

FY 2009

CONGRESSIONAL BUDGET JUSTIFICATION

WORKING CAPITAL FUND PROGRAMS

WORKING CAPITAL FUND PROGRAMS

TABLE OF CONTENTS

Appropriation Language	1
Amounts Available for Obligation.....	2
Summary of Changes	3
Summary Budget Authority and FTE by Activity	5
Budget Authority by Object Class	6
Total Budgetary Resources	7
Authorizing Statutes.....	8
Appropriation History	9
Overview	10
Organization Chart.....	13
Budget Activities	14
Financial And Administrative Services	14
Field Services.....	21
Human Resources	24
Telecommunications	27
Investment in Reinvention	30

WORKING CAPITAL FUND PROGRAMS

APPROPRIATION LANGUAGE

The Working Capital Fund (WCF) is an obligational authority with no direct appropriation. The Core Financial Management System (CFMS) is funded from collections of agencies' appropriations.

WORKING CAPITAL FUND PROGRAMS

AMOUNTS AVAILABLE for OBLIGATION						
(Dollars in Thousands)						
	FY 2007 Comparable		FY 2008 Estimate		FY 2009 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	6,168	0	0	0	0
A.1) Subtotal Appropriation	0	6,168	0	0	0	0
DOL Reimbursements	684	180,691	620	190,382	620	220,274
Non-DOL Reimbursements	1	573	1	573	1	573
A.2) Subtotal	685	187,432	621	190,955	621	220,847
Comparative transfer from:	0	0	0	0	0	0
DOL Agencies for Enterprise Service						
Office	0	1,679	0	1,679	0	0
A.3) Subtotal	685	189,111	621	192,634	621	220,847
B. Gross Budget Authority	685	189,111	621	192,634	621	220,847
Non-DOL Reimbursements	-1	-573	-1	-573	-1	-573
B.1) Subtotal	-1	-573	-1	-573	-1	-573
C. Budget Authority	684	188,538	620	192,061	620	220,274
Before Committee	0	6,168	0	0	0	0
DOL Reimbursements	684	180,691	620	190,382	620	220,274
Non-DOL Reimbursements	1	573	1	573	1	573
Comparative transfer	0	1,679	0	1,679	0	0
C.1) Subtotal	685	189,111	621	192,634	621	220,847
D. Total Budgetary Resources	685	189,111	621	192,634	621	220,847
Unobligated Balance Expiring	-78	0	0	0	0	0
E. Total, Estimated Obligations	607	189,111	621	192,634	621	220,847

WORKING CAPITAL FUND PROGRAMS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2008 Estimate	FY 2009 Request	Net Change
Budget Authority			
General Funds	192,634	220,847	+28,213
Trust Funds	0	0	0
Total	192,634	220,847	+28,213
Full Time Equivalents			
General Funds	621	621	0
Trust Funds	0	0	0
Total	621	621	0

Explanation of Change	FY 2008 Base		Trust Funds		FY 2009 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	621	54,190	0	0	0	1,683	0	1,683
Personnel benefits	0	23,678	0	0	0	652	0	652
Federal Employees Compensation Act (FECA)	0	216	0	0	0	0	0	0
Travel	0	1,855	0	0	0	0	0	0
Transportation of things	0	31	0	0	0	0	0	0
GSA Space Rental	0	7,658	0	0	0	153	0	153
Communications, utilities & miscellaneous charges	0	30,751	0	0	0	2,000	0	2,000
Printing and reproduction	0	206	0	0	0	0	0	0
Advisory and assistance services	0	4,727	0	0	0	0	0	0
Other services	0	27,419	0	0	0	3,666	0	3,666
Other government accounts (DHS Charges)	0	508	0	0	0	0	0	0
Purchase of goods and services from other Government accounts	0	2,462	0	0	0	0	0	0
Operation and maintenance of facilities	0	11,663	0	0	0	0	0	0
Operation and maintenance of equipment	0	19,060	0	0	0	0	0	0
Supplies and materials	0	2,034	0	0	0	0	0	0
Equipment	0	6,176	0	0	0	0	0	0
Built Ins Subtotal	621	192,634	0	0	0	8,154	0	8,154
B. Programs:								
Cost Analysis Manager (CAM) System Maintenance and Upgrades	0	0	0	0	0	1,000	0	1,000
Department Computer Network (DCN)	0	6,008	0	0	0	900	0	900
Departmental E-Budgeting System	0	0	0	0	0	1,100	0	1,100
E-HR Systems	0	2,000	0	0	0	621	0	621

WORKING CAPITAL FUND PROGRAMS

Explanation of Change	FY 2008 Base		Trust Funds		FY 2009 Change		Total	
					General Funds			
Employee Computer Network (ECN)	0	4,442	0	0	0	1,000	0	1,000
Homeland Security Presidential Directive 12 (HSPD-12 PIV-II)	0	0	0	0	0	900	0	900
IPIA and OMB Circular A-123 Requirements	0	0	0	0	0	2,300	0	2,300
National Communications System Directive 3-10	0	1,300	0	0	0	1,300	0	1,300
New Core Financial Management System (NCFMS)	0	0	0	0	0	11,125	0	11,125
Procurement Enhancement		2,100	0	0	0	120	0	120
Programs Subtotal			0	0	0	+20,366	0	+20,366
C. Financing:								
Total Increase	+621	+192,634	0	0	0	+28,520	0	+28,520
Decreases:								
A. Built-Ins:								
To Provide For:								
One day less of Pay	0	0	0	0	0	-269	0	-269
Federal Employees Compensation Act (FECA)	0	0	0	0	0	-38	0	-38
Built Ins Subtotal	0	0	0	0	0	-307	0	-307
B. Programs:								
C. Financing:								
Total Decrease	0	0	0	0	0	-307	0	-307
Total Change	+621	+192,634	0	0	0	+28,213	0	+28,213

WORKING CAPITAL FUND PROGRAMS

SUMMARY BUDGET AUTHORITY and FTE by ACTIVITY

(Dollars in Thousands)

