAS program has never been based on individual needs, but, rather, based only on whether the community was receiving scheduled air service on October 24, 1978. The EAS program has remained fundamentally unchanged since its inception with the Airline Deregulation Act of 1978 while the aviation landscape has changed dramatically with the spread of the hub-and-spoke system, regional jets, and low-fare carriers. Without fundamental change, subsidy costs will continue to rise.

Under the budget proposal, eligibility for subsidy in the future would be limited to communities: (1) that are currently being subsidized under EAS; (2) that are more than 70 driving miles from the nearest large- or medium-hub airport; and (3) at which the subsidy per passenger does not exceed \$200 if the community is less

than 210 driving miles from the nearest large- or medium-hub airport. As \$50 million would not be sufficient to support all currently subsidized services, all communities would be ranked on the basis of isolation (i.e., driving distance to a medium- or large-hub airport) and the most isolated would receive subsidized air service to the extent allowed by the funds.

In FY 2009, \$1.2 million will be used to pay salaries and administrative costs for staff to administer this program. This represents a small funding increase over its FY 2008 enacted level to fund the FY 2009 estimated civilian pay increase and to maintain current levels of administrative services.

- DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE AND RURAL AIRPORT IMPROVEMENT FUND

PROGRAM AND FINANCING

(In thousands of dollars)

Identification Code	FY 2007 ACTUAL	FY 2008 ESTIMATE	FY 2009 ESTIMATE
69-5423-0-2-402			
Obligations by program activity:			
00.01 Direct program	<u>47,325</u>	<u>65,000</u>	<u>50,000</u>
10.00 Total new obligations	47,325	65,000	50,000
Budgetary resources available for obligations:			
21.40 Unobligated balance carried forward, start of year	19,982	36,721	2,417
22.00 New budget authority (gross)	63,317	65,000	50,000
22.10 Resources available from recoveries of prior year obligations	<u>747</u>	<u>0</u>	<u>0</u>
23.90 Total budgetary resources available for obligations	84,046	101,721	52,417
23.95 Total new obligations	<u>-47,325</u>	<u>-65,000</u>	<u>-50,000</u>
23.98 Unobligated balance expiring or withdrawn		-3,400	
23.98 Unobligated balance expiring or withdrawn	<u>0</u>	<u>-30,904</u>	<u>0</u>
24.40 Unobligated balance carried forward, end of year	36,721	2,417	2,417
New budget authority (gross), detail:			
Mandatory			
62.00 Transferred from FAA overflight fees [69-5422]	<u>46,331</u>	<u>50,000</u>	<u>50,000</u>
62.50 Appropriation (total mandatory)	<u>46,331</u>	<u>50,000</u>	<u>50,000</u>
Discretionary: Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	<u>16,987</u>	<u>15,000</u>	<u>0</u>
69.62 Transferred from other accounts (69-1301)			
70.00 Total new budget authority (gross)	63,317	65,000	50,000
Change in obligated balances:			
72.40 Obligated balance, start of year	30,739	39,402	26,976
73.10 Total new obligations	47,325	65,000	50,000
73.20 Total outlays (gross)	-38,662	-77,426	-56,000
73.45 Recoveries of prior year obligations	<u>-747</u>	<u>0</u>	<u>0</u>
74.40 Obligated balance, end of year	39,402	26,976	20,976
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	32,546	39,000	30,000
86.98 Outlays from mandatory balances	<u>6,115</u>	<u>38,426</u>	<u>26,000</u>
87.00 Total outlays (gross)	38,662	77,426	56,000
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	16,987	15,000	0
New budget authority and outlays:			
89.00 Budget authority (net)	46,331	50,000	50,000
90.00 Outlays (net)	21,675	62,426	56,000

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE AND RURAL AIRPORT IMPROVEMENT FUND

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2007	FY 2008	FY 2009
69-5423-0-2-402	ACTUAL	ESTIMATE	ESTIMATE
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	728	763	786
11.5 Other personnel compensation	<u>19</u>	<u>19</u>	<u>20</u>
11.9 Total personnel compensation	746	782	806
12.1 Civilian personnel benefits	146	206	212
21.0 Travel and transportation of persons	8	9	9
23.0 Communication and utilities	28	28	29
25.0 Other services	186	158	217
26.0 Supplies and materials	2	4	4
31.0 Equipment	0	5	5
41.0 Grants, subsidies, and contributions	<u>46,208</u>	<u>63,808</u>	<u>48,719</u>
99.0 Subtotal, direct obligations	47,325	65,000	50,000
99.0 Reimbursable obligations	<u>0</u>	<u>0</u>	<u>0</u>
99.9 Total obligations	47,325	65,000	50,000

PERSONNEL SUMMARY

Identification Code	FY 2007	FY 2008	FY 2009
69-5423-0-2-402	ACTUAL	ESTIMATE	ESTIMATE
1001 Total compensable workyears: Full-time equivalent employment	8	10	10

- DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

PAYMENT TO AIR CARRIERS
(AIRPORT AND AIRWAY TRUST FUND)

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2007	FY 2008	FY 2009
69-8304-0-7-402	ACTUAL	ESTIMATE	ESTIMATE
Obligations by program activity:			
00.01	66,610	60,425	0
10.00	66,610	60,425	0
Budgetary resources available for obligations:			
21.40	7,636	425	0
22.00	59,400	60,000	0
23.90	67,036	60,425	0
23.95	-66,610	-60,425	0
24.40	425	0	0
New budget authority (gross), detail:			
Discretionary:			
40.26	59,400	60,000	0
Change in obligated balances:			
72.40	6,801	8,046	24,000
73.10	66,610	60,425	0
73.20	-65,365	-44,471	-24,000
74.40	8,046	24,000	0
Outlays (gross), detail:			
86.90	59,837	36,000	0
86.93	5,529	8,471	24,000
87.00	65,365	44,471	24,000
Net budget authority and outlays:			
89.00	59,400	60,000	0
90.00	65,365	44,471	24,000

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

PAYMENT TO AIR CARRIERS
(AIRPORT AND AIRWAY TRUST FUND)

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2007	FY 2008	FY 2009
69-8304-0-7-402	ACTUAL	ESTIMATE	ESTIMATE
Direct obligations:			
41.0 Grants, subsidies and contributions	<u>66,610</u>	<u>60,425</u>	<u>0</u>
99.9 Total obligations	66,610	60,425	0

- DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

COMPENSATION FOR AIR CARRIERS

PROGRAM AND FINANCING

(In thousands of dollars)

Identification Code	FY 2007 ACTUAL	FY 2008 ESTIMATE	FY 2009 ESTIMATE
69-0111-0-1-407			
Obligations by program activity:			
00.01 Compensation for Air Carriers	315	0	0
10.00 Total new obligations (object class 41.0)	315	0	0
Budgetary resources available for obligations:			
21.40 Unobligated balance carried forward, start of year	72,329	22,849	849
22.00 New budget authority (gross)	-49,173	-22,000	-848
22.10 Resources available from recoveries of prior year obligations	8	0	0
23.90 Total budgetary resources available for obligations	23,164	849	1
23.95 Total new obligations	-315	0	0
24.40 Unobligated balance carried forward, end of year	22,849	849	1
New budget authority (gross), detail:			
Discretionary:			
40.36 Unobligated balance permanently reduced	0	0	-848
Spending Authority from Offsetting Collections			
58.00 Offsetting collections (cash)	827	0	0
Mandatory:			
60.36 Unobligated balance rescinded	-50,000	-22,000	0
70.00 Total new budget authority (gross)	-49,173	-22,000	-848
Change in obligated balances:			
72.40 Obligated balance, start of year	147	8	0
73.10 Total new obligations	315	0	0
73.20 Total outlays (gross)	-454	-8	0
74.40 Obligated balance, end of year	8	0	0
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	0	0	0
86.98 Outlays from mandatory balances	454	8	0
87.00 Total outlays (gross)	454	8	0
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.40 Non-Federal sources	-827	0	0
88.90 Total offsetting collections (cash)	-827	0	0
Net budget authority and outlays:			
89.00 Budget authority (net)	-48,346	-22,000	-848
90.00 Outlays (net)	-373	8	0

- DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

COMPENSATION FOR AIR CARRIERS

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2007	FY 2008	FY 2009
69-0111-0-1-407	ACTUAL	ESTIMATE	ESTIMATE
Direct obligations:			
41.0 Grants, subsidies and contributions	<u>315</u>	<u>0</u>	<u>0</u>
99.9 Total obligations	315	0	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

COMPENSATION FOR GENERAL AVIATION OPERATIONS

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2007 ACTUAL	FY 2008 ESTIMATE	FY 2009 ESTIMATE
69-0156-0-1-407			
Obligations by program activity:			
00.01 Compensation for General Aviation Operations	<u>0</u>	<u>16,830</u>	<u>0</u>
10.00 Total new obligations (object class 41.0)	0	16,830	0
Budgetary resources available for obligations:			
21.40 Unobligated balance carried forward, start of year	16,830	16,830	0
22.00 New budget authority (gross)	<u>0</u>	<u>0</u>	<u>0</u>
23.90 Total budgetary resources available for obligations	16,830	16,830	0
23.95 Total new obligations	<u>0</u>	<u>-16,830</u>	<u>0</u>
24.40 Unobligated balance carried forward, end of year	16,830	0	0
Change in obligated balances:			
72.40 Obligated balance, start of year	0	0	0
73.10 Total new obligations	0	16,830	0
73.20 Total outlays (gross)	<u>0</u>	<u>-16,830</u>	<u>0</u>
74.40 Obligated balance, end of year	0	0	0
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	0	0	0
86.93 Outlays from discretionary balances	<u>0</u>	<u>16,830</u>	<u>0</u>
87.00 Total outlays (gross)	0	16,830	0
Net budget authority and outlays:			
89.00 Budget authority (net)	0	0	0
90.00 Outlays (net)	0	16,830	0

-DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

COMPENSATION FOR GENERAL AVIATION OPERATIONS

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2007	FY 2008	FY 2009
69-0156-0-1-407	ACTUAL	ESTIMATE	ESTIMATE
Direct obligations:			
41.0 Grants, subsidies and contributions	<u>0</u>	<u>16,830</u>	<u>0</u>
99.9 Total obligations	0	16,830	0

New Headquarters Building

NEW HEADQUARTERS BUILDING

SUMMARY ANALYSIS OF CHANGE FROM FY 2008 TO FY 2009
Appropriations, Obligations, Limitations, and Exempt Obligations
 (\$000)

Item	Change from FY 2008 to FY 2009	FY 2009 PC&B by Program	FY 2009 FTEs by Program	FY 2009 Contract Expenses	Total
FY 2008 Base (Enacted)	0	Note Columns are Non-Add			
New Headquarters Building	\$ -			\$ -	\$ -
Adjustments to Base					
Mandatory Pay Increase	\$ -				
GSA Rent	\$ -				
Increase/decrease	\$ -				
Subtotal, Adjustments to Base	\$ -	\$ -	\$ -	\$ -	\$ -
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/Decreases	\$ -			\$ -	\$ -
Total FY 2009 Request	\$ -				\$ -

NOTE: No funding was requested in FY 2008 or FY 2009.

Detailed Justification for the New Headquarters Building
(In thousands of dollars)

	FY 2007	FY 2008	FY 2009	Difference From FY 2008
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	0	0	0	0
Travel	0	0	0	0
Other Costs	49,500	0	0	0
TOTAL	49,500 ^{1/}	0	0	0

^{1/}The DOT was appropriated \$49,500,000 for the New Headquarters in FY2007; OASA and OCIO shared responsibility for these funds. Additionally, Section 21001 of the FY2007 Continuing Resolution provided up to \$9,900,000 of Transportation, Planning, Research and Development appropriations be made available for facility improvements and associated costs as determined necessary by the Secretary.

New Headquarters Building	FY 2009 Request: \$ 0
FY 2009 Budget Request: No funding is requested in FY 2009.	

