

**U.S. Department of  
Transportation**

**BUDGET  
ESTIMATES  
FISCAL YEAR 2013**

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**OFFICE OF  
THE SECRETARY  
OF TRANSPORTATION**

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**SUBMITTED FOR THE USE OF  
THE COMMITTEES ON APPROPRIATIONS**

## OFFICE OF THE SECRETARY

## OVERVIEW

The Office of the Secretary (OST) requests FY 2013 resources totaling \$883 million -- \$283 million of discretionary resources and \$600 million of mandatory resources. To strengthen research functions across the Department by providing a prominent, centralized focus on research and technology, the fiscal year 2013 budget elevates all activities currently performed by the Research and Innovative Technology Administration (RITA) to a new office within the Office of the Secretary. The proposed Office of the Assistant Secretary for Research and Technology will improve coordination and collaboration among operating administrations, resulting in higher quality research outcomes.

The FY 2013 request includes:

- \$110.45 million for Salaries and Expenses for the Secretarial offices. This is \$7.969 million above the FY 2012 enacted level. Of that amount, \$2.3 million is for a new Credit Oversight Office within the Office of the Assistant Secretary for Budget and Programs and \$1.6 million will be used to implement the Department’s Environmental Sustainability Plan and to assess internal controls over acquisition activities and conduct Procurement Management Reviews of the OAs’ policies and procedures to ensure conformance with Federal and Departmental policies.
- A total of \$214 million for the Essential Air Service (EAS) program, including \$100 million of mandatory resources from overflight fees collected by the Federal Aviation Administration, reflecting a proposal to increase the mandatory funding from overflight fees from \$50 to \$100 million, and \$114 million discretionary appropriation for Payments to Air Carriers. If these funds are insufficient to meet the cost of the EAS program, the budget request proposes that amounts to cover the shortfall would be transferred from funds available in the Department. The communities eligible for the program were capped in the FY 2012 DOT Appropriations Act (P.L. 112-55).
- \$10 million for Financial Management Capital for a multi-year project to upgrade DOT’s financial systems and processes as part of the Financial Systems Modernization initiative focused on achieving three goals: (1) improving standardization and consistency through major business process reengineering, (2) improving financial data management, and (3) modernizing DOT’s financial management systems to better meet financial system standards. The initiative is structured around major targeted solution milestones, called “waves,” that allow tangible modernization to be attained throughout the project.
- \$5 million for a Livable Communities program administered by the Office of the Assistant Secretary for Transportation Policy. Funding would be used to coordinate livability and sustainability work throughout the Department and with the Environmental Protection Agency (EPA) and the Department of Housing and Urban Development (HUD). A priority in FY 2013 would be the creation of a Livability Technical Assistance and Capacity Building Pilot to provide intensive technical assistance and capacity building support, along with HUD and EPA, for selected pilot communities.

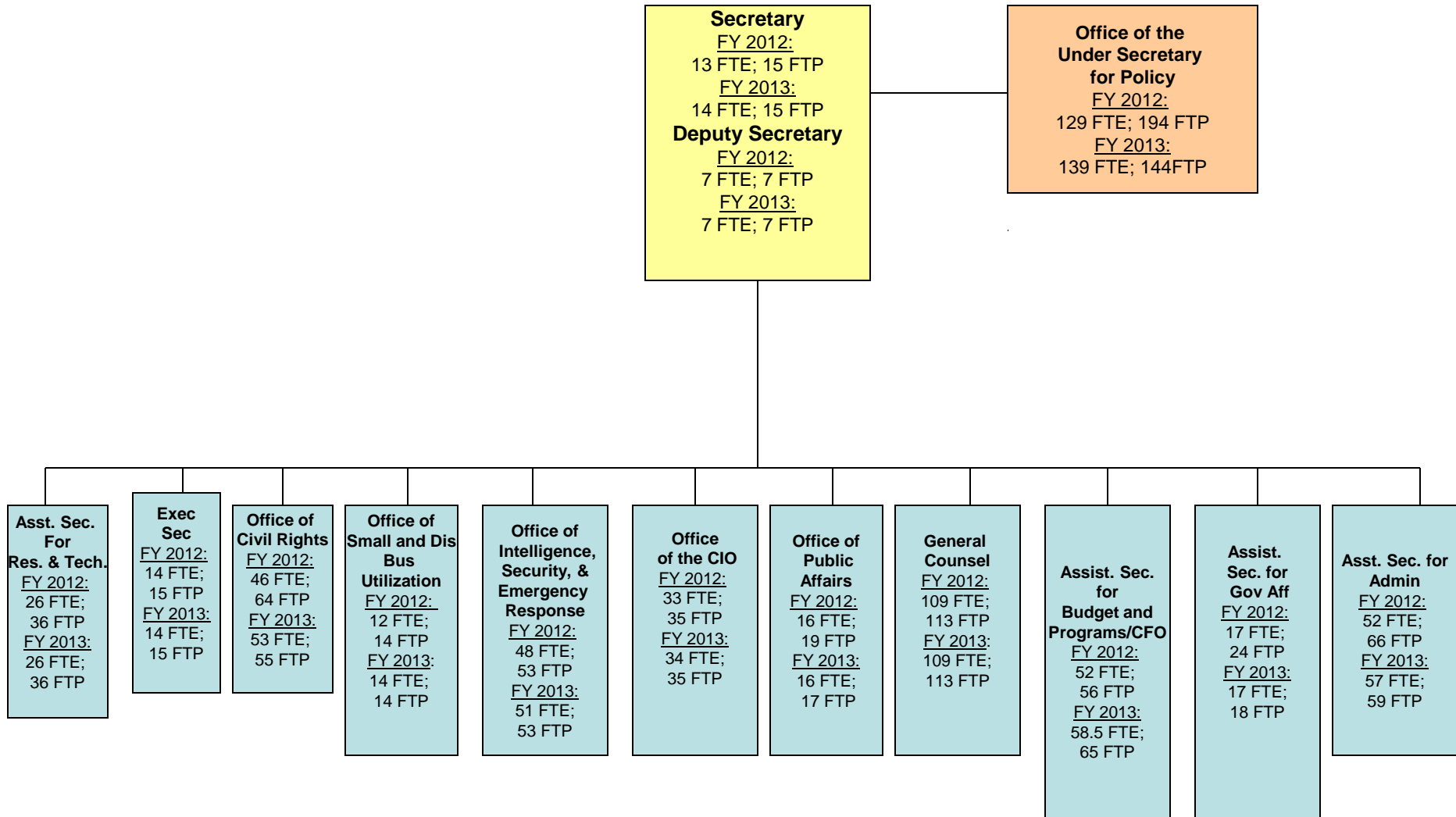
- \$10 million for the Department’s Transportation Planning, Research and Development program for activities and studies needed to support the Secretary’s responsibilities in the formulation of national transportation policies. The request includes a \$.891 million programmatic increase to upgrade the Aviation Modernization Data System software.
- \$9.773 million for the Departmental Office of Civil Rights (DOCR) to continue to support and advance internal and external civil rights initiatives, administer Federal civil rights statutes, and investigate EEO complaints.
- \$4.5 million for the Minority Business Resource Center (MRBC) and Minority Business Outreach (MBO) activities. The MBRC program is requesting a programmatic increase of \$0.353 million above FY 2012 for additional subsidy and administrative expenses to increase the amount of guaranteed loans available for small, disadvantaged, and women-owned businesses. Both the MBRC and MBO programs encourage and assist small, disadvantaged, and women-owned businesses to participate in DOT and DOT-assisted contracts and grants and provide them assistance in obtaining short-term working capital.
- \$6 million for Cyber Security Initiatives to build out and modernize the Wide Area Network (WAN) and build on and continue the accomplishments achieved with the FY 2012 appropriation. The funding will focus on the replacement and implementation of WAN infrastructure, thereby closing the Department’s most serious security performance gaps.
- \$500 million for the National Infrastructure Investment (NII) program. The FY 2013 Budget proposes \$500 million obligation limitation on the program. As part of the Surface Transportation reauthorization, the Administration is proposing \$500 million of contract authority in FY 2013 increasing to \$638 million in FY 2018 for the NII program funded from the multi-modal account in the Transportation Trust Fund.
- \$13.67 million for the Research and Development activities to be administered by a newly established Office of the Assistant Secretary for Research and Technology. About half of the funds are for salaries and expenses supporting Research and Development activities, with the remainder of the funding for Alternative Fuels Research & Development, RD&T Coordination, Nationwide Differential Global Positioning System, and Positioning, Navigation and Timing programs. In addition, the FY 2013 request for the Office of the Assistant Secretary for Research and Technology includes \$38 million for the Bureau of Transportation Statistics (BTS) transferred from the Federal Highway Administration as an allocation from the Transportation Trust Fund. That amount includes \$3 million for the re-establishment of a National Long distance Travel Data Program, \$2 million for a Safety Data and Analysis Initiative, and \$8 million for the Freight Statistics Program.

The FY 2013 request includes the following funding levels to support the Department’s key strategic objectives: \$108.261 million for Safety; \$107.236 million for Environmental Sustainability; \$103.628 million for State of Good Repair/Infrastructure; \$322.199 million for Livable Communities; \$121.510 million for Economic Competitiveness; and \$120.578 million for Organizational Excellence.

Exhibit I

U.S. Department of Transportation

Office of the Secretary – Direct Positions/FTEs



**EXHIBIT II - 1**  
**FY 2013 COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY**  
**OFFICE OF THE SECRETARY of TRANSPORTATION**  
**(\$000)**

<u>ACCOUNTS</u>	<u>FY 2011 ACTUAL</u>	<u>FY 2012 ESTIMATE</u>	<u>FY 2013 REQUEST</u>
<b><u>SALARIES &amp; EXPENSES</u></b>	<b>102,481</b>	<b>102,481</b>	<b>110,450</b>
Office of the Secretary (S-1)	2,626	2,618	2,635
Office of the Deputy Secretary (S-2)	984	984	992
Office of the Executive Secretariat (S-10)	1,655	1,595	1,701
Office of the Under Secretary for Transportation Policy (S-3)	11,078	10,107	11,248
Office of Small and Disadvantaged Business Utilization (S-40)	1,496	1,369	1,539
Office of Intelligence and Security and Emergency Response (S-60)	10,579	10,778	10,875
Office of the Chief Information Officer (S-80)	13,189	14,988	15,117
Office of the General Counsel (C)	20,318	19,515	19,615
Office of the Assistant Secretary for Governmental Affairs (I)	2,499	2,500	2,601
Office of the Assistant Secretary for Budget and Programs/CFO (B)	10,538	10,538	13,201
Office of the Assistant Secretary for Administration (M)	25,469	25,469	28,672
Office of Public Affairs (A)	2,051	2,020	2,254
<b><u>TRANSPORTATION PLANNING, RESEARCH &amp; DEVELOPMENT</u></b>	<b>9,799</b>	<b>9,000</b>	<b>10,000</b>
<b><u>OFFICE OF CIVIL RIGHTS</u></b>	<b>9,648</b>	<b>9,384</b>	<b>9,773</b>
<b><u>MINORITY BUSINESS OUTREACH</u></b>	<b>3,068</b>	<b>3,068</b>	<b>3,234</b>
<b><u>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</u></b>	<b>936</b>	<b>939</b>	<b>1,285</b>
Minority Business Resource Center Program - Discretionary	921	922	1,285
Guaranteed Loan Subsidy	352	333	418
Administrative Expenses	569	589	867
MBRC Guaranteed Loan Subsidy reestimate- Mandatory	15	17	0
(Limitation on guaranteed loans)	[18,367]	[18,367]	[21,955]
<b><u>FINANCIAL MANAGEMENT CAPITAL</u></b>	<b>4,990</b>	<b>4,990</b>	<b>10,000</b>
<b><u>ESSENTIAL AIR SERVICE PROGRAM</u></b>	<b>199,700</b>	<b>193,000</b>	<b>214,000</b>
Payments to Air Carriers ( <i>Airport &amp; Airway Trust Fund</i> ) - Discretionary	149,700	143,000	114,000
Essential Air Service - Mandatory	50,000	50,000	100,000
<b><u>COMPENSATION FOR GENERAL AVIATION OPERATIONS (discretionary)</u></b>	<b>0</b>	<b>-3,254</b>	<b>0</b>
<b><u>LIVABLE COMMUNITIES</u></b>	<b>0</b>	<b>0</b>	<b>5,000</b>
<b><u>NATIONAL INFRASTRUCTURE INVESTMENT PROGRAM (NII)</u></b>	<b>526,944</b>	<b>500,000</b>	<b>500,000</b>
NII - Mandatory (General Fund Appropriations)	526,944	500,000	-
NII - Mandatory (Trust Fund Contract Authority)	0	0	500,000
NII - Mandatory (Trust Fund Obligation Limitation)	0	0	[500,000]
<b><u>CYBER SECURITY INITIATIVES</u></b>	<b>0</b>	<b>10,000</b>	<b>6,000</b>
<b><u>WORKING CAPITAL FUND (Obligation Limitation)</u></b>	<b>[147,596]</b>	<b>[172,000]</b>	<b>[0]</b>
<b><u>OFFICE OF THE ASST. SEC. FOR RESEARCH &amp; TECHNOLOGY</u></b>	<b>12,981</b>	<b>15,981</b>	<b>13,670</b>
Research & Development	12,981	15,981	13,670
Bureau of Transportation Statistics - Trust Fund Allocation	[27,000]	[25,206]	[38,000]
<b>SUBTOTAL</b>	<b>870,547</b>	<b>845,589</b>	<b>883,412</b>
<b><u>IMMEDIATE TRANSPORTATION INVESTMENT</u></b>	<b>0</b>	<b>4,000,000</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>870,547</b>	<b>4,845,589</b>	<b>883,412</b>
Appropriations - Budget Authority	870,547	4,848,843	383,412
Contract Authority	0	0	500,000
Rescissions	0	(3,254)	0

**EXHIBIT II - 2**  
**FY 2013 TOTAL BUDGETARY RESOURCES BY APPROPRIATION ACCOUNT**  
**OFFICE OF THE SECRETARY of TRANSPORTATION**  
**Appropriations, Obligations Limitations, Exempt Obligations, Mandatory EAS, MBRC Reestimate, and NII**

(\$000)

<u>ACCOUNTS</u>	<u>FY 2011 ACTUAL</u>	<u>FY 2012 ESTIMATE</u>	<u>FY 2013 REQUEST</u>
<b><u>SALARIES &amp; EXPENSES</u></b>	<b>102,481</b>	<b>102,481</b>	<b>110,450</b>
Office of the Secretary (S-1)	2,626	2,618	2,635
Office of the Deputy Secretary (S-2)	984	984	992
Office of the Executive Secretariat (S-10)	1,655	1,595	1,701
Office of the Under Secretary for Transportation Policy (S-3)	11,078	10,107	11,248
Office of Small and Disadvantaged Business Utilization (S-40)	1,496	1,369	1,539
Office of Intelligence and Security and Emergency Response (S-60)	10,579	10,778	10,875
Office of the Chief Information Officer (S-80)	13,189	14,988	15,117
Office of the General Counsel (C)	20,318	19,515	19,615
Office of the Assistant Secretary for Governmental Affairs (I)	2,499	2,500	2,601
Office of the Assistant Secretary for Budget and Programs/CFO (B)	10,538	10,538	13,201
Office of the Assistant Secretary for Administration (M)	25,469	25,469	28,672
Office of Public Affairs (A)	2,051	2,020	2,254
<b><u>TRANSPORTATION PLANNING, RESEARCH &amp; DEVELOPMENT</u></b>	<b>9,799</b>	<b>9,000</b>	<b>10,000</b>
<b><u>OFFICE OF CIVIL RIGHTS</u></b>	<b>9,648</b>	<b>9,384</b>	<b>9,773</b>
<b><u>MINORITY BUSINESS OUTREACH</u></b>	<b>3,068</b>	<b>3,068</b>	<b>3,234</b>
<b><u>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</u></b>	<b>936</b>	<b>939</b>	<b>1,285</b>
Minority Business Resource Center Program - Discretionary	921	922	1,285
Guaranteed Loan Subsidy	352	333	418
Administrative Expenses	569	589	867
MBRC Guaranteed Loan Subsidy reestimate- Mandatory (Limitation on guaranteed loans)	15 [18,367]	17 [18,367]	0 [21,955]
<b><u>FINANCIAL MANAGEMENT CAPITAL</u></b>	<b>4,990</b>	<b>4,990</b>	<b>10,000</b>
<b><u>ESSENTIAL AIR SERVICE PROGRAM:</u></b>	<b>199,700</b>	<b>193,000</b>	<b>214,000</b>
Payments to Air Carriers ( <i>Airport &amp; Airway Trust Fund</i> ) - Discretionary	149,700	143,000	114,000
Essential Air Service - Mandatory	50,000	50,000	100,000
<b><u>COMPENSATION FOR GENERAL AVIATION OPERATIONS (discretionary)</u></b>	<b>0</b>	<b>-3,254</b>	<b>0</b>
<b><u>LIVABLE COMMUNITIES</u></b>	<b>0</b>	<b>0</b>	<b>5,000</b>
<b><u>NATIONAL INFRASTRUCTURE INVESTMENT PROGRAM (NII)</u></b>	<b>526,944</b>	<b>500,000</b>	<b>500,000</b>
NII - Mandatory (General Fund Appropriations)	526,944	500,000	0
NII - Mandatory (Trust Fund Contract Authority)	0	0	500,000
NII - Mandatory (Trust Fund Obligation Limitation)	0	0	[500,000]
<b><u>CYBER SECURITY INITIATIVES</u></b>	<b>0</b>	<b>10,000</b>	<b>6,000</b>
<b><u>WORKING CAPITAL FUND (Obligation Limitation)</u></b>	<b>[147,596]</b>	<b>[172,000]</b>	<b>[0]</b>

**EXHIBIT II-2**  
**FY 2013 TOTAL BUDGETARY RESOURCES BY APPROPRIATION ACCOUNT**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**Appropriations, Obligation Limitations, Exempt Obligations, Mandatory EAS, MBRC Reestimate, and NII**

<u>ACCOUNTS</u>	<u>FY 2011 ACTUAL</u>	<u>FY 2012 ESTIMATE</u>	<u>FY 2013 TOTAL REQUEST</u>
<b><u>OFFICE OF THE ASST. SEC. FOR RESEARCH &amp; TECHNOLOGY</u></b>	<b><u>12,981</u></b>	<b><u>15,981</u></b>	<b><u>13,670</u></b>
Salaries and Administrative Expenses	6,957	6,974	6,717
Alternative Fuels Research & Development (R&D)	499	499	499
RD&T Coordination	535	509	509
Nationwide Differential Global Positioning System	4,591	7,600	5,600
Positioning, Navigation and Timing (PNT)	399	399	345
<b><u>Allocation/Reimbursable/Other Programs:</u></b>	<b><u>[478,921]</u></b>	<b><u>[466,561]</u></b>	<b><u>[538,000]</u></b>
Bureau of Transportation Statistics	[27,000]	[25,206]	[38,000]
Competitive University Transportation Center (UTC)			
Consortia (FHWA)	[73,061]	[69,901]	[72,000]
Competitive University Transportation Center (UTC)			
Consortia (FTA)	[7,000]	[4,000]	[8,000]
Multimodal Innovative Research Program	[0]	[0]	[20,000]
University Transportation Center (UTC) Multimodal Competitive Research Grants	[0]	[0]	[20,000]
Transportation Safety Institute	[20,000]	[20,000]	[20,000]
Volpe National Transportation Systems Center	[250,000]	[250,000]	[250,000]
Intelligent Transportation Systems: Core Program	[101,860]	[97,454]	[110,000]
<b>SUBTOTAL</b>	<b><u>870,547</u></b>	<b><u>845,589</u></b>	<b><u>883,412</u></b>
<b><u>IMMEDIATE TRANSPORTATION INVESTMENT</u></b>	<b><u>0</u></b>	<b><u>4,000,000</u></b>	<b><u>0</u></b>
<b>GRAND TOTAL</b>	<b><u>870,547</u></b>	<b><u>4,845,589</u></b>	<b><u>883,412</u></b>

**EXHIBIT II-3**  
**FY 2013 BUDGET REQUEST BY DOT STRATEGIC AND ORGANIZATIONAL GOALS**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**Appropriation, Obligation Limitations, and Exempt Obligations**  
**(\$000)**

ACCOUNTS	Safety	Environmental Sustainability	State of Good Repair/ Infrastructure	Livable Communities	Economic Competitiveness	Organizational Excellence	Total
<b>Salaries &amp; Expenses</b>	227	2,774	1,553	2,224	9,415	94,257	110,450
Office of the Secretary (S-1)						2,635	2,635
Office of the Deputy Secretary (S-2)						992	992
Office of the Executive Secretariat (S-10)						1,701	1,701
Office of the Under Secretary for Transportation Policy (S-3)	227	1,135	1,553	2,224	1,932	4,177	11,248
Office of Small and Disadvantaged Business Utilization (S-40)					1,539		1,539
Office of Intelligence and Security and Emergency Response (S-60)						10,875	10,875
Office of the Chief Information Officer (S-80)						15,117	15,117
Office of the General Counsel (C)					5,944	13,671	19,615
Office of the Assistant Secretary for Governmental Affairs (I)						2,601	2,601
Office of the Assistant Secretary for Budget and Programs/CFO (B)						13,201	13,201
Office of the Assistant Secretary for Administration (M)		1,639				27,033	28,672
Office of Public Affairs (A)					-	2,254	2,254
Acquisition Workforce Development						-	-
<b>TRANSPORTATION PLANNING, RESEARCH &amp; DEVELOPMENT</b>	200	1,800	1,200	100	6,700	-	10,000
<b>OFFICE OF CIVIL RIGHTS</b>						9,773	9,773
<b>MINORITY BUSINESS OUTREACH</b>					3,234		3,234
<b>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</b>					1,285		1,285
<b>FINANCIAL MANAGEMENT CAPITAL</b>						10,000	10,000
<b>ESSENTIAL AIR SERVICE PROGRAM</b>				214,000			214,000
Payments to Air Carriers				114,000			114,000
Essential Air Service				100,000			100,000
<b>COMPENSATION FOR GENERAL AVIATION OPERATIONS</b>				0			0
<b>LIVABLE COMMUNITIES</b>				5,000			5,000
<b>NATIONAL INFRASTRUCTURE INVESTMENT PROGRAM</b>	100,000	100,000	100,000	100,000	100,000		500,000
<b>CYBER SECURITY INITIATIVES</b>						6,000	6,000
<b>ASSISTANT SECRETARY FOR RESEARCH AND DEVELOPMENT 1/</b>	7,934	2,662	875	875	876	548	13,670
<b>TOTAL</b>	108,261	107,236	103,628	322,199	121,510	120,578	883,412