	FY 2007 Comparable		FY 2008 Estimate		FY 2009 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
Financial and Administrative Services	282	110,389	303	110,780	303	137,286
General Funds	282	110,389	303	110,780	303	137,286
General Funds	22	13,071	22	12,377	22	14,750
Field Services	243	38,799	243	39,647	243	40,499
General Funds	243	38,799	243	39,647	243	40,499
Human Resources	82	13,008	74	15,292	74	16,147
General Funds	82	13,008	74	15,292	74	16,147
Telecommunications	0	25,785	0	25,785	0	25,785
General Funds	0	25,785	0	25,785	0	25,785
Investment in Reinvention Fund	0	557	0	557	0	557
General Funds	0	557	0	557	0	557
Non-DOL Reimbursables	0	573	1	573	1	573
General Funds	0	573	1	573	1	573
Total	607	189,111	621	192,634	621	220,847
General Funds	607	189,111	621	192,634	621	220,847

NOTE: FY 2007 reflects actual FTE.

WORKING CAPITAL FUND PROGRAMS

BUDGET AUTHORITY by OBJECT CLASS				
(Dollars in Thousands)				
	FY 2007 Comparable	FY 2008 Estimate	FY 2009 Request	FY 09 Request/FY 08 Estimate
Total Number of Full-Time Permanent Positions	607	621	621	0
Full-Time Equivalent				
Full-time Permanent	606	620	620	0
Reimbursable	1	1	1	0
Total	607	621	621	0
Average ES Salary	164,000	164,000	171,700	7700
Average GM/GS Grade	12.9	12.9	12.9	0
Average GM/GS Salary	82,100	82,100	86,000	3900
Average Salary of Ungraded Positions	52,100	52,100	54,600	2500
11.1 Full-time permanent	52,698	54,206	55,746	1540
11.5 Other personnel compensation	2,109	2,140	2,059	-81
11.9 Total personnel compensation	54,807	56,346	57,805	1459
12.1 Civilian personnel benefits	21,175	21,744	22,313	569
21.0 Travel and transportation of persons	1,828	1,855	1,855	0
22.0 Transportation of things	31	31	31	0
23.1 Rental payments to GSA	8,183	7,636	7,789	153
Communications, utilities, and				
23.3 miscellaneous charges	30,661	39,773	41,773	2000
24.0 Printing and reproduction	202	206	206	0
25.1 Advisory and assistance services	4,279	4,727	4,727	0
25.2 Other services	26,949	18,419	40,551	22132
Other purchases of goods and services				
25.3 from Government accounts 1/	2,908	2,970	2,970	0
25.4 Operation and maintenance of facilities	11,412	11,663	11,663	0
Operation and maintenance of				
25.7 equipment	18,664	19,060	19,860	800
26.0 Supplies and materials	2,000	2,028	3,128	1100
31.0 Equipment	6,012	6,176	6,176	0
Total	189,111	192,634	220,847	28,213
1/Other Purchases of Goods and Services				
From Government Accounts				
Services by Other Government				
Departments	2,411	2,462	2,462	0
DHS Services	497	508	508	0

WORKING CAPITAL FUND PROGRAMS

TOTAL BUDGETARY RESOURCES (\$ in thousands)

	FY 2007 Comparable				FY 2008 Estimate				FY 2009 Request			
	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total
Working Capital Fund	6,168	182,943	0	189,111	0	192,634	0	192,634	0	220,847	0	220,847
Financial and Administrative Services	6,168	104,221	0	110,389	0	110,780	0	110,780	0	137,286	0	137,286
Field Services	0	38,799	0	38,799	0	39,647	0	39,647	0	40,499	0	40,499
Human Resources	0	13,008	0	13,008	0	15,292	0	15,292	0	16,147	0	16,147
Telecommunications	0	25,785	0	25,785	0	25,785	0	25,785	0	25,785	0	25,785
Investment in Re invention Fund	0	557	0	557	0	557	0	557	0	557	0	557
Non-DOL Reimbursables	0	573	0	573	0	573	0	573	0	573	0	573
Total	6,168	182,943	0	189,111	0	192,634	0	192,634	0	220,847	0	220,847

^{1/} "Other Appropriation" is comprised of resources appropriated elsewhere, but for which the benefits accrue toward the operation of the budget activities. (Mgmt Crosscut, Executive Direction, and IT Crosscut)

^{2/} "Other Resources" include funds that are available for a budget activity, but not appropriated such as, reimbursements and fees

WORKING CAPITAL FUND PROGRAMS

AUTHORIZING STATUTES

Public Law / Act	Legislation	Statute No. / US Code	Volume No.	Page No.	Expiration Date
Pub. L. 85-67	Working capital fund; establishment; availability; capitalization; reimbursement	Stat. 210 29 USC 563			June 29, 1957
Pub. L. 86-703	Working capital fund; establishment; availability; capitalization; reimbursement 1960 Amendment	Stat. 755 29 USC 563			Sept. 2, 1960
Pub. L. 91-204	Working capital fund; availability for personnel functions in regional administrative offices	Stat. 26 29 USC 564			Mar. 5, 1970
Pub. L. 102-394	Labor-management dispute settlement expenses. Funds received for services rendered to any entity or person for use of Departmental facilities, including associated utilities and security services, shall be credited to and merged with this fund.	Stat. 1798 29 USC 567			Oct. 6, 1992
Pub. L. 103-112	Working capital fund; comprehensive program of centralized services	Stat 1088 29 USC 563a			Oct. 21, 1993
Pub. L. 104-134	Working capital fund; establishment of an Investment in Reinvention Fund (IRF)	Stat. 1321-211 1321-219 29 USC 564			Apr. 26, 1996

WORKING CAPITAL FUND PROGRAMS

APPROPRIATION HISTORY (\$ in thousands)

	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriation	FTE
2004.....1/	20,000	18,000	9,700	13,768	0
2005.....2/	25,000	10,000	15,000	9,920	0
2006.....3/	6,230	6,230	6,230	6,168	0
2007.....	13,954	0	0	0	0
2008.....	12,000	0	0	0	0
2009.....	0				0

1/ Reflects a \$ 82,000 reduction pursuant to P.L. 108-199.