Section 3 - FY 2009 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2007 ACTUAL	FY 2008 ESTIMATE	FY 2009 ESTIMATE
69-0147-0-1-407				
Obligations by program activity:				
00.01	Direct program activity	59,788	6,919	0
09.01	Reimbursable program			
10.00	Total new obligations	59,788	6,919	0
Budgetary resources available for obligations:				
21.40	Unobligated balance carried forward BOY	10,584	6,224	0
22.00	New budget authority (gross)	49,500	0	0
22.10	Resources available from recoveries of prior year obligations	5,928	695	0
23.90	Total budgetary resources available for obligation	66,012	6,919	0
23.95	Total new obligations	-59,788	-6,919	0
24.40	Unobligated balance, carried forward, end of year	6,224	0	0
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	49,500	0	0
43.00	Appropriation (total)	49,500	0	0
Discretionary: Spending authority from offsetting collections:				
70.00	Total new budget authority (gross)	49,500	0	0
Change in obligated balances:				
72.40	Obligated balance, start of year	68,269	32,715	0
73.10	Total new obligations	59,788	6,919	0
73.20	Total outlays (gross)	-89,414	-38,939	0
73.45	Recoveries of prior year obligations	-5,928	-695	0
74.40	Obligated balance, end of year	32,715	0	0
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	34,936	0	0
86.93	Outlays from discretionary balances	54,478	38,939	0
87.00	Total outlays (gross)	89,414	38,939	0
Net budget authority and outlays:				
89.00	Budget authority (net)	49,500	0	0
90.00	Outlays (net)	89,414	38,939	0
95.02	Unpaid obligations, end of year	32,216	0	0

Section 3 - FY 2009 Budget Request by Appropriation

- DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code		FY 2007	FY 2008	FY 2009
69-0147-0-1-407		ACTUAL	ESTIMATE	ESTIMATE
	Direct obligations:			
25.2	Other services	<u>59,788</u>	<u>6,919</u>	<u>0</u>
99.0	Subtotal, direct obligations	59,788	6,919	0
99.9	Total obligations	59,788	6,919	0

Financial Management Capital

FINANCIAL MANAGEMENT CAPITAL

SUMMARY ANALYSIS OF CHANGE FROM FY 2008 TO FY 2009
Appropriations, Obligations, Limitations, and Exempt Obligations
(\$000)

Item	Change from FY 2008 to FY 2009	FY 2009 PC&B by Program	FY 2009 FTEs by Program	FY 2009 Contract Expenses	Total
FY 2008 Base (Enacted)		Note Columns are Non-Add			
Financial Management Capital	0	0	0.0	0	\$0
Adjustments to Base					
Required Pay Increase	0				
Subtotal, Adjustments to Base	0.0				\$0
New or Expanded Programs					
Financial Management Capital	6,000				
Subtotal, New or Expanded Program Increases/Decreases	6,000				\$6,000
Total FY 2009 Request	6,000				\$6,000

Detailed Justification for Financial Management Capital

(In thousands of dollars)

	FY 2007	FY 2008	FY 2009	Difference From FY 2008
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	0	0	0	0
Travel	0	0	0	0
Other Costs	0	0	6,000	6,000
TOTAL	0	0	6,000	6,000
<u>STAFFING</u>				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

Financial Management Capital	FY 2009 Request: \$6,000
FY 2009 Budget Request:	
In FY 2009, DOT CFO is requesting at total of \$6 million dollars to begin a multi-year project to upgrade DOT's financial systems and processes. Details follow:	
<u>\$4 Million for Improving Financial Management</u>	
<u>Improved Financial Reporting Strategy/Data Warehouse.</u> To get to "GREEN" on the President's Management Agenda (PMA) Scorecard for Financial Management, DOT must use financial information to drive results and expand routine data use. DOT must determine which set of analytical and reporting tools and systems will facilitate common reporting and integration of performance and cost data and then implement that solution for Delphi, our core financial system, plus make related changes to all its feeder systems. Benefits:	
<ul style="list-style-type: none"> ▪ Provides tools and data to enable DOT managers to make informed financial and program decisions ▪ Facilitates linking financial, performance and program information 	

- Provides managerial cost accounting data

Financial Management Business Standardization. Will require business process re-engineering to implement the various Government-wide standardized processes. The initial set of standard business processes includes budget/funds management, accounts payable, accounts receivable, and reporting. The second wave of processes will include standards for other core and non-core financial management functions (e.g. cost management, fixed assets), which will require changes to interfaces to and from numerous feeder systems. Benefits:

- Allows DOT-wide comparisons of data
- May eventually reduce DOT's accounting operations costs by implementing one set of processes and procedures throughout DOT

\$1 Million for Improving EVM

Earned Value Management (EVM). To get to GREEN on the PMA Scorecard for EVM, DOT must modify Delphi and/or implement third-party tools and/or systems to better meet evolving EVM requirements. The EVM solution must support all major mission projects and programs throughout DOT, not just IT projects and programs. This will be a joint effort with the CIO's Office; therefore, we anticipate that the CFO and CIO Offices will share costs equally. Benefits:

- Provides managers the tools needed to effectively and efficiently manage their programs
- Shows how well a program is meeting its goals and projections.
- Ensures effective use of taxpayers resources

\$1 Million for Implementing Treasury Mandates

Financial Information Reporting Standardization (FIRST). Treasury's FIRST initiative will consolidate and streamline the multiple stovepipe systems that have evolved over many years. This will require major changes to DOT core and feeder financial systems. Roll-out by Treasury is scheduled for Third Quarter FY 2011, and extensive planning, preliminary design, development, testing and implementation are required for the multiple changes to DOT core and feeder financial systems.

Benefits/goals include:

- Improved government-wide financial reporting.
- Consistent reporting across government.
- Substantial reduction in inter-agency eliminations.

Government-wide Accounting (GWA). Treasury's broad GWA initiative will require significant changes to business and accounting processes and systems. It also includes implementing the new Business Event Transaction Code (BETC), which will require numerous business process and financial system changes.

Vendor Portal & Electronic Invoicing Capability. Includes planning, designing, developing, testing and implementing Treasury's Internet Payment Platform (IPP) and related systems to provide these capabilities. This project will require close planning, coordination and integration with multiple core and feeder financial systems and procurement systems. Benefits:

- Eliminates repetitive data entry
- Substantially reduces paper
- Greatly improves the speed and accuracy of making vendor payments

- DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

PROGRAM AND FINANCING

(In thousands of dollars)

Identification Code	FY 2007	FY 2008	FY 2009
69-0116-0-1-407	ACTUAL	ESTIMATE	ESTIMATE
Obligations by program activity:			
00.01	0	0	6,000
10.00	0	0	6,000
Budgetary resources available for obligations:			
22.00	0	0	6,000
23.95	0	0	-6,000
24.40	0	0	0
New budget authority (gross), detail:			
Discretionary:			
40.00	0	0	6,000
43.00	0	0	6,000
Change in obligated balances:			
73.10	0	0	6,000
73.20	0	0	-4,800
74.40	0	0	1,200
Outlays (gross), detail:			
86.90	0	0	4,800
Against gross budget authority only:			
Net budget authority and outlays:			
89.00	0	0	6,000
90.00	0	0	4,800

Section 3 - FY 2009 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2007 ACTUAL	FY 2008 ESTIMATE	FY 2009 ESTIMATE
69-0116-0-1-407			
Direct obligations:			
25.2 Other services	0	0	6,000

Working Capital Fund

TOTAL WORKING CAPITAL FUND
FY 2009 BUDGET ESTIMATE
(In thousands of dollars)

<u>Program</u>	<u>FY 2007</u> <u>Actual^{1/}</u>	<u>FY 2008</u> <u>Enacted^{1/}</u>	<u>FY 2009</u> <u>Estimate^{1/}</u>
WCF DOT Activities	118,014	128,094	128,094
WCF Non-DOT Activities	256,832	244,732	247,385
Total	\$ 374,846	\$ 372,826	\$ 375,479
 <u>Staffing</u>			
Reimbursable Positions	219	219	219
Reimbursable FTE	173	219	219

^{1/}Refer to Section 5 – Additional Justification for OASA/OCIO Program Resources “Transparency” Paper for Appropriations Committees to see a complete description of total funds managed by the Offices of the Assistant Secretary for Administration and Chief Information Officer.

Overview:

The WCF, through the Office of the Assistant Secretary for Administration (OASA) and the Office of the Chief Information Officer (OCIO) provides a wide range of technical and administrative services including personnel operations, facilities management, parking management, transit benefit programs, printing and graphics, mail operation, library and dockets management operations, building security, IT security and infrastructure, telecommunications, and procurement and acquisitions services. The fund’s services are delivered to customers through an organizational structure of individual business lines providing related services or products. This consolidation of services allows the WCF to achieve economies of scale, eliminate redundancies, promote consistency in service, and reduce administrative costs across the Department.

The WCF is a fee-for-service operation which receives no direct appropriations. Instead, the WCF is a fully self-sustaining organization and must achieve full cost recovery which includes an equitable distribution of overhead and indirect costs. During the budget formulation stage, the WCF provides cost estimates to the WCF customers based on historical data and projected demand and service levels. During the year of execution, customers are billed for actual use of common services.

In support of the President's Management Agenda, the WCF continues to enhance utilization of performance based metrics and expand management control plans. Documentation and testing was performed for the new internal controls over financial reporting as required by the Sarbanes-Oxley Act and the Federal Managers Financial Integrity Act. The WCF has documented and performed testing on all key areas of the financial statements.

The WCF continues to balance mission priorities with customer needs and available resources while building upon a sound administrative infrastructure that consolidates services for common Department-wide functions throughout the Operating Administrations. WCF services are financed through customer reimbursements based on actual customer usage. Customers are provided with estimates based on historical usage and detailed discussions occur to determine new and changing requirements. Customer estimates are updated mid-year during the execution of the budget to provide customers with more current information.

The WCF facilitates efficiencies by:

- placing policy offices and service providers together in the same organization;
- making the best use of employee expertise increasing communication and reduced costs to the taxpayers;
- identifying and eliminating redundancies and reducing organizational layers;
- providing best value to the government through compliance with OMB and Congressional directives to consolidate and deliver services more efficiently; and
- consolidating Operating Administrations' infrastructures into a single Departmental infrastructure to improve service delivery, increase security, and reduce costs.

To promote greater efficiencies, it is necessary for the fund to be flexible and responsive. The WCF maintains an operational reserve of 4% of annual income. This reserve protects the fund from exceeding the amounts authorized and adds an acceptable margin for both flexibility and responsiveness.

The two secretarial offices providing WCF services are:

The **Office of the Assistant Secretary for Administration** administers the financial management for the WCF and provides Departmental services in human resources, security, acquisition and grants, information services, transportation and facilities, and space management. In the transit benefits area, the OASA manages the program for over 100 agencies nationwide. The OASA continues to meet the challenge to respond to customer needs by thinking more globally and strategically defining what should be done in order to best prioritize and deploy resources.

The **Office of the Chief Information Officer (OCIO)** delivers information technology services to customers through the operation of an IT infrastructure that includes e-mail services, a backbone network and help desk support. Operating administrations contract with the OCIO for services and reimburse the OCIO for the cost of those services. The WCF is the reimbursement mechanism for these services.

The following table displays the FY 2009 WCF business line information:

**FY 2009 ESTIMATE
WCF DOT AND NON-DOT OBLIGATIONS
BY BUSINESS LINE
(\$000)**

<u>Description</u>	<u>DOT Obligation</u>	<u>Non-DOT Obligation</u>	<u>2009 Total</u>
Assistant Secretary for Admin			
Acquisition & Procurement Operations	1,916	350	2,266
Building Security	13,064	0	13,064
Competitive Sourcing	534	0	534
Consolidated Federal Funds	123	0	123
Copier, Printing & Multimedia	6,869	1,438	8,307
Disability Resource Center	1,875	1	1,876
Dockets Management and Operations	1,416	149	1,565
Facilities Services & Utilities	8,759	0	8,759
Federal Laboratory Consortium	21	0	21
FEMA COOP Facility	1,051	0	1,051
Financial Mgmt, Accting & Admin	6,902	0	6,902
Flexible Spending Account	346	0	346
Grants Information System	1,432	13	1,445
Human Resource Services	4,195	271	4,466
Library & Information Services	2,449	0	2,449
Mail Services & Postage	3,024	20	3,044
Publications Distribution	461	156	617
Rent & Space Management	6,472	0	6,472
Security Operations	6,027	0	6,027
Substance Abuse Awareness & Testing	1,562	3,284	4,846
Transit Benefits & Parking	3,573	235,008	238,581
Unemployment Compensation	1,050	6,000	7,050
Warehouse	670	59	729
Assistant Secretary for Admin Subtotal:	<u>73,791</u>	<u>246,749</u>	<u>320,540</u>
Office of the Chief Information Officer			
Desktop Services	18,688	14	18,702
Inter-Modal Data Network	1,974	0	1,974
IT Security & Support	13,067	0	13,067
Server & Messaging Services	11,069	4	11,073
Voice, Cable & Wireless	9,505	618	10,123
Chief Information Officer Subtotal:	<u>54,303</u>	<u>636</u>	<u>54,939</u>
Grand Total:	<u>128,094</u>	<u>247,385</u>	<u>375,479</u>

Anticipated FY 2008 Accomplishments:

Focusing on accountability, integration, and efficiency, the WCF continues to enhance the Department's common services in human resources, security, procurement, consolidating redundant Information Technology operating administrative infrastructures, shared common IT operating environments and other essential administrative services.