1/ See attached sheets for details



Exhibit II-3

FY 2013 BUDGET REQUEST BY DOT STRATEGIC AND ORGANIZATIONAL GOALS  
OFFICE OF THE SECRETARY OF TRANSPORTATION

OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY  
(\$000)

	Safety	Environmental Sustainability	State of Good Repair/ Infrastructure	Livable Communities	Economic Competitiveness	Organizational Excellence	Total
<b>Research and Development<sup>1/</sup></b>							
Alternative Fuels Research and Development (R&D)	-	1,487	-	-	-	-	1,487
<b>RD&amp;T Coordination</b>	877	875	875	875	876	548	4,926
Planning & Coordination	549	548	548	548	549	548	3,289
Research Clusters	109	109	109	109	109	-	546
U.S. DOT Research Hub/Knowledge Management System	55	55	55	55	55	-	273
Education & Outreach	109	109	109	109	109	-	546
Technology Transfer	55	55	55	55	55	-	273
<b>Nationwide Differential Global Positioning System (NDGPS)</b>	6,256	-	-	-	-	-	6,256
Positioning, Navigation and Timing (PNT)	701	300	-	-	-	-	1,001
Competitive University Transportation Center (UTC) Consortia (FHWA)	[13,824]	[13,824]	[13,824]	[13,824]	[13,824]	[2,880]	[72,000]
Competitive University Transportation Center (UTC) Consortia (FTA)	[1,536]	[1,536]	[1,536]	[1,536]	[1,536]	[320]	[8,000]
<b>Multimodal Innovative Research Program</b>	[3,840]	[3,840]	[3,840]	[3,840]	[3,840]	[800]	[20,000]
University Transportation Center (UTC) Multimodal Competitive Research Grants	[3,840]	[3,840]	[3,840]	[3,840]	[3,840]	[800]	[20,000]
<b>Intelligent Transportation Systems: Core Program</b>	[61,420]	[3,250]	[20,410]	[3,290]	[21,630]	-	[110,000]
Research	[61,420]	[3,250]	[0]	[3,290]	[21,630]	-	[89,590]
Applications	[46,020]	[3,250]	-	-	[20,960]	-	[70,230]
Technology	[9,400]	-	-	-	-	-	[9,400]
Policy	[6,000]	-	-	-	-	-	[6,000]
Mode Specific	-	-	-	[1,000]	-	-	[1,000]
Exploratory	-	-	-	-	[670]	-	[670]
Other/Legacy Initiatives	-	-	-	[2,290]	-	-	[2,290]
Technology Transfer & Evaluation	-	-	[15,410]	-	-	-	[15,410]
<b>Program Support</b>	-	-	[5,000]	-	-	-	[5,000]
<b>Bureau of Transportation Statistics<sup>2/</sup></b>	[10,130]	[4,144]	[5,997]	[4,379]	[12,194]	[1,156]	[38,000]
Safety Data and Analysis	[3,053]	-	-	-	-	-	[3,053]
Travel Statistics	[694]	[1,378]	[792]	[1,525]	[1,525]	[129]	[6,043]
Freight Statistics	[4,432]	[1,265]	[3,166]	[634]	[6,330]	[203]	[16,030]
Transportation Economics	-	-	-	-	[1,940]	-	[1,940]
Geospatial Information Systems	[250]	[250]	[250]	[520]	[250]	-	[1,520]
Transportation Analysis, Data Quality and Performance Metrics	[1,349]	[899]	[1,438]	[1,348]	[1,798]	[442]	[7,274]
National Transportation Library	[352]	[352]	[351]	[352]	[351]	[382]	[2,140]
<b>Airline Transportation Statistics<sup>3/</sup></b>	[400]	[400]	[400]	[400]	[3,000]	[400]	[5,000]
<b>TOTAL</b>	7,834	2,662	875	875	876	548	13,670

<sup>1/</sup> R&D FTE are distributed based on actual FTE allocated to the program.

<sup>2/</sup> BTS FTE are distributed proportionately among each goal.

<sup>3/</sup> Airline Transportation Statistics FTE is distributed proportionately among each goal.

**EXHIBIT II-3a**  
**FY 2013 BUDGET REQUEST BY DOT OUTCOMES**  
**OFFICE OF THE SECRETARY of TRANSPORTATION**  
**(\$000)**

DOT Outcome	Program	FY 2013 Request
<b>SAFETY</b>		<b>108,261</b>
Other	Transportation Planning, Research & Development	200
	Office of the Under Secretary for Transportation Policy (S-3)	227
(See attached sheets for details)	Office of the Asst. Secretary for Research and Development	7,834
	National Infrastructure Program	100,000
<b>ENVIRONMENTAL SUSTAINABILITY</b>		<b>107,236</b>
Environmentally sustainable practices in DOT services and facilities	Office of the Assistant Secretary for Administration (M)	1,639
Other	Transportation Planning, Research & Development	1,800
	Office of the Under Secretary for Transportation Policy (S-3)	1,135
(See attached sheets for details)	Office of the Asst. Secretary for Research and Development	2,662
	National Infrastructure Program	100,000
<b>STATE OF GOOD REPAIR/INFRASTRUCTURE</b>		<b>103,628</b>
Other	TPR&D	1,200
	Office of the Under Secretary for Transportation Policy (S-3)	1,553
	National Infrastructure Program	100,000
(See attached sheets for details)	Office of the Asst. Secretary for Research and Development	875
<b>LIVABLE COMMUNITIES</b>		<b>322,199</b>
Convenient and affordable choices	Essential Air Services Program	100,000
	Payment to Air Carriers	114,000
Other	Livable Communities	5,000
	TPR&D	100
	Office of the Under Secretary for Transportation Policy (S-3)	2,224
	National Infrastructure Program	100,000
(See attached sheets for details)	Office of the Asst. Secretary for Research and Development	875
<b>ECONOMIC COMPETITIVENESS</b>		<b>121,510</b>
Competitive transportation system	Office of General Counsel (C)- Aviation Enforcement Program	5,944
Expanded opportunities for businesses	Office of Small and Disadvantaged Business Utilization (S-40)	1,539
	Minority Business Outreach	3,234
	Minority Business Resource Center Program	1,285
Other	Transportation Planning, Research & Development	6,700
	Office of the Under Secretary for Transportation Policy (S-3)	1,932
	National Infrastructure Program	100,000
(See attached sheets for details)	Office of the Asst. Secretary for Research and Development	876
<b>ORGANIZATIONAL EXCELLENCE</b>		<b>120,578</b>
	Office of the Secretary (S-1)	2,635
	Office of the Deputy Secretary (S-2)	992
	Office of the Executive Secretariat (S-10)	1,701
	Office of the Under Secretary for Transportation Policy (S-3)	4,177
	Office of Small and Disadvantaged Business Utilization (S-40)	-
	Office of Intelligence and Security and Emergency Response (S-60)	10,875
	Office of the Chief Information Officer (S-80)	15,117
	Office of the General Counsel (C)	13,671
	Office of the Assistant Secretary for Governmental Affairs (I)	2,601
	Office of the Assistant Secretary for Budget and Programs/CFO (B)	13,201
	Office of the Assistant Secretary for Administration (M)	27,033
	Office of Public Affairs (A)	2,254
	Transportation Planning, Research & Development	-
	Office of Civil Rights	9,773
	Financial Management Capital	10,000
	Cyber Security/IT Initiative	6,000
(See attached sheets for details)	Office of the Asst. Secretary for Research and Development	548
<b>Total</b>		<b>883,412</b>

Exhibit II-3a FY 2013 BUDGET REQUEST BY DOT OUTCOMES OFFICE OF THE SECRETARY OF TRANSPORTATION		
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY (\$000)		
DOT Outcome	Program	FY 2013 Request
<b>SAFETY</b>		<b>7,834</b>
Reduction in injuries and fatalities	BTS Program - Safety Data Analysis (primary)	[1,985]
	BTS Program - Travel statistics (secondary)	[694]
	BTS Program - Freight Statistics (secondary)	[4,433]
	BTS Program - Geospatial Information Systems (secondary)	[250]
	BTS Program - Transportation Analysis, Data Quality, and Performance Metrics (secondary)	[1,349]
	RD&T Program - Planning & Coordination (primary)	275
	RD&T Program - Research Clusters	55
	RD&T Program - U.S. DOT Research Hub/Knowledge Management System (primary)	27
	RD&T Program - Education & Outreach (primary)	55
	RD&T Program - Technology Transfer (primary)	27
	Nationwide Differential Global Positioning System (primary)	6,256
	Positioning, Navigation, and Timing	701
	ITS - Multi-modal Research Applications	[46,020]
	ITS - Multi-modal Research Technology	[9,400]
	ITS - Multi-modal Research Policy	[6,000]
Improved safety experience	BTS Program - Safety Data Analysis (secondary)	[1,067]
	RD&T Program - Planning & Coordination (secondary)	274
	RD&T Program - Research Clusters	55
	RD&T Program - U.S. DOT Research Hub/Knowledge Management System (secondary)	27
	RD&T Program - Education & Outreach (secondary)	55
	RD&T Program - Technology Transfer (secondary)	27
	BTS Program - Airline Transportation Statistics	[400]
Other	BTS Program - National Transportation Library (secondary)	[352]
<b>ENVIRONMENTAL SUSTAINABILITY</b>		<b>2,662</b>
Reduced carbon/emissions and dependence on fossil fuels and improved energy efficiency	BTS Program - Travel Statistics (secondary)	[1,377]
	BTS Program - Freight Statistics (secondary)	[949]
	BTS Program - Geospatial Information statistics (secondary)	[250]
	BTS Program - Transportation Analysis, Data Quality and Performance Metrics (secondary)	[899]
	RD&T Program - Alternative Fuels (primary)	1,487
	RD&T Program - Planning & Coordination (primary)	273
	RD&T Program - Research Clusters	55
	RD&T Program - U.S. DOT Research Hub/Knowledge Management System (primary)	27
	RD&T Program - Education & Outreach (primary)	55
	RD&T Program - Technology Transfer (primary)	27
	Positioning, Navigation, and Timing (secondary)	300
Reduced pollution impacts on ecosystems	ITS - Multi-modal Research Applications	[3,250]
Environmentally sustainable practices and materials in transportation	BTS Program - Freight Statistics (secondary)	[317]
	RD&T Program - Planning & Coordination (secondary)	274
	RD&T Program - Research Clusters	55
	RD&T Program - U.S. DOT Research Hub/Knowledge Management System (secondary)	27
	RD&T Program - Education & Outreach (secondary)	55
	RD&T Program - Technology Transfer (secondary)	27
	BTS Program - Airline Transportation Statistics	[400]

**Exhibit II-3a  
FY 2013 BUDGET REQUEST BY DOT OUTCOMES  
OFFICE OF THE SECRETARY OF TRANSPORTATION**

**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY  
(\$000)**

<b>DOT Outcome</b>	<b>Program</b>	<b>FY 2013 Request</b>
<b>Environmentally sustainable practices in DOT services and facilities</b>		
<b>Other</b>	BTS Program - National Transportation Library	[352]
<b>STATE OF GOOD REPAIRS/INFRASTRUCTURE</b>		<b>875</b>
	BTS Program - Travel Statistics (secondary)	[792]
	BTS Program - Freight Statistics (secondary)	[3,166]
	BTS Program - Geospatial Information Systems	[250]
	BTS Program - Transportation Analysis, Data Quality and Performance Metrics (secondary)	[1,438]
	BTS Program - National Transportation Library (secondary)	[351]
	ITS - Technology Transfer & Evaluation	[15,410]
	ITS - Program Support	[5,000]
	RD&T Program - Planning & Coordination	469
	RD&T Program - Research Clusters	135
	RD&T Program - U.S. DOT Research Hub/Knowledge Management System (primary)	68
	RD&T Program - Education & Outreach	135
	RD&T Program - Technology Transfer (secondary)	68
	BTS Program - Airline Transportation Statistics	[400]
<b>LIVABLE COMMUNITIES</b>		<b>875</b>
<b>Convenient and affordable choices</b>		
	BTS Program - Travel Statistics (primary)	[974]
	BTS Program - Geospatial Information Systems (primary)	[444]
	RD&T Program - Planning & Coordination (primary)	469
	RD&T Program - Research Clusters	135
	RD&T Program - U.S. DOT Research Hub/Knowledge Management System (primary)	68
	RD&T Program - Education & Outreach (primary)	135
	RD&T Program - Technology Transfer (primary)	68
	BTS Program - Airline Transportation Statistics	[400]
	ITS - Mode Specific Research	[1,000]
	ITS - Other Legacy Initiatives	[2,290]
<b>Improved public transit experience</b>	BTS Program - Travel Statistics (secondary)	[974]
<b>Improved networks that accommodate pedestrians and bicycles</b>		
<b>Improved access for special needs populations</b>		
<b>Other</b>		
	BTS Program - Freight Statistics (secondary)	[539]
	BTS Program - Transportation Analysis, Data Quality and Performance Metrics (secondary)	[1,148]
	BTS Program - National Transportation Library (secondary)	[300]
<b>ECONOMIC COMPETITIVENESS</b>		<b>876</b>
<b>Maximize economic returns</b>		
	BTS Program - Travel Statistics (secondary)	[614]
	BTS Program - Freight Statistics (primary)	[5,307]
	BTS Program - Transportation Economics (primary)	[2,032]
	BTS Program - Geospatial Information Systems (secondary)	[262]
	BTS Program - National Transportation Library (secondary)	[368]
	BTS Program - Airline Transportation Statistics	[400]

Exhibit II-3a  
**FY 2013 BUDGET REQUEST BY DOT OUTCOMES**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY**  
(\$000)

DOT Outcome	Program	FY 2013 Request
Competitive transportation system	BTS Program - Travel Statistics (secondary)	[399]
	BTS Program - Transportation Analysis, Data Quality and Performance Metrics (primary)	[1,884]
	RD&T Program - Planning & Coordination (primary)	274
	RD&T Program - Research Clusters	55
	RD&T Program - U.S. DOT Research Hub/Knowledge Management System (primary)	27
	RD&T Program - Education & Outreach (primary)	55
	RD&T Program - Technology Transfer (secondary)	27
	BTS Program - Airline Transportation Statistics	[3,000]
	ITS - Multi-modal Research Applications	[20,960]
	ITS - Exploratory Research	[670]
Advance U.S. transportation interests abroad	BTS Program - Freight Statistics (secondary)	[1,328]
Expanded opportunities for businesses	RD&T Program - Planning & Coordination (secondary)	274
	RD&T Program - Research Clusters	55
	RD&T Program - U.S. DOT Research Hub/Knowledge Management System (secondary)	27
	RD&T Program - Education & Outreach (secondary)	55
	RD&T Program - Technology Transfer (primary)	27
	BTS Program - Airline Transportation Statistics	[400]
<b>ORGANIZATIONAL EXCELLENCE</b>		<b>548</b>
	BTS Program - Travel Statistics (secondary)	[129]
	BTS Program - Freight Statistics (secondary)	[203]
	BTS Program - Transportation Analysis, Data Quality and Performance Metrics (secondary)	[442]
	BTS Program - National Transportation Library (primary)	[382]
	RD&T Program - Planning & Coordination (secondary)	548
	BTS Program - Airline Transportation Statistics	[400]
<b>TOTAL</b>		<b>13,670</b>
<b>Notes:</b>		
* RD&T direct FTE are distributed based on actual FTE allocated to the program.		
* Airline Transportation Statistics FTE are distributed proportionately among each goal.		
* BTS FTE are distributed proportionately among each goal.		

**EXHIBIT II - 4**  
**FY 2013 BUDGET AUTHORITY**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**(\$000)**

<u>ACCOUNTS</u>	<u>FY 2011 ACTUAL</u>	<u>FY 2012 ESTIMATE</u>	<u>FY 2013 REQUEST</u>
<b><u>SALARIES &amp; EXPENSES</u></b>	<b>102,481</b>	<b>102,481</b>	<b>110,450</b>
Office of the Secretary (S-1)	2,626	2,618	2,635
Office of the Deputy Secretary (S-2)	984	984	992
Office of the Executive Secretariat (S-10)	1,655	1,595	1,701
Office of the Under Secretary for Transportation Policy (S-3)	11,078	10,107	11,248
Office of Small and Disadvantaged Business Utilization (S-40)	1,496	1,369	1,539
Office of Intelligence and Security and Emergency Response (S-60)	10,579	10,778	10,875
Office of the Chief Information Officer (S-80)	13,189	14,988	15,117
Office of the General Counsel (C)	20,318	19,515	19,615
Office of the Assistant Secretary for Governmental Affairs (I)	2,499	2,500	2,601
Office of the Assistant Secretary for Budget and Programs/CFO (B)	10,538	10,538	13,201
Office of the Assistant Secretary for Administration (M)	25,469	25,469	28,672
Office of Public Affairs (A)	2,051	2,020	2,254
<b><u>TRANSPORTATION PLANNING, RESEARCH &amp; DEVELOPMENT</u></b>	<b>9,799</b>	<b>9,000</b>	<b>10,000</b>
<b><u>OFFICE OF CIVIL RIGHTS</u></b>	<b>9,648</b>	<b>9,384</b>	<b>9,773</b>
<b><u>MINORITY BUSINESS OUTREACH</u></b>	<b>3,068</b>	<b>3,068</b>	<b>3,234</b>
<b><u>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</u></b>	<b>936</b>	<b>939</b>	<b>1,285</b>
Minority Business Resource Center Program - Discretionary	921	922	1,285
Guaranteed Loan Subsidy	352	333	418
Administrative Expenses	569	589	867
MBRC Guaranteed Loan Subsidy reestimate- Mandatory (Limitation on guaranteed loans)	15 [18,367]	17 [18,367]	0 [21,955]
<b><u>FINANCIAL MANAGEMENT CAPITAL</u></b>	<b>4,990</b>	<b>4,990</b>	<b>10,000</b>
<b><u>ESSENTIAL AIR SERVICE PROGRAM</u></b>	<b>199,700</b>	<b>193,000</b>	<b>214,000</b>
Payments to Air Carriers ( <i>Airport &amp; Airway Trust Fund</i> ) - Discretionary	149,700	143,000	114,000
Essential Air Service - Mandatory	50,000	50,000	100,000
<b><u>COMPENSATION FOR GENERAL AVIATION OPERATIONS (discretionary)</u></b>	<b>0</b>	<b>-3,254</b>	<b>0</b>
<b><u>LIVABLE COMMUNITIES</u></b>	<b>0</b>	<b>0</b>	<b>5,000</b>
<b><u>NATIONAL INFRASTRUCTURE INVESTMENT PROGRAM (NII)</u></b>	<b>526,944</b>	<b>500,000</b>	<b>500,000</b>
NII - Mandatory (Trust Fund Obligation Limitation)	[0]	[0]	[500,000]
<b><u>CYBER SECURITY INITIATIVES</u></b>	<b>0</b>	<b>10,000</b>	<b>6,000</b>
<b><u>WORKING CAPITAL FUND</u></b>	<b>[147,596]</b>	<b>[172,000]</b>	<b>[0]</b>
<b><u>OFFICE OF THE ASST. SEC. FOR RESEARCH &amp; TECHNOLOGY</u></b>	<b>12,981</b>	<b>15,981</b>	<b>13,670</b>
Research & Development	12,981	15,981	13,670
Bureau of Transportation Statistics (HTF) - Allocation	[27,000]	[25,206]	[38,000]
<b>SUBTOTAL</b>	<b>870,547</b>	<b>845,589</b>	<b>883,412</b>
<b><u>IMMEDIATE TRANSPORTATION INVESTMENT</u></b>	<b>0</b>	<b>4,000,000</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>870,547</b>	<b>4,845,589</b>	<b>883,412</b>
[Discretionary]	293,588	295,572	283,412
[Mandatory]	50,015	4,050,017	600,000
<b><u>PROPRIETARY AND OTHER GOVERNMENTAL RECIEPTS:</u></b>			
MBRC Guaranteed Loans Downward Subsidy Reestimate	47	71	-