2/ Reflects a \$ 80,000 reduction pursuant to P.L. 108-447.

3/ Reflects a \$ 62,000 reduction pursuant to P.L. 109-148.

WORKING CAPITAL FUND PROGRAMS

OVERVIEW

Introduction

The Working Capital Fund (WCF) was established by Public Law 85-67 and amended by Public Laws 86-703 and 91-204 to provide authority, without fiscal year limitation, for expenses necessary to provide certain services and activities on a centralized basis. As an intra-governmental revolving fund, the WCF is authorized to finance a cycle of operations in which expenditures generate receipts that are available for continuous use without annual appropriation by Congress. Some of the essential administrative functions that are financed through the WCF are Frances Perkins Building operations, payroll operations, procurement, and invoice payment services. These centralized services are performed at rates that will return all expenses of operations in full, including reserves for accrued leave and depreciation of property and equipment. The Investment in Reinvention Fund (IRF) which was established in the DOL Appropriations Act of 1996 is intended to provide a self-sustaining source of financing to DOL agencies for investment in projects designed to produce measurable improvements in agency efficiency and achieve cost savings. Public Law 105-78 amended the WCF authorization in 1997 to authorize an annual transfer of up to \$3,000,000 from unobligated balances in the Department's salaries and expenses account to the unobligated balances of the WCF.

The Working Capital Fund meets its responsibilities through five budget activities Financial and Administrative Services, Field Services, Human Resources Services, Telecommunications, Investment in Reinvention Fund.

The Departmental agencies include in their budget requests an amount required to finance the WCF and to cover the services obtained from organizations financed through the WCF. This amount is subsequently advanced to the WCF after enactment of the Department's appropriation. WCF advances normally are obtained from DOL's agencies at the beginning of each quarter. The cost allocation module utilizes the Department of Labor Accounting and Related Systems (DOLAR\$) functionality for allocating WCF costs among DOL agencies.

Also, a comparative transfer of \$1,679,000 is necessary for DOLNET, a consolidation of IT network resources scheduled to be completed in FY 2008. ITC will provide management and oversight of the DOLNET program for this budget-neutral proposal.

Cost Model

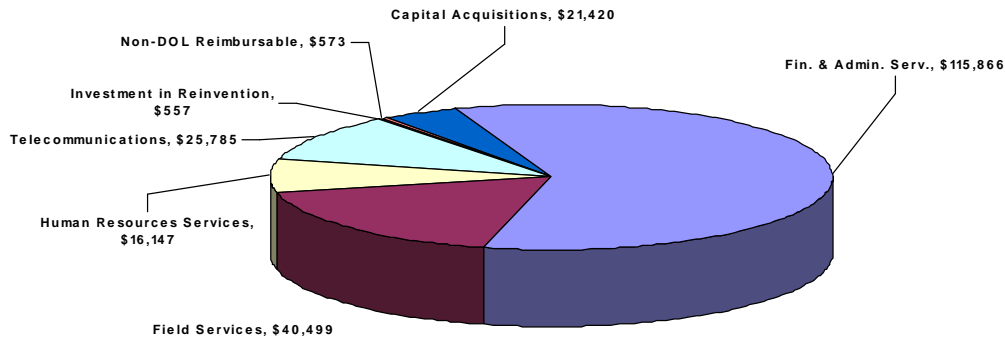
The FY 2009 request directly supports all of the DOL's strategic goals by providing a comprehensive range of centralized services to all agencies of DOL, both at the national and regional levels and will enable the Department to continue managing organizational operating programs and ensure effective management of these programs. The budget request of \$220,847,000 and 621 FTE will continue to support the following program activities: Financial and Administrative Services with a budget request of \$137,286,000 and 303 FTE; Field Services with a budget request of \$40,499,000 and 243 FTE; Human Resources Services with a budget request of \$16,147,000 and 74 FTE; Telecommunications (FTS2001) with a budget request of

WORKING CAPITAL FUND PROGRAMS

\$25,785,000; Investment in Reinvention Fund with a budget request of \$557,000; and Non-DOL Reimbursable Activity with a budget request of \$573,000 and 1 FTE. Capital acquisition in the Financial and Administrative Services activity includes \$11,125,000 to continue the implementation of the DOL New Core Financial Management System and \$10,295,000 for departmental systems development. Also, a comparative transfer in the amount of \$1,679,000 is reflected for DOLNET, a consolidation of IT network resources scheduled for completion in FY 2008.

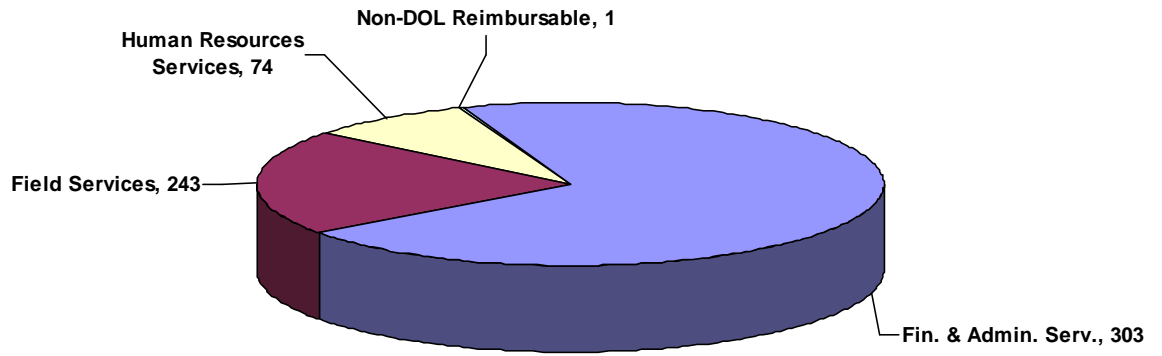
Based upon the population served, the objective in the WCF programs will be to achieve economies of scale by providing centralized administrative services so that costs of providing services in these areas will increase no more than the annual rate of inflation unless agency service demands increase.