The WCF will focus on new efficiencies as a result of the departmental move and continue to build on a consolidated infrastructure for common services provided to all the Operating Administrations.

The Office of the Assistant Secretary for Administration will continue to support the President's Management Agenda and build upon the Department's culture to reflect its commitment of being citizen-centered, results-oriented, and market-based by managing the Strategic Management of Human Capital and Competitive Sourcing.

A pilot will be conducted to assess the operational benefits and mission compatibility of operating the Secretary's security detail within the Office of Intelligence, Security, and Emergency Response.

A large amount of assets and equipment purchased for the new headquarters building will be transferred into the WCF. This results in increased costs to customers as the equipment is depreciated and an asset replacement is collected to cover future replacement costs in the following programs:

- Inter-modal Data Network (IDN) – network security, data switches, network infrastructure
- Consolidated Server Services – storage area network and storage backup
- Voice Cable & Wireless – telecommunications switch
- Library and Information Services – mobile shelving system
- Building Security – security scan system
- Fitness Center – health center and fitness equipment

FY 2009 Budget Request:

The FY 2009 budget request was developed based on assumptions of the new DOT headquarters operations versus historical usage. As operations become more predictable, estimates will stabilize and economies of scale can be realized.

The WCF estimates a total obligation level of \$375.5 million for FY 2009. This represents an increase of less than 1% or \$2.7 million more than the FY 2008 estimate level.

The FY 2009 budget request has \$1.1 million for a new line item for HSPD-12 implementation. The OASA will coordinate and oversee the issuance of HSPD-12 compliant identification cards to DOT employees and contractors in Washington D.C. and in field offices throughout the United States. The \$1.1 million represents one-third of the cost to issue cards to 25,000 DOT employees and contractors (excluding FAA). This initiative is expected to take place over three

years. It is expected that the cards will cost each mode approximately \$130 per card for initial issuance and \$50 per card annually thereafter.

The FY 2009 budget for the Health Clinic reflects an ad-hoc service clinic versus a fully established clinic.

The NASSIF Copy Centers closed permanently in June 2007 as DOT completed its move to the new headquarters building. Satellite Copiers greatly expanded in the new headquarters building, for example, color printers increased by 83 printers and all printers are now networked. As a result, centralized repairs and maintenance for the fleet of 260 networked copiers will be performed by two on-site technicians.

**OFFICE OF THE ASSISTANT SECRETARY FOR
ADMINISTRATION
WORKING CAPITAL FUND
FY 2009 BUDGET ESTIMATE**
(In thousands of dollars)

<u>Program</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Enacted</u>	<u>FY 2009 Estimate</u>
DOT Activities	69,711	75,467	73,791
Non-DOT Activities	255,688	244,226	246,749
Total	<u>\$325,399</u>	<u>\$319,693</u>	<u>\$320,540</u>

Staffing

Reimbursable Positions	198	198	198
Reimbursable FTE	156	198	198

The Office of the Assistant Secretary for Administration continues to meet the challenge to think more globally, respond to customer needs, anticipate and plan for future impacts of services offered, and strategically define what should be done in order to best prioritize and deploy resources. Impacts on services include the move into the new headquarters building. This action changes the business environment and will help the WCF achieve greater efficiencies through acquisition of new capital assets that serve the DOT Operating Administrations. Greater economies of scale will be realized as these new assets are accepted into the WCF and provide shared usage to the Operating Administration.

DOT provides health clinic services as a fee-for-service. This would include purchasing scheduled services paid on an hourly basis to include flu shots, monthly blood pressure screenings, and other similar services.

MISSION/VISION/VALUES

The OASA provides the Department with competitively priced, comprehensive range of administrative services while continuously improving administrative activities to ensure effective performance through the use of best practices. The Office provides expertise to the Department on human resource management policies, administrative and internal security management, leadership for the headquarters building and space management programs, procurement and grants management while ensuring administrative support services are responsive to limitations and DOT strategic policy direction.

The OASA staff plans, develops, evaluates, and provides support programs in the areas of: security; personnel; procurement; employee wellness; occupational health and safety; personal

property; mail and copy management; motor pool; parking and transit benefits; graphics; printing, photography, warehousing, distribution, and library services; and space management. The staff consists of experienced government FTE and contractors who oversee the technical and business operations.

FY 2009 BUSINESS LINES BY PROGRAM

Acquisitions & Procurement Operations \$2,266 thousand

Acquisition Services administers two sources of funding in performing its various roles in support of DOT. The funding directly tracks to the four areas of Acquisition responsibility:

- Working Capital Fund (WCF) cost reimbursements for providing and supporting the DOT Procurement Operations, Competitive Sourcing and Contract Information System (CIS) / Grants Information System (GIS) programs.
- Credit Card rebates provide cost reimbursement to the Purchase Card program.

The Procurement Operations Program provides the full range of procurement functions from acquisition planning through contract closeout including pre-award contract and grant services, post award contract and grant services, simplified acquisition services, and purchase card administration and oversight. This program acts as the servicing procurement office for the Office of the Secretary (OST), Research Information Technology Agency, Office of the Inspector General, and Surface Transportation Board and does limited procurement work for other customers as requested. Acquisition Services awards between \$150 million and \$250 million in new obligations annually processing over 500 transactions per year. At any one time, Acquisition Services is managing over \$500 million in existing contracts and grants. Acquisition Services also manages DOT's \$200 million per year purchase card program. Contracts meet all applicable Federal Government procurement regulations and support customer needs on a timely basis.

Building Security \$13,064 thousand

The Building Security program provides security for the DOT Headquarters buildings and FAA's FOBs 10A and 10B. The program provides security services for these buildings on a 24-hour per day basis. Building security functions include providing both security guard services for these buildings and updated security equipment within the buildings and on their perimeters, ensuring a safe and secure work environment for employees, contractors, and visitors.

At all DOT Headquarters buildings, contract security guards perform entry control functions for both pedestrians and vehicles. They are the first responders for security and life safety incidents. In addition, they provide escort services for special visitors (VIPs) when enhanced security is required. They also serve as escorts for employees and contractor employees who are being dismissed from employment and/or from the building, in situations where it is necessary to monitor a person's actions until he/she leaves the building.

The security guards monitor alarms (fire, intrusion, and duress) and the closed-circuit television system (security cameras) at all of the buildings.

Building Security – SE Federal Center

Equipment replacement reserves valued at \$479,000 and depreciated over 10 years begin in FY 2008 and result in \$47,000 in asset replacement expense to the customers. A new guard contract will be awarded in FY 2009 and it is anticipated it will result in significantly higher costs due to inflation, the Department of Labor's health and welfare cost increase, and the additional expenses to cover the cost of recruiting, pre-employment screening, uniforms, footwear, weapons, overtime, and training of the guard force.

The guard force requirements have increased by two-thirds as the result of DOT's move to the Southeast Federal Center; a headquarters facility consisting of two buildings. New physical security equipment allows for a more thorough screening of personnel and vehicles entering the buildings, but also requires more personnel to operate it.

Building Security – Orville Wright (FOB 10A) and Wilbur Wright (FOB 10B)

A new guard contract will be awarded in FY 2009. It is anticipated it will result in significantly higher costs, as explained above.

Competitive Sourcing

\$534 thousand

The Competitive Sourcing Program provides an infrastructure that institutionalizes the culture of competition within the agency and directly supports maintaining green status for the President's Management Agenda (PMA) initiative. One of DOT's goals for competitive sourcing is to deliberately link human capital and competitive sourcing programs to ensure competitive sourcing supports achievement of DOT's human capital strategy.

Since 2005, Office of Competitive Sourcing and its contractor staff have supported OST's Human Resources Management staff in conducting strategic alignment and human capital assessments of mission critical occupations and this effort will continue beyond 2009 and into the future. The intended outcome of this workforce analyses endeavor is to leverage competitive sourcing and other human capital tools to achieve savings and performance improvements in mission critical occupational areas. Competitions resulting from workforce analyses are required by OMB and Congress to undergo post-competition accountability reviews and independent validations of savings, which will be performed by Office staff and contractors. Future costs include continuing support for competitive sourcing activities and workforce analysis and solutions implementation for all 53 occupations in DOT's Top 10 Mission Critical Occupational categories (for which the Office of Personnel Management expects staffing and skill gap closure by 2009).

Ongoing Office of Competitive Sourcing program functions include: fund and oversee support contractor staffs who assist Office staff in program planning and operations; coordinate and provide oversight in managing and reporting competitions' progress for all OAs to departmental and OMB staffs; assisting OAs to identify and manage contractor support requirements to ensure proper competitions execution; consolidate and analyze workforce and FAIR Act inventory data provided by OAs to identify opportunities for cross-cutting competition efforts; validating the estimated \$2.3B savings from 23 completed competitions by performing and overseeing analyses of contracts and/or MEO performance; prepare the annual Congressional

report on competitive sourcing; and, provide technical guidance to assist OAs to ensure consistent policy and procedure interpretation and implementation. The outcome of these actions culminate in a well-managed departmental competitive sourcing program that accurately reports savings and performance improvements achieved to Congress annually.

Consolidated Federal Funds

\$123 thousand

Consolidated Federal Funds business line provides centralized billing services. This program processes payments to the Census Bureau to cover the cost of preparing the Consolidated Federal Funds Report and the Federal Assistance Award Data System (FAADS) maintenance. The Census Bureau is the executive agent for the Office of Management and Budget for this effort and requires a single point of contact for billing purposes. Department of Commerce bills the Department of Transportation yearly for their participation in this program. The costs are distributed to the appropriate operating administrations.

Copier, Printing & Multimedia

\$8,307 thousand

Contract Printing and Graphics:

The Contract Printing and Graphics Program currently utilizes the Government Printing Office's (GPO) Simplified Purchase Agreement Program (SPA), and Direct Deal Contracts to procure both printing and graphic services. This allows faster processing time by going directly to the vendors, plus receiving top quality with volume prices. The SPA program offers Graphics access to five-hundred vendors to obtain competitive pricing, faster processing time and quick turnaround deliveries. To further improve this program Contract Printing will apply for an increase to the Maximum \$10,000 limit for the SPA program. Direct Deal Term Contracts allows DOT to write contracts that fit DOT's specific needs for print, and graphic design procurement. These contracts will allow DOT to deal directly with the vendor and submit paperwork to GPO. This provides the staff the ability to calculate the final price before the job is released, jobs are processed faster, and with knowledgeable print buyers, cost savings when used properly. Graphics provides expert consultation including design specifications, multi-media presentations, and CD-ROM layout services, web pages, publications, posters, plaques, and certificates. Contract Printing, through GPO's access to over 15,000 printing contractors nationwide, offers a complete range of printing, binding and finishing services with volume pricing.

Additional improvements planned for the program include:

- Increase Direct Deal Term Contracts by riding existing contracts or writing new ones that fit DOT needs.
- Utilize GPO Regional offices to reduce the time it takes award jobs.
- Pursue alternate vehicles for print procurement authorized under Title 50.
- Market expertise to the Modes through seminars and training.

Digital Document Center:

The Digital Document Center (DDC) provides on-site, state-of-the-art, high-speed digital copying and document automation and conversion. It provides basic office documents and reports, multi-colored digital copying and the conversion of "hard copy" documents to a variety

of digital file formats. The center also provides finishing services such as drilling, collating, perfect binding, spiral/comb-binding and saddle stitching. Future plans for the DDC include implementing consistent front end fiery systems to improve color uniformity to better imposition and allow editing of PDF to reduce color copy cost to customers.

Contracting out of the printing and document processing services allowed DOT to hire personnel with proper skill sets who reduce costly errors with the customers' work request. Performance is validated by average job turnaround time, quality of jobs, copy/click count and manpower required for maintaining operations. The contract was reduced from four to three contractors in FY 2007, a 25% reduction in cost to the government. The contractors were able to continue to maintain the workload by completing 793 jobs with revenue of \$452,143.00.