**EXHIBIT II-5**  
**FY 2013 OUTLAYS**  
**OFFICE OF THE SECRETARY of TRANSPORTATION**  
**(\$000)**

ACCOUNT	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
Salaries & Expenses	84,824	144,694	109,653
Transportation Planning, Research & Development	17,919	21,661	16,565
Office of Civil Rights	8,107	10,848	9,740
Minority Business Outreach	4,445	15,172	3,218
MBRC Program (loan subsidy & admin)	624	1,368	1,284
Financial Management Capital	2,707	14,474	8,998
Payments to Air Carriers	135,478	149,073	125,600
Livable Communities	0	0	2,000
New Headquarters Building	517	2,670	0
ARRA - National Surface Transportation System	235,376	504,861	420,000
National Infrastructure Investment	0	0	0
Cyber Security Initiatives	0	9,000	6,400
Research & Development	47,702	68,427	13,901
VOLPE National Transportation Systems Center	-13,365	123,000	0
Working Capital Fund	-50,259	117,671	-3,000
<b>Subtotal, Discretionary</b>	<b>474,075</b>	<b>1,182,918</b>	<b>714,359</b>
<i>MBRC Guaranteed Loan Subsidy Upward Reestimate [mandatory]</i>	<i>15</i>	<i>17</i>	<i>0</i>
<i>Essential Air Service &amp; Rural Airport Funding [mandatory]</i>	<i>62,307</i>	<i>53,954</i>	<i>80,000</i>
<i>Compensation for Air Carriers [mandatory]</i>	<i>-914</i>	<i>0</i>	<i>0</i>
<i>Compensation for General Aviation Operations</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>National Infrastructure Investment [mandatory]</i>	<i>33,317</i>	<i>103,711</i>	<i>319,658</i>
<i>Immediate Transportation Investment</i>	<i>0</i>	<i>0</i>	<i>40,000</i>
<b>Subtotal, Mandatory</b>	<b>94,725</b>	<b>157,682</b>	<b>439,658</b>
<b>Grand Total</b>	<b>568,800</b>	<b>1,340,601</b>	<b>1,154,017</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**SALARIES AND EXPENSES**  
 Grand Total  
 (\$'000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Reti/WCF Workers Comp Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	534	0	0	0	0	0	0	534	9	-52	491
FTEs	447.00	0.00	0.00	0.00	0.00	0.00	0.00	447.00	4.50	17.00	468.50
Reimbursable Positions	22	0	0	0	0	0	0	22	1	-5	18
FTEs	17.00	0.00	0.00	0.00	0.00	0.00	0.00	17.00	0.50	-1.00	16.50
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	65,860,462	0.000	1,805	0.000	236,682	233,702	74,274	66,406,925	677,158	0.000	67,084,083
- WCF Non-Add (Transit Benefits)	(360,878)	0.000	(1,805)	0.000	0.000	0.000	(3,340)	(366,023)	(7,559)	0.000	(373,582)
Travel	1,621,727	0.000	8,109	0.000	0.000	0.000	0.000	1,629,836	10,000	0.000	1,639,836
Transportation	3,000	0.000	0.015	0.000	0.000	0.000	0.000	3,015	0.000	0.000	3,015
GSA Rent	9,450,786	0.000	47,254	0.000	0.000	0.000	0.850	9,498,890	0.000	0.000	9,498,890
Communications and Utilities	109,322	0.000	0.546	0.000	0.000	0.000	0.000	109,868	0.000	0.000	109,868
Printing and Reproduction	297,376	0.000	1,487	0.000	0.000	0.000	0.000	298,863	0.000	0.000	298,863
Other Services:	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Consultant Services	15,102,348	0.000	75,511	0.000	0.000	0.000	0.000	15,171,603	36,338	0.000	15,207,941
- Working Capital Fund	9,826,126	0.000	49,129	0.000	0.000	0.000	533,744	9,875,255	5,977,705	-14,857	15,838,103
- Other Contractual Services	201,853	0.000	1,010	0.000	0.000	0.000	0.000	202,863	5,000	0.000	207,863
Supplies and Materials	8,000	0.000	0.040	0.000	0.000	0.000	0.000	8,040	13,500	0.000	21,540
Equipment											
<b>Administrative Subtotal</b>	<b>102,481,000</b>	<b>0.000</b>	<b>184,906</b>	<b>0.000</b>	<b>236,682</b>	<b>233,702</b>	<b>608,868</b>	<b>103,745,158</b>	<b>6,719,699</b>	<b>-14,857</b>	<b>110,450,000</b>
<b>PROGRAM EXPENSES</b>											
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>102,481,000</b>	<b>0.000</b>	<b>184,906</b>	<b>0.000</b>	<b>236,682</b>	<b>233,702</b>	<b>608,868</b>	<b>103,745,158</b>	<b>6,719,699</b>	<b>-14,857</b>	<b>110,450,000</b>



**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**TRANSPORTATION PLANNING RESEARCH AND DEVELOPMENT**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	33							33			33
FTEs	31							31.00		1.00	32.00
Reimbursable Positions	0							0			0
FTEs	0							0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	5,491,010	0.000	0.118	0.000	19,293	21,000	-2,015	5,529,406	0.000	0.000	5,529,406
Travel	(33,445)	0.000	(0.118)	0.000	0.000	0.000	2,015	(31,548)	0.000	0.000	(31,548)
Transportation	151,765	0.000	0.759	0.000	0.000	0.000	0.000	152,514	0.000	0.000	152,514
GSA Rent	1,010	0.000	0.005	0.000	0.000	0.000	0.000	1,015	0.000	0.000	1,015
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:	19,544	0.000	0.098	0.000	0.000	0.000	0.000	19,642	0.000	0.000	19,642
- Consultant Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	565,884	0.000	2,829	0.000	0.000	0.000	53,317	622,030	0.000	0.000	622,030
- Other Contractual Services	2,735,243	0.000	13,676	0.000	0.000	0.000	0.000	2,748,919	890,742	0.000	3,639,661
Supplies and Materials	20,302	0.000	0.102	0.000	0.000	0.000	0.000	20,404	0.000	0.000	20,404
Equipment	15,252	0.000	0.076	0.000	0.000	0.000	0.000	15,328	0.000	0.000	15,328
<b>Administrative Subtotal</b>	<b>9,000,000</b>	<b>0.000</b>	<b>17,663</b>	<b>0.000</b>	<b>19,293</b>	<b>21,000</b>	<b>51,302</b>	<b>9,109,258</b>	<b>890,742</b>	<b>0.000</b>	<b>10,000,000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>9,000,000</b>	<b>0.000</b>	<b>17,663</b>	<b>0.000</b>	<b>19,293</b>	<b>21,000</b>	<b>51,302</b>	<b>9,109,258</b>	<b>890,742</b>	<b>0.000</b>	<b>10,000,000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**OFFICE OF CIVIL RIGHTS**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Work Comp. Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	64							64			55
FTEs	46.00							46.00			53.00
Reimbursable Positions	0							0			0
FTEs	0							0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	6,979,564	0.000	0.183	0.000	26,036	26,704	-0.320	7,032,167	0.000	0.000	7,032,167
Travel	(36,564)	0.000	(0.183)	0.000	0.000	0.000	0.320	(36,427)	0.000	0.000	(36,427)
Transportation	65,500	0.000	0.328	0.000	0.000	0.000	0.000	65,828	0.000	0.000	65,828
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	28,450	0.000	0.000	0.000	0.000	0.000	0.000	28,592	0.000	0.000	28,592
Printing and Reproduction	10,500	0.000	0.142	0.000	0.000	0.000	0.000	10,553	0.000	0.000	10,553
Other Services:											
- Consultant Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	753,554	0.000	3,768	0.000	0.000	0.000	60,402	817,724	0.000	0.000	817,724
- Other Contractual Services	1,446,432	0.000	7,232	0.000	0.000	0.000	0.000	1,453,664	263,972	0.000	1,717,636
Supplies and Materials	50,000	0.000	0.250	0.000	0.000	0.000	0.000	50,250	0.000	0.000	50,250
Equipment	50,000	0.000	0.250	0.000	0.000	0.000	0.000	50,250	0.000	0.000	50,250
<b>Administrative Subtotal</b>	<b>9,384,000</b>	<b>0.000</b>	<b>12,206</b>	<b>0.000</b>	<b>26,036</b>	<b>26,704</b>	<b>60,082</b>	<b>9,509,028</b>	<b>263,972</b>	<b>0.000</b>	<b>9,773,000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>9,384,000</b>	<b>0.000</b>	<b>12,206</b>	<b>0.000</b>	<b>26,036</b>	<b>26,704</b>	<b>60,082</b>	<b>9,509,028</b>	<b>263,972</b>	<b>0.000</b>	<b>9,773,000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**MINORITY BUSINESS OUTREACH**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	4	0						4			4
FTEs	2.00	0.00						2.00		2.00	4.00
Reimbursable Positions	0							0			0
FTEs	0							0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	288,408	0.000	0.000	0.000	1,051	1,079	0.000	290,538	0.000	262,802	553,340
Travel	128,241	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.641	0.000	0.000	0.000	0.000	128,882	-68,882	0.000	60,000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.500	0.000	0.500
Other Services:	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.150	0.000	3.150
- Consultant Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	33,336	0.000	0.167	0.000	0.000	0.000	32,683	66,186	0.000	0.000	66,186
- Other Contractual Services	906,793	0.000	4,534	0.000	0.000	0.000	0.000	911,327	-199,270	-262,802	449,255
Supplies and Materials	5,126	0.000	0.026	0.000	0.000	0.000	0.000	5,152	16,256	0.000	21,408
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Claims & Subsidies	1,706,096	0.000	8,530	0.000	0.000	0.000	0.000	1,714,626	365,535	0.000	2,080,161
<b>Administrative Subtotal</b>	<b>3,068,000</b>	<b>0.000</b>	<b>13,898</b>	<b>0.000</b>	<b>1,051</b>	<b>1,079</b>	<b>32,683</b>	<b>3,116,711</b>	<b>117,289</b>	<b>0.000</b>	<b>3,234,000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>3,068,000</b>	<b>0.000</b>	<b>13,898</b>	<b>0.000</b>	<b>1,061</b>	<b>1,079</b>	<b>32,683</b>	<b>3,116,711</b>	<b>117,289</b>	<b>0.000</b>	<b>3,234,000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**MINORITY BUSINESS RESOURCE CENTER**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	1							1			1
FTEs	1							1.00			1.00
Reimbursable Positions	0							0			0
FTEs	0							0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (Non-add)	172,914 (2,914)	0,000	0,014 (0,014)	0,000	0,638	0,654	-1,203	173,017 (1,725)	0,000	0,000	173,017 (1,725)
Travel	15,000	0,000	0,075	0,000	0,000	0,000	0,000	15,075	0,000	0,000	15,075
Transportation	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
GSA Rent	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Communications and Utilities	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Printing and Reproduction	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Other Services:											
- Administrative Fees	204,655	0,000	1,023	0,000	0,000	0,000	0,000	205,678	65,419		271,097
- Subsidy	333,000	0,000	0,000	0,000	0,000	0,000	0,000	333,000	85,000		418,000
- Working Capital Fund	15,988	0,000	0,080	0,000	0,000	0,000	2,089	18,157	0,000	0,000	18,157
- Other Contractual Services	180,443	0,000	0,902	0,000	0,000	0,000	0,000	181,345	205,714	0,000	387,059
Supplies and Materials	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	2,595		2,595
Equipment	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000		0,000
<b>Administrative Subtotal</b>	<b>922,000</b>	<b>0,000</b>	<b>2,094</b>	<b>0,000</b>	<b>0,638</b>	<b>0,654</b>	<b>0,886</b>	<b>926,272</b>	<b>358,728</b>	<b>0,000</b>	<b>1,285,000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>
<b>TOTAL</b>	<b>922,000</b>	<b>0,000</b>	<b>2,094</b>	<b>0,000</b>	<b>0,638</b>	<b>0,654</b>	<b>0,886</b>	<b>926,272</b>	<b>358,728</b>	<b>0,000</b>	<b>1,285,000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**FINANCIAL MANAGEMENT CAPITAL**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	0							0			0
FTEs	0.00							0.00			0.00
Reimbursable Positions	0							0			0
FTEs	0.00							0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Consultant Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Other Contractual Services	4,990,000	0.000	0.000	0.000	0.000	0.000	0.000	4,990,000	5,010,000	0.000	10,000,000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Administrative Subtotal</b>	<b>4,990,000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>4,990,000</b>	<b>5,010,000</b>	<b>0.000</b>	<b>10,000,000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>4,990,000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>4,990,000</b>	<b>5,010,000</b>	<b>0.000</b>	<b>10,000,000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**PAYMENTS TO AIR CARRIERS**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	0							0			0
FTEs	0							0.00			0.00
Reimbursable Positions	0							0			0
FTEs	0							0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Consultant Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Other Contractual Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Administrative Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>PROGRAM EXPENSES</b>											
Air Carrier Payments	143,000.000	0.000	0.000	0.000	0.000	0.000	0.000	143,000.000	-29,000.000	0.000	114,000.000
None											
None											
None											
<b>Program Subtotal</b>	<b>143,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>143,000.000</b>	<b>-29,000.000</b>	<b>0.000</b>	<b>114,000.000</b>
<b>TOTAL</b>	<b>143,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>143,000.000</b>	<b>-29,000.000</b>	<b>0.000</b>	<b>114,000.000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**ESSENTIAL AIR SERVICE**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	14							14	0		14
FTEs	11.00							11.00	2.00		13.00
Reimbursable Positions	0							0			0
FTEs	0							0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	2,017,834 (8,584)	0,000	0,043 (0,043)	0,000	7,458	7,649	-0,833	2,032,151 (7,794)	0,000	0,000	2,032,151 (7,794)
Travel	3,000	0,000	0,015	0,000	0,000	0,000	0,833	3,015	0,000	0,000	3,015
Transportation	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
GSA Rent	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Communications and Utilities	0,045	0,000	0,000	0,000	0,000	0,000	0,000	0,045	0,000	0,000	0,045
Printing and Reproduction	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Other Services:											
- Consultant Services	19,740	0,000	0,099	0,000	0,000	0,000	0,000	19,839	0,000	0,000	19,839
- Working Capital Fund	226,962	0,000	1,135	0,000	0,000	0,000	7,277	235,374	0,000	0,000	235,374
- Other Contractual Services	75,346	0,000	0,377	0,000	0,000	0,000	0,000	75,723	0,000	0,000	75,723
Supplies and Materials	3,015	0,000	0,015	0,000	0,000	0,000	0,000	3,030	0,000	0,000	3,030
Equipment	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
<b>Administrative Subtotal</b>	<b>2,345,942</b>	<b>0,000</b>	<b>1,684</b>	<b>0,000</b>	<b>7,458</b>	<b>7,649</b>	<b>6,444</b>	<b>2,369,177</b>	<b>0,000</b>	<b>0,000</b>	<b>2,369,177</b>
<b>PROGRAM EXPENSES</b>											
Essential Air Service Subsidy	47,654,058		238,270	0,000	0,000	0,000	0,000	47,892,328	50,000,000	-261,505	97,630,823
None											
None											
None											
<b>Program Subtotal</b>	<b>47,654,058</b>	<b>0,000</b>	<b>238,270</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>0,000</b>	<b>47,892,328</b>	<b>50,000,000</b>	<b>-261,505</b>	<b>97,630,823</b>
<b>TOTAL</b>	<b>50,000,000</b>	<b>0,000</b>	<b>239,954</b>	<b>0,000</b>	<b>7,458</b>	<b>7,649</b>	<b>6,444</b>	<b>50,261,505</b>	<b>50,000,000</b>	<b>-261,505</b>	<b>100,000,000</b>

**EXHIBIT JI-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**LIVABLE COMMUNITIES**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	0	0						0			0
FTEs	0.00	0.00						0.00			0.00
Reimbursable Positions	0	0						0			0
FTEs	0.00	0.00						0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Consultant Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Other Contractual Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Administrative Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>



**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**CYBER SECURITY INITIATIVE**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	0							0			0
FTEs	0.00							0.00			0.00
Reimbursable Positions	0							0			0
FTEs	0.00							0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	825.000	0.000	0.000	0.000	0.000	0.000	0.000	825.000	0.000	0.000	825.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Consultant Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Other Contractual Services	2,772.500	0.000	0.000	0.000	0.000	0.000	0.000	2,772.500	0.000	0.000	2,772.500
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	6,402.500	0.000	0.000	0.000	0.000	0.000	0.000	6,402.500	-4,000.000	0.000	2,402.500
<b>Administrative Subtotal</b>	<b>10,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>10,000.000</b>	<b>-4,000.000</b>	<b>0.000</b>	<b>6,000.000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>10,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>10,000.000</b>	<b>-4,000.000</b>	<b>0.000</b>	<b>6,000.000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**IMMEDIATE TRANSPORTATION INVESTMENT**

(\$000)

	FY 2012 Estimate	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	0	0						0			0
FTEs	0.00	0.00						0.00			0.00
Reimbursable Positions	0	0						0			0
FTEs	0.00	0.00						0.00			0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Consultant Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Other Contractual Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Claims & Subsidies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>PROGRAM EXPENSES</b>											
Grants	4,000,000.000							4,000,000.000	-4,000,000.000		0.000
None											
None											
None											
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4,000,000.000	-4,000,000.000	0.000	0.000
<b>TOTAL</b>	<b>4,000,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>4,000,000.000</b>	<b>-4,000,000.000</b>	<b>0.000</b>	<b>0.000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**NATIONAL INFRASTRUCTURE INVESTMENT**

(\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	25							25	-17		8
FTEs	10.00							10.00	-2.00		8.00
Reimbursable Positions	0							0	0		0
FTEs	0.00							0.00	0.00		0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	6,428,022 (24,678)	0.000	0.000	0.000	24,013	24,628	0.000	6,476,664 (24,678)	(6,476,664)	0.000	0.000
Travel	800,483	0.000	0.000	0.000	0.000	0.000	0.000	800,483	(800,483)	0.000	0.000
Transportation	0.704		0.000	0.000	0.000	0.000	0.000	0.704	(0.704)	0.000	0.000
GSA Rent	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	10,352		0.000	0.000	0.000	0.000	0.000	10,352	(10,352)	0.000	0.000
Other Services:											
- Consultant Services	5,000,000		0.000	0.000	0.000	0.000	0.000	5,000,000	(5,000,000)	0.000	0.000
- Working Capital Fund	354,909		0.000	0.000	0.000	0.000	0.000	356,684	(356,684)	0.000	0.000
- Other Contractual Services	7,384,626		0.000	0.000	0.000	0.000	0.000	7,384,626	(7,384,626)	0.000	0.000
Supplies and Materials	20,502		0.000	0.000	0.000	0.000	0.000	20,502	(20,502)	0.000	0.000
Equipment	0,402		0.000	0.000	0.000	0.000	0.000	0,402	(0,402)	0.000	0.000
<b>Administrative Subtotal</b>	<b>20,000,000</b>	<b>0.000</b>	<b>1.775</b>	<b>0.000</b>	<b>24,013</b>	<b>24,628</b>	<b>0.000</b>	<b>20,050,417</b>	<b>-20,050,417</b>	<b>0.000</b>	<b>0.000</b>
<b>PROGRAM EXPENSES</b>											
Grants	480,000,000							480,000,000	-480,000,000	0.000	0.000
<b>Program Subtotal</b>	<b>480,000,000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>480,000,000</b>	<b>-480,000,000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>500,000,000</b>	<b>0.000</b>	<b>1.775</b>	<b>0.000</b>	<b>24,013</b>	<b>24,628</b>	<b>0.000</b>	<b>500,050,417</b>	<b>-500,050,417</b>	<b>0.000</b>	<b>0.000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**NATIONAL INFRASTRUCTURE INVESTMENT**  
*(Transportation Trust Fund Contract Authority)*  
 (\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.50%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	0							0	4	0	4
FTEs	0.00							0.00	4.00	0.00	4.00
Reimbursable Positions	0							0	0	0	0
FTEs	0.00							0.00	0.00	0.00	0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6,459,341	0.000	6,459,341
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(14,486)	0.000	(14,486)
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	800,483	0.000	800,483
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.704	0.000	0.704
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10,352	0.000	10,352
- Consultant Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5,050,067	0.000	5,050,067
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	248,968	0.000	248,968
- Other Contractual Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7,409,181	0.000	7,409,181
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20,502	0.000	20,502
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.402	0.000	0.402
<b>Administrative Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>20,000.000</b>	<b>0.000</b>	<b>20,000.000</b>
<b>PROGRAM EXPENSES</b>											
Grants	0.000							0.000	480,000.000	0.000	480,000.000
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>480,000.000</b>	<b>0.000</b>	<b>480,000.000</b>
<b>TOTAL</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>500,000.000</b>	<b>0.000</b>	<b>500,000.000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY**  
**RESEARCH AND DEVELOPMENT (GENERAL FUND) ACCOUNT**  
 (\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.5%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	36	0						36			36
FTEs	26	0.00						26.00			26.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	4,156	0	0	0	16	16	0	4,188	0	0	4,188
Travel	90	0	0	0	0	0	0	90	0	0	90
Transportation	0	0	0	0	0	0	0	0	0	0	0
GSA Rent	590	0	3	0	0	0	0	593	0	0	593
Communications and Utilities	0	0	0	0	0	0	0	0	0	0	0
Printing and Reproduction	1	0	0	0	0	0	0	1	0	0	1
Other Services:											
- Working Capital Fund	1,426	0	7	0	0	0	-132	1,301	0	0	1,301
- Other Contractual Services	546	0	3	0	0	0	0	549	0	-171	378
Supplies and Materials	15	0	0	0	0	0	0	15	0	0	15
Equipment	150	0	1	0	0	0	0	151	0	0	151
<b>Administrative Subtotal</b>	<b>6,974</b>	<b>0</b>	<b>14</b>	<b>0</b>	<b>16</b>	<b>16</b>	<b>-132</b>	<b>6,888</b>	<b>0</b>	<b>-171</b>	<b>6,717</b>
<b>PROGRAM EXPENSES</b>											
Alternative Fuels	499							499		0	499
RD&T Coordination	509							509		0	509
NDGPS	7,600							7,600	-2,000	0	5,600
PNT	399							399	-54	0	345
<b>Program Subtotal</b>	<b>9,007</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,007</b>	<b>-2,054</b>	<b>0</b>	<b>6,953</b>
<b>TOTAL</b>	<b>15,981</b>	<b>0</b>	<b>14</b>	<b>0</b>	<b>16</b>	<b>16</b>	<b>-132</b>	<b>15,895</b>	<b>-2,054</b>	<b>-171</b>	<b>13,670</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
 Appropriations, Obligation Limitations, and Exempt Obligations

**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY**  
**BUREAU OF STATISTICS (HIGHWAY TRUST FUND) ACCOUNT**  
 (\$000)