FY 2009 Budget Request by Program Activity
Total WCF Budget: \$220,847
(\$ in Thousands)



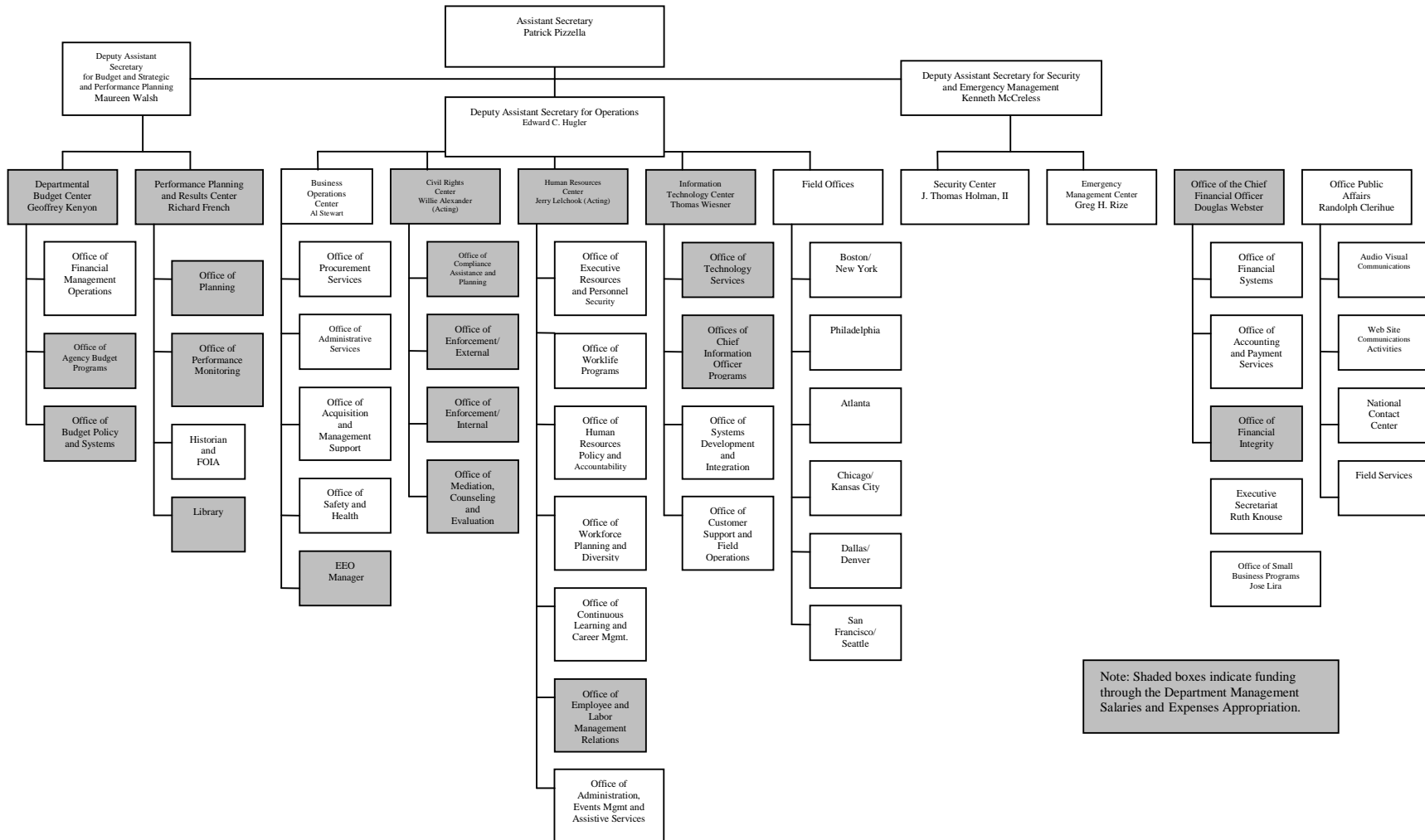
WORKING CAPITAL FUND PROGRAMS

WCF FTE by Activity
Total FTE: 621



WORKING CAPITAL FUND PROGRAMS

ORGANIZATION CHART



FINANCIAL AND ADMINISTRATIVE SERVICES

Budget Authority Before the Committee						
(Dollars in Thousands)						
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY07 Comp/ FY 08 Est	FY 2009 Request	Diff. FY 08 Est/FY 09 Req
Activity Appropriation	110,389	110,780	110,780	391	137,286	26,506
FTE	282	303	303	21	303	0

NOTE: FY 2007 reflects actual FTE. Authorized FTE for FY 2007 was 318.

Introduction

The Financial and Administrative Services activity in the Working Capital Fund (WCF) provides a program of centralized services at both the national and regional levels.

The Office of the Assistant Secretary for Administration and Management (OASAM) provides the infrastructure and support that enables DOL agencies to perform its mission, which is supported by four DOL strategic goals: A Prepared Workforce, A Competitive Workforce, Safe and Secure Workplaces, and Strengthened Economic Protections. Within this budget activity, OASAM provides leadership and support for DOL business operations and procurement; budget and finance; information technology; security and emergency management. OASAM achieves its mission through service centers that are functionally organized including the Business Operations Center (BOC); the Information Technology Center (ITC); the Office of Security and Emergency Management (OSEM); and Departmental Budget Center (DBC).

BOC services provides a range of support services including procurement, competitive sourcing, safety and health, general administrative support, cost determination activities, and operation and maintenance of the France Perkins Building. Procurement services, includes the development, negotiation, execution and administration of grants and contracts; resolution of contract disputes, claims and termination; contract close-out activity; the drafting and issuance of solicitations for grant awards; analysis of technical evaluations of grant applications and issuance of appropriate awards; preparation and execution of contract modifications; and the processing of Freedom of Information Act (FOIA) requests involving procurement activity. Competitive sourcing services, includes the development of Departmental objectives, policies and procedures, and the planning and implementation of DOL competitive sourcing programs. Safety and health, includes management of the Department's internal safety and health program and employee fitness programs. General administrative support, includes space and telecommunications, property and supplies, printing and reproduction, and emergency preparedness. Support services also include cost determination activities for DOL and operation and maintenance of the Frances Perkins Building, which is authorized under delegated authority from the General Services Administration. Funding for DOL's National Headquarters is provided for two purposes: real property operations, including contracts for routine and preventive maintenance support, utilities, cyclical painting and other building services; and recurring repairs involving long-term improvements and maintenance services.