Multi-Media & Photography Services:

Multi-Media Center (MMC) & Photography Services provides on-demand multi-media services to the Secretary of Transportation, and the DOT operating administrations. These services produce results that meet the communication objectives of the diverse DOT customer base through technical support and execution of press conferences, live and prerecorded press interviews and teleprompter presentations, web casting, on site and on location presentation/meeting video documentation, video teleconferencing support, satellite uplink programming, and satellite downlinks. MMC and Photography are in-house resources that provide digital prints and creation of audiovisual and video programs, which are distributed via tape, CD, DVD and the internet.

The photographers interpret programs and situations and use innovative and improvised techniques and methods to achieve high quality photographs using digital technology, producing prints of a professional, technical, and artistic standard. The photographers photograph the Secretary and other members of the highest offices of the government, and foreign dignitaries while quickly commanding the subject's confidence in their technical and aesthetic capabilities.

Multi-functional Printers:

This program provides over 260 black/white and color multi-functional printers (MFPs) to OAs, resulting in excess of 26 million clicks annually. [The term "clicks" is used for any MFP action. It would include making a copy, sending or receiving a fax, scanning a page to send via e-mail, or printing a document from an electronic file.] Centralizing this service opens the door to many advantages for the WCF customers and the Department. For example, individual offices are relieved of the burden to procure and maintain individual desktop printers, faxes, copiers, and scanners. The program allows the Department to procure units in large quantities to obtain volume discounts that enables DOT to be cost-effective. The program also provides on-site maintenance technicians through a centralized location to provide prompt service to customers when any troubleshooting is needed. Training is available to customers so they may utilize all the benefits and features the equipment has to offer. All supplies including paper are included in the program and delivered directly to each office on a regular basis.

Disability Resource Center

\$1,876 thousand

The DOT Disability Resource Center (DRC) was established as a centralized resource to provide reasonable accommodation, technical assistance, training and outreach to all modal employees and job applicants under DOT. Program costs are allocated based on national population and with adjustments made to exclude certain position series (i.e., Air Traffic Controller-2152).

The DOT DRC continues to provide valuable services and support to agencies throughout DOT including regional and field offices. The services can be divided into three main categories:

- Accommodations Support – these are the core of what DRC provides;
- Technical Assistance – consultation, explaining the accommodation process, information on products and services;
- Customer Outreach/Selective Placement – including disability awareness, and information and support for hiring, retention and promotion of individuals with disabilities.

Services (including interpreting and personal attendant services) are expected to increase through the end of FY 2009; for example interpreting services is expected to increase approximately 15% over FY 2006 totals and personal assistance services has already increased about 150% during the first six (6) months of FY 2007 over FY 2006 totals. In addition to direct costs, DRC provides the staff time required to support the assessment, identification and procurement of the products and/or services and the follow-up conducted to ensure products/services are provided and are fulfilling the customers' needs. This relieves the programs employing people with disabilities not only of the costs for products/services needed, but the indirect costs to manage contracts, locate qualified providers, monitor costs, and consistently manage performance and activities in accordance with various procurement and HR regulations.

The DRC continues to implement cost-control measures in providing these support services. The DRC has used Relay Conference Captioning (RCC), where appropriate, to reduce costs for Communication Access Realtime Translation (CART) services nationwide. For fiscal years FY2006 and 2007 the use of RCC for CART services has been provided at no cost to the Department. DRC also assists agencies in understanding accessibility and Section 508 compliance issues related to training, video and multimedia presentations.

Docket Services

\$1,565 thousand

The Dockets Operations Program uses image-based technology to provide the public with on-line access to DOT rulemaking and adjudicatory docketed material. Members of the public can electronically submit comments to the DOT Docket. The OA's docket offices have been consolidated into Docket Operations, which processes all DOT-generated material and public comments into the docket, provides docketing support to all DOT Counsel Offices, and

conducts research assistance. Additionally, the system includes the Data Quality and Peer Review initiatives for the OCIO.

The Department transitioned to the new Federal Docket Management System (FDMS) managed by EPA. FDMS serves as a central, electronic repository for all Federal rulemaking dockets, which include Federal Register notices, materials such as scientific or economic analyses, and public comments as well as non-rulemaking dockets. It empowers and encourages all segments of the public to participate in the rulemaking process while achieving significant costs savings by eliminating redundant regulatory information technology systems across the Federal Government.

Facilities Services & Utilities

\$8,759 thousand

Transportation & Facility Services entails managing a diversified and complex, mission-essential building management program for the DOT Headquarters facilities totaling over 1,315,000 square feet of space which houses the Secretary of Transportation and over 5,500 employees. This line item is also responsible for paying the Department's \$4 million in utility expenses. The following program responsibilities are carried out by the office:

Facility Services:

The Facilities Office is the first point of contact for all facilities support. The office receives and tracks all customer requests for service. This office is also responsible for lease management of the DOT leased facility. This effort entails conducting periodic inspections to ensure compliance with lease terms, maintaining a record of all complaints and their resolutions and written notification to the lessor to take corrective action on items which are included in the lease. The Facilities Office monitors building custodial services ensuring that the lessor provides custodial services in accordance with the terms in the lease agreement. The office conducts daily inspections to ensure that the facilities are clean, healthful and present an attractive environment. The office also coordinates with the Operating Administrations for special cleaning services not included in the lease, coordinates concession activities such as facilities operated by the blind under the Randolph-Sheppard Act, and provides oversight responsibility for the contracted cafeteria. As such, the Facilities Office oversees functional management reviews and performs analytical duties related to food service management. It formulates, develops, and implements nutritional awareness, menu initiatives, and equipment requirements. The office identifies, installs, and maintains signage throughout DOT HQ facilities ensuring office suites, utility rooms and common areas are easily identified making the DOT HQ facility understandable and welcoming for all employees and visitors. The Facilities Office is responsible for handling all customer requests for special events. Requests for audio visual services and equipment are received from the customers. Facilities also manages and operates the Central Receiving Office and is responsible for the receipt for all deliveries to the DOT Headquarters facility.

Building Maintenance and Utilities:

The Facilities Office is responsible for managing the DOT Headquarters annual energy budget and the electrical and steam distribution infrastructure required to light, heat and cool the facilities. The office ensures that maintenance and recurring repairs are completed on electrical

transformers and other electrical and mechanical systems. This office is also responsible for implementing the National Energy Conservation Program requirements in the DOT headquarters building. The office ensures all Government-maintained mechanical, electrical and utility systems are operated in accordance with energy conservation guidelines contained in the Federal Property Management Regulation (FPMR) 101-20-107. The office maintains an energy management and conservation plan in accordance with the lease, coordinates overtime utility services for DOT customers, maintaining records and appropriately charging for those services. The office is responsible for payment of utility and fuel bills, retains all copies of utility bills and makes them available to GSA upon request. The office maintains an established preventive maintenance program for the building operating systems. Such a program requires a complete inventory of the equipment to be maintained, with identification of maintenance to be performed and frequencies.

Special Facility Services:

The office is responsible for managing all tenant renovation and alteration projects including, installing or removing walls, and configuring/reconfiguring system furniture. This effort entails maintaining a record of all projects and financial reports of completed alteration projects, and updating all as-built drawings showing all changes made to the building as a result of the completed work. The office manages and coordinates all major construction and improvement projects required under the building lease renewals and ensures that all work is completed in accordance with the lease specifications; schedules phases of work with contractors and develops sketches and diagrams to be included as part of contract specifications; and reviews work requests and consults with requesting organizations to ascertain specific requirements, time schedules, special materials, manpower requirements, labor costs, material costs, and other factors.

Contract Labor Support:

The Facilities Office provides labor support to the DOT workforce. Such support is generally requested to assist in event planning, setting up conference rooms, moving equipment and or furniture, hanging/removing photos and portraits and other special requests.

Motor Pool:

The office provides transportation/fleet management support to the DOT headquarters through the operation of an executive vehicle service program, U-drive vehicle service, and courier service. The Motor Pool program provides professional, cost effective, dependable motor vehicle service and support to the Operating Administrations (OAs) within the Headquarters Department of Transportation. The program implements Departmental administrative policy for motor vehicle operations; maintains a physical environment which supports the needs of the OAs; and provides innovative fleet solutions enduring safe, dependable, transportation utilizing cost effect fleet strategies and efficient repair and replacement methods. The office manages the vehicle lease agreement with GSA; prepares the monthly billing report, and ensures vehicle accidents, abuses, and damages are investigated; serves as a liaison to GSA Fleet Management Center (FMC)/Fleet Management Offices (FMO) for vehicle matters; reviews vehicle lease requirements annually to ensure a vehicle lease does not expire without making appropriate arrangements to retain vehicles; and manages the U-Drive fleet of vehicles.

Personal Property/Records Management:

This program provides personal property, asset (acquisition, use and disposal), and inventory management, shipping and receiving, storage, transporting materiel, property repair and rehabilitation, computer donation to schools, and records management. The office conducts comprehensive reviews and evaluations on departmental programs, systems and procedures ensuring procedures are consistent with governmental laws and regulations, and applicable industry standards and practices. As the Department's representative to external groups such as Central Managing Agencies, General Services Administration, and Government Accountability Office, the office negotiates, and defends DOT on matters related to personal property policies, programs, systems and procedures. The office manages the development, implementation and maintenance of an automated property management system for the Department, maintaining a data base of all personal property and equipment (minus IT equipment). The office conducts a 100% physical inventory annually of all accountable property and ensures property records accurately reflect on-hand quantities. Additional services provided include:

- Manage Reports of Survey for property which is destroyed, lost, or damaged.
- Manages the Utilization/Surplus Personal Property and Exchange/Sale Transaction Program.
- Develops, recommends, and implements standardized electronic record retrieval and disposal processes.
- Manages the Department's loan agreements for art work on loan to the Office of the Secretary of Transportation from National Galleries.

Occupational Safety And Health/ Emergency Preparedness:

This program is responsible for maintaining a viable safety program for the DOT HQ which includes ensuring alarm monitoring systems are adequately maintained and reporting all incidents resulting in personal injury related to building design to the proper authorities. This program conducts periodic fire, safety and health inspections and air quality inspections. Provide employees with a comprehensive occupational safety and health program which includes evaluating, assessing and monitoring the facility to reduce operational risks to employees, thereby providing a safe and healthful workplace. It also provides DOT Headquarters employees with the basic emergency preparedness procedures to include evacuation of the building and sheltering-in-place drills.

Federal Laboratory Consortium

\$21 thousand

The Federal Laboratory Consortium Program provides centralized billing services. This program processes payments to the National Institute of Standards and Technology for the support of the Federal Laboratory Consortium. The Federal Laboratory Consortium provides a linkage between Governmental agencies and industry in order to promote the transfer of Federal technology to improve the domestic economy. This transfer of funds is required by statute Title 15 U.S.C. Section 3710. The National Institute of Standards and Technology requires a central billing point of contact in each cabinet level office for these costs. Funds are provided to the National Institute of Standards and Technology according to Title 15 U.S.C. Section 3710 (7)(A) at the rate of "An amount equal to .008% of the budget of each Federal Agency from any federal source, including related overhead, that is to be utilized by or on behalf of the laboratories of such agency". Distribution is based on the National Science Foundation's

Federal Obligations for Total Research and Development By Agency and Performer report for each fiscal year.

FEMA COOP Facility

\$1,051 thousand

This program provides centralized billing services for the Federal Emergency Management Agency (FEMA) Continuity of Operations (COOP) facility utilized by DOT leadership. This program reimburses FEMA for costs associated with leasing the COOP relocation site at FEMA's Mt. Weather Emergency Assistance Center, and provides funding for equipment necessary for the operation of the facility. FEMA bills the Department of Transportation yearly for participation in this program.

Financial Management, Accounting & Administration

\$6,902 thousand

Office of Financial Management:

The Office of Financial Management (OFM) provides financial guidance and support to the OASA and the program offices within the WCF to include the WCF programs within the Office of the Chief Information Officer. It manages budget formulation and execution; provides financial management and accounting services; and manages the overall financial operations of the WCF. The OFM is an overhead function within the WCF.

The OFM funds all of the accounting service functions performed by a shared service provider, including the preparation and issuance of WCF financial statements and reports. The OFM ensures that a sound system of financial management controls exist in all programs, organizations, and functions and meets the objectives and requirements of the Federal Managers' Financial Integrity Act and OMB Circular A-123, Management's Responsibility for Internal Control. The OFM provides monthly financial reports to program managers; manages customer agreements and performs billings; identifies and resolves overdue balances and charge backs; manages invoice processing to maintain minimal interest penalties; and develops and distributes monthly performance indicator charts.