	FY 2012 Enacted	Annualized New FY 2012 Positions	Inflation Increase 0.5%	3 months Jan. 2012 Pay Raise 0.00%	9 months Jan. 2013 Pay Raise 0.5%	One More Compensable Day 260 versus 261	Rent/WCF Increase/Decrease	FY 2013 Baseline Estimate	FY 2013 Program Increases/Decreases	FY 2013 Base Offsets Increases/Decreases	FY 2013 Request
<b>PERSONNEL RESOURCES</b>											
Direct Positions	117	0						117			117
FTEs	70.00	0.00						70.00			70.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	12,153	0	0	0	46	47	0	12,245	0	0	12,245
Travel	143	0	1	0	0	0	0	144	0	0	144
Transportation	0	0	0	0	0	0	0	0	0	0	0
GSA Rent	1,450	0	7	0	0	0	0	1,457	0	0	1,457
Communications and Utilities	0	0	0	0	0	0	0	0	0	0	0
Printing and Reproduction	5	0	0	0	0	0	0	5	0	0	5
Other Services:											
- Working Capital Fund	3,958	0	20	0	0	0	0	3,978	0	0	3,978
- Other Contractual Services	2,389	0	12	0	0	0	0	2,401	0	-89	2,312
Supplies and Materials	20	0	0	0	0	0	0	20	0	0	20
Equipment	754	0	4	0	0	0	0	758	0	0	758
<b>Administrative Subtotal</b>	<b>20,872</b>	<b>0</b>	<b>44</b>	<b>0</b>	<b>46</b>	<b>47</b>	<b>0</b>	<b>21,008</b>	<b>0</b>	<b>-89</b>	<b>20,919</b>
<b>PROGRAM EXPENSES</b>											
Safety Data and Analysis	0							0		2,000	2,000
Travel Statistics	450							450		3,000	3,450
Freight Statistics	2,621							2,621		7,747	10,368
Transportation Economics	160							160		0	160
Geospatial Information	360							360		0	360
Transportation Analysis, Data Quality and Performance Metrics	395							395		0	395
National Transportation Library	348							348		0	348
<b>Program Subtotal</b>	<b>4,334</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,334</b>	<b>0</b>	<b>12,747</b>	<b>17,081</b>
<b>TOTAL</b>	<b>25,206</b>	<b>0</b>	<b>44</b>	<b>0</b>	<b>46</b>	<b>47</b>	<b>0</b>	<b>25,342</b>	<b>0</b>	<b>12,658</b>	<b>38,000</b>

## EXHIBIT II-7

**WORKING CAPITAL FUND**  
**Office of the Secretary of Transportation**  
**Appropriations, Obligation Limitations, Exempt Obligations and Reimbursable Obligations**  
**(\$000)**

	<u>FY 2012 ENACTED</u>	<u>FY 2013 REQUEST</u>	<u>CHANGE</u>
<b>DIRECT:</b>			
Salaries and Expenses	15,463	16,122	658
Transportation, Planning, Research & Development	599	654	54
Office of Civil Rights	790	854	64
Minority Business Outreach	33	66	33
Minority Business Resource Center Program	19	20	1
Essential Air Service	236	243	8
Livable Communities	0	0	0
SCASDP	98	92	-6
National Infrastructure Investment	380	263	-116
Research and Development	1,426	1,301	-125
<b>SUBTOTAL</b>	<u>19,044</u>	<u>19,615</u>	<u>571</u>
<b>REIMBURSABLE:</b>			
Salaries and Expenses	316	375	59
Airline Transportation Statistics Program	496	929	433
VOLPE National Transportation System Center	584	573	-11
<b>SUBTOTAL</b>	<u>1,396</u>	<u>1,877</u>	<u>481</u>
<b>ALLOCATIONS/OTHER:</b>			
Bureau of Transportation Statistics	<u>3,958</u>	<u>3,978</u>	<u>20</u>
<b>TOTAL</b>	<u><u>24,398</u></u>	<u><u>25,469</u></u>	<u><u>1,072</u></u>

**EXHIBIT II-8**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**PERSONNEL RESOURCE -- SUMMARY**  
**TOTAL FULL-TIME EQUIVALENTS**

<u>DIRECT FUNDED BY APPROPRIATION</u>	<u>FY 2011 ACTUAL</u>	<u>FY 2012 ENACTED</u>	<u>FY 2013 REQUEST</u>
Salaries and Expenses	407.04	447.00	469.00
Transportation Planning, Research and Development	30.15	31.00	32.00
Office of Civil Rights	39.86	46.00	53.00
Minority Business Outreach	0.98	2.00	4.00
Minority Business Resource Center Program	0.98	1.00	1.00
Essential Air Service	9.48	11.00	13.00
Livable Communities	0.00	0.00	0.00
National Infrastructure Investment (NII)	9.41	10.00	12.00
ARRA-National Surface Transportation System Grants	2.56	0.00	0.00
Cyber Security Initiative	0.00	0.00	0.00
Research and Development	26.00	26.00	26.00
<b>SUBTOTAL, DIRECT FUNDED</b>	<b>526.46</b>	<b>574.00</b>	<b>610.00</b>
 <u>REIMBURSABLE</u>			
Salaries and Expenses (includes SCASDP)	26.71	21.00	21.00
Airline Transportation Statistics Program	14.00	19.00	14.00
Transportation Safety Institute	31.00	41.00	36.00
VOLPE National Transportation Systems Center	539.00	532.00	532.00
Working Capital Fund	204.84	241.00	246.00
<b>SUBTOTAL, REIMBURSEMENTS</b>	<b>815.55</b>	<b>854.00</b>	<b>849.00</b>
 <u>ALLOCATIONS/OTHER</u>			
Bureau of Transportation Statistics	68.00	70.00	70.00
Intelligent Transportation Systems	[18]	[18]	[18]
<b>SUBTOTAL, ALLOCATION/OTHER</b>	<b>68.00</b>	<b>70.00</b>	<b>70.00</b>
<b>TOTAL FTEs</b>	<b>1,410.01</b>	<b>1,498.00</b>	<b>1,529.00</b>



**EXHIBIT II-9**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**RESOURCE SUMMARY - STAFFING**  
**FULL-TIME PERMANENT POSITIONS**

<u>DIRECT FUNDED BY APPROPRIATION</u>	<u>FY 2011 ACTUAL</u>	<u>FY 2012 ENACTED</u>	<u>FY 2013 REQUEST</u>
Salaries and Expenses	541	534	491
Transportation Planning, Research and Development	31	33	33
Office Civil Rights	64	64	55
Minority Business Outreach	3	4	4
Minority Business Resource Center Program	1	1	1
Essential Air Service	14	14	14
Livable Communities	0	0	0
National Infrastructure Investment (NII)	18	25	12
ARRA-National Surface Transportation System Grants	3	0	0
Cyber Security Initiative	0	0	0
Research and Development	36	36	36
<b>SUBTOTAL, DIRECT FUNDED</b>	<b>711</b>	<b>711</b>	<b>646</b>
<u>REIMBURSEMENTS/ALLOCATIONS/OTHER</u>			
Salaries and Expenses (includes SCASDP)	37	27	22
Airline Transportation Statistics Program	19	19	19
Transportation Safety Institute	51	51	51
VOLPE National Transportation Systems Center	550	550	550
Working Capital Fund	246	262	256
<b>SUBTOTAL, REIMBURSEMENTS/ALLOCATIONS/OTHER</b>	<b>903</b>	<b>909</b>	<b>898</b>
<u>ALLOCATIONS/OTHER</u>			
Bureau of Transportation Statistics	117	117	117
Intelligent Transportation Systems	[18]	[18]	[18]
<b>SUBTOTAL, ALLOCATION/OTHER</b>	<b>117</b>	<b>117</b>	<b>117</b>
<b>TOTAL POSITIONS</b>	<b>1,731</b>	<b>1,737</b>	<b>1,661</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION  
FY 2013 - 2018 PRESIDENT'S BUDGETS TARGETS  
(\$000)**

<u>ACCOUNT NAME</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>TOTAL 2013-2018</u>
<u>Transportation Trust Fund Contract Authority:</u>							
National Infrastructure Investments	500	525	551	579	608	638	3,401
<u>Allocation/Reimbursable/Other Programs</u>							
Bureau of Transportation Statistics	[38,000]	[38,292]	[38,432]	[38,087]	[40,426]	[44,454]	[237,691]
Competitive University Transportation Center (UTC) Consortia (FHWA)	[72,000]	[72,000]	[72,000]	[72,000]	[72,000]	[72,000]	[432,000]
Competitive University Transportation Center (UTC) Consortia (FTA)	[8,000]	[8,000]	[8,000]	[8,000]	[8,000]	[8,000]	[48,000]
Multimodal Innovative Research Program	[20,000]	[21,000]	[22,000]	[23,000]	[24,000]	[25,000]	[135,000]
University Transportation Center (UTC) Multimodal Competitive Research Grants	[20,000]	[20,000]	[20,000]	[20,000]	[20,000]	[20,000]	[120,000]
Intelligent Transportation Systems: Core Program	[110,000]	[110,000]	[110,000]	[110,000]	[110,000]	[110,000]	[600,000]
<b>Subtotal - Allocation/Reimbursable/Other</b>	<b>[268,000]</b>	<b>[269,292]</b>	<b>[270,432]</b>	<b>[271,087]</b>	<b>[274,426]</b>	<b>[279,454]</b>	<b>[1,632,691]</b>

EXHIBIT III-1  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary, [~~\$102,481,000~~]~~\$110,450,000~~], of which not to exceed \$2,618,000 shall be available for the immediate Office of the Secretary; not to exceed \$984,000 shall be available for the Immediate Office of the Deputy Secretary; not to exceed \$19,515,000 shall be available for the Office of the General Counsel; not to exceed \$10,107,000 shall be available for the Office of the Under Secretary of Transportation for Policy; not to exceed \$10,538,000 shall be available for the Office of the Assistant Secretary for Budget and Programs; not to exceed \$2,500,000 shall be available for the Office of the Assistant Secretary for Governmental Affairs; not to exceed \$25,469,000 shall be available for the Office of the Assistant Secretary for Administration; not to exceed \$2,020,000 shall be available for the Office of Public Affairs; not to exceed \$1,595,000 shall be available for the Office of the Executive Secretariat; not to exceed \$1,369,000 shall be available for the Office of Small and Disadvantaged Business Utilization; not to exceed \$10,778,000 for the Office of Intelligence, Security, and Emergency Response; and not to exceed \$14,988,000 shall be available for the Office of the Chief Information Officer: *Provided*, That the Secretary of Transportation is authorized to transfer funds appropriated for any office of the Office of the Secretary to any other office of the Office of the Secretary: *Provided further*, That no appropriation for any office shall be increased or decreased by more than 5 percent by all such transfers: *Provided further*, That notice of any change in funding greater than 5 percent shall be submitted for approval to the House and Senate Committees on Appropriations: *Provided further*], *Provided*, That not to exceed \$60,000 shall be for allocation within the Department for official reception and representation expenses as the Secretary may determine: *Provided further*, That notwithstanding any other provision of law, excluding fees authorized in Public Law 107-71, there may be credited to this appropriation up to \$2,500,000 in funds received in user fees[: *Provided further*, That none of the funds provided in this Act shall be available for the position of Assistant Secretary for Public Affairs]. (*Department of Transportation Appropriations Act, 2012.*)

EXHIBIT III-1  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012-2013
Office of the Secretary	2,626	2,618	2,635	17
Office of the Deputy Secretary	984	984	992	8
Office of the Executive Secretariat	1,655	1,595	1,701	106
Office of the Under Secretary Transportation Policy	11,078	10,107	11,248	1,141
Office of Small and Disadvantaged Business	1,496	1,369	1,539	170
Office of Intel., Sec. and Emergency Resp.	10,579	10,778	10,875	97
Office of the Chief Information Officer	13,189	14,988	15,117	129
Office of General Counsel	20,318	19,515	19,615	100
Office of the Asst. Sec. for Governmental Affairs	2,499	2,500	2,601	101
Office of the Asst. Sec. for Budget and Programs	10,538	10,538	13,201	2,663
Office of the Asst. Sec. for Administration	25,469	25,469	28,672	3,203
Office of Public Affairs	2,051	2,020	2,254	234
Total	102,481	102,481	110,450	7,969
FTEs				
Direct Funded	407.04	447.00	469.00	22.00
Reimbursable, allocated, other <u>1/</u>	26.71	21.00	21.00	0.00

1/ Includes SCASDP

**Program and Performance Statement**

The Office of the Secretary is responsible for the overall planning, coordination and administration of the Department's programs. Funding supports the Secretary, Deputy Secretary, Under Secretary for Policy, Assistant Secretaries, and their immediate staffs, who provide federal transportation policy development and guidance, institutional and public liaison activities, and other program support to ensure effective management and operation of the Department.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, systems development, development activities, and making grants, to remain available until expended, [\$9,000,000] \$10,000,000. (*Department of Transportation Appropriations Act, 2012.*)

## TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

## APPROPRIATION SUMMARY BY PROGRAM ACTIVITY

(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012-2013
Transportation Planning, Research and Development	9,799	9,000	10,000	1,000
<b>Total</b>	<b>9,799</b>	<b>9,000</b>	<b>10,000</b>	<b>1,000</b>
<b>FTEs</b>				
Direct Funded	30.15	31.00	32.00	1.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

This appropriation finances research and studies concerned with planning, analysis, and information development needed to support the Secretary's responsibilities in the formulation of national transportation policies and the coordination of national-level transportation planning. Funding also supports departmental leadership in areas such as regulatory modernization, energy conservation, environmental and safety impacts of transportation, aviation economic policy and international transportation issues. The program is carried out primarily through contracts with other Federal agencies, educational institutions, non-profit research organizations, and private firms.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, [\$9,384,000] \$9,773,000.  
*(Department of Transportation Appropriations Act, 2012.)*

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012-2013
Office of Civil Rights	9,648	9,384	9,773	389
Total	9,648	9,384	9,773	389
FTEs				
Direct Funded	39.86	46.00	53.00	7.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

The Office of Civil Rights provides Department-wide leadership for all civil rights activities, including employment opportunity and enforcement of laws and regulations that prohibit discrimination in the financing and operation of transportation programs with federal resources. The Office also is responsible for non-discrimination policy development, analysis, coordination and compliance, promotes an organizational culture that values workforce diversity, and handles all civil right cases related to Department of Transportation employees.



MINORITY BUSINESS OUTREACH

For necessary expenses of Minority Business Resource Center outreach activities, [\$3,068,000] \$3,234,000 to remain available until September 30, [2013] 2014: *Provided*, That notwithstanding 49 U.S.C. 332, these funds may be used for business opportunities related to any mode of transportation. (*Department of Transportation Appropriations Act, 2012.*)

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS OUTREACH

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012-2013
Minority Business Outreach	3,068	3,068	3,234	166
<b>Total</b>	<b>3,068</b>	<b>3,068</b>	<b>3,234</b>	<b>166</b>
<b>FTEs</b>				
Direct Funded	0.98	2.00	4.00	2.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

This activity provides contractual support to assist small, women-owned, Native American, and other disadvantaged business firms in securing contracts and subcontracts resulting from transportation-related Federal support.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

For the cost of guaranteed loans, [\$333,000] *\$418,000*, as authorized by 49 U.S.C. 332: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed [\$18,367,000] *\$21,955,000*. In addition, for administrative expenses to carry out the guaranteed loan program, [\$589,000] *\$867,388*. (*Department of Transportation Appropriations Act, 2012.*)

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER PROGRAM  
APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012- 2013
Minority Business Resource Center Program	921	922	1,285	363
Total	921	922	1,285	363
FTEs				
Direct Funded	0.98	1.00	1.00	0.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

This program provides assistance in obtaining short-term working capital for minority, women-owned and other disadvantaged businesses and Small Business Administration 8(a) firms. As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs for this program associated with guaranteed loans, as well as administrative expenses of this program.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER PROGRAM  
GUARANTEED LOAN FINANCING ACCOUNT

**Program and Performance Statement**

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all the cash flows to and from the Government resulting from guaranteed loan commitments. The amounts in this account are a means of financing and are not included in the budget totals.

FINANCIAL MANAGEMENT CAPITAL

For necessary expenses for upgrading and enhancing the Department of Transportation's financial systems and re-engineering business processes, [\$4,990,000] \$10,000,000, to remain available through September 30, [2013] 2014. (*Department of Transportation Appropriations Act, 2012.*)

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012-2013
Financial Management Capital	4,990	4,990	10,000	5,010
Total	4,990	4,990	10,000	5,010
FTEs				
Direct Funded	0.00	0.00	0.00	0.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

This appropriation provides funds for a multi-year business transformation effort to streamline and standardize the financial systems and business processes across the Department of Transportation. This effort includes upgrading and enhancing the commercial software used for DOT's financial systems, improving the cost and performance data provided to managers and instituting new accounting mandates.

## CYBER SECURITY INITIATIVES

For necessary expenses for cyber security initiatives, including *necessary upgrades to wide area network and information technology infrastructure*, improvement of network perimeter controls and identity management, testing and assessment of information technology against business, security, and other requirements, implementation of Federal cyber security initiatives and information infrastructure enhancements, implementation of enhanced security controls on network devices, and enhancement of cyber security workforce training tools, [\$10,000,000] \$6,000,000, to remain available through September 30, [2013] 2014. (*Department of Transportation Appropriations Act, 2012.*)



DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012-2013
Cyber Security Initiatives	0	10,000	6,000	-4,000
Total	0	10,000	6,000	-4,000
FTEs				
Direct Funded	0.00	0.00	0.00	0.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

This appropriation will fund cyber security initiatives, including necessary upgrades to the wide area network and information technology infrastructure. The funding will support key program enhancements, infrastructure improvements, and contractual resources to enhance the security of the Department of Transportation network and reduce the risk of security breaches.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE AND RURAL AIRPORT IMPROVEMENT FUND

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012-2013
Essential Air Service [Mandatory]	50,000	50,000	100,000	50,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>	<b>100,000</b>	<b>50,000</b>
<b>FTEs</b>				
Direct Funded	9.48	11.00	13.00	2.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

The Federal Aviation Reauthorization Act of 1996 (P.L. 104-264) authorized the collection of user fees for services provided by the FAA to aircraft that neither take off nor land in the United States, commonly known as overflight fees. The Act permanently appropriated the first \$50 million of such fees for the Essential Air Service program and rural airport improvements. To the extent that fee collections fall below \$50 million the law requires the difference to be covered by Federal Aviation Administration funds.

The Budget proposes to amend section 41742(a) of Title 49 to increase the mandatory portion of the Essential Air Service program funded by FAA overflight fees from \$50 million to \$100 million beginning in FY 2013.

PAYMENTS TO AIR CARRIERS  
(AIRPORT AND AIRWAY TRUST FUND)  
(INCLUDING TRANSFER OF FUNDS)

In addition to funds made available from any other source to carry out the essential air service program under 49 U.S.C. 41731 through 41742, [\$143,000,000] *\$114,000,000* to be derived from the Airport and Airway Trust Fund, to remain available until expended: *Provided*, That in determining between or among carriers competing to provide service to a community, the Secretary may consider the relative subsidy requirements of the carriers: *Provided further*, That no funds made available under section 41742 of title 49, United States Code, and no funds made available in this Act or any other Act in any fiscal year, shall be available to carry out the essential air service program under sections 41731 through 41742 of such title 49 in communities in the 48 contiguous States unless the community received subsidized essential air service or received a 90-day notice of intent to terminate service and the Secretary required the air carrier to continue to provide service to the community at any time between September 30, 2010, and September 30, 2011, inclusive: *Provided further*, That basic essential air service minimum requirements shall not include the 15-passenger capacity requirement under subsection 41732(b)(3) of title 49, United States Code: *Provided further*, That if the funds under this heading are insufficient to meet the costs of the essential air service program in the current fiscal year, the Secretary shall transfer such sums as may be necessary to carry out the essential air service program from any available amounts appropriated to or directly administered by the [Office of the Secretary] *Department of Transportation* for such fiscal year. (*Department of Transportation Appropriations Act, 2012.*)

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

PAYMENTS TO AIR CARRIERS  
(AIRPORT AND AIRWAY TRUST FUND)

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012-2013
Payments to Air Carriers	149,700	143,000	114,000	-29,000
<b>Total</b>	<b>149,700</b>	<b>143,000</b>	<b>114,000</b>	<b>-29,000</b>
FTEs				
Direct Funded	0.00	0.00	0.00	0.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

Through 1997, the Essential Air Service program was funded from the Airport and Airway Trust Fund. Starting in 1998, the FAA reauthorization funded it as a mandatory program supported by overflight fees under the Essential Air Service and Rural Airport Improvement Fund. In addition to mandatory funding supported by overflight fees, direct appropriations from the Airport and Airway Trust Fund to Payments to Air Carriers have been enacted every year beginning in 2002 to meet the needs of the essential air service program. For 2013, \$114,000,000 is requested from the Airport and Airway Trust Fund for Payments to Air Carriers.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

COMPENSATION FOR GENERAL AVIATION OPERATIONS

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2010- 2012
Compensation for General Aviation Operations	0	-3,254	0	0
<b>Total</b>	<b>0</b>	<b>-3,254</b>	<b>0</b>	<b>0</b>
<b>FTEs</b>				
Direct Funded	0.00	0.00	0.00	0.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

The Transportation, Treasury and Housing and Urban Development, The Judiciary, District of Columbia and Independent Agencies Appropriations Act for Fiscal Year 2006 (P.L. 109-115) provided \$17 million to reimburse fixed-based general aviation operators and providers of general aviation ground support services at five facilities for the financial losses they incurred when the Federal Government closed the facilities due to the September 11, 2001 terrorist attacks. The Consolidated and Further Continuing Appropriations Act for Fiscal Year 2012 (P.L. 112-55) rescinded the remaining balances in this account.