The Information Technology Center (ITC) provides an ongoing deployment of efficient and effective technology infrastructure to its customers including the maintenance of the

FINANCIAL AND ADMINISTRATIVE SERVICES

Department's host computer systems, and new personnel and payroll systems. ITC has oversight responsibilities of the Department's Federal Telecommunications System (FTS) program.

In addition, ITC will provide program management and oversight of the DOLNET program. This includes vendor network managed services and telecommunications, Network Operations Center and Security Operations Center, and supporting Enterprise Service Office (ESO) services such as customer service support, change management support, security services and financial, administrative, management of the ESO. The ESO will provide project management and technical leadership for the Department-wide IPv6 project, as well as other support as it relates to DOL Enterprise-wide services, applications, etc.

The Office of Security and Emergency Management Center (OSEM) provides the day-to-day operations of the Department's national office and its assets. OSEM provides security to DOL employees ensuring prompt response to a full spectrum of potential disasters. Also, OSEM is charged with the implementation of standardized procedures, which protect DOL assets, while maintaining continuity of government operations, governing overall programmatic direction and implementation of comprehensive emergency management policies, and supporting various federal response plans.

The Departmental Budget Center, Office of Financial Management Operations provides financial operating services primarily for DOL national office staff, including accounting support, government-contract charge card and credit card processing and oversight, voucher auditing and administrative payment services, transit subsidy distribution and management of the program for the Department's national office, and budget formulation, justification and execution for the Departmental Management accounts including WCF programs.

The Office of the Chief Financial Officer (OCFO) maintains high-quality, centralized financial management products, services and systems for DOL. In support of the Department's central accounting operations, the OCFO manages the Department of Labor Accounting and Related Systems (DOLAR\$), DOL's current core accounting system, to ensure delivery of reliable and timely financial data for internal and external use. Accounting system reliability is ensured through continuous analysis of accounting transactions and account reconciliations. OCFO manages the interfaces between DOLAR\$ and the payroll system with other internal and external systems to ensure timely and accurate reports. OCFO is responsible for oversight of the electronic fund transfer (EFT) provisions of the Debt Collection Act of 1996, and ensures that vendor payments are in compliance with the requirements of the Prompt Payment Act. OCFO in partnership with OASAM oversees management of the WCF by ensuring the fund is operated within all legal and regulatory requirements and applying WCF pricing strategies consistent with agreed-upon direction.

Using a timeshare computer facility and the Department's central administrative local area network (LAN) infrastructure, OCFO performs production processing for the DOLAR\$ system, subsystems and components on a daily schedule. OCFO ensures that all required accounting reports are available for the Department to conduct its financial management operations. OCFO is responsible for upgrading Departmental financial systems to conform with statutory and

FINANCIAL AND ADMINISTRATIVE SERVICES

regulatory requirements and operating system and software changes. OCFO responds to DOL client agency requests for special reports and technical assistance on its financial systems.

In addition, OCFO provides overall operational support and maintenance for the Department's centralized payroll system and subsystems for the employee compensation and benefits program, including time and attendance tracking. DOL generates payroll reports and other data required by various regulatory agencies, including the Office of Personnel Management (OPM), and ensures quality control over a broad variety of payroll services such as employee retirement and separation processing, union dues reporting, and garnishment and child support deduction processing. In addition, OCFO establishes and monitors payroll, accounting and timekeeper operational policies and procedures. OCFO also designs, develops, and tests central payroll applicable to major automated systems to ensure integration with systems of other federal agencies such as OPM and the U.S. Department of Agriculture (USDA) National Finance Center. As part of the e-payroll initiative to standardize federal payroll processes, DOL migrated to USDA's National Finance Center on April 3, 2005. OCFO continues to manage and provide operational support for this function.

OCFO also manages e-Travel, which is an end-to-end travel management solution that allows for a more efficient and streamlined approach to travel management operations.

The Office of Public Affairs (OPA) was created within the Office of the Secretary of Labor to provide the Department with an information and educational program designed to bring about the widest possible understanding and usage of the Department's programs and services and help ensure compliance with the laws administered by the Department. The OPA is the primary point of contact for all media and the public inquiries. The role of the OPA is to inform and educate Americans about the services, assistance and information that are available to them. OPA provides audiovisual services and regional public affairs activities within this budget activity.

Under the direction of OPA, the Enterprise Communications Initiative (ECI) provides leadership for the coordination and management of the Department's main public website and LaborNet to ensure its information and services are cohesive, accessible, timely, accurate and authoritative. In keeping with stated e-Government goals, ECI is actively reducing and consolidating current Internet and Intranet related hardware systems to minimize duplication of resources and efforts within DOL. The integration of the Department's National Contact Center (DOL-NCC) activities and data with DOL websites continues to improve the quality, accuracy and timeliness of the information provided on DOL websites and to reduce call volume.

Included in this activity is funding for a variety of special services. These services include the correspondence control and Department's management support unit under the direction of the Executive Secretariat and the Professional Administration Support Services program, which offers employment and training services for entry level positions within the Department. Additionally, the Office of Small Business Programs assists small businesses in understanding their responsibilities under the federal rules and the regulations (i.e. Small Business Regulatory Enforcement Fair Act of 1996) that affect those businesses.

FINANCIAL AND ADMINISTRATIVE SERVICES

Also, funding is included in this activity for the maintenance and development of Departmental host computer systems, including the Department's payroll and personnel systems. Funds in this area include both operational funds derived from assessments to DOL agencies for services provided and unobligated balances, which are collected from DOL agencies based upon the depreciation of capitalized assets.

Five-Year Budget Activity History

Fiscal Year	Funding (Dollars in Thousands)	FTE
2004	87,763	311
2005	92,208	314
2006	97,415	317
2007	104,221	282
2008	110,780	303

FY 2009

The Agency Request level of \$137,286,000 and 303 FTE includes built-ins for a net increase of \$6,761,000 including programs increases of \$19,745,000 and a program decrease of \$12,000,000.