The OFM provides services to approximately 180 DOT and non-DOT customers and has an established agreement for each. The OFM meets periodically with all the DOT Operating Administrations (OAs) to discuss the WCF revenue estimates and ongoing services. The OFM conducts the WCF Steering Committee meetings that provide oversight to the fund and ensures that WCF goods and services are provided to all DOT OAs in the most cost-effective and efficient manner. Specific functions and activities of the Committee include: recommending goods and services that comprise the WCF; approving all WCF funding levels; evaluating the WCF performance in meeting service plans; and evaluation and approval of capital asset purchases in excess of \$50,000.

Office of the Deputy Assistant Secretary for Administration:

The Office of the Deputy Assistant Secretary for Administration is responsible for planning, coordinating and implementing cross-organizational and Departmental objectives, especially those supporting the President's Management Agenda and DOT's Strategic Plan. Objectives include communication strategies, program reviews, and ad-hoc strategic project support. The

customer base is the entire Office of the Assistant Secretary for Administration organization as well as senior management across the Department.

Flexible Spending Account

\$346 thousand

This program provides centralized billing services for the Flexible Spending Account fees. The Flexible Spending Account (FSA) program resulted from the National Defense Authorization Act for Fiscal Year 2004, Public Law 108.136. It requires all executive branch agencies, which provide the FSA program to its employees to cover the administrative fees on behalf of their employees. The FSA program is administered government-wide, through a contract held by the Office of Personnel Management (OPM). OPM determined that each Department must appoint a single point of contact for billing and payment of planned administrative costs. The WCF was appointed as the Departmental point of contact for these payments. The costs are distributed to the OAs based on actual usage information provided by OPM.

Grants Information System

\$1,445 thousand

The Acquisition and Grants Management Program consists of the Grants Management System (GIS) which is a database that records awards of grants and other Federal financial assistance actions and transmits information to the FAADS system managed by the Census Bureau. The Performance Management Assessment Tool (PMAT) is a survey tool used to provide customer feedback on the quality of procurement services to the DOT Chiefs of Contracting Offices. This program also includes contracting for program management support for e-Grants, which is a President's Management Agenda (PMA) initiative. This initiative will also enable DOT to comply with the Federal Financial Assistance Management Improvement Act of 1999 (P.L. 106-107) which requires all Federal grant-making agencies to work collaboratively in streamlining and simplifying Federal grant processes and policies.

The Federal Funding Accountability and Transparency Act was signed in September 2006. The Act requires Federal agencies to make available to the public information about obligations of Federal funds by contracts or grants awards. The Office of the Senior Procurement Executive manages the department-wide system, known as the Grants Information System (GIS) that collects and reports this information. Based upon interface requirements to the government-wide system that are currently being developed, there is a need to make substantial modifications to GIS. Following this system upgrade, another certification and accreditation of the system will have to be performed. GIS reports upwards of 100,000 actions and over \$50 billion in grants annually.

The Office of Management and Budget, Office of Federal Procurement Policy (OFPP) recently issued a memorandum highlighting the importance of reporting accurate and timely procurement data to comply with the Transparency Act. The memo mandates that each Chief Acquisition Officer establish an agency-wide requirement for routine, statistically-valid data verification and validation. To accomplish such a review would require not only review of data reported to the Federal Procurement Data System, but also comparison of those records with contract files to verify accuracy. The memorandum further requires that the review be conducted by an organization or person that did not award the contracts being reviewed.

This requirement was discussed at the DOT Procurement Management Council and the Operating Administration Chiefs of the Contracting Office indicated it would be more efficient to take a corporate approach to comply with this mandate by having the WCF award a contract for independent validation and verification of procurement data. The initial estimate for this contract support is \$150K; however, the actual amount could be higher once OFPP further defines the requirement. This will be an on-going requirement to support annual certification of procurement data by the Senior Procurement Executive. DOT processes over 65,000 actions and awards over \$5 billion annually through the procurement process.

HUDOT

In FY06, the DOT Investment Review Board approved the plan for DOT and HUD to form a consortium to be a service provider of back-end grants processing services to other Federal agencies under OMB's Grants Management Line of Business (GMLOB) initiative. DOT and HUD are the 2nd and 4th largest grants making agencies in the government. HUD and DOT prepared and presented a proposal to the OMB evaluation committee which is still under consideration.

Human Resource Services

\$4,466 thousand

Personnel Operations:

The Personnel Operations Program provides human resource services to the Office of the Secretary (OST) and the Research and Innovative Technology Administration (RITA) Headquarters (HQ). This program provides human resource services that include recruitment, skill and competence assessment; payroll support and time-and-attendance administration; workforce and succession planning; employee recognition and performance management; employee relations, benefits; labor management; workers compensation and unemployment compensation assistance; and management of the automated human resources personnel systems; In addition, evaluate human resources management activities; adherence to merit principles and prevention of prohibited personnel practices. Plan, develop, and coordinate activities for executive management and develop human resource programs for managers and employees.

Fitness Center:

The DOT Health and Fitness Program develops and promotes Department-wide employee health and fitness policy and guidelines thereby improving employee's ability to enhance their work performance. The core programs offered by the DOT Fitness Center are well-rounded and are designed to address physical fitness, weight management, specialized wellness and lifestyle behaviors, nutrition education, stress reduction, and other programs that are appropriate to the prevention of disease and other health conditions. The Center conducts health appraisals, lifestyle and physical risk factor assessments; including better ways to incorporate healthy strategies and approaches for improved intervention in Body Mass Index, pulse, blood pressure, aerobic strength and flexibility levels; which are vital to optimal health. These strategies provide employees with increased knowledge in handling self care and thereby may decrease absenteeism and health care costs. The Center plans to conduct an annual survey of members to determine from their perspective how much the Center contributes to their productivity, decreased absenteeism, improved health, their ability to manage stress, and retention. Almost

24% of DOT Headquarters employees are members of the DOT Fitness Center. Funding for the program is primarily membership driven; with almost two-thirds of the Fitness Center budget supported by DOT employee membership fees and the other one-third supported by the DOT Operating Administrations (OA).

Learning and Development Program:

In support of the initiatives of the President's Management Agenda, the Learning and Development Services Program focuses on continuous learning, leadership development and meeting human capital initiatives as well as supporting competitive sourcing through transition services. Learning and Development Services support implementation of Department-wide programs ensuring the Human Capital Implementation Plan and Secretarial Learning and Development activities are accomplished and workforce planning and human capital activities are successfully achieved. DOT-wide *Leaders for Tomorrow* mentoring program; DOT-wide pre-supervisory program, "So You Want to be a Leader"; DOT-wide executive coaching; leadership and career development services to support leadership succession planning systems model such as, Individual Development Plans, mentoring and coaching; Executive Pipeline Program for employees at the grade 15 level; transportation seminars; competency analysis and skills gap assessment; competency development; assessment of current and future training needs; and services to support reorganization efforts.

These programs support the department's succession planning efforts. Monthly training sessions in conflict management were made available to the department's senior executives and managers to address gaps found during the leadership assessment. The department managed competency assessments in HR, IT, leadership and engineering. An annual update to the Workforce Plan was completed which included competency assessment results for human resources, IT, leadership, and engineering. All of which are ongoing PMA, OPM, and/or OMB requirements.

Departmental Programs:

The Departmental Special Programs Office provides centralized coordination of programs that cross all DOT operating administrations, Departmental offices, and the Surface Transportation Board (STB). The program is responsible for establishing policies and procedures, setting guidelines, working with OAs and other Departmental components to improve the effectiveness and efficiency of these programs. Program responsibilities include: Secretary's Annual Awards Program, Combined Federal Campaign, Incentive Awards Program, various OPM Performance Management Awards Program, Public Service Recognition Week, Blood Donor Program, Volunteer Program, and Voting Assistance Program.

Employment and Executive Resources Program:

The Employment and Executive Resources Program coordinates DOT participation in the Presidential Management Fellows Program and the Transportation Career Residency Program. The program works with OAs to identify positions and develop Department-wide recruitment strategies to hire a diverse workforce.

This program provides advisory services to the Secretary's White House Liaison and Chief of Staff for all Departmental political appointees including case processing for all Departmental

political hires; advises OAs on the full range of technical and procedural requirements for all political actions; serves as liaison to OPM for all human resources matters pertaining to the Department's political workforce; serves as liaison to the White House Clerk's Office and the Department of State for matters pertaining to Presidential appointees confirmed by the Senate; prepares comprehensive reports on each political position; and prepares for Presidential/senior leadership transitions.

The Executive and Political Resources Program coordinates Departmental approvals for SES actions including providing support to the DOT Executive Resources Review Committee; manages Departmental SES allocations; assists OAs in position establishment and classification; advises OAs on the full range of technical and procedural requirements involving performance management, bonuses and awards, staffing, adverse and performance-based actions; provides full range of executive resources operational services to Office of the Secretary of Transportation (OST) and Research Innovation and Technology Association (RITA), including staffing, classification, position management; and prepares comprehensive reports with information on each SES position and allocation.

Outcomes from this program include increased accountability of executives, increased diversity and outreach among the SES recruitment and hires, SES performance Management system certification, maintaining a high level of Qualifications Review Board approvals and improvement in the time it takes to hire an SES member.

DOT Work-life Program:

The Work-Life Program provides vast information, resources and referral support to employees nationwide on a wide range of issues including, but not limited to, life transitions, wellness, telecommuting, time management, effective communication, financial health, parenting, child care, elder care, and long-term care planning. Support is provided over the phone, by e-mail, and via one-on-one work-life coaching consultations under the guidance of a work-life professional.

Additional services include facilitated discussion groups and the delivery of customized seminar topics designed to address employees' most commonly identified needs and interests that also complement Operating Administration (OA) initiatives. An average of about four seminars are provided each month; such as, "Thriving in the Midst of Change", "Effective Communication", and "Building a Successful Retirement." To expand the reach of educational seminars and address employees' request for greater ease in participating in seminars, the Work-Life Program is working to offer more teleconferenced seminars. In addition to monthly seminars, monthly work-life newsletters are developed for employees, granting relevant information on topics of interest. Employees are also provided with a comprehensive lending library of supportive materials covering a wide range of work-life issues that employees face. The Work-Life program also facilitates the use of an on-site lactation room at DOT's headquarters. Additional support services continue to develop as new needs are identified, i.e., elder care and new mothers support groups.

The Child Care Advisor, a component of the Work-Life Program provides DOT child care centers with training for their boards of directors, directors, teachers, and family resource

coordinators. Topics include developmentally appropriate practice, brain development, multi-age grouping and curriculum planning, discipline and guidance, emergent curriculum (train-the-trainer model), etc. In addition to the training, the Child Care Advisor performs on-site visits, which include observations of classrooms, mentor teaching in classrooms, and accreditation preparation. The Advisor is also available to work one on one with child care coordinators and directors on program design, evaluation of RFP's, and assist with needs assessment and interpretation of new accreditation guidelines.

Library & Information Services

\$2,449 thousand

The DOT Library Program is one of the largest transportation libraries in the United States. The Library collects materials in all areas of transportation, in both print and electronic format. Through years of on-the-job experience, as well as specific training, the Library staff has developed the expertise essential to providing the specific research and reference assistance necessary to meet the requirements of US DOT customers across a variety of transportation and legal resources. In addition, the Library provides circulation, interlibrary loan, serials routing, acquisitions and cataloging services. The Library serves approximately 3,800 DOT customers each year. The Library is transitioning its collection and selection practices from hard-copy to electronic formats. Consolidating orders from all DOT modes into one online subscription lowers the costs to all participants. Examples of online subscriptions include the DOT Westlaw services, the National Journal Group Custom Gateway, HeinOnline (nine databases), EBSCOhost (e-journals database), and NetLibrary (e-books.) By seeking to increase electronic access to DOT customer at the rate of 5% per year, the Library continues to avoid costs of approximately \$1 million (per year) for DOT by centralizing the acquisition and management of these and other online research subscription contracts.