## LIVABLE COMMUNITIES

*For necessary expenses for livable communities, including coordinating transportation technical assistance work the Department of Transportation and with the Environmental Protection Agency and the Department of Housing and Urban Development; developing performance standards and metrics; building analytical capacity; and providing direct technical assistance to State governments, local governments and non-profit organizations, \$5,000,000, to remain available until September 30, 2015; Provided, That any technical assistance under this heading shall be for supporting State and local governments in their implementation of Federal programs, performance measurement capabilities, enhanced ability to perform alternatives analysis, and training and workshops for personnel; Provided further, That the Secretary may use the funds provided under this heading to conduct a Livability Technical Assistance and Capacity Building pilot, including training, outreach, and technical assistance, to be jointly administered with the Secretary of Housing and Urban Development and the Administrator of the Environmental Protection Agency; Provided further, That the Secretary may transfer a portion of the funds provided under this heading to the Secretary of the Department of Housing and Urban Development, or the Administrator of the Environmental Protection Agency for administration and obligation for activities in furtherance of such program.*

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

LIVABLE COMMUNITIES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011	FY 2012	FY 2013	CHANGE
	ACTUAL	ENACTED	REQUEST	FY 2012-2013
Livable Communities	0	0	5,000	5,000
Total	0	0	5,000	5,000
FTEs				
Direct Funded	0.00	0.00	0.00	0.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

This appropriation provides funding to coordinate livability and sustainability work within the Department of Transportation and with the Department of Housing and Urban Development and the Environmental Protection Agency. Activities will support developing performance standards and metrics; building analytical capacity; and providing direct technical assistance to State governments, local governments, and non-profit organizations for improved performance measurement capabilities, enhanced ability to perform alternatives analysis, and training and workshops for personnel.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

COMPENSATION FOR AIR CARRIERS

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	Change FY 2012-2013
Compensation for Air Carriers [mandatory]	0	0	0	0
Total	0	0	0	0
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

The Air Transportation Safety and System Stabilization Act (P.L. 107-42) provided \$5 billion to compensate air carriers for direct losses incurred during the Federal ground stop of civil aviation after the September 11, 2001, terrorist attacks, and for incremental losses incurred between September 11 and December 31, 2001. The remaining balance in this account is not needed for the purpose originally enacted. If needed, the remaining balance will be transferred to Payments to Air Carriers pursuant to the transfer authority included in that appropriation.



DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011	FY 2012	FY 2013	CHANGE
	ACTUAL	ENACTED	REQUEST	FY 2012-2013
New Headquarters Building	0	0	0	0
Total	0	0	0	0
FTEs				
Direct Funded	0.00	0.00	0.00	0.00
Reimbursable, allocated, oth	0.00	0.00	0.00	0.00

**Program and Performance Statement**

This appropriation financed the costs for the new Department of Transportation's headquarters, which consolidated all operating administration's headquarters functions (except FAA) from various locations into a single state-of-the-art, efficient leased building in the District of Columbia. No new funding is requested in FY 2013.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SUPPLEMENTAL DISCRETIONARY GRANTS FOR NATIONAL SURFACE  
TRANSPORTATION SYSTEM, RECOVERY ACT

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	Change FY 2012-2013
Discretionary Grants	0	0	0	0
Total	0	0	0	0
FTEs				
Direct Funded	2.56	0	0	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

This American Recovery and Reinvestment Act program provided funding for grant awards to State and local governments or transit agencies on a competitive basis for capital investments in surface transportation infrastructure resulting in a significant impact on the Nation, a metropolitan area or a region. Of the amount appropriated, an amount not to exceed \$200,000,000 could be used to pay the subsidy and administrative costs of projects eligible for federal credit assistance under U.S.C. 23 Chapter 6, the Transportation Infrastructure Finance and Innovation Act. No funds are requested for this program for 2013.

## NATIONAL INFRASTRUCTURE INVESTMENTS

[For capital investments in surface transportation infrastructure, \$500,000,000, to remain available through September 30, 2013: *Provided*, That the Secretary of Transportation shall distribute funds provided under this heading as discretionary grants to be awarded to a State, local government, transit agency, or a collaboration among such entities on a competitive basis for projects that will have a significant impact on the Nation, a metropolitan area, or a region: *Provided further*, That projects eligible for funding provided under this heading shall include, but not be limited to, highway or bridge projects eligible under title 23, United States Code; public transportation projects eligible under chapter 53 of title 49, United States Code; passenger and freight rail transportation projects; and port infrastructure investments: *Provided further*, That the Secretary shall give priority to projects which demonstrate transportation benefits for existing systems or improve interconnectivity between modes: *Provided further*, That the Secretary may use up to 35 percent of the funds made available under this heading for the purpose of paying the subsidy and administrative costs of projects eligible for Federal credit assistance under chapter 6 of title 23, United States Code, if the Secretary finds that such use of the funds would advance the purposes of this paragraph: *Provided further*, That in distributing funds provided under this heading, the Secretary shall take such measures so as to ensure an equitable geographic distribution of funds, an appropriate balance in addressing the needs of urban and rural areas, and the investment in a variety of transportation modes: *Provided further*, That a grant funded under this heading shall be not less than \$10,000,000 and not greater than \$200,000,000: *Provided further*, That not more than 25 percent of the funds made available under this heading may be awarded to projects in a single State: *Provided further*, That the Federal share of the costs for which an expenditure is made under this heading shall be, at the option of the recipient, up to 80 percent: *Provided further*, That not less than \$120,000,000 of the funds provided under this heading shall be for projects located in rural areas: *Provided further*, That for projects located in rural areas, the minimum grant size shall be \$1,000,000 and the Secretary may increase the Federal share of costs above 80 percent: *Provided further*, That projects conducted using funds provided under this heading must comply with the requirements of subchapter IV of chapter 31 of title 40, United States Code: *Provided further*, That the Secretary shall conduct a new competition to select the grants and credit assistance awarded under this heading: *Provided further*, That the Secretary may retain up to \$20,000,000 of the funds provided under this heading, and may transfer portions of those funds to the Administrators of the Federal Highway Administration, the Federal Transit Administration, the Federal Railroad Administration and the Federal Maritime Administration, to fund the award and oversight of grants and credit assistance made under the National Infrastructure Investments program: *Provided further*, That the Secretary shall give priority to projects that require a contribution of Federal funds in order to complete an overall financing package.] (*Department of Transportation Appropriations Act, 2012.*)

NATIONAL INFRASTRUCTURE INVESTMENTS (TRANSPORTATION TRUST FUND)

*(Liquidation of Contract Authorization)  
(Limitation on Obligations)  
(Transportation Trust Fund)*

*Contingent upon enactment of multi-year surface transportation authorization legislation, \$500,000,000 to be derived from the Transportation Trust Fund (Multimodal Account), to remain available until expended, for payment of obligations for the National Infrastructure Investments program authorized under title 23, United States Code, as amended By such authorization: Provided, That funds available for the National Infrastructure Investments program authorized under title 23, United States Code, shall not exceed total obligations of \$500,000,000, to remain available for obligation until September 30, 2015: Provided further, That the Secretary may retain up to \$20,000,000 of the funds provided Under this heading, and may transfer portions of those funds to the Administrators of the Federal Highway Administration, the Federal Transit Administration, the Federal Railroad Administration, and the Federal Maritime Administration, to fund the award and oversight of Grants and credit assistance made under the National Infrastructure Investments program.*

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENT

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012- 2013
Infrastructure Investments: Mandatory (Appropriations)	526,944	500,000	0	-500,000
Infrastructure Investments: Mandatory (Trust Fund Contract Authority)	0	0	500,000	500,000
<b>Total</b>	<b>526,944</b>	<b>500,000</b>	<b>500,000</b>	<b>0</b>
<i>Obligation Limitation (Trust Fund)</i>	<i>0</i>	<i>0 [500,000]</i>	<i>[500,000]</i>	<i>[500,000]</i>
<i>Liquidating Cash (Trust Fund)</i>	<i>0</i>	<i>0 [500,000]</i>	<i>[500,000]</i>	<i>[500,000]</i>
<b>FTEs</b>				
Direct Funded	9.41	10.00	12.00	2.00
Reimbursable, allocated, other	0.00	0.00	0.00	0.00

**Program and Performance Statement**

This program provides funding for grant awards or credit assistance on a competitive basis for capital investments in surface transportation infrastructure that will have a significant impact on the Nation, a metropolitan area or a region. As part of the surface transportation reauthorization proposal, the Administration proposes to continue funding for National Infrastructure Investments at \$500 million for FY 2013 increasing to \$638 million in FY 2018.

The Administration is also proposing to reclassify all surface transportation outlays as mandatory, consistent with the recommendations of the President's National Commission on Fiscal Responsibility and Reform, and to also move a number of current General Fund programs into the Transportation Trust Fund.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

IMMEDIATE TRANSPORTATION INVESTMENT

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2011 ACTUAL	FY 2012 ESTIMATE	FY 2013 REQUEST	CHANGE FY 2012-2013
<b>FUNDING LEVELS</b>				
Immediate Transportation Investment	0	4,000,000	0	-4,000,000
Total	0	4,000,000	0	-4,000,000
<b>FTE's</b>				
Direct Funded	0	0	0	0
Reimbursable, allocated and other	0	0	0	0

**Program and Performance Statement**

To spur job growth and allow States to initiate sound multi-year investments, the budget assumes in FY 2012 a \$50 billion economic boost above current law spending for immediate investments for highway, highway safety, transit, passenger rail, and aviation activities. Of this amount, \$4.0 billion is for Transportation Infrastructure Grants and Financing.

**RESEARCH AND DEVELOPMENT**

For necessary expenses [of the Research and Innovative Technology Administration, \$15,981,000] *related to the Office of the Assistant Secretary for Research and Technology, \$13,670,000*, of which [~~\$9,007,000~~] *\$6,953,000* shall remain available until September 30, [2014]2015: *Provided*, That there may be credited to this appropriation, to be available until expended, funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training. (*Department of Transportation Appropriations Act, 2012.*)

**DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY**

**RESEARCH AND DEVELOPMENT**

**APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)**

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012- 2013
<u>Research and Development</u>				
Salaries and Administrative Expenses	6,957	6,974	6,717	(257)
Alternative Fuels R&D	499	499	499	-
RD&T Coordination	535	509	509	-
Nationwide Differential Global Positioning System Positioning, Navigation and Timing (PNT)	4,591	7,600	5,600	(2,000)
	399	399	345	(54)
TOTAL: [Discretionary]	12,981	15,981	13,670	(2,311)
<u>FTEs</u>				
Direct Funded	26	26	26	-
Allocation/Reimbursable/Other:				
Transportation Safety Institute	31	41	36	(5)
Volpe National Transportation Systems Center	532	532	532	-
Intelligent Transportation Systems [non-add]	[18]	[18]	[18]	[-5]

**Program and Performance Statement**

The fiscal year 2013 budget converts the Research and Innovative Technology Administration (RITA) into the Office of the Assistant Secretary for Research and Technology within the Office of the Secretary. This proposal will strengthen research functions across the Department by providing a prominent centralized focus on research and technology, which will improve collaboration and coordination among operating administrations. The Office of the Assistant Secretary for Research and Technology is responsible for coordinating, facilitating, and reviewing the Department's research and development programs and activities. Coordination and advancement of research and technology activities are funded through the General Fund. The Office of the Assistant Secretary for Research and Technology is also responsible for coordinating and developing Positioning, Navigation and Timing (PNT) technology, PNT policy coordination, and spectrum management. The Office of the Assistant Secretary for Research and Technology is the program manager for the Nationwide Differential Global Positioning System.



The Office of the Assistant Secretary for Research and Technology also oversees and provides direction to the following programs and activities:

The Bureau of Transportation Statistics (BTS) manages and shares statistical knowledge and information on the Nation's transportation systems, including statistics on freight movement, geospatial transportation information, and transportation economics. BTS is funded by an allocation from the Federal Highway Administration's Federal-Aid Highways account.

The Intelligent Transportation Systems (ITS) Joint Program Office (JPO) facilitates the deployment of technology to enhance the safety, efficiency, convenience, and environmental sustainability of surface transportation. The ITS program carries out its goals through research and development, operational testing, technology transfer, training and technical guidance. The ITS Research Program is currently funded through the Federal Highway Administration (FHWA).

The University Transportation Centers (UTC) advance U.S. technology and expertise in many transportation-related disciplines through grants for transportation education, research, and technology transfer at university-based centers of excellence. The UTC Program funding is provided to The Office of the Assistant Secretary for Research and Technology through an allocation from the Federal Highway Administration and a reimbursable agreement from the Federal Transit Administration.

The John A. Volpe National Transportation Systems Center (Cambridge, MA) provides expertise in research, analysis, technology deployment, and other technical knowledge to DOT and non-DOT customers on specific transportation system projects or issues, on a fee-for-service basis.

The Transportation Safety Institute develops and conducts safety, security, and environmental training, products, and services for both the public and private sector on a fee-for-service and tuition basis.

**DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY**

**Volpe National Transportation Systems Center**

**Working Capital Fund**

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	CHANGE FY 2012-2013
Activities:	[263,058]	[259,000]	[260,000]	[-1,000]
<u>STAFFING</u>				
Direct Funded	0	0	0	0
Reimbursable Positions	550	550	550	0
Direct FTE	0	0	0	0
Reimbursable FTE	539	532	532	0

**Program and Performance Statement**

The Working Capital Fund finances multidisciplinary research, evaluation, analytical and related activities undertaken at the Volpe Center in Cambridge, MA. The fund is financed through negotiated agreements with the Office of the Secretary, Departmental operating administrations, and other governmental elements requiring the Center's capabilities. These agreements also define the activities undertaken at the Volpe Center.

**DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY**

**BUREAU OF TRANSPORTATION STATISTICS**

**APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)**

	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST	Change FY 2012- 2013
<b>Bureau of Transportation Statistics<sup>1/</sup></b>				
Salaries and Administrative Expenses	[20,787]	[20,872]	[20,919]	[47]
Safety Data and Analysis	[0]	[0]	[2,000]	[2,000]
Travel Statistics	[450]	[450]	[3,450]	[3,000]
Freight Statistics	[4,500]	[2,621]	[10,368]	[7,747]
Transportation Economics	[160]	[160]	[160]	[0]
Geospatial Information Systems	[360]	[360]	[360]	[0]
Transportation Analysis, Data Quality and Performance Metrics	[395]	[395]	[395]	[0]
National Transportation Library	[348]	[348]	[348]	[0]
TOTAL: [Allocation/Reimbursable/Other] <sup>2/</sup>	[27,000]	[25,206]	[38,000]	[12,794]
Direct FTE	68	70	70	0
Reimbursable FTE	14	19	14	(5)
<sup>1/</sup> For FY 2013, a new Salaries and Administrative Expenses line item was added to separate program costs from operating costs. For comparison purposes, adjustments are reflected in all budget years.				
<sup>2/</sup> Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-Aid Highways program.				

**Program and Performance Statement**

The Bureau of Transportation Statistics (BTS) manages and shares statistical knowledge and information on the Nation's transportation systems, including statistics on freight movement, geospatial transportation information, and transportation economics. BTS is funded by an allocation from the Federal Highway Administration's Federal-Aid Highways account.

Working Capital Fund

[For necessary expenses for operating costs and capital outlays of the Working Capital Fund, not to exceed \$172,000,000 shall be paid from appropriations made available to the Department of Transportation: *Provided*, That such services shall be provided on a competitive basis to entities within the Department of Transportation: *Provided further*, That no funds appropriated in this Act to an agency of the Department shall be transferred to the Working Capital fund without majority approval of the Working Capital Fund Steering Committee and approval of the Secretary: *Provided further*, That no assessments may be levied against any program, budget activity, subactivity or project funded by this Act unless notice of such assessments and the basis therefor are presented to the House and Senate Committees on Appropriations and are approved by such Committees.] (*Department of Transportation Appropriations Act, 2012.*)

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND  
(In thousands of dollars)

<u>Program</u>	FY 2011 <u>ACTUAL</u>	FY 2012 <u>ENACTED</u>	FY 2013 <u>REQUEST</u>	CHANGE <u>FY 2012-</u> <u>2013</u>
WCF DOT Activities	147,596	172,000	174,128	2,128
WCF Non-DOT Activities	446,687	341,966	319,120	-22,846
<b>Total</b>	<b>594,283</b>	<b>513,966</b>	<b>493,248</b>	<b>-20,718</b>
<u>Staffing</u>				
Direct FTE	0.00	0.00	0.00	0.00
Reimbursable FTE	204.84	241.00	246.00	5.00

**Program and Performance Statement**

The Working Capital Fund finances common administrative services and other services that are centrally performed in the interest of economy and efficiency. The fund is financed through agreements with the Department of Transportation operating administrations and other customers.

*ADMINISTRATIVE PROVISIONS--  
OFFICE OF THE SECRETARY OF TRANSPORTATION*

Sec. 101. The Secretary or his designee may engage in activities with the States and State legislators to consider proposals related to the reduction of motorcycle fatalities.

- ❖ Section 101 retains the provision of allowing the Secretary or his designee to engage in activities with the States and State legislators to consider proposals related to the reduction of motorcycle fatalities.

Sec. 102. Notwithstanding section 3324 of title 31, United States Code, in addition to authority provided by section 327 of title 49, United States Code, the Department's Working Capital Fund is hereby authorized to provide payments in advance to vendors that are necessary to carry out the Federal transit pass transportation fringe benefit program under Executive Order 13150 and section 3049 of Public Law 109-59: Provided, That the Department shall include adequate safeguards in the contract with the vendors to ensure timely and high-quality performance under the contract.

- ❖ Section 102 retains the provision authorizing the Department's Working Capital Fund to provide payments in advance to vendors that are necessary to carry out the Federal transit pass transportation fringe benefit program.

Section 103. The Secretary shall post on the Web site of the Department of Transportation a schedule of all meetings of the Credit Council, including the agenda for each meeting, and require the Credit Council to record the decisions and actions of each meeting.

- ❖ Section 103 retains the provision that the Secretary post on the Web site of the Department of Transportation a schedule of all meeting of the Credit Council, including the agenda for each meeting, and require the Credit Council to record the decisions and actions of each meeting.

*Section 104. No funds appropriated in this Act to an agency of the Department shall be transferred to the Working Capital Fund without majority approval of the Working Capital Fund Steering Committee and approval of the Secretary.*

- ❖ Section 104 proposes a provision that will retains the language under the Working Capital Fund heading in the Consolidated and Further Continuing Appropriations Act, 2012 (P.L. 112-55) whereby no funds appropriated in the Act to an agency of the Department can be transferred to the Working Capital Fund without majority approval of the Working Capital Fund Steering Committee and approval of the Secretary.

**GENERAL PROVISIONS – DEPARTMENT OF TRANSPORTATION  
(INCLUDING TRANSFER OF FUNDS)  
(INCLUDING CANCELLATIONS)**

Sec. 180. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms or allowances therefore, as authorized by law (5 U.S.C. 5901-5902).

- ❖ Section 180 retains the provision that allows the Department of Transportation to use funds for aircraft, motor vehicles, liability insurance, uniforms, or allowances, as authorized by law.

Sec. 181. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for an Executive Level IV.

- ❖ Section 181 retains the provision that limits appropriations for services authorized by 5 U.S.C. 3109 to the rate for an Executive Level IV.

Sec. 182. None of the funds in this Act shall be available for salaries and expenses of more than 110 political and Presidential appointees in the Department of Transportation: *Provided*, That none of the personnel covered by this provision may be assigned on temporary detail outside the Department of Transportation.

- ❖ Sec. 182 retains the provision that prohibits funds to be used for salaries and expenses of more than 110 appointees.

Sec. 183.

- (a) No recipient of funds made available in this Act shall disseminate personal information (as defined in 18 U.S.C. 2725(3)) obtained by a State department of motor vehicles in connection with a motor vehicle record as defined in 18 U.S.C. 2725(1), except as provided in 18 U.S.C. 2721 for a use permitted under 18 U.S.C. 2721.
  - (b) Notwithstanding subsection (a), the Secretary shall not withhold funds provided in this Act for any grantee if a State is in noncompliance with this provision.
- ❖ Section 183 retains the provision that prohibits recipients of funds made available in this Act from releasing certain personal information and photographs from a driver's license or motor vehicle record, without express consent of the person to whom such information pertains; and prohibits the

withholding of funds provided in this Act for any grantee if a State is in noncompliance with this provision.

Sec. 184. Funds received by the Federal Highway Administration, Federal Transit Administration, and Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited respectively to the Federal Highway Administration's "Federal-Aid Highways" account, the Federal Transit Administration's "Research and University Research Centers" account, and to the Federal Railroad Administration's "Safety and Operations" account, except for State rail safety inspectors participating in training pursuant to 49 U.S.C. 20105.

- ❖ Section 184 retains the provision that permits funds received by specified DOT agencies from States or other private or public sources for expenses incurred for training to be credited to certain specified agency accounts.

Sec 185. None of the funds in this Act to Department of Transportation may be used to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than 3 full business days before any project competitively selected to receive a discretionary grant award, any discretionary grant award, letter of intent, or full funding grant agreement totaling \$1,000,000 or more is announced by the department or its modal administrations from: (1) any discretionary grant program of the Federal Highway Administration including the emergency relief program; (2) the airport improvement program of the Federal Aviation Administration; (3) any program of the Federal Railroad Administration; (4) any program of the Federal Transit Administration other than the formula grants and fixed guideway modernization programs; or (5) any funding provided under the headings "National Infrastructure Investments" and "Assistance to Small Shipyards" in this Act: *Provided*, That the Secretary gives concurrent notification to the House and Senate Committees on Appropriations for any "quick release" of funds from the emergency relief program: *Provided further*, That no notification shall involve funds that are not available for obligation.

- ❖ Section 185 retains the provision that prohibits funds from being used to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations no less than three days in advance of any discretionary grant award, letter of intent, or full funding grant agreement totaling \$1,000,000 or more.

Sec. 186. Rebates, refunds, incentive payments, minor fees and other funds received by the Department of Transportation from travel management centers, charge card programs, the subleasing of building space, and miscellaneous sources are to be credited to appropriations of the Department of Transportation and allocated to elements of the Department of Transportation using fair and equitable criteria and such funds shall be available until expended.

- ❖ Section 186 retains the provision that allows funds received from rebates, refunds, and similar sources to be credited to appropriations of the Department of Transportation.



Sec. 187. Amounts made available in this or any other Act that the Secretary determines represent improper payments by the Department of Transportation to a third party contractor under a financial assistance award, which are recovered pursuant to law, shall be available--

- (1) to reimburse the actual expense incurred by the Department of Transportation in recovering improper payments; and
- (2) to pay contractors for services provided in recovering improper payments or contractor support in the implementation of the Improper Payments Information Act of 2002: Provided, That amounts in excess of that required for paragraphs (1) and (2)--
  - (A) shall be credited to and merged with the appropriation from which the improper payments were made, and shall be available for the purposes and period for which such appropriations are available; or
  - (B) if no such appropriation remains available, shall be deposited in the Treasury as miscellaneous receipts: Provided further, That prior to the transfer of any such recovery to an appropriations account, the Secretary shall notify to the House and Senate Committees on Appropriations of the amount and reasons for such transfer: Provided further, That for purposes of this section, the term “improper payments”, has the same meaning as that provided in section 2(d)(2) of Public Law 107-300.