The following program increases are included under the direction of the Office of Assistant Secretary for Administration and Management:

ITC Employee Computer Network (\$1,000,000)

To adhere to new OMB security requirements and IG audit compliance, funding is being requested to meet the demands of the implementation of all the required NIST 800-53 controls for a system with a "HIG" categorization, automating new security policies and practices to better secure its operating environment and enhancing the ECN's security profile by replacing obsolete hardware and software. In an effort to maintain timely IT services and support to DOL users, the ECN will support secure management of remote wireless access to the ECN; mobile device encryption to better protect PII; two-factor authentication for mobile devices; user account life-cycle process automation and auditing for compliance; and End-of-life hardware refresh.

ITC Departmental Computer Network (\$900,000)

In support of the Department's IT enterprise vision, funding is being requested to provide common Enterprise services and a common Enterprise application hosting environment. The DCN also provides a DOL-wide framework for implementing and supporting e-Government initiatives and the Presidents Management Agenda (PMA). With the increase in the number of Enterprise applications planned for DCN hosting, funding will support the secure hosting and operations of existing systems as well as new systems including Enterprise Architecture Tool (DEAMS), DEBS GSS Support, e-Adjudication GSS Support, Document Management/Record Management system Phase 1, Enterprise Services Office (ESO) Universal Tool, and FISMA Reporting Tool (CSAM).

FINANCIAL AND ADMINISTRATIVE SERVICES

Homeland Security Presidential Directive 12 (HSPD-12) (\$900,000)

To comply with Homeland Security Presidential Directive 12 (HSPD-12) requirements, funding is being requested to provide for a secure infrastructure that proactively assures integrity, confidentiality, and availability of DOL data and information systems. The DOL's Personal Identity Verification II (PIV-II) system ensures compliance of HSPD-12 requirements for issuance of secure, reliable and interoperable forms of identification to eligible federal and contractor personnel. This automated system issues credentials that meet HSPD-12 and Federal Information Processing (FIPS)-201 requirements for credentials that are issued based on verifying an individual employee's identity; strongly resistant to identity fraud, tampering, counterfeiting and terrorist exploitation; can be rapidly authenticated electronically; and issued only by providers whose reliability has been established by an official accreditation process.

BOC Procurement Enhancements (\$120,000)

Funding is being requested to provide contract support for an independent audit of the Federal Procurement Data Systems (FPDS) data entries as well as the award and close-out process.

Departmental e-Budget System (DEBS) (\$1,100,000)

In support of OMB's efforts to maintain a Budget Formulation and Execution (BF&E) Line of Business (LoB), DOL has assumed a leadership role in helping to discover the strategic value of automating the budget process and delivering a future electronic budget interface to OMB for access to Labor's submission. Requested resources will move DEBS into the Working Capital Fund as a result of its transition from development, modernization and enhancement phase from the IT crosscut to an operations and maintenance status.

The following program increases are included under the direction of the Office of the Chief Financial Officer (OCFO):

DOL New Core Financial Management System (NCFMS) (\$11,125,000)

Funding will support the implementation of the DOL NCFMS. Continuation of the system will ensure the availability of timely, accurate, reliable and useful financial information that can be used to better discern how well programs deliver results in regards to the resources invested. The DOL legacy Financial Management Systems, DOLAR\$ is over 18 years old and the technology is antiquated (Mainframe COBOL system). DOLAR\$ predates laws that place additional demands on financial management systems including the CFO Act of 1990, Government Performance and Results Act of 1993, Government Management Reform Act of 1994, Clinger Cohen Act of 1996, Reports Consolidation Act of 2000, and Federal Information Security Management Act of 2002. The requested resources will also fund support of the DOL NCFMS Project Management Office and Independent Verification & Validation (IV&V) contractor activities to oversee full implementation and final operation by FY 2009.

IPIA and OMB Circular A-123 Requirements (\$2,300,000)

To adhere to the Improper Payments Improvement Act (IPIA) of 2002 and OMB Circular A-123 to improve the accuracy, timeliness, and usefulness of financial information, resources are being requested to further the Department's Improper Payments Information Act (IPIA)

FINANCIAL AND ADMINISTRATIVE SERVICES

efforts and enable OCFO to continue IPIA efforts in meeting improper payment reduction and recovery targets, continued execution of corrective and preemptive action plans, and ensure that agency internal controls over financial reporting and systems are will documented, sufficiently tested, and properly assessed. Funding these initiatives will result in a significant return on investment given that programs supported by these funds will safeguard DOL resources from fraud, waste, and abuse, thereby ensuring that all resources are used for their intended purposes.

Cost Analysis Manager (CAM) System Maintenance and Upgrades (\$1,000,000)

Funding is being requested to cover contractor costs associated with the maintenance and upgrades to the Cost Analysis Manager (CAM) system; to improve the accuracy, timeliness, and usefulness of financial information; and to ensure effective and efficient cost-to-benefit planning. Upgrades and enhancements will enable CAM's utilization by more managers throughout the Department and managers will have the capability to evaluate programmatic and financial goals when making critical decisions regarding their programs. Specifically, the functions that will be performed will be maintaining and supporting the CAM Project Management Office (PMO) at DOL; providing agency training and conducting briefing; automating data extracts and revise models; updating quarterly and provide support to the separate FY 2009 agency cost models; developing and revising CAM reports; and supporting Budget and Performance Integration (BPI) efforts.

Under the direction of the Office of Security and Emergency Management, a request of \$1,300,000 is requested for the National Communications System Directive (NCSD) 3-10.

National Communications System Directive (NCSD) 3-10 (\$1,300,000)

Funding is being requested to establish minimum communications and continuity requirements to support execution of agency essential functions as mandated by NCSD 3-10. In addition to the initial implementation plan, there is a projected timeline to reach full implementation of NCSD 3-10 by the end of FY 2009, pending available funding and resources as well as expected guidance. As DOL is a Category 2 agency, the projected timeline addresses NCSD 3-10 Category 2 requirements for DOL headquarters, alternate operating facilities, and Senior Leadership. One of the primary challenges for DOL's full implementation of NCSD 3-10 will be to identify viable and efficient options balanced against mission requirements.