Mail Services & Postage

\$3,044 thousand

Mail Services Program:

The Mail Services Program provides complete office and mail delivery services to the DOT HQs and its satellite locations. Over 10 million pieces of government mail is handled annually. The services include managing the DOT and FAA Mail Centers and all associated duties to include: sorting and distributing all incoming mail, processing Federal Express and UPS Mail, and delivering all accountable mail through an automated tracking system. The handling of this mail is prioritized by class: First Class mail is sorted first and all overnight mail is delivered within two hours; Second Class mail and periodicals are delivered the same day but at a later time. A record of all deliveries that require a signature is kept in the Mail Center for reference if needed by the customer for their records.

An A-76 review of the operation during the late 1980s and early 1990s found that a contractor workforce would be more cost-effective for the department. The Department chose to stay with the NISH vehicle in support of national disability initiatives. The vendor, ServiceSource, is flexible and through contract modification can meet emerging requirements quickly due to their size and background in the field. They have a large pool of dedicated workers to quickly draw on in an emergency.

Postage Program:

This program is responsible for the direct billing of actual postage and shipment fees by each mode at all locations throughout the Washington Metropolitan area. These fees are for Standard Ground shipment of large packages and parcels to include large boxes. Letter mail is processed at a discounted price through our presort vendor (Jetsort now PSI), saving the department about five cents per piece on each letter mailed out or approximately \$65 thousand annually.

Publications Distribution

\$617 thousand

Subsequent Distribution Program:

The Subsequent Distribution Program (SDS) receives requests from government organizations, businesses, and the general public for copies of stored publications and distributes these publications worldwide. In addition, customers can now search, view and download desired publications from the On-line Publication (OLP) System. In FY 06, SDS distributed over 3 million hard copy publications and received over 7 million downloads of publications via the OLP system Transportation Inventory Management System (TIMS). Subsequent Distribution is currently serving over 5,000 DOT publications via the Internet and is working to make more information available via OLP and to reduce the amount of publications being stored in the Warehouse. Internal customers benefit from OLP because it allows for less hardcopies to be created resulting in printing, storage and postage savings.

Distribution Requirements:

The Distribution Requirements Program assists customers in determining the correct audience for their mailings. The mailing lists and addresses are maintained in a database called MOMS2 (Mail Out Management System 2) which is updated regularly to keep data current and accurate. There are 7,445 mailing lists with approximately 144,005 addresses. The program prepares all types of publications for distribution worldwide.

Rent & Space Management

\$6,472 thousand

Headquarters Space Management:

The Space Management Program provides oversight and management of all DOT headquarters workspace and provides various support services, as required, involving the Department's nationwide real property and field space inventory. The program manages three buildings totaling 2,147,400 square feet which supports approximately 5,750 employees.

A key goal of this program is improved space utilization and to reduce costs. The specific services include:

- acquisition, assignment, release or disposal of space and other real property; review of major real property acquisitions and disposals;
- space requirements development; space planning and interior design;
- tenant "build out" coordination and oversight;
- on-site real property and space utilization surveys;
- coordination and preparation of Departmental real property reports;
- maintenance of a Department-wide real property inventory and Headquarters space assignment data;

- and acts as DOT's liaison with GSA and other Federal agencies for real property actions and issues.

Rent Program:

The WCF rent obligation in the amount of \$5M, which includes the Federal Protection Services cost, is tracked under this business line and distributed to the other WCF programs.

New DOT Headquarters Building Program:

The New Headquarters Building Program provides planning, coordination, and project management for the new headquarters that will satisfy the long-term needs of the DOT headquarters, which houses all DOT modes except FAA. The New DOT Headquarters Building Program business line will be merged back into the Headquarters Space Management business line in FY 2009.

Security Operations

\$6,027 thousand

Executive Protection and Security & Investigation Programs:

The Executive Protection Program provides the Secretary of Transportation highly trained and experienced Special Agents who are deputized U.S. Marshals. The agents provide protection and conduct security advance work in the United States and overseas. Equipment and supply needs for the protection detail are assessed annually to ensure agents are fully equipped and have the proper credentials for accessing government buildings in the U.S. and overseas.

The Special Agents provide personal protection for the Secretary of Transportation throughout the workday and wherever the Secretary travels, whether in the Washington, D.C., metropolitan area, to other places in the United States, or to foreign countries. This protection is crucial to the Secretary's safety, especially in a time of increased terrorist activity.

The Special Agents also perform collateral duties under the Security and Investigation (S&I) Program and coordinate criminal and administrative investigations of individuals and incidents occurring within the DOT headquarters facilities, and assist in resolving security-related problems for DOT regional offices. Agents review and conduct follow-up investigations on guard incident reports executed for headquarters facilities. Agents also serve as liaisons with their security counterparts in Federal, state, and local law enforcement agencies, as well as at the DOT headquarters buildings. Security agents are part of a crisis management team that works with human resources and law enforcement offices, employee assistance programs, and managers to help resolve potential workplace violence situations, and are frequently present during volatile disciplinary actions. Agents also provide security awareness seminars for DOT employees to deter thefts and ensure adequate protection of government and personal property. The S&I program also includes the installation, operation, and maintenance of security systems, closed circuit TV cameras, monitors, X-Ray fluoroscope machines, magnetometers, and card access systems located within the three DOT headquarters buildings. The new Lenel OnGuard® system installed at the new headquarters facility is an access control and alarm monitoring system. The basic purpose of this system is to control access to secure areas via proximity card and reader technology, as well as to monitor alarm points for intrusion detection. Other functions include credential production, visitor management, and video and graphical

map display to assist in video surveillance and deployment of assets in response to an incident. An increase is included in the FY 2009 budget to cover the licensing warranty and maintenance of the Lenel System.

This program also includes lock and key services for all DOT OAs in the headquarters buildings. On staff are two locksmiths who maintain a proprietary lock and key system. The staff conducts periodic combination safe changes throughout the headquarters buildings. The entire Security and Investigations Program is an integral and crucial part of DOT's effort to ensure a safe working environment for its federal and contractor employees and visitors; and to protect DOT facilities, equipment, and sensitive and classified information.

Executive Transportation Program:

This program provides official transportation in the Washington, D.C. metropolitan area for the Secretary of Transportation and the Deputy Secretary. The security liaison specialists are highly trained and experienced professional drivers. The drivers' positions were upgraded to enhance the protection detail's ability to effectively deal with terrorist threats and to meet elevated threat-level manpower demands.

Personnel Security Program:

The personnel security program includes the initiation and processing of required background investigations on all DOT federal employees; the review and adjudication of all completed investigations; and, as necessary, the granting of security clearances for access to classified information. The security staff provides this service for all operating administrations except FAA, which has delegated authority to run its own personnel security program. Under this program, the security staff is responsible for ensuring that DOT complies with laws, Executive Orders and regulations pertaining to personnel security. The staff also provides DOT liaison with other Federal agencies on behalf of the operating administrations.

This program must operate at a level of performance that will ensure that background investigations are initiated in a timely manner as required for all federal and contractor employees, and that the completed investigations are promptly adjudicated according to Government-wide standards and criteria. The Intelligence Reform and Terrorism Prevention Act of 2004 places stringent requirements on agencies for timely initiation of background investigations and adjudication of the completed investigations with regard to the granting of security clearances for access to classified information; and OMB has issued specific timeliness requirements to implement that law.

Homeland Security Presidential Directive 12 (HSPD-12, Policy for a Common Identification Standard for Federal Employees and Contractors) has increased the personnel security program's workload because of stringent requirements to integrate personnel security operations even more with the process of issuing identification cards to federal and contractor employees, to adjudicate the results of criminal history checks prior to issuing any ID cards, and to conduct background investigations on certain personnel (e.g., contractor employees requiring HSPD-12 cards for logical access) to whom DOT did not previously issue ID cards.

Industrial Security Program:

The industrial security program includes the initiation of required background investigations on DOT contractor employees, and the adjudication for suitability of completed reports of investigation. The security staff initiates and adjudicates investigations on contractor employees for all DOT organizations other than FAA. When it is necessary for a contractor employee to have a security clearance for access to classified information, the security staff works with the Defense Security Service and the individual's employer as necessary to ensure that the necessary investigation has been conducted and the clearance granted. The HSPD-12 requirements have increased the workload with regard to contractor employees, as has the general increase in contractor employment as a percentage of the overall DOT workforce. With an increasing number of contractor employees actually working on-site at DOT facilities, it is especially important to ensure that background investigations have been conducted on them and that they are suitable for employment in the DOT work environment.

Identification Media Program:

With the exception of FAA and a few field operating administration offices, the security staff issues federal and contractor employee photo identification cards for DOT nationwide and also issues official credentials. The identification media automated system assists in identifying persons working within the DOT facilities and is essential for proper management of both identification cards and credentials.

In order to implement HSPD-12 requirements, the Office of Security has had to establish and follow stringent procedures to ensure a separation of functions in the issuing of identification cards. Specifically, persons who do initial enrollment and persons who serve as registrars cannot be the same persons who actually issue cards to DOT personnel. HSPD-12 implementation requires extensive, ongoing coordination with the General Services Administration because DOT plans to use their enrollment and issuance services for HSPD-12 cards issued to DOT personnel. Even with GSA issuing cards, the Office of Security has to perform the registrar function and certify to GSA that the background investigation requirements have been met. The identification management system and the investigations tracking system will have to be linked with GSA's system in order to properly manage card issuance. OMB expects DOT to have HSPD-12 cards issued to all employees and contractor employees by October 2008.

Passport Program:

The Secretary of State has designated the Office of Security as the Passport Agent for DOT and this office has the authority to execute and verify official passports on behalf of the Department of State. The office maintains a passport unit to support all DOT personnel, in all operating administrations and Secretarial offices, who require official passports and visas. Obtaining passports and visas in a timely manner is crucial to DOT personnel meeting foreign travel requirements. Because of the various DOT programs that provide assistance to foreign countries, travel requirements often occur with little advance notice and it is important for the Office of Security to respond promptly to the passport and visa requests. New requirements for U.S. citizens to have passports to travel to countries where they did not previously need them, such as Canada and Mexico, have increased the passport processing workload.

Information Security Program: -

This program includes managing the primary security control point for classified documents at DOT headquarters and providing advice and assistance to all operating administrations on matters pertaining to classified information. The control point coordinates destruction of all classified and sensitive information at the headquarters building, and the office is the point of contact to request sensitive security containers used by many offices to properly dispose of sensitive, but not classified, material. The security staff also conducts both initial and refresher briefings for DOT personnel granted access to classified information. Because of the increasing numbers of DOT employees requiring security clearances for access to classified information, the need for briefing sessions has increased significantly. There is also an increasing number of employees with higher level clearances (e.g., Sensitive Compartmented Information access), which results in a need for more specialized briefings for additional personnel.

The Office of Security is the DOT focal point to ensure that all classified information held by DOT that is 25 years or older receives a declassification review before it is automatically declassified. In addition, the security staff polls all of the operating administrations to provide two consolidated reports annually to the Information Security Oversight Office (ISOO) as required by Executive Order. The office must work closely with all DOT organizations to ensure proper review of classified information and referral of documents to other agencies for review as necessary. DOT has an obligation to all Government agencies to fully protect their equities in classified information that will become 25 years old and therefore subject to automatic declassification.

Government-wide initiatives with regard to sensitive unclassified information are resulting in a need for the Office of Security to devote additional attention to the management of such information within DOT, including its categorization, marking, control, protection, review, and destruction. In order to properly manage controlled unclassified information within the Information Sharing Environment (ISE), especially that related to terrorism prevention, DOT will implement a Government-wide regime for its control and protection, and demands on the Office of Security to educate DOT personnel with regard to those requirements will be significant. It is important for DOT to make as much information available to the public as possible while protecting from release information which could cause harm to U.S. interests if available to unauthorized persons. DOT will also implement additional requirements to protect the privacy of individuals by properly protecting personally identifiable information.

Technical Security Program:

This program includes managing several security programs that fall under a general security category called Technical Security. These programs include communications security (COMSEC), control of compromising electronic emissions (TEMPEST), and technical surveillance countermeasures (TSCM), and require the expertise of persons highly trained in complex technical matters. The Office of Security provides this expertise for all operating administrations. The technical security programs are concerned with the protection of classified national security information and other sensitive information when it is discussed or processed during meetings or on information technology systems; or when it is electronically transmitted. These activities are potentially susceptible to the intentional or unintentional loss of information

to unauthorized persons. The security staff provides technical guidance on these matters to operating administrations, essential for the protection of national security.