- ❖ Section 187 retains the provision that allows amounts from improper payments to a third party contractor that are lawfully recovered by the DOT to be available to cover expenses incurred in the recovery of such payments, but proposes an annual report of the transfer of such recoveries rather than congressional notification prior to each transfer.

Sec. 188. Notwithstanding any other provision of law, if any funds provided in or limited by this Act are subject to a reprogramming action that requires notice to be provided to the House and Senate Committees on Appropriations, *transmission of notice of* said reprogramming action shall be [approved or denied] *provided* solely [by] to the Committees on Appropriations: *Provided*, That the Secretary may provide notice to other congressional committees of the action of the Committees on Appropriations on such reprogramming but not sooner than 30 days following the date on which the reprogramming action has been [approved or denied by] *transmitted to* the House and Senate Committees on Appropriations.

- ❖ Section 188 proposes a provision that allows the Secretary to provide notice to other Congressional Committees of the approval or denial of a reprogramming action of the Committees on Appropriations not sooner than 30 days following the date of approval or denial.

Section 189. None of the funds appropriated or otherwise made available under this Act may be used by the Surface Transportation Board of the Department of Transportation to charge or collect any filing fee for rate complaints filed with the Board in an amount in excess of the amount authorized for district court civil suit filing fees under section 1914 of title 28, United States Code.

- ❖ Section 189 proposes a provision that the Surface Transportation Board funds appropriated or available under this Act cannot be used to charge or collect any filing fee for rate complaints filed with the Board in any amount in excess of the amount authorized for district court civil suit filing fees.

Section 190. Funds appropriated in this Act to the modal administrations may be obligated for the Office of the Secretary for the costs related to assessments or reimbursable agreements only when such amounts are for the costs of goods and services that are purchased to provide a direct benefit to the applicable modal administration or administrations.

- ❖ Section 190 proposes a provision that would allow the Office of the Secretary of Transportation to assess or enter into reimbursable agreements with the modal administrations only to the degree that such amounts are for the costs of goods and services that are purchased to provide a direct benefit to the applicable modal administration or administrations.

*Sec. 191. The Secretary of Transportation is authorized to carry out a program that establishes uniform standards for developing and supporting agency transit pass and transit benefits authorized under section 7905 of title 5, United States Code, including distribution of transit benefits by various paper and electronic media.*

- ❖ Section 191 would explicitly designate the Department of Transportation as the Government-wide executive agency for the Federal transportation transit benefit program. While the Department of Transportation currently acts as the *de facto* executive agent, the lack of an official designation creates confusion with coordinating with the Office of Management and Budget and other agencies as to the Federal agency with the policy role for the program. In an April 2007 report, the Government Accountability Office (GAO) identified weaknesses in the design of program controls for transit benefit program at numerous Federal agencies; noted the lack of Government-wide policies or standards for establishing internal controls for the Federal transit benefits program; and concluded that weak program controls at each agency is a factor in fraud and abuse. The Department of Transportation has taken many of the corrective actions identified in the GAO report, but a formal designation as the Government-wide executive agent would enable the Department to lead more effectively the effort against transit benefit subsidy fraud and abuse.

*Sec. 192. (a) Title 49, United States Code, is amended as follows: (1) Section 102(e) is amended by striking “4” and inserting “5”; (2) Section 111(a) is amended by striking “in the Research and Innovative Technology Administration” and inserting “in the Department of Transportation”; (3) Chapter 1 is amended by striking Section 112; and (4) The analysis of chapter 1 is amended by striking the item relating to the “Research and Innovative Technology Administration”. (b) Title 5, United States Code, is amended as follows: (1) Section 5314 is amended by striking “Administrator, Research and Innovative Technology Administration”; and (2) Section 5315 is amended by striking “(4)” in the undesignated item relating to Assistant Secretaries of Transportation and inserting “(5)”. (c) Any reference in law, regulation, judicial proceedings, or elsewhere to the Research and Innovative Technology Administration shall be deemed to be a reference to the Office of the Assistant Secretary for Research and Technology of the Department of Transportation.*

- ❖ Section 192 proposes a provision that converts the Research and Innovative Technology Administration into a newly created Office of the Assistant Secretary for Research and Technology.

## GENERAL PROVISIONS—THIS ACT

Sec. 401. Such sums as may be necessary for fiscal year 2013 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act or previous appropriations Acts.

- ❖ Section 401 proposes a provision that 2013 pay raises shall be absorbed within the funding levels appropriated in this Act or previous appropriations Acts.

Sec. 402. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

- ❖ Section 402 continues the prohibition on the use of funds for pay and other expenses provided in the appropriation act for compensating non-Federal parties intervening in regulatory or adjudicatory proceedings funded by the act.

Sec. 403. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.

- ❖ Section 403 continues the prohibition on obligations beyond the current fiscal year and transfers of funds to other appropriations unless expressly provided in the appropriations act.

Sec. 404. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

- ❖ Section 404 continues the limitation on expenditures for consulting service through procurement contracts where such expenditures are a matter of public record and available for public inspection.

Sec. 405. Except as otherwise provided in this Act, none of the funds provided in this Act, provided by previous appropriations Acts to the agencies or entities funded in this Act that remain available for obligation or expenditure in fiscal year 2013, or provided from any accounts in the Treasury derived by the collection of fees and available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that:

- (1) creates a new program;
- (2) eliminates a program, project or activity;

- (3) increases funds or personnel for any program, project, or activity for which funds have been denied or restricted by the Congress;
- (4) proposes to use funds directed for a specific activity by either the House or Senate Committees on Appropriations for a different purpose;
- (5) augments existing programs, projects, or activities in excess of \$5,000,000 or 10 percent, whichever is less;
- (6) reduces existing programs, projects, or activities by \$5,000,000 or 10 percent, whichever is less; or
- (7) creates, reorganizes, or restructures a branch, division, office, bureau, board, commission, agency, administration, or department different from the budget justifications submitted to the Committees on Appropriations or the table accompanying the explanatory statement accompanying this Act, whichever is more detailed, unless prior notice is transmitted to the House and Senate Committees on Appropriations:

Provided, That not later than 60 days after the date of enactment of this Act each agency funded by this Act shall submit a report to the Committees on Appropriations of the Senate and of the House of Representatives to establish the baseline for application of reprogramming and transfer authorities for the current fiscal year: Provided further, That the report shall include:

- (A) a table for each appropriation with a separate column to display the President's budget request, adjustments made by Congress, adjustments due to enacted rescissions, if appropriate, and the fiscal year enacted level;
- (B) a delineation in the table for each appropriation both by object class and program, project, and activity as detailed in the budget appendix for the respective appropriation; and
- (C) an identification of items of special congressional interest: Provided further, That the amount appropriated or limited for salaries and expenses for an agency shall be reduced by \$100,000 per day for each day after the required date that the report has not been submitted to the Congress.

- ❖ Section 405 continues the provision that each Department provide a report to the Committees on Appropriations that establishes the baseline for application of reprogramming and transfer authorities for the current fiscal year not later than 60 days after enactment.

Sec. 406. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2013 from appropriations made available for salaries and expenses for fiscal year 2013 in this Act, shall remain available

through September 30, 2014, for each such account for the purposes authorized: Provided, That a request shall be submitted to the House and Senate Committees on Appropriations prior to the expenditure of such funds: Provided further, That these requests shall be made in compliance with reprogramming guidelines under section 405 of this Act.

- ❖ Section 406 continues the provision providing that 50 percent of unobligated balances are available for certain purposes.

Sec. 407. No funds in this Act may be used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use: Provided, That for purposes of this section, public use shall not be construed to include economic development that primarily benefits private entities: Provided further, That any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or Brownsfield's as defined in the Small Business Liability Relief and Brownsfield's Revitalization Act (Public Law 107-118) shall be considered a public use for purposes of eminent domain.

- ❖ Section 407 continues the provision prohibiting the use of funds for eminent domain unless such taking is employed for public use.

Sec. 408. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriations Act.

- ❖ Section 408 proposes a provision that does not allow any funds provided in the Act to be transferred to any department, Agency, or instrumentality of the U.S. Government unless transfer made by or transfer authority provided in this Act or other Appropriations Act.

Sec. 409. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a-10c, popularly known as the "Buy American Act").

- ❖ Section 409 prohibits the availability of funds to any person or entity that does not comply with the Buy American Act.

Sec. 410. No funds appropriated or otherwise made available under this Act shall be made available to any person or entity that has been found to violate the Buy American Act (41 U.S.C. 10a-10c).

- ❖ Section 410 prohibits the availability of funds to any person or entity that has been convicted of violating the Buy American Act.

Sec. 411. None of the funds made available in this Act may be used for first-class airline accommodations in contravention of sections 301-10.122 and 301-10.123 of title 41, Code of Federal Regulations.

- ❖ Section 411 prohibits the use of funds for the purchase of first-class airline accommodations.

Sec. 412. None of the funds made available under this Act or any prior Act may be provided to the Association of Community Organizations for Reform Now (ACORN), or any of its affiliates, subsidiaries, or allied organizations.

- ❖ Section 412 prohibits Federal funds from being provided to the Association of Community Organizations for Reform Now (ACORN), or any of its affiliates, subsidiaries, or allied organizations.

Sec. 413. All agencies and departments funded by this Act shall send to Congress at the end of the fiscal year a report containing a complete inventory of the total number of vehicles owned, permanently retired, and purchased during fiscal year 2013 as well as the total cost of the vehicle fleet, including maintenance, fuel, storage, purchasing, and leasing.

- ❖ Section 413 proposes a provision that requires all agencies and departments to send Congress a report at the end of the fiscal year regarding the vehicle fleet inventory of that agency or department.

*Sec. 414. None of the funds made available in this Act may be used to purchase a light bulb for an office building unless the light bulb has, to the extent practicable, an Energy Star or Federal Energy Management program designation.*

- ❖ Section 414 prohibits the use of funds to purchase of light bulbs for an office building unless the light bulb has, to the extent practicable, an Energy Star or Federal Energy Management Program designation.



*Sec. 415. The Secretaries of the Departments of Housing and Urban Development and Transportation may jointly distribute and obligate amounts made available under this Act for the Partnership for Sustainable Communities, for the planning, preparation, or design of such projects eligible for funding under this Act: Provided, That the Department contributing the majority of funding for a grant shall determine the terms and conditions of such grant: Provided further, That each Secretary may accept services from the other on a non-reimbursable basis to carry out the purposes of this section.*

- ❖ Section 415 proposes a provision that allows the Secretaries of the Departments of Transportation and Housing and Urban Development to jointly distribute and obligate amounts available under this Act for the Partnership for Sustainable Communities.

**EXHIBIT III-2  
ANNUAL PERFORMANCE RESULTS AND TARGETS**

**Office of the Secretary of Transportation**

The Office of the Secretary of Transportation (OST) integrates performance results into its budget request to demonstrate alignment with the Department of Transportation’s Strategic Plan. OST tracks the following DOT level performance measures to demonstrate program results:

**SAFETY:**

**DOT Goal: Safety**

**DOT Outcome: Improved safety experience for all road users, including motorists, pedestrians and cyclists, with a focus on children, older adults, and individuals with disabilities**

Increase the number of States and localities that adopt roadway design policies that accommodate all road users (i.e., complete streets) from 22 states and one territory in 2010 OST/Policy.	2009	2010	2011	2012	2013
Target	N/A	N/A	25	26	27
Actual	15	22	26		



**ECONOMIC COMPETITIVENESS:**

**DOT Goal: Economic Competitiveness**

**DOT Outcome: A competitive air transportation system responsive to consumer needs**

Review air carriers to ensure that they meet the requisite standards for obtaining or retaining economic authority to operate.	2009	2010	2011	2012	2013
Target	N/A	N/A	N/A	18*	18*
Actual	22	20	26		

\* The target of 18 reflects the reduction in staff available for function.

**DOT Goal: Economic Competitiveness**

**DOT Outcome: A competitive air transportation system responsive to consumer needs .**

Act on 3 or more applications to implement international aviation rights and opportunities derived from bilateral and multilateral aviation agreements. OST/Aviation and International Affairs.	2009	2010	2011	2012	2013
Target	N/A	N/A	N/A	N/A	*
Actual	N/A	N/A	8		

\*The target for this measure will be established for 2013 based on 2011 and 2012 actual data.

**DOT Goal: Economic Competitiveness****DOT Outcome: U.S. transportation interests advanced in targeted markets around the world.**

Advance DOT goals with foreign governments through the conduct of at least 75 annual international trips, meetings, conferences, and other events at the Secretary, Deputy Secretary, or Under Secretary Level OST/Aviation and International.	2009	2010	2011	2012	2013
Target	75	75	75	75	
Actual	73	135	185		

**DOT Goal: Economic Competitiveness****DOT Outcome: US transportation interests advanced in targeted markets around the world.**

Reach 3 or more new bilateral and multilateral aviation agreements to remove market distorting barriers to trade transportation. OST/Aviation and International Affairs.	2009	2010	2011	2012	2013
Target	3	3	3	2	2
Actual	3	7	4		

**DOT Goal: Economic Competitiveness****DOT Outcome: Expanded opportunities for businesses in the transportation sector, especially small, women-owned and disadvantaged businesses.**

Increase percent of total dollar value of DOT direct contracts awarded to small, disadvantaged businesses.	2009	2010	2011	2012	2013
Target	14.5%	15%	15%	15%	15%
Actual	13%	14.5%*	19.5*		

\*Preliminary- SBA has not verified as of January 2012.

**DOT Goal: Economic Competitiveness**

**DOT Outcome: Expanded opportunities for businesses in the transportation sector, especially small, women-owned and disadvantaged businesses.**

Increase percent of total dollar value of DOT direct contracts awarded to women owned businesses.	2009	2010	2011	2012	2013
Target	5.1%	6%	6%	6%	6%
Actual	10.9%	8.02%*	11.1%*		

\*Preliminary- SBA has not verified as of January 2012.

**DOT Goal: Economic Competitiveness**

**DOT Outcome: A competitive air transportation system responsive to consumer needs.**

Percent of consumer complaints reviewed.	2009	2010	2011	2012	2013
Target	N/A	100%	100%	100%	100%
Actual	N/A	100%	100%		

**DOT Goal: Economic Competitiveness**

**DOT Outcome: A competitive air transportation system responsive to consumer needs.**

Median investigation time (days) for civil rights complaints (disability and other discrimination)	2009	2010	2011	2012	2013
Target	N/A	180	180	180	180
Actual	N/A	130	100		

**ENVIRONMENTAL SUSTAINABILITY:****DOT Goal: Environmental Sustainability**

**DOT Outcome: Increased use of environmentally sustainable practices and a reduction in pollution and other adverse environmental effects from DOT owned or controlled transportation services and facilities.**

30 percent reduction in vehicle fleet petroleum use by 2020 from a FY 2005 baseline.	2009	2010	2011	2012	2013
Target	N/A	10%	12%	14%	16%
Actual	N/A	5%	4.8%		

**DOT Goal: Environmental Sustainability**

**DOT Outcome: Increased use of environmentally sustainable practices and a reduction in pollution and other adverse environmental effects from DOT owned or controlled transportation services and facilities.**

26 percent reduction in potable water consumption by 2020 from a FY 2007 baseline.	2009	2010	2011	2012	2013
Target	N/A	6%	9%	12%	15%
Actual	N/A	(1.2%)	(9.7%)*		

\*Water consumption, as measured by intensity, has increased 9.7% since FY 2007.

**DOT Goal: Environmental Sustainability**

**DOT Outcome: Increased use of environmentally sustainable practices and a reduction in pollution and other adverse environmental effects from DOT owned or controlled transportation services and facilities.**

50 percent recycling and waste diversion by 2020 from a FY 2010 baseline.	2009	2010	2011	2012	2013
Target	N/A	2%	4%	6%	8%
Actual	N/A	*	*		

\*Actual data is not available for FY 2010 or FY 2011.

**DOT Goal: Environmental Sustainability**

**DOT Outcome: Increased use of environmentally sustainable practices and a reduction in pollution and other adverse environmental effects from DOT owned or controlled transportation services and facilities.**

95 percent of all applicable contracts will meet sustainability requirements by 2020.	2009	2010	2011	2012	2013
Target	N/A	95%	95%	95%	95%
Actual	N/A	*	95%		

\*Actual data is not available for FY 2010.

**DOT Goal: Environmental Sustainability**

**DOT Outcome: Increased use of environmentally sustainable practices and a reduction in pollution and other adverse environmental effects from DOT owned or controlled transportation services and facilities.**

12.3 percent reduction in greenhouse gas emissions from facilities and fleets by 2020 from a FY 2008 baseline.	2009	2010	2011	2012	2013
Target	N/A	0%	2%	4%	6%
Actual	N/A	7.9%	12.2*		

\*Greenhouse gas emissions from facilities and fleet has decreased by 12.2% since FY 2008.

**DOT Goal: Environmental Sustainability**

**DOT Outcome: Increased use of environmentally sustainable practices and a reduction in pollution and other adverse environmental effects from DOT owned or controlled transportation services and facilities.**

10.9 percent reduction in greenhouse gas emissions from employee business travel and commuting by 2020 from a FY 2008 baseline	2009	2010	2011	2012	2013
Target	N/A	0%	0%	2%	4%
Actual	N/A	(4.7%)*	<1%*		

\* Greenhouse gas emissions have decreased by <1 percent since FY 2008 reflecting challenges the Department has faced in achieving its Scope 3 GHG reductions due to an increase in number of DOT employees, which has a direct impact on all elements of emissions - commuting, travel, and waste generated. Additionally, the data collection for this issue continues to be refined and improved which will strengthen the confidence in future reports.

**ORGANIZATIONAL EXCELLENCE:**

**DOT Goal: Organizational Excellence**

**DOT Outcome: Prevent Grant and Contract Award to Organizations Identified on the Suspension and Debarment List (as documented in Excluded Parties List System (EPLS)).**

Percent of excluded party's information that is placed into EPLS within 5 business days of receiving notification from the modal administration and secretarial offices.	2009	2010	2011	2012	2013
Target	N/A	100%	100%	100%	100%
Actual	N/A	100%	100%		

**DOT Goal: Organization Excellence**

**DOT Outcome: Improve the hiring process within the DOT.**

Reduce the DOT hiring benchmark of 167 days to 90 days.	2009	2010	2011	2012	2013
Target	N/A	134-142	120	100	90
Actual	167	133	118		

**EXHIBIT III-2  
ANNUAL PERFORMANCE RESULTS AND TARGETS**

**Office of the Assistant Secretary for Research and Technology  
Research and Development**

The Office of the Assistant Secretary for Research and Technology integrates performance results into its budget request to demonstrate alignment with the Department of Transportation's Strategic Plan. The Office tracks the following agency measures in support of USDOT strategic goals of Environmental Sustainability, Economic Competitiveness, and Organizational Excellence:

**DOT Goal/Outcome: Safety, State of Good Repair, Economic Competitiveness, Livable Communities, Environmental Sustainability and Organizational Excellence**

<i>Research Coordination:</i> Visits to Research Cluster Sharepoint sites at <a href="http://www.transportationresearch.gov">www.transportationresearch.gov</a> by DOT, DOT-Funded and Stakeholder Researchers	2009	2010	2011	2012	2013
Target	---	---	Baseline	1,000	1,500
Actual	---	---	800	---	---

**DOT Goal/Outcome: Safety, State of Good Repair, Economic Competitiveness, Livable Communities, Environmental Sustainability and Organizational Excellence**

<i>Research Coordination:</i> Visits to Knowledge Management System by DOT Personnel, Oversight Agencies, Congress & Public	2009	2010	2011	2012	2013
Target	---	---	---	Baseline	---
Actual	---	---	---	---	---

**DOT Goal/Outcome: Safety, State of Good Repair, Economic Competitiveness, Livable Communities, Environmental Sustainability and Organizational Excellence**

<i>Research Coordination:</i> Number of DOT Funded RD&T Projects. Listed in the Knowledge Management System	2009	2010	2011	2012	2013
Target	---	Baseline	3,000	4,000	---
Actual	---	2,047	3,109	5,191	---

**DOT Goal/Outcome: Safety, State of Good Repair, Economic Competitiveness, Livable Communities, Environmental Sustainability and Organizational Excellence**

<b>Research Coordination:</b> Number of DOT-Funded Research Technologies Ready For Use And/Or Being Used In Our Transportation System	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Target	---	---	Baseline	200	---
Actual	---	---	100	---	---

The Nationwide Differential Global Positioning System (NDGPS) Program uses performance results for program management purposes and to demonstrate alignment with the Department of Transportation's Strategic Plan. NDGPS tracks the following agency measures in support of the USDOT strategic goal of Safety:

**DOT Goal/Outcome: Safety**

<b>Nationwide Differential GPS:</b> System Availability (% of Broadcast GPS Corrections Available to Users; All Towers; Annualized)	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Target	98.5%	98.5%	98.5%	98.5%	98.5%
Actual	98.9%	98.7%	98.6%	---	---

**DOT Goal/Outcome: Safety**

<b>Nationwide Differential GPS:</b> Modernized Configuration (% of NDGPS Towers Brought to Current Coast Guard Operating Standards)	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Target	---	---	---	10%	52%
Actual	---	---	---	---	---



**EXHIBIT III-2  
ANNUAL PERFORMANCE RESULTS AND TARGETS**

**Office of the Assistant Secretary for Research and Technology  
Bureau of Transportation Statistics**

The Office of the Assistant Secretary for Research and Technology integrates performance results into its budget request to demonstrate alignment with the Department of Transportation's Strategic Plan. It tracks the following agency measures in support of the DOT strategic goals of Safety, Economic Competitiveness, Livability, Environmental Sustainability, and Organizational Excellence.