FINANCIAL AND ADMINISTRATIVE SERVICES

CHANGES IN FY 2009

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments		853
Personnel benefits		309
One day less of Pay		-136
Federal Employees Compensation Act (FECA)		0
Travel		0
Transportation of things		0
GSA Space Rental		69
Communications, utilities & miscellaneous charges		2,000
Printing and reproduction		0
Advisory and assistance services		0
Other services		3,666
Other government accounts (DHS Charges)		0
Operation and maintenance of facilities		0
Operation and maintenance of equipment		0
Supplies and materials		0
Equipment		0
Built Ins Subtotal		6,761

Net Program		19,745
--------------------	--	---------------

Direct FTE		0
-------------------	--	----------

	Estimate	FTE
--	-----------------	------------

Base	117,541	303
-------------	----------------	------------

Program Increase	19,745	0
-------------------------	---------------	----------

FIELD SERVICES

Budget Authority Before the Committee (Dollars in Thousands)						
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY07 Comp/ FY 08 Est	FY 2009 Request	Diff. FY 08 Est/FY 09 Req
Activity Appropriation	38,799	39,647	39,647	848	40,499	852
FTE	243	243	243	0	243	0

NOTE: FY 2007 reflects actual FTE. Authorized FTE for FY 2007 was 287.

Introduction

The Field Services activity in the Working Capital Fund (WCF) provides leadership, planning, direction and coordination for administrative programs to all Department organizations through the DOL regions; represents the Assistant Secretary for Administration and Management OASAM in all administrative matters within the DOL regions; and assists in the development, implementation and modification of the Department's programs in the field.

Under the direction of the Office of the Assistant Secretary for Administration Management (OASAM), services are provided in the areas of: (1) financial management; (2) human resources management; (3) information technology management; (4) safety and health; and (5) general administrative support. OASAM has regional offices in the following six cities: Boston, Massachusetts; Philadelphia, Pennsylvania; Atlanta, Georgia; Chicago, Illinois; Dallas, Texas; and San Francisco, California. In addition, OASAM has field offices in the following three locations: New York, New York; Kansas City, Missouri; and Seattle, Washington.

Five-Year Budget Activity History

Fiscal Year	Funding (Dollars in Thousands)	FTE
2004	34,398	293
2005	35,953	290
2006	37,083	290
2007	38,799	243
2008	39,647	243

FY 2009

The Field Services activity request of \$40,499,000 and 243 FTE includes built-ins for a net increase of \$852,000 and no program increases. The request is an \$852,000 increase over FY 2008, and provides a built-in increase for pay and rent costs. This activity will continue a comprehensive level of services in the six regional cities and field offices and to continue planning for Continuity of Operations and equipping field offices to respond to emergencies. The OASAM Regional offices will continue to explore new opportunities for providing cost effective services to their customers.

FIELD SERVICES

This budget activity will support the changing demands of the nation's workers and employers in the 21st Century through a structured Department-wide succession plan, identifying and eliminating skills gaps in the workforce, and expanding targeted recruitment programs.

The Field Services budget activity will ensure safe and healthy workplaces for DOL employees and Job Corps students by reducing the rate of occurrence of lost-time accidents, injuries and illnesses and by reducing the rate of lost production days, and inspecting 100% of DOL worksites. A cost-effective and secure information technology architecture will continue to support the DOL program goals and to provide linkages among administrative and programmatic data systems and a full range of support services continued in the areas of small purchases, property and space management, telephone installation and mail services.

DOL field managers rely on performance information to improve the quality and cost-effectiveness of services to the public and conduct regular quality assessments to determine data reliability. Customer oriented support services in the region are undertaken in the areas of financial, human resources, and information technology management along with safety and health programming and other general administrative support that are locally vs. nationally based.

FIELD SERVICES

CHANGES IN FY 2009

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:	
Costs of pay adjustments	626
Personnel benefits	293
One day less of Pay	-101
Federal Employees Compensation Act (FECA)	-38
Travel	0
Transportation of things	0
GSA Space Rental	72
Communications, utilities & miscellaneous charges	0
Printing and reproduction	0
Other services	0
Other government accounts (DHS Charges)	0
Purchase of goods and services from other Government accounts	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Built Ins Subtotal	852

	Estimate	FTE
Base	40,499	243

HUMAN RESOURCES SERVICES

Budget Authority Before the Committee (Dollars in Thousands)						
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY07 Comp/ FY 08 Est	FY 2009 Request	Diff. FY 08 Est/FY 09 Req
Activity Appropriation	13,008	15,292	15,292	2,284	16,147	855
FTE	82	74	74	-8	74	0

NOTE: FY 2007 reflects actual FTE. Authorized FTE for FY 2007 was 79.

Introduction

The Human Resources Services activity in the Working Capital Fund provides leadership, guidance, and technical expertise in all areas related to management of the Department’s human resources, including recruitment, development, retention of staff, and leadership in labor-management cooperation. Under the direction of Office of the Assistant Secretary for Administration and Management (OASAM), components of this activity focus on a strategic planning process that will result in sustained leadership and assistance to DOL agencies in recruiting, developing and retaining a high quality, diverse workforce that effectively meets the changing mission requirements and program priorities of the Department.

Components of this budget activity include the following: ensuring that employees have job-based competencies and skills necessary to accomplish organizational goals and objectives; providing employees with tools for career management and growth; and providing planning assistance for potential second careers inside and outside of the Department.

Five-Year Budget Activity History

Fiscal Year	Funding (Dollars in Thousands)	FTE
2004	9,987	81
2005	10,384	80
2006	10,574	80
2007	10,797	82
2008	15,292	74

FY 2009

The Human Resources activity request of \$16,147,000 and 74 FTE includes built-ins for a net increase of \$234,000 and a program increase of \$621,000 to operate the Department’s “steady state” operation and maintenance of e-Human Resource systems.