The Office of Security directly manages the COMSEC program for DOT Headquarters and those field facilities (excluding FAA) that process classified information. This responsibility includes management of the DOT COMSEC account, conducting required inventories of controlled cryptographic equipment and material, and issuance of secure communications equipment, including Secure Terminal Equipment (STE) units and secure wireless phones. The program must perform these functions properly and in a timely manner in order to meet all National Security Agency and Committee on National Security Systems (CNSS) requirements. Failure to do so can affect DOT's ability (including the ability of the Secretary of Transportation) to exchange classified information with the White House and with other agencies in both routine and emergency situations.

Substance Abuse Awareness & Testing

\$4,846 thousand

The DOT Federal Employee Drug and Alcohol Testing Program is the second largest program in the Federal Government with over 80,000 federal employees in the testing pool. Services under this program are provided to all DOT operating administrations, the U.S. Merchant Marine Academy and to the following agencies within the Department of Homeland Security (DHS): Transportation Security Administration (TSA), U.S. Coast Guard (USCG) and the Federal Air Marshals (FAM) program. Services are provided on a nationwide basis and include setting program policy requirements; briefings to unions on policy changes; providing testimony at third party hearings; random selection process; follow-up drug and/or alcohol testing program for employees who have completed rehabilitation; urine collection and laboratory testing services for pre-employment, random, follow-up, reasonable suspicion, and post accident; breath alcohol testing services for random, follow-up, reasonable suspicion, and post accident; split specimen testing services; Medical Review Officer services; managing, coordinating and conducting employee awareness programs and required supervisory training; and coordination of the Employee Assistance Program. Drug and alcohol collection and testing services are provided through contract vendors. Funding for these primary contracts constitutes 77 % of the total SAATO budget.

Transit Benefits & Parking

\$238,581 thousand

Transportation Services (TRANServe) delivers transit benefit services to DOT operating administrations; delivers transit benefit services to Non-DOT agencies; and provides parking management services to DOT employees. This program receives funding under three different authorities in performing its various roles in support of DOT and Non-DOT agencies.

- Working Capital Fund (WCF) cost reimbursable agreements under U.S.C. 49.327.
- Non-DOT WCF reimbursable agreements under the Economy Act of 1932.
- Employee Parking Deposits for parking spaces to DOT employees under GSA Federal Management Regulation.

The Transit Benefit Program: -

The program was established in 1991 when the Department's Federal Transit Administration (FTA) began pilot testing a transit benefit program, which provided up to \$21 per month in transit fare media to its employees. The Energy Policy Act of 1992 raised the monthly tax-free limit to \$60 and linked the limit to changes in the Consumer Price Index. The Federal Employees Clean Air Incentive Act, signed into law in 1993, permanently authorized Federal participation in this program, resulting in its expansion throughout the Department of Transportation and other Federal agencies. In April 2000, Executive Order 13150 was signed which sought to reduce Federal employees' contribution to traffic congestion and air pollution and expand their commuting alternatives. The executive order called upon DOT, the Environmental Protection Agency, and the Department of Energy to implement a nationwide pilot program, and ascertain its effectiveness in reducing single occupancy vehicle travel and local area traffic congestion. In a 2003 final report to the Office of Management and Budget, DOT reported that the interagency group found transit benefits to be successful in reducing Federal employees' contribution to traffic congestion and air pollution, and expanding their commuting alternatives. The report estimated that the transit benefit program resulted in over 15,000 fewer single occupancy vehicles on the roads of the National Capital Region, saving over 8 million gallons of gasoline, and eliminating emissions of almost 40,000 tons of carbon dioxide from the air, as well as reducing other tailpipe emissions. In 2005, the Safe, Accountable, Flexible, Efficient, Transportation Equity Act (SAFETEA-LU) required Federal agencies to implement transit benefit programs for all eligible employees in the National Capital Region.

As the transit benefit program took shape in its early years, the Department of Transportation decided that it would be most efficient to centralize the distribution services for its operating administrations, rather than replicate the resources necessary to obtain and safeguard fare media, and manage the distribution program. This organization has evolved over the years, to offer transit benefit distribution services nationwide, to organizations throughout the Federal government. It now distributes over \$200 million in cash equivalent fare media annually, servicing over 233,000 participants employed by 108 Federal organizations nationwide.

From the perspective of providing an efficient, economical means to distribute transit benefits, TRANServe enables agencies to make use of a single established distribution system, with extensive and effective internal controls over the receipt, maintenance, and distribution of the fare media provided to Federal employees under the program. It eliminates the need to establish multiple systems duplicating these functions at agencies and individual offices throughout the country. It also offers some unique advantages due to its size and experience. For example, transit operators in some localities offer discounts for volume purchases of fare media, and these savings are then passed on to the participating agencies. There is no mandate to make use of TRANServe for transit benefit distribution; rather, each of the agencies now making use of its services decided it was in their interest to use TRANServe for transit benefit distribution. Participating agencies, TRANServe, and transit benefit recipients all have specific responsibilities to help ensure that the transit benefit program functions effectively and that individuals participating in the program receive only the fare media they are eligible for, and use it appropriately.

TRANServe has developed a Partnership Agreement to outline respective responsibilities of each partner in the implementation of transit benefit programs as administered by TRANServe, in both the National Capital Region and nationwide. These responsibilities include:

- TRANServe obtains and safeguards specific types and volumes of fare media in preparation for distribution to eligible employees at the federal agency.
- TRANServe processes all enrollment applications for the Program, once those recipients have been approved by the federal agency.
- TRANServe tests the controls over the activities which it performs for federal agencies on a yearly basis. These controls are highlighted in management's assurance statement provided to its customers in draft form in July and final copy in September.
- TRANServe provides a monthly invoice with detailed reports to the federal agency on employee participation in the Program. These reports include a description of specific services provided that month such as the name of each employee who received transit benefits, the fare media expenses, vendor fees, billable hours, travel, mailing expenses, administrative and distribution costs.
- TRANServe maintains a database that identifies all participants in the Program that are currently deemed eligible by the federal agency, the original effective date of program participation, the value of fare media provided and the effective date of termination, as appropriate.

As the federal agency enters into an annual Customer Agreement with TRANServe for administrative and distribution services, the federal agency retains key management responsibilities for its transit benefit program. These responsibilities include: overall program oversight including identification of participants making false claims, selling, illegally transferring, or otherwise violating benefit requirements; designating a program coordinator; verify employee's eligibility; and, ensuring employees are aware of their responsibilities.

DOT's Implementation of the Transit Benefit Program

Inasmuch as DOT is both a participant in the transit benefit program and home to the TRANServe organization, the WCF is seeking to maintain a program with extensive participation and use of mass transit, in line with DOT's strategic goal for congestion reduction, while having effective and useful controls in place to ensure the program accomplishes its intended results. Each time a transit benefit recipient receives his or her fare media, the recipient is required to sign for it. On the form, there is an explanation of general requirements for continued participation in the program and recipient responsibility. Because recipients may not take the time to read the requirements on the signature form, in August 2006, TRANServe produced, and began distributing to DOT recipients, the plain language reminder. This action was initiated to ensure that transit benefit recipients are fully aware of the requirements associated with their receipt and use of the fare media.

To educate transit benefit recipients, TRANServe continues to distribute the plain language written explanation of responsibilities and requirements. TRANServe also developed an electronic learning package implemented through the electronic Learning Management System or eLMS. This training emphasizes recipient responsibilities, identifies prohibited practices such as unauthorized use by ineligible employees and inappropriate transfer of fare media.

To protect the integrity and preserve the benefits of the Federal Transit Benefits Program while eliminating the opportunity for waste, fraud, and abuse, the Department reviewed all transit benefit internal controls and implemented an increased level of oversight to ensure all participants are complying with these provisions and that any misuse or abuse is addressed promptly and effectively. In addition, the TRANServe Program created an Internal Controls Officer position in April 2007. This position heightens review of the organization's internal controls and ensures all policy and procedure requirements are effectively fulfilled.

TRANServe's FMFIA program and evaluation of management controls includes:

- Continued financial management and infrastructure improvements for the transit benefit program by:
 - Requiring the transit benefit application to include the full home address of the employee, employee work address, certification of eligibility, and a warning against making false statements in the benefit application.
 - Requiring the employee's supervisor or approving official to verify eligibility and commuting costs (e.g., home address validated and commuting costs correctly calculated via the DOT Transit Benefit Verification Work Sheet).
 - Providing monthly invoices with detailed reports to customers on employee participation in the transit benefit program and performing Certification and Accreditation (C&A) on the data provided in order to ensure its accuracy which enables customers to validate those employees receiving benefits against the parking records.
 - Educating employees through broadcast messages, plain language memos, and employee meetings to adjust their benefits due to travel, leave, or change of address.
 - Requiring employees to identify each mode of transportation used in their commute and recertify on an annual basis.
 - Requiring quarterly Cost of Goods Sold (COGS) process and the expanded use of the Projects Accounting module to facilitate the cost distribution of inventory.
 - Mandating all DOT participants use SmartBenefits as their mode of transportation. Reducing or eliminating the purchase of paper fare media cards lowers TRANServe's administrative costs and increases efficiencies. Additionally, it can also reduce the incidence of fraudulent misuse of the fare media.
 - Requiring a Partnership Agreement outlining respective responsibilities of each partner in the implementation of transit benefit programs as administered by TRANServe in both the National Capital Region (NCR) and nationwide.

- Initiatives to improve financial management and infrastructure for the transit benefit program consist of the following:
 - Continuing to update DOT Transit Benefit Program Policy and Guidance.
 - Continuing to update the Integrity Awareness Training Program to educate customers and their participants. Successful completion of the training is a requirement every time an application is submitted or amended.

- o Meeting with Federal agencies to discuss internal controls and best practices.
- o Identifying best practices to be published on TRANServe's website as a resource tool for all government agencies.

The Parking Management Program:

The Parking Management Program sells, issues, and administers weather-secure parking spaces in the new DOT headquarters building. In addition, the program provides oversight to FAA for the management of their parking fees.

The Parking Office collects money from the sale of parking permits for the regular monthly parking, temporary parking, and FAA parking. The money is processed and picked up for deposit by Brinks armored Car Service twice a week.

Unemployment Compensation

\$7,050 thousand

The Department of Labor requires a central billing point in each cabinet agency for the unemployment costs of employees. The Working Capital Fund accepts unemployment compensation charges from the Department of Labor and bills each Operating Administration for their costs through a centralized billing service. This program also provides a billing mechanism for the former elements of DOT that transferred to the Department of Homeland Security. Department of Labor (DOL) bills the Department of Transportation on a quarterly basis for their unemployment charges.

Warehouse

\$729 thousand

The Warehouse Program provides for storage, which includes furniture, equipment, bulk materials such as computer and copy paper, publications and forms, and other items as required for all DOT organizations in the Washington Metropolitan area. The Warehouse stores over 1,500 skids of furniture and publications monthly. As part of this program, truck services are provided for delivering internal mail, receiving and delivering furniture, equipment, bulk supplies and other items as required between the Warehouse facility in Landover, MD and the DOT Headquarters Buildings in Washington, DC.

Excess personal property is received, reported, and transferred for all DOT organizations in the Washington Metropolitan area. The excess program handles on average 850 pieces of furniture or equipment every month, sending almost half of the computer equipment to schools throughout the country as part of Executive Order 12999. In FY 2006, this equated to over 5,200 of the approximately 10,500 pieces of equipment going to various school systems.

**OFFICE OF THE CHIEF INFORMATION OFFICER
WORKING CAPITAL FUND
FY 2009 BUDGET ESTIMATE**
(In thousands of dollars)

<u>Program</u>	FY 2007 <u>Actual</u>	FY 2008 <u>Enacted</u>	FY 2009 <u>Estimate</u>
DOT Activities	48,303	52,627	54,303
Non-DOT Activities	1,144	506	636
Total	\$ 49,447	\$ 53,133	\$ 54,939

Staffing

Reimbursable Positions	21	21	21
Reimbursable FTE	17	21	21

Background

Since December 2002, the DOT's Office of the Chief Information Officer (OCIO) has had the responsibility for the management and administration of the IT Services portion of the Department's WCF organization, which supports the operation of an infrastructure that includes telecommunications, e-mail/directory services, a backbone network, help desk and other support. In these roles, 21 government employees provide technical direction and oversight of more than 150 contractors actually providing the more than \$54M in IT services annually to the Department's OAs on a fee-for-service basis.

MISSION/VISION/VALUES

WCF OCIO/IT Services will provide the Department with a single source for a competitively priced, comprehensive range of IT services while continuously improving the technology and safety of the IT infrastructure for the Department. OCIO/WCF IT Services will also provide expertise to the Department with state-of-the-market technical expertise, institutional IT knowledge, and historical data that is not readily available from other sources.