**DOT Goal/Outcome: Organizational Excellence**

<b>Total Congressional Offices, Federal Agencies, and State USDOT Offices contacting BTS for information</b>	2009	2010	2011	2012	2013
Target	Baseline	---	---	---	---
Actual	1,686*	---	---	---	---

\*This includes 852 questions to the NTL ARRA Public Response Team, which will sunset in 2010.

**DOT Goal/Outcome: Safety**

<b>Number of Times Safety Data is Accessed</b>	2009	2010	2011	2012	2013
Target	---	---	---	Baseline	---
Actual	---	---	---	---	---

**DOT Goal/Outcome: Economic Competitiveness**

<b>Number of Times Travel Related Data is Accessed</b>	2009	2010	2011	2012	2013
Target	---	Baseline	TBD	TBD	TBD
Actual	---	---	---	---	---

**DOT Goal/Outcome: Economic Competitiveness**

<b>Number of Times Freight Data is Accessed</b>	2009	2010	2011	2012	2013
Target	---	Baseline	TBD	TBD	TBD
Actual	---	---	---	---	---

Section 3: FY 2013 Budget Request by Appropriation

**DOT Goal/Outcome: Economic Competitiveness**

<b>Number of Times Transportation Economics Data (Transportation Services Index) is Accessed</b>	2009	2010	2011	2012	2013
Target	---	Baseline	TBD	TBD	TBD
Actual	---	---	---	---	---

**DOT Goal/Outcome: Livable Communities/Safety/Environmental Sustainability**

<b>Number of Times National Transportation Atlas Database is Accessed</b>	2009	2010	2011	2012	2013
Target	---	Baseline	TBD	TBD	TBD
Actual	---	---	---	---	---

**DOT Goal/Outcome: Economic Competitiveness**

<b>Number of Times Transportation Analysis Data (National Transportation Statistics, Key Transportation Indicators, Transportation Statistics Annual Report)</b>	2009	2010	2011	2012	2013
Target	---	Baseline	TBD	TBD	TBD
Actual	---	---	---	---	---

**DOT Goal/Outcome: Economic Competitiveness**

<b>Average Daily Visits to National Transportation Library</b>	2009	2010	2011	2012	2013
Target	---	Baseline	TBD	TBD	TBD
Actual	---	---	---	---	---

**DOT Goal/Outcome: Economic Competitiveness**

<b>Number of Times National Transportation Library Electronic Database is Accessed</b>	2009	2010	2011	2012	2013
Target	---	Baseline	TBD	TBD	TBD
Actual	---	---	---	---	---

**DOT Goal/Outcome: Economic Competitiveness**

<b>Number of Times Airline Data is Accessed</b>	2009	2010	2011	2012	2013
Target	---	Baseline	TBD	TBD	TBD
Actual	---	---	---	---	---

**History of Budget Authority, Appropriations and User Fees  
(\$ in thousands)  
Office of the Secretary**

	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Enacted	FY 2013 Request
Salaries & Expenses	88,357	77,894	81,564	84,051	83,961	91,782	98,248	102,686	102,481	102,481	110,450
Transportation, Planning, Research & Development	23,463	31,810	20,997	14,850	14,893	13,884	18,300	18,168 <sup>5/</sup>	9,799	9,000	10,000
Office of Civil Rights	8,514	8,223	8,408	8,465	8,527	9,141	9,384	9,667	9,648	9,384	9,773
Minority Business Outreach	2,949	3,973	2,641	2,970	2,970	2,970	3,056	3,074	3,068	3,068	3,235
Minority Business Resource Center	894	895	522	891	893	893	912	923	921	922	1,285
Financial Management Capital	0	0	0	0	0	0	5,000	5,000	4,990	4,990	10,000
Essential Air Service	[50,000] <sup>1/</sup>	[50,000] <sup>2/</sup>	[50,000] <sup>3/</sup>	[50,000] <sup>3/</sup>	[50,000] <sup>3/</sup>	[65,000] <sup>4/</sup>	[12,286] <sup>6/</sup>	[50,000] <sup>3/</sup>	[50,000] <sup>3/</sup>	[50,000] <sup>3/</sup>	[100,000]
Payments to Air Carriers	51,761	51,662	51,628	0	59,400	60,000	86,213	150,000	149,700	143,000	114,000
Compensation to Air Carriers	0	0	0	0	-50,000	-22,000	-848	0	0	0	0
Compensation for General Aviation Operations	0	0	0	16,830	0	0	0	0	0	-3,254	0
New Headquarters Building	0	0	43,355	49,500	49,500	0	0	0	0	0	0
Liveable Communities	0	0	0	0	0	0	0	0	0	0	0
National Infrastructure Investments	0	0	0	0	0	0	0	0	0	0	5,000
ARRA - National Surface Transportation System	0	0	0	0	0	0	0	600,000	526,944	500,000	0
Cyber Security/IT Infrastructure	0	0	0	0	0	0	1,500,000	0	0	0	0
Immediate Transportation Investment	0	0	0	0	0	0	0	0	0	10,000	6,000
Research & Development	0	0	4,213 <sup>7/</sup>	5,716 <sup>8/</sup>	7,736 <sup>9/</sup>	12,000 <sup>10/</sup>	12,900 <sup>11/</sup>	13,007 <sup>12/</sup>	12,981 <sup>13/</sup>	4,000,000	0
Bureau of Transportation Statistics	30,499 <sup>15/</sup>	30,235 <sup>16/</sup>	30,015 <sup>17/</sup>	26,730 <sup>18/</sup>	27,562 <sup>19/</sup>	27,000 <sup>10/</sup>	27,000 <sup>11/</sup>	27,000 <sup>12/</sup>	27,000 <sup>13/</sup>	25,206 <sup>20/</sup>	38,000

<sup>1/</sup> Offsetting collection from FAA F&E balances.

<sup>2/</sup> Unobligated balances of overflight fees

<sup>3/</sup> Overflight fees collected by FAA

<sup>4/</sup> Overflight fees collected by FAA (\$50m) and funds from sale of spectrum (\$15m)

<sup>5/</sup> Includes \$2 million for the Mississippi-Missouri Rivers project pursuant to P.L. 111-117 Section 195.

<sup>6/</sup> A total of \$50 million of overflight fees was available to the EAS program during FY 2009. \$23 million was transferred by FAA as an unobligated balance at the start of FY 2009, and an additional \$27 million of overflight fees was transferred during FY 2009. In addition, \$15 million of collections from the sale of spectrum was transferred from the Department of Commerce into the EAS account in FY 2009. The \$15 million was used to pay back funds that were borrowed in FY 2008, pursuant to P.L. 109-171; however, for the purpose of budgetary presentation, the \$15 million offsets the \$27 million of overflight fees, resulting in a net amount of new budgetary authority of \$12 million.

<sup>7/</sup> Total FY 2005 enacted level for R&D was \$5,967,369; \$4,310,000 reflects the amount transferred to RITA. Previous funding for R&D appeared in the Research and Special Programs budget.

<sup>8/</sup> FY 2006 reflects a 1% across the board rescission of \$58,000 as stated in P.L. 109-148, section 3801.

<sup>9/</sup> FY 2007 reflects Continuing Resolution (H.J. Resolution 20) at the FY 2006 budget level of \$5,736,000 and fund to support Air Transportation Statistics program.

<sup>10/</sup> FY 2008 reflects funding provided in P.L. 110-161.

<sup>11/</sup> FY 2009 reflects funding provided in P.L. 111-8.

<sup>12/</sup> FY 2010 reflects funding provided in P.L. 111-117.

<sup>13/</sup> FY 2011 reflects funding provided in P.L. 112-10.

<sup>14/</sup> FY 2012 reflects funding provided in P.L. 112-55.

<sup>15/</sup> FY 2003 reflects a reduction of \$300,000 for WCF expenses (section 362) and .65% rescission of \$201,500 (section 601) of P.L. 108-7.

<sup>16/</sup> FY 2004 reflects a reduction of \$581,000 for WCF expenses (section 517) and .59% across the board rescission of \$185,000 (section 168) of P.L. 180-199.

<sup>17/</sup> FY 2005 reflects a reduction of \$737,000 to WCF expenses (section 197) as stated in P.L. 108-477.

<sup>18/</sup> FY 2006 reflects a 1% across the board rescission of \$270,000 as stated in P.L. 109-148, section 3801.

<sup>19/</sup> FY 2007 reflects levels under a year long CR. An increase of \$562,000 over amount is due to Revenue Aligned Budget Authority (RABA) estimates (\$462,000) and a pay increase (\$99,000) provided by H.J. Res 20.

<sup>20/</sup> FY 2012 reflects full year funding, based on current CR through 3/31/12 provided in P.L. 112-55.

**History of Obligation Limitations  
(\$ in thousands)  
Office of the Secretary**

	<u>TASC/ Working Capital Fund 1/</u>	<u>Direct Loans</u>	<u>Guaranteed Loans</u>	<u>National Infrastructure Investments</u>
FY 1996	95,463	15,000		
FY 1997	114,812	15,000		
FY 1998	118,800	15,000		
FY 1999	109,124	13,775		
FY 2000	133,673	13,775		
FY 2001	126,887		13,775	
FY 2002	116,023		18,367	
FY 2003	118,391		18,367	
FY 2004 Actual	98,899		18,367	
FY 2005 Actual	94,881		18,367	
FY 2006 Actual	99,006		18,367	
FY 2007 Actual	118,014		18,367	
FY 2008 Actual	128,094		18,367	
FY 2009 Actual	128,094		18,367	
FY 2010 Actual	147,596		18,367	
FY 2011 Actual	147,596		18,367	
FY 2012 Enacted	172,000		18,367	
FY 2013 Request	-		21,955	500,000

Notes:

1/ This account was titled "Working Capital Fund" prior to 1997, was renamed "Transportation Administrative Service Center" from 1998 through 2002, and was renamed "Working Capital Fund" in 2003.

**DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY**

**FY 2013 CONGRESSIONAL BUDGET SUBMISSION**

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**GENERAL NOTES**

Detail in this document may not add to the totals due to rounding.

## Detailed Justification for the Immediate Office of the Secretary

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Immediate Office of the Secretary

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	2,287	2,272	2,288	16
Travel	231	200	201	1
Other Costs	108	146	146	0
<b>TOTAL</b>	<b>2,626</b>	<b>2,618</b>	<b>2,635</b>	<b>17</b>
<u>STAFFING</u>				
Direct Positions	15	15	15	0
Reimbursable Positions	7	7	7	0
Direct FTE	12.38	13	14	1
Reimbursable FTE	6.67	7	7	0

---

The Immediate Office of the Secretary is requesting \$2.635 million and an estimated 14 FTEs in FY 2013 to accomplish the mission outlined below.

### What Is This Program/Activity?

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The Immediate Office of the Secretary supports the **Organizational Excellence** strategic goal by providing leadership for the Department and developing a shared understanding of the Department's vision, mission, and strategic goals. The Office is responsible for overall planning, direction, and control of the Department's agenda.

### Why Is This Particular Program/Activity Necessary?

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The Immediate Office of the Secretary is necessary to provide executive leadership to the Department of Transportation.

**Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

---

The FY 2013 request reflects a .5 percent pay increase, a .5 percent inflation adjustment, one additional compensable work day, and changes in Working Capital Fund costs. It also funds an estimated 14 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes  
for the  
Immediate Office of the Secretary  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 2,618</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 2
Pay Raise	\$ 8
One Additional Compensable day	\$ 8
Rent	\$ -
WCF	\$ (1)
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 2,635</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 2,635</b>



## Detailed Justification for the Office of the Deputy Secretary

### What Is The Request And What Will We Get For The Funds?

---

#### FY 2013 – Office of the Deputy Secretary

(\$000)

	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference</b>
	<b><u>Actual</u></b>	<b><u>Enacted</u></b>	<b><u>Request</u></b>	<b>from FY 2012</b>
				<b><u>Enacted</u></b>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	949	936	944	8
Travel	21	35	35	0
Other Costs	14	13	13	0
<b>TOTAL</b>	<b>984</b>	<b>984</b>	<b>992</b>	<b>8</b>
<b><u>STAFFING</u></b>				
Direct Positions	7	7	7	0
Reimbursable Positions	0	0	0	0
Direct FTE	5.54	7	7	0
Reimbursable FTE	0	0	0	0

---

The Office of the Deputy Secretary is requesting \$.992 million and an estimated 7 FTEs in FY 2013 to accomplish the mission outlined below.

#### What Is This Program/Activity?

---

The Office of the Deputy Secretary supports the **Organizational Excellence** strategic goal by assisting the Secretary in the overall planning, direction and control of the Department's agenda.

#### Why Is This Particular Program/Activity Necessary?

---

The Office of the Deputy Secretary is necessary to provide leadership and administrative support to the Department of Transportation.

**Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

---

The FY 2013 request reflects a .5 percent pay increase, a .5 percent inflation adjustment, one additional compensable work day and changes in Working Capital Fund costs. It also funds an estimated 7 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes  
for the  
*Office of the Deputy Secretary*  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 984</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ -
Pay Raise	\$ 4
One Additional Compensable day	\$ 4
Rent	\$ -
WCF	\$ -
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 992</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 992</b>

## Detailed Justification for the Office of the Executive Secretariat

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Office of the Executive Secretariat

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	1,621	1,538	1,550	12
Travel	0	2	2	0
Other Costs	34	55	149	94
<b>TOTAL</b>	<b>1,655</b>	<b>1,595</b>	<b>1,701</b>	<b>106</b>
<u>STAFFING</u>				
Direct Positions	15	15	15	0
Reimbursable Positions	0	0	0	0
Direct FTE	14.46	14	14	0
Reimbursable FTE	0	0	0	0

---

The Office of Executive Secretariat is requesting \$1.701 million and an estimated 14 FTEs in FY 2013 to accomplish the mission outlined below.

#### What Is This Program/Activity?

---

The Office of the Executive Secretariat supports the **Organizational Excellence** strategic goal by providing organized staff services to the Secretary and Deputy Secretary to assist them in carrying out their management functions and their responsibilities for formulating, coordinating and communicating major policy decisions. This office controls and coordinates internal and external material directed to the Secretary and Deputy Secretary and ensures that their decisions and instructions are implemented.

**Why Is This Particular Program/Activity Necessary?**

---

The Office of the Executive Secretariat is necessary to provide staff support for controlling and coordinating the flow of materials to the Secretary and Deputy Secretary.

**Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

---

The FY 2013 request reflects a .5 percent pay raise, .5 percent inflation adjustment, one additional compensable work day, changes in Working Capital Fund costs. It also funds an estimated 14 FTEs authorized for this office and associated costs. A \$.093 million program increase is requested to upgrade and maintain the Correspondence Control Management System. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes  
for the  
Office of the Executive Secretariat, S-10  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 1,595</b>
<u>Adjustments to base:</u>	
Inflation Increase:	\$ 0
Pay Raise	\$ 6
One Additional Compensable Day	\$ 6
Rent	\$ -
WCF	\$ 1
Workers Compensation:	\$ -
<b>FY 2013 Adjusted Base:</b>	<b>\$ 1,608</b>
<u>Redirection of Resources</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF:	\$ -
<b>Program Changes (+/-):</b>	
Upgrade and maintenance of the Correspondence Control Management System, (CCMS).	\$ 93
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 1,701</b>

## Detailed Justification for the Office of the Under Secretary of Transportation for Policy

### What Is The Request And What Will We Get For The Funds?

#### FY 2013 – Office of the Under Secretary of Transportation for Policy (\$000)

	FY 2011	FY 2012	FY 2013	Difference from FY 2012
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	10,447	9,176	9,263	87
Travel	207	253	254	1
Other Costs	424	678	1,731	1,053
<b>TOTAL</b>	<b>11,078</b>	<b>10,107</b>	<b>11,248</b>	<b>1,141</b>
<u>STAFFING</u>				
Direct Positions	122	122	85	-37
Reimbursable Positions	4	4	0	-4
Direct FTE	71.55	77.00	82.00	5
Reimbursable FTE	0	0	0	0

The Office of the Under Secretary for Policy is requesting \$11.248 million and an estimated 82 FTEs in FY 2013 to accomplish the mission outlined below.

### What Is This Program/Activity?

The Office of the Under Secretary is the primary office within the Office of the Secretary responsible for shaping policies and programs to protect and enhance the safety, adequacy, and efficiency of the transportation system and services. Within the Office of the Under Secretary are six subordinate offices, four of which primarily address the **Economic Competitiveness** strategic goal (Economic & Strategic Analyses, Aviation Analysis, International Transportation & Trade, International Aviation); one which addresses the **Safety**, **Livable** and **Environmental Sustainability** strategic goals, (Safety, Energy & the Environment); and one which addresses **State of Good Repair** and **Economic Competitiveness** strategic goals (Infrastructure, Finance & Innovation).

The **Office of Economic & Strategic Analysis (OESA)** analyzes the economic implications of public and private transportation policy issues. It also analyzes methods of increasing the economic efficiency of transportation, including congestion pricing, benefit-cost analysis, and accelerated deployment of transportation technologies, such as Intelligent Transportation

Systems and the Next Generation Air Transportation System. This office recommends improvements in freight and passenger transportation systems, and provides guidance to the operating administrations on procedures and economic assumptions to use in forecasting and economic analysis. OESA provides economic evaluation of significant regulations prepared in the Department. It also conducts economic analysis of key policy issues such as: factors affecting mode choice, external costs and benefits, interactions between transportation and land use, and financing of transportation infrastructure projects. OESA conducts or reviews analyses on the economic and financial viability of new transportation technologies and program proposals.

The **Office of Safety, Energy & Environment (OSEE)** formulates and recommends departmental policies, plans and guidelines on: safety, energy and the environment affecting all aspects of transportation. The office provides policy advice and technical expertise for the Department's legislative, regulatory, and research programs to enhance public health and safety related to the natural and human environment but are not limited to activities on air quality and water quality; ecosystem management; greenhouse gas emission reduction; energy efficiency and reduction of petroleum consumption; climate change impacts and adaptation strategy; noise; state and local quality of life; livable communities; historic preservation; and bicycle and pedestrian transportation. The office serves as the Departmental focal point for domestic and international initiatives related to transportation safety, energy, and the environment.

The **Office of Infrastructure, Finance and Innovation (OIFI)** serves a dual role to the Secretary of Transportation as both a primary policy developer on innovative transportation finance, as well as program manager for the TIGER and National Infrastructure Investment (NII) discretionary programs. In addition, the office conducts research on innovative finance. This involves concepts such as public-private partnerships, activity bonds, loan oversight process, road pricing, congestion management, and other strategies, and works with modal administrations to adopt these strategies.

The **Office of Aviation Analysis (OAA)** serves as an independent source of analytical input into the Department's aviation and international affairs policy making function; exercises the Department's economic oversight of the domestic and international aviation industries, and Air Carrier Economic Fitness Programs; and establishes international and Alaskan mail rates as required by law. The OAA analyzes and supports the Department's decision makers on major airline issues, including: airline mergers and acquisitions, domestic and international code-share alliances, immunized international alliances between U.S. and foreign carriers, airline distribution practices, airline strike and bankruptcy issues, and airline service at rural communities.

The **Office of International Aviation (OIA)** develops, coordinates, and executes Departmental international aviation transportation policy. Specifically, this includes negotiating liberalized bilateral and multilateral aviation agreements to provide increased commercial opportunities for U.S. airlines and better service at lower fares for consumers. It also includes awarding regulatory authority to airlines, whether for scheduled or charter operations, own-aircraft or codeshare, so that, consistent with Department policies and regulations, they can use the opportunities available and enhance service to the public, thereby contributing to U.S. economic growth. The OIA systematically maintains contact with the U.S. aviation community to determine liberalization priorities and develop new initiatives to enhance the usability of aviation



rights. The office also engages in ongoing monitoring of all U.S. international aviation relationships to ensure that U.S. rights are honored and that where U.S. carriers suffer foreign discriminatory or unfair practices, appropriate diplomatic and/or regulatory steps can be taken to achieve redress.

The **Office of International Transportation and Trade (OITT)** provides departmental leadership, direction, and coordination on international surface and inter-modal transportation and trade policies and programs, including trade facilitation, technical assistance and cooperation programs, trade promotion and advocacy, multimodal transportation issues, and international diplomatic and protocol activities. OITT also leads and coordinates departmental representation in global transportation and trade organizations. The office's international and security activities program supports the U.S. Government's Afghanistan and Iraq reconstruction efforts, by funding full-time professional staff reassigned from DOT to the embassies to support military and civil reconstruction activities. OITT is responsible for: negotiations on maritime services in the General Agreement on Trade in Services, science and technology cooperative programs with Japan and Russia, and promotion of transport-related U.S. business interests overseas.

**FY 2012 Anticipated Program Accomplishments:**

The Office of the Under Secretary will develop and coordinate new agency positions and coordinate initiatives in the areas of climate change, freight and other intermodal transportation, and international port and airport development. International outreach with major transport ministers will continue to develop policy positions on transport and transport related international trade matters. In addition, the Department will participate in the negotiation and implementation of trade agreements between the United States and other countries

Performance Measures:

The performance of the Office of the Under Secretary will be evaluated against the following measures as listed in Exhibit III-2:

Economic Competitiveness

- Review air carriers to ensure that they meet the requisite standards for obtaining or retaining economic authority to operate. Increase technology transfer and capacity building programs.
- Act on 3 or more applications to implement international aviation rights and opportunities derived from bilateral and multilateral aviation agreements. OST/Aviation and International Affairs
- Advance DOT goals with foreign governments through the conduct of at least 75 annual international trips, meetings, conferences, and other events at the Secretary, Deputy Secretary, or Under Secretary Level OST/Aviation and International.
- Establish or participate in 14 technology transfer and capacity building programs to improve training opportunities for international transport staff and exposure of international transport ministries to US transportation technologies. OST/Aviation and International Affairs.

- Reach 3 or more new bilateral and multilateral aviation agreements to remove market distorting barriers to trade transportation. OST/Aviation and International Affairs.

### Safety

Increase the number of States and localities that adopt roadway design policies that accommodate all road users (i.e., complete streets) from 22 states and one territory in 2010 OST/Policy.