Under the direction of the Office of the Assistant Secretary for Administration and Management, a program increase is being requested for the e-Human Resource Systems.

HUMAN RESOURCES SERVICES

e-Human Resource Systems (\$621,000)

To consolidate the costs necessary to run the Department's "steady state" e-HR systems which includes the DOL Online Opportunities Recruitment System (DOORS) (including USAJOBS interface), e-OPF, e-Clearance, e-Reporting, e-Training system administration and the Labor & Employee Relations Management System (LERMS). Each of these systems has successfully met their OMB alignment milestones and is now moving out of development phases. Requested resources include licenses, external hosting fees, upgrades to the existing systems, and maintenance/service fees. Funding will also cover cost for contractors necessary to support systems' administration, customer support and triage, product upgrade testing, training and development.

Under the direction of this activity, the Department will continue to improve the performance management system, workforce planning and strengthening, bridging skill gaps through competency assessments, revitalizing the workforce, and shaping the workforce of tomorrow.

HUMAN RESOURCES SERVICES

CHANGES IN FY 2009

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	204
Personnel benefits	50
One day less of Pay	-32
Travel	0
GSA Space Rental	12
Communications, utilities & miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services	0
Supplies and materials	0
Equipment	0

Built Ins Subtotal	234
---------------------------	------------

Net Program	621
--------------------	------------

Direct FTE	0
------------	---

	Estimate	FTE
--	-----------------	------------

Base	15,526	74
------	--------	----

Program Increase	621	0
------------------	-----	---

TELECOMMUNICATIONS

Budget Authority Before the Committee (Dollars in Thousands)						
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY07 Comp/ FY 08 Est	FY 2009 Request	Diff. FY 08 Est/FY 09 Req
Activity Appropriation	25,785	25,785	25,785	0	25,785	0
FTE	0	0	0	0	0	0

Introduction

The Department's Long Distance Telecommunications program promotes the effective and efficient procurement and use of long distance telecommunications services by (1) providing high value low cost long distance telecommunications services and solutions to support DOL program activities; (2) maintaining continuity of service for all long distance telecommunications services (both voice and data); (3) reducing the cost of long distance services by fully participating in all strategic sourcing and government-wide procurement vehicles; and (4) consolidating departmental agencies IT network resources.

This budget activity provides for Departmental Federal Telecommunications payments to the General Services Administration (GSA). The Federal Telecommunications System (FTS) is a domestic, long-distance service provided by a commercial carrier under contract to GSA.

DOL converted its telecommunications services to the FTS2001 system during FY 1991. Under the direction of the Office of the Assistant Secretary for Administration and Management (OASAM), increased monitoring of FTS2001 traffic and billing data was undertaken since this conversion to ensure equitable distribution of costs both to the Department in total and internally to DOL agencies. Departmental staff meets periodically with GSA staff to ensure that the billing of FTS2001 services is properly documented.

The Working Capital Fund (WCF) is used to fund this payment centrally in the Department so that GSA can submit a consolidated invoice to the Department for FTS2001 services. DOL's assessment is billed in total to the WCF, where the cost of services is distributed to the DOL agencies.

Five-Year Budget Activity History

Fiscal Year	Funding (Dollars in Thousands)	FTE
2004	21,106	0
2005	21,106	0
2006	21,106	0
2007	25,785	0
2008	25,785	0

TELECOMMUNICATIONS

FY 2009

The Telecommunications activity requests a total of \$25,785,000 and 0 FTE in FY 2009. Full funding for this demand driven activity is necessary to preserve the resources provided to DOL agencies for the purposes they are appropriated. This request provides an increase of \$8,604,000 for Enterprise Service Office (ESO) services offset by a reduction of \$6,881,000 in FTS 2001. The net increase of \$1,679,000 is provided by a comparative transfer for DOLNET services, a consolidation of IT network resources scheduled for completion in FY 2008.

The Long Distance Telecommunications funding includes the cost of moving from the current General Services Administration (GSA) government-wide long distance telecommunications program called FTS2001 to the new GSA long distance telecommunications program called Networx, an expected increase in per unit pricing for Networx service; and the inclusion of cellular and other wireless service which is currently provide by other GSA contract vehicles and other DOL funding sources.

Transition activities to move the long distance telecommunications to the Networx contract vehicle are scheduled to begin during the First Quarter of FY 2008 and continue through FY 2009. DOL is currently on target to meet our transition schedule.

TELECOMMUNICATIONS

CHANGES IN FY 2009

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Communications, utilities & miscellaneous charges

0

Built Ins Subtotal

0

Estimate

FTE

Base

25,785

0

INVESTMENT IN REINVENTION

Budget Authority Before the Committee (Dollars in Thousands)						
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY07 Comp/ FY 08 Est	FY 2009 Request	Diff. FY 08 Est/FY 09 Req
Activity Appropriation	557	557	557	0	557	0
FTE	0	0	0	0	0	0

Introduction

An Investment in Reinvention Fund (IRF) was established within the Working Capital Fund for the Department of Labor (DOL) in the DOL Appropriations Act of 1996. The IRF is intended to provide a self-sustaining source of financing to DOL agencies to invest in projects designed to produce measurable improvements in agency efficiency and to achieve cost savings.

For each project funded by this activity, the amount borrowed from the fund by a DOL agency must be repaid to the fund no later than September 30th of the following fiscal year, of which the project is completed. Repayments will be made from accounts anticipated to receive the greatest long-term benefit from the project at the time the loan is made. As repayments are made to the fund, new loans will be made for new projects, achieving new savings and continually replenishing the fund.

Five-Year Budget Activity History

Fiscal Year	Funding (Dollars in Thousands)	FTE
2004	557	0
2005	557	0
2006	557	0
2007	557	0
2008	557	0

FY 2009

Funding within this budget activity will be available to DOL agencies to invest in projects designed to produce improvements in agency efficiency and to achieve cost savings.

INVESTMENT IN REINVENTION

CHANGES IN FY 2009

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Built Ins Subtotal

0

Estimate

FTE

Base

557

0