WCF/OCIO IT Services staff will maintain, operate, and oversee communications and core IT infrastructure for the Department. The staff will consist of a small number of experienced government FTE who oversee the technical and business operations, with the majority of the day-to-day operations provided by contractors.

FY 2009 OCIO BUSINESS LINES BY PROGRAM

Desktop Services **\$18,702 thousand**

The IT Services desktop, laptop, and engineering PC program provides quality, cost effective seat management, and related support under service level agreements with customers. IT Services currently supports more than 5,400 desktop users, and plans to expand consolidation to include regional and field users starting in FY 2008. The FY 2009 budget year will continue to prove challenging, as the New DOT Headquarters building move and IT Infrastructure consolidation addresses fluctuations in customer requirements as a result of field and regional office migration.

Inter-Modal Data Network (IDN) **\$1,974 thousand**

The IT Services IDN component supports network infrastructure, wide-area network and Internet connectivity within DOT headquarters and between DOT headquarters and other buildings on DOT's Washington, D.C. campus. The IDN is the primary communications backbone to and among DOT organizations in the Washington, D.C. metropolitan area.

The annual cost to manage the DOT data network infrastructure has historically been shared by all occupants of the DOT HQ Building.

Within the new HQ Bldg, all new IT Data Network and Security Infrastructure equipment was purchased to support the new HQ core network. This equipment improves DOT's ability to prevent network intrusion attempts and unauthorized access to mission critical equipment, complies with IPv6 standards, and supports increased COOP requirements.

The cost to refresh the data network equipment was historically the responsibility of each mode prior to the move to the Common Operating Environment (COE). However, beginning FY2008 this responsibility has shifted to IT Shared Services and become part of the annual IDN budget.

IT Security and Support **\$13,067 thousand**

The IT Security and Support program is composed of the following five program areas:

IT Admin & Special Projects:

IT Admin & Special Projects program supports the overall management of the IT Services programs and certain special projects. The program costs are recovered through an equitable distribution to each IT Services program.

Financial Management Group:

Financial Management Group provides business management and full back-end accounting support to the IT Services programs and special projects. The program costs are recovered through an equitable distribution to each IT Services program.

Logistics & Support Services: -

Program activities include direct management and oversight of IT Services programs, Continuity of Operations (COOP) and Disaster Recovery (DR) activities for IT Services programs, Inventory management/Help desk software implementation and maintenance, Stockroom, and Administrative services. The program costs are recovered through an equitable distribution to each IT Services program.

IT consolidation has increased the level of effort required for the Logistics & Support program as a result of inventory and service desk software implementation, the increased customer base, quantity and types of inventoriable items, and potential expansion of COOP and DR activities. The increased level of effort is supported by the additional customer base as part of IT consolidation.

Enterprise Network Operations Center (ENOC):

ENOC is responsible for the monitoring, notification, and facility management in support of IT Services. ENOC was established to provide twenty-four hour handling of calls, problem management, staff notification, and system monitoring.

An essential element in this effort is the monitoring, notification and automation of many labor-intensive tasks and the 24x7 monitoring performed by the IT Services functional areas. These areas include:

- Network monitoring
- Server monitoring
- Telecom systems monitoring
- Automated problem ticket generation and escalation
- After-hours service desk support.

These services can be extended remotely to provide twenty-four hour support regardless of physical location. ENOC costs are proportionally distributed to IT Shared Services programs.

Network Engineering:

The Network Engineering program provides planning, design, and implementation services for the network infrastructure, including:

- IP Address Management
- Network Design
- Network diagnoses and optimization
- Secure Remote Access

The Network Engineering Program is one of the focal points in enabling the consolidation of services under IT Services and establishing a consistent and secure network across DOT. Details on IT Services Secure Remote Access activities are shown below.

Secure Remote Access (SRA): In keeping with Public Laws 106-346, § 359 and 108-447, Division B, § 622 and the Secretary of Transportation's congestion initiative that, among other

things, establishes urban partnerships to facilitate an increased use of telecommuting and flex scheduling, IT Services has implemented a secure remote access capability. IT Services has now enabled Secure Remote Access for DOT staff and contractors who are members of the DOT Active Directory. We have implemented a Client-Based Remote Access (CISCO Virtual Private Network [VPN]) solution to be able to provide a telecommuting option for users who may need one. Remote access is now available for all Consolidated Operating Environment (COE) workstations covered under the Standard or Premium Support Plans. Users will be able to access e-mail and personal files stored on the network from a remote computer, as well as access most DOT network resources. The charges will be allocated to each OA under the Network Engineering service line, based on the estimated number of desktops in the COE.

With respect to the current infrastructure, we have invested in and will be deploying the necessary equipment and software to provide system redundancy at our COOP/DR site as well as implementing a compliance checker, which will enhance network security so that only those users with proper operating systems, proper anti-virus software, and authorized access signatures will have access to the DOT network, and, if not, will be quarantined.

In keeping with OMB M-06-16 to provide two-factor authentication, DOT has implemented a two-factor authentication solution in support of completing the refresh of the DOT Secure Remote Access solution. The technology may reduce the costs as more of the government is moving to this model. Network Engineering supports work towards providing this capability to all users at minimal additional cost.

Information Assurance:

The Information Assurance program is designed to ensure the protection, integrity, availability, and confidentiality of the DOT IT infrastructures, across the DOT's hundreds of geographically separated locations. The program's primary function is to ensure that DOT is compliant with the Federal Information Security Management Act and other statutory requirements. In addition, this includes the continuous operations of the DOT TCIRC, which now has responsibility to detect, protect against, and react to all cyber events across the entire DOT enterprise.

The Transportation Cyber Incident Response Center (TCIRC) will continue to focus on responding to cyber events, privacy violations and network interruptions from the inside. TCIRC will continue to coordinate with DOT CIO's, ISSO's, the intelligence community, and DHS for incident management, monitoring, cyber threat analysis and responding to modal requests. These services will fulfill the need to comply with FISMA and relevant statutory requirements. We now support multiple locations as part of our HQ relocation and COOP/DR segregation and the cost of these services will continue to be proportionately allocated to the OAs based on email counts.

Server and Messaging Services

\$11,073 thousand

Consolidated Server Services:

The Server Services program consists of the following functional areas: Departmental Internet (DI), Server Hosting, Net Backup, Storage and Backup.

The Departmental Internet program provides server hosting and limited web design support for the DOT web page, as well as the GovDocs subscription service for e-mail management, and enhanced Google search capabilities.

Off-site server hosting services for HQ servers and other devices for operating administrations (with the exception of FAA) have been secured to support server hosting requirements as a primary data center external to the new building for most OA mission critical systems. The direct costs to support the remote hosting location, including limited growth capacity and some security and hardware costs, have been spread proportionally to customers based on each OAs power requirements (watts) for direct usage, while the infrastructure costs are spread to the OAs based on the adjusted total population of OA devices.

Directory & Messaging Services:

Directory & Messaging Services provides high quality, cost effective services for message routing and directory services and mailbox administration. The two Directory and Messaging Services offerings are described below.

Departmental Message Routing and Directory Services costs are currently distributed to each OA based on an algorithm of total mailbox accounts in each OA. This Departmental service includes Departmental directory, messaging and routing, enterprise messaging backup, custom directory services, and spam filtering and virus protection.

Mailbox administration cost recovery is based on an annual mailbox charge for approximately 9,000 accounts, and includes the following services: mailbox administration and mail storage and backup. IT consolidation efforts have increased the messaging infrastructure and management responsibilities which were previously managed by the OAs.

Voice, Cable & Wireless

\$10,123 thousand

The IT Services Voice, Cable, and Wireless (VCW) component offers customers a wide range of telecommunications services such as desktop telephone service with voice mail, wireless telephony, circuit analysis, cabling, billing analysis, inventory management, telecom coordination/customer service, teleconferencing, customer special projects.

Supporting both DOT's Washington, D.C. campus and remote communications, VCW services are an essential component of the DOT's IT support mission, and currently includes more than 15,000 telephone lines and 11,000 voice mailboxes, supported by a New HQ Building telecommunications switch.

A large majority of costs in this program area, more than \$5M per year, is to support local and long-distance communications and utilities costs for telephone, T-1 lines and circuits between regional offices and other remote sites, internet communications, and redundant systems to ensure continuity of operations.

Section 3 - FY 2009 Budget Request by Appropriation

IT Services has contained its rising telecommunications costs over the past seven years, absorbing labor and maintenance increases by aggressively negotiating for better rates with its local and long distance service providers and monitoring telecommunications bills for potential cost savings. We intend to continue our efforts to aggressively contain costs while providing the current technology and service improvements.

Section 3 - FY 2009 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2007 ACTUAL	FY 2008 ESTIMATE	FY 2009 ESTIMATE
69-4520-0-1-407				
Obligations by program activity:				
09.01	DOT service center activity	104,536	128,094	128,094
09.02	Non-DOT service center activity	<u>254,634</u>	<u>244,732</u>	<u>247,385</u>
10.00	Total new obligations	359,170	372,826	375,479
Budgetary resources available for obligations:				
22.00	New budget authority (gross)	339,501	372,826	375,479
22.10	Resources available from recoveries of prior year obligations	<u>19,670</u>	<u>0</u>	<u>0</u>
23.90	Total budgetary resources available for obligations	359,170	372,826	375,479
23.95	Total new obligations	-359,170	-372,826	-375,479
New budget authority (gross), detail:				
Spending from offsetting collections:				
Discretionary				
58.00	Offsetting collections (cash)	321,534	372,826	375,479
58.10	Change in uncollected customer payments from Federal sources (unexpired)	<u>17,966</u>	<u>0</u>	<u>0</u>
58.90	Spending authority from offsetting collections (total mandatory)	339,501	372,826	375,479
Change in obligated balances:				
72.40	Obligated balance, start of year	81,541	68,445	0
73.10	Total new obligations	359,170	372,826	375,479
73.20	Total outlays (gross)	-334,630	-441,272	-375,479
73.45	Recoveries of prior year obligations	-19,670		
74.00	Change in uncollected customer payments from Federal sources (unexpired)	<u>-17,966</u>	<u>0</u>	<u>0</u>
74.40	Obligated balance, end of year	68,445	0	0
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	298,664	372,826	375,479
86.93	Outlays from discretionary balances	<u>35,966</u>	<u>68,446</u>	<u>0</u>
87.00	Total outlays (gross)	334,630	441,272	375,479
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	321,534	372,826	375,479
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	<u>17,966</u>	<u>0</u>	<u>0</u>
New budget authority and outlays:				
89.00	Budget authority (net)	0	0	0
90.00	Outlays (net)	13,095	68,446	0
95.02	Unpaid obligation, end of year	159,476	0	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2007	FY 2008	FY 2009
69-4520-0-1-407	ACTUAL	ESTIMATE	ESTIMATE
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$13,199	\$16,520	\$17,771
11.2 Accrued leave	\$0	\$0	\$110
11.3 Other than full-time permanent	252	297	271
11.5 Other personnel compensation	452	496	507
11.8 Special personal services payments	25	0	0
11.9 Total personnel compensation	13,928	17,313	18,659
12.1 Civilian personnel benefits	3,769	4,525	5,034
13.0 Benefits for former personnel	2,525	15,550	7,075
21.0 Travel and transportation of persons	1,406	1,509	1,493
22.0 Transportation of things	0	437	431
23.1 Rental payments to GSA	4,827	4,631	6,256
23.3 Communications, utilities, and miscellaneous charges	12,540	13,056	11,825
24.0 Printing and reproduction	0	0	0
25.1 Advisory and assistance services	0	0	0
25.2 Other services	49,283	145	169
25.3 Other purchases of goods and services from Government accts.	29,578	87,933	82,808
25.4 Operation and maintenance of facilities	0	8,055	9,003
25.7 Operation and maintenance of equipment	1,156	0	0
26.0 Supplies and materials	236,220	216,569	229,469
31.0 Equipment	3,938	3,099	3,251
42.0 Insurance claims and indemnities	0	4	6
99.9 Total obligations	\$359,170	\$372,826	\$375,479

PERSONNEL SUMMARY

Identification Code	FY 2007	FY 2008	FY 2009
69-4520-0-1-407	ACTUAL	ESTIMATE	ESTIMATE
Reimbursable			
2001 Total compensable workyears: Full-time equivalent employment	173	219	219