### Why Is This Particular Program/Activity Necessary?

---

The three Aviation and International Offices provide the economic safety regulation for air carriers; determine their fitness to operate in the United States; and negotiate government-to-government to secure access and routes for U.S. air carriers overseas. The three Policy Offices develop and recommend policy positions to the Secretary; represent the Department's equities in intra- and inter-agency Climate Change and environmental impact discussions; coordinate and oversee the Department's multi-modal programs; and provide the necessary cost-benefit, economic and financial analysis to determine if regulations, rules and projects are meritorious.

### Why Do We Want/Need To Fund The Program/Activity At The Requested Level?

---

The FY 2013 request reflects a .5 percent pay raise, a .5 percent inflation adjustment, one additional compensable work day, and changes in Working Capital Fund costs. It also funds an estimated 82 FTEs and associated costs. A program increase of \$.986 million is requested for contracts to support initiatives of offices within the Office of the Under Secretary, including (1) a Performance Management Initiative to provide much-needed performance management training and formulate standard operating procedures to improve the performance management of the numerous programs administered by the Office of the Under Secretary; and (2) a National Export Initiative to expand the Open Skies program in accordance with The Future of Aviation Advisory Committee recommendation. Under the National Export Initiative, the Office of the Under Secretary will establish a pilot project with the country of India, and contractor support is needed to coordinate and evaluate joint analytical reviews and information exchanges between the two countries. A more detailed breakdown of the request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes**  
**for the**  
*Office of the Under Secretary of Transportation for Policy*  
(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 10,107</b>
Annualization of 2012 FTE:	\$ -
Inflation Increase:	\$ 5
FY 2013 Pay Raise	\$ 34
One More Compensable Day	\$ 34
<b>Adjustments to base:</b>	
Rent:	\$ -
WCF:	\$ 82
Workers Compensation:	\$ -
<b>FY 2013 Adjusted Base:</b>	<b>\$ 10,262</b>
<b>Redirection of Resources:</b>	
Personnel Compensation and Benefits	
Other Costs	\$ -
WCF:	\$ -
<b>Program Changes (+/-):</b>	<b>\$ 986</b>
<p>Contractor support for initiatives of the Office of the Under Secretary, including a Performance Management Initiative to provide training and formulate standard operating procedures to improve the performance management of the numerous programs administered by the Office of the Under Secretary and a National Export Initiative to expand the Open Skies program in accordance with The Future of Aviation Advisory Committee recommendation. Under this Initiative, the Office of the Under Secretary will establish a pilot project with the country of India, and contractor support is needed to coordinate and evaluate joint analytical reviews and information exchanges between the two countries.</p>	
<b>Total FY 2013 Request:</b>	<b>\$ 11,248</b>

## Detailed Justification for the Office of Small and Disadvantaged Business Utilization

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 - Office of Small and Disadvantaged Business Utilization

(\$000)

	<u>FY 2011</u> <u>Actual</u>	<u>FY 2012</u> <u>Enacted</u>	<u>FY 2013</u> <u>Request</u>	<u>Difference from</u> <u>FY 2012</u> <u>Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	1,390	1,338	1,347	9
Travel	0	0	0	0
Other Costs	105	31	192	161
<b>TOTAL</b>	<b>1,495</b>	<b>1,369</b>	<b>1,539</b>	<b>170</b>
<b><u>STAFFING</u></b>				
Direct Positions	9	9	9	0
Reimbursable Positions	0	0	0	0
Direct FTE	8.68	9	9	0
Reimbursable FTE	0	0	0	0

---

The Office of Small and Disadvantaged Business Utilization is requesting \$1.539 million and an estimated 9 FTEs in FY 2013 to accomplish the mission outlined below.

#### **What Is This Program/Activity?**

---

The Office of Small and Disadvantaged Business Utilization's (OSDBU) supports the **Economic Competitiveness** Strategic Goal by ensuring the small and disadvantaged business policies and programs of the Secretary of Transportation are developed and implemented throughout the Department in a fair, efficient, and effective manner to serve small and disadvantaged businesses across the country. In this capacity, OSDBU is responsible for providing policy direction for small and disadvantaged business participation in the Department's procurement and grant programs and for implementing provisions of sections 8, 15 and 31 of the Small Business Act, as amended. OSDBU also provides oversight for the

programs funded by the Minority Business Outreach and Minority Business Resource Center appropriations.

In support of implementing the Department's responsibilities under sections 8 and 15 and 31 of the Small Business Act, as amended, a priority in FY 2013 will continue to be placed on ensuring that effective outreach activities are in place to broaden the small and disadvantaged business participation in DOT procurements and DOT-funded contracts and grants for transportation-related projects across the nation.

### **Why Is This Particular Program/Activity Necessary?**

---

The program is necessary to facilitate economic competitiveness through a domestic and global transportation system that enables economic growth and development. Expanded opportunities for small and disadvantaged businesses serve the economic interests of the United States, both nationally and globally. In general, a Small Disadvantaged Business as defined in current government regulations is at least 51 percent owned and controlled by one or more socially and economically disadvantaged individuals and has been certified as a Small Disadvantaged Business in accordance with 13 CFR Part 124 Subpart B. Socially disadvantaged individuals include African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and other minorities or individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of the Small Business Act.

These small and disadvantaged businesses routinely develop, manufacture and distribute quality products to the private sector, but continue to face significant hurdles participating in procurement opportunities with the Federal Government. To help these entrepreneurs have a fair opportunity to compete and overcome the barriers for success, OSDBU has established procurement goals.

#### **Performance Measures:**

The performance of OSDBU will be evaluated against the following measures as listed in Exhibit III-2:

#### **Economic Competitiveness**

- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to small disadvantaged businesses. The FY 2013 target is 15%.
- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to women-owned businesses. The FY 2013 target is 6%.

To meet these goals, DOT makes significant effort to engage the Small and Disadvantaged Business and Woman-Owned small business community by working closely with DOT prime contractors, program, and procurement officials to ensure maximum practicable opportunities for small businesses to participate in DOT contracts and subcontracts. Efforts also include providing

management oversight and serving as a liaison with the Small Business Administration in administering the various programs implemented through the DOT procurement process. Outreach efforts are with small business organizations and trade associations with an emphasis on small, women owned and disadvantaged small businesses to ensure the maximum practical opportunity for small businesses.

OSDBU will also continue to chair the Disadvantaged Business Enterprise (DBE) Task Force for DOT, which is comprised of the Secretary of Transportation, the Deputy Secretary of Transportation, the modal administrators from FAA, FHWA, FRA, and FTA, and the heads of the Office of General Counsel, Office of Civil Rights, Office of Government Affairs, Office of Policy, and Office of Public Affairs. This body takes an active role in developing policy, training, and resource allocation for the DBE program.

**Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

The FY 2013 request reflects a .5 percent pay raise, .5 percent inflation adjustment, one additional compensable work day, and changes in Working Capital Fund costs. It also funds an estimated 9 FTEs and associated costs. The \$.179 million program increase will fund two OSDBU Business Community Outreach events. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes  
for the  
*Office of Small & Disadvantaged Business Utilization***

(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 1,369</b>
<u>Adjustments to base:</u>	
Inflation Increase:	\$ 0
Pay Raise	\$ 5
One Additional Compensable day	\$ 4
Rent	\$ -
WCF	\$ (19)
Workers Compensation	\$ -
 <b>FY 2013 Adjusted Base:</b>	 <b>\$ 1,360</b>
 <u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF:	\$ -
 <b>Program Changes (+/-):</b>	
This program increase will fund two OSDBU Business Community Outreach events.	\$ 179
 <b>Base Offsets(+/-)</b>	 \$ -
 <b>Total FY 2013 Request:</b>	 <b>\$ 1,539</b>

## Detailed Justification for the Office of Intelligence, Security, and Emergency Response

### What Is The Request And What Will We Get For The Funds?

---

#### FY 2013 – Office of Intelligence, Security, and Emergency Response (\$000)

	<u>FY 2011 Actual</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Request</u>	<u>Difference from FY 2012 Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	7,296	7,493	7,557	64
Travel	700	535	538	3
Other Costs	2,583	2,750	2,780	30
<b>TOTAL</b>	<b>10,579</b>	<b>10,778</b>	<b>10,875</b>	<b>97</b>
<b><u>STAFFING</u></b>				
Direct Positions	52	53	53	0
Reimbursable Positions	0	0	0	0
Direct FTE	47.43	48	51	3.00
Reimbursable FTE	0	0	0	0

The Office of Intelligence, Security, and Emergency Response is requesting \$10.875 million and an estimated 51 FTEs in FY 2013 to accomplish the mission outlined below.

### What Is This Program/Activity?

---

The Office of Intelligence, Security, and Emergency Response ensures the development, coordination and execution of plans and procedures for the Department of Transportation (DOT) to balance transportation security requirements with the safety, mobility, and economic needs of the Nation through effective intelligence, security, preparedness and emergency response programs. These programs are mandated and governed by statutes, Executive Orders, and Presidential Directives.



The Office of Intelligence, Security, and Emergency Response supports the **Organizational Excellence** goal in the Department's Strategic Plan. Specifically, that goal relates to developing a diverse and collaborative workforce that will enable the Department to advance a transportation system that serves the Nation's long-term social, economic, security, and environmental needs; and is effective when needed for Defense Mobility, Emergency Preparedness, Response, and Recovery.

The Office of Intelligence, Security, and Emergency Response is comprised of five primary areas of responsibility: Intelligence, Security Policy, Preparedness, Operations, and Protective Services.

**Intelligence Division.** The Intelligence Division provides the Secretary of Transportation and other Department principals with all-source, finished transportation-related intelligence. The intelligence addresses critical developments and longer-range regional/worldwide international terrorism trends; along with global and international issues concerning aviation, trade, transportation markets, trade agreements and a range of other international cooperation and facilitation issues; particularly as they affect United States security and international efforts. Over the past two years, the Intelligence Division has increasingly focused on cyber intelligence analysis given the numerous threats to U.S. Government networks. The Intelligence Division accomplishes its mission through analysis, reporting, and inter-agency coordination with Intelligence Community members and other U.S. Government organizations.

The Intelligence Division has become a key player in Intelligence Policy issues supporting the President's agenda, to include representing the Department at Interagency Policy Committees (IPC) such as the Information Sharing and Access IPC and the Federal Partners Forum. In addition, the Intelligence Division works in conjunction with the National Counterterrorism Center Directorate of Strategic Operational Planning in identifying DOT components that have Counterterrorism-related programs and projects contributing to the National Counterterrorism Budget. The Intelligence Division also works closely with the Security Policy Division on security policies such as the National Strategy for Aviation Security, and the Intelligence Community Exercise Forum. DOT's participation in these important efforts requires considerable effort and often results in the need to surge resources to meet inflexible deadlines.

During FY 2012, the Intelligence Division will accomplish the following:

- Analyze threats to domestic and foreign transportation infrastructure and assets and provide transportation-related intelligence to the Secretary, his principal staff, the administrators and their key staff, and all other DOT consumers of intelligence to

- ensure key DOT officials are apprised of specific threats to transportation and trends in terrorist tactics and capabilities.
- Provide threat briefings as part of a new Counterintelligence effort to DOT personnel that travel to overseas locations in an effort to improve their situational awareness in the overseas environment and prevent exploitation of the individual(s) by unfriendly or hostile intelligence organizations.
  - Provide updates on international economic and diplomatic information to the Secretary, his principal staff, the administrators and their key staff and all other DOT consumers of intelligence.
  - Represent the Department and its interests on the Information Sharing and Access IPC, the National Implementation Plan for the Global War on Terrorism, the Federal Partners Forum, the National Counterintelligence Working Group, the Federal Bureau of Investigation National Joint Terrorism Task Force and other forums that address information sharing, law enforcement, and intelligence-related topics at the national level.
  - Utilize a DOT Suspicious Activity Reporting (SAR) database to centrally monitor and manage suspicious activity reported DOT wide. The database allows DOT to directly interact with the National SAR Initiative Program by depositing SAR with any nexus to terrorism.
  - Works closely with the Director of National Intelligence Federal Partner Forum Office on a range of topics related to agencies not established under Title 50 of the United States Code. These are generally Executive Departments and Agencies that do not have Intelligence as their primary mission (Non-Title 50 agencies).
  - Program Manager, Information Sharing Environment (PM-ISE) and other Non-Title 50 agencies and Intelligence Community organizations to update the National Strategy for Information Sharing.

**Security Policy Division.** The Security Policy Division supports the Department's work in critical White House Policy and inter-agency coordination. With the combination of the Homeland Security Council and the National Security Council, DOT participates in many Interagency Policy Committees with a broad range and scope of activities. The Secretary is a member of the Principals' Committee, which tackles the most complex issues with the greatest implications; the Deputy is a member of the Deputies' committee, which meets far more frequently (sometimes more than once a week) and irons out ambiguities in authorities or responsibilities in key policy areas. These two Committees are supported by a network of IPCs, staffed at the Assistant Secretary level, and their work builds upon work by Sub-IPCs, where DOT representation consists of staff from the Secretary's office or Operating Administrations. Occasionally, Working Groups also tackle specific issues or projects. All of the coordination of all these groups is done by the Security Policy Division. These activities are in direct support of various Presidential Directives, Executive Orders, National Strategies, and Congressional mandates. To support the Secretary and Deputy Secretary, the Security Policy staff produces or coordinates in-depth studies, reports, analysis, and Departmental operational plans.

This division also coordinates DOT policy work with the Department of Homeland Security (DHS), Department of Defense, and Department of State, as well as the Department of Health and Human Services (HHS). This allows the Government to leverage the programs and funding for one program with the needs of others. For example, Presidential Policy Directive (PPD)-PPD-8, March 30, 2011, “National Preparedness,” directs establishment of several inter-linked National Preparedness Frameworks, including Prevention, Protection, Preparedness, Response, and Recovery. On behalf of the department, this Office must coordinate DOT’s responsibilities not only in developing these frameworks but in their implementation during disasters.

During FY 2012, the Security Policy Division will accomplish the following:

- Conduct research and write policy studies supporting the Secretary and Deputy in their representation on the Principals and Deputies Committees at the White House National Security Council;
- Analyze security policy related to transportation infrastructure and assets and make policy recommendations to key Departmental officials;
- Represent the Department and its interests in setting transportation security policy at Federal, state, local, tribal, and international arenas;
- Participate in interagency and White House led efforts to improve national capabilities for prevention, protection, mitigation, response, and recovery;

**Preparedness Division.** The Preparedness Division has three primary areas of responsibility: National Security Programs, International Civil Emergency Preparedness Programs, and Training and Exercise Programs.

1. **The National Security Program** is responsible to ensure continuity of essential DOT and governmental functions. Under these programs, the office develops and maintains the Office of the Secretary of Transportation Continuity of Operations plan; maintains alternate secure facilities in a high state of readiness for use by the Department if access to the DOT headquarters building is denied, or if DHS/Federal Emergency Management Agency has directed a heightened continuity readiness posture. Additionally, the program develops and updates departmental devolution plans and procedures, and plans for DOT support to various continuity of government programs.

During FY 2012, the National Security Program will accomplish the following:

- Relocate DOT’s alternate site while maintaining the current site at full operational capability.
- Maintain operational Continuity of Operations sites and continue improvements to facility configuration and communications/IT capabilities – incorporating all requirements of National Communications Systems Directive (NCSD 3-10) with

the exception of High Frequency-Automatic Link Establishment at DOT Headquarters;

- Manage and coordinate increased training of personnel supporting continuity programs to assure that they are ready to fulfill the tasks required of them, including training of Secretarial successors;
- Improve communications at DOT's resiliency site (the out of area devolution site) and formalize training;
- Examine alternative Continuity of Operations sites that could provide enhanced infrastructure and reduce long-term costs.

2. **The International Civil Emergency Preparedness Program** provides for representation of the United States and the Department in international organizations and groups engaged in development of civil transportation response plans in the interest of national security and disaster preparedness. Focus areas include coordinating with Transport Canada in planning for mutual support in cross border operations during security incidents and other disasters; representing the United States in the North Atlantic Treaty Organization (NATO) civil emergency planning and training to use civilian aviation resources during NATO military operations, participating in the Department of State's Civilian Response Corps programs; and leading the Disaster Assistance Working Group under the United States/China Transportation Forum. We also coordinate providing civil transportation support to other nations during disasters. The representatives in the international civil emergency preparedness program work in coordination within DOT and with other Federal entities in planning and technical policy development concerning international civil transportation emergency response and recovery initiatives.

During FY 2012, the International Civil Emergency Preparedness Program will accomplish the following:

- Represent the United States in NATO transportation related civil emergency planning to support the NATO Military and resolve issues and planning matters related to civil aviation resources, acquisition, and deployment to support NATO operations;
- Represent the United States and the Department in the NATO Civil Emergency Planning Group for Transportation in adapting the civil aviation planning that supports the NATO Military to the new NATO Strategic Concept and directions from the 2010 Lisbon Summit Declaration;
- Represent the United States in eight to ten NATO planning and training events for use of civilian aviation resources, including civil aviation experts, during NATO military operations, and support to other nations during disasters;

- Provide leadership in development of training and training support programs for the NATO civil aviation experts and national planners, which include development of a web-based training program that will have an application format for the entire cadre of NATO civil experts from all sectors;
  - Conduct a Steering Committee meeting and a multi-modal workshop with the Chinese Ministry of Transport to better prepare both nations to meet their disaster preparedness needs;
  - Follow up on recently completed membership in Department of State's coordinated Stability and Reconstruction mandate, via participation in the Civilian Response Corps;
  - Represent the Department at international forums on transportation related civil emergency preparedness, response and recovery and training exercises, and also provide advice in support of military operations, if appropriate;
3. **The Training and Exercise Program** is responsible for coordinating the Department's participation in National, regional, and local emergency preparedness/response exercises. The coordination ensures a high state of readiness through periodic inter- and intra-agency exercises and testing. It also institutionalizes emergency management capability in the Department, helps create an expert cadre of transportation emergency management professionals, establishes a system to adopt lessons learned, and ensures quality and performance of the emergency management training and exercise program.

During FY 2012, the Training and Exercise Program will accomplish the following:

- Conduct exercises mandated by the National Exercise Program including one National Level Exercise (NLE) on a terrorist response (cyber) Exercise (NLE 2012 in the second quarter of FY 2012), an annual Continuity of Operations Exercise (Eagle Horizon 2012 in the third quarter of FY 2012), four Principal (Cabinet) Level Tabletop Exercises (one per quarter), and one National Special Security Event Command Post Exercises (Major Sporting Event);
- Conduct National Response Framework (NRF) and National Incident Management System refresher training for DOT staff;
- Conduct Hurricane Season Preparation Training for DOT staff;
- Support Regional Emergency Support Function-1 (ESF-1) Transportation Training Programs and provide Tabletop Exercise Support for the Office of Intelligence, Security, and Emergency Response Annual Conference;
- Participate in several Department of Defense special subject tabletop exercises;
- Participate in support of other Federal-level interagency exercises, as necessary.

**Operations.** The Operations Division has two primary areas of responsibility: the Crisis Management Center (CMC) and the National Response Program.

1. **The Crisis Management Center** is an around-the-clock operations center that monitors the status of the transportation system at all times, including transportation related events and incidents overseas that have the potential to impact the domestic transportation system. The CMC also provides real-time reports to DOT leadership and Operating Administrations and the Federal Interagency to ensure prompt notification of and response to significant disruptions, incidents, or threats that may affect the transportation system. Along with monitoring the transportation system, the CMC supports the Secretary and the Department leadership by providing around-the-clock communications support at all levels of classification. This includes teleconferencing, video teleconferencing, fax, and voice communications systems. The CMC also provides access to incident information to the Department, both for unclassified and classified information. Further, the CMC conducts daily operations as well as conducting training and exercises to prepare for emergencies. The CMC houses and supports the Department's Emergency Response Team during emergencies, both natural and man-made. During these surge operations, the CMC provides all required capabilities, communications, administrative support, etc., to conduct 24X7 emergency operations. The CMC also trains to prepare to operate at alternate locations should any event cause the CMC primary facility not to function properly.

During FY 2012, the CMC will accomplish the following:

- Provide effective 24X7 monitoring of the National and International transportation systems. This includes sustaining/improving relationships with Federal, State, and Local emergency operations centers to make certain that maximum situational awareness and information sharing is achieved and providing immediate impact analysis of emergency incidents and initiate the appropriate response in order to ensure appropriate DOT staff have the necessary information on transportation related incidents/events;
- Maintain high level of training in the use of the CMC alternate operating facilities and improve preparedness by training and conducting drills, including the Federal Aviation Administration (FAA Washington Operation Center Complex, the FAA Atlanta Regional Operation Center, operational communications testing in support of Federal Continuity Programs per National Communications System Directive 3-10 and U.S.; NORAD/NORTHCOM and other interagency partners;
- Provide ongoing secure and other vital communications links for the Secretary and other Senior Officials;

- Participate in the Federal Interagency Operations Centers Directors Working Group, the National Capitol Region Joint Federal Committee, the Federal WebEOC community meetings, U.S. NORAD/NORTHCOM Joint Interagency Coordination Group meetings, the DHS Special Event Working Group meetings, and bi-weekly meetings with the DOT Operating Administration Emergency Coordinators;
  - Continue development and refining the use of IT tools into the watch practice for administrative and emergency response management. Tools include a web content management and document management system (SharePoint), a crisis information management system (WebEOC), a software for visualizing, managing, creating, and analyzing geographic data (ArcGIS), the CSX Railroad Network Operation Workstation that monitors the CSX railroad system (CSX NOW), a storm tracking and decision assistance computer software tool (HURREVAC), and the Maritime Safety and Security Information system (MSSIS).
2. **The National Response Program** is responsible for coordinating the Department's response to disasters. This includes managing the Department's responsibilities under the NRF. Under the NRF, DOT is the coordinating and primary agency for ESF-1. ESF-1 is designed to provide transportation support to assist in domestic incident management, including: reporting status of damage to transportation infrastructure as a result of the incident; identifying temporary alternative transportation solutions that can be implemented by others when systems or infrastructure are damaged, unavailable, or overwhelmed; coordinating the restoration and recovery of the transportation infrastructure; performing activities conducted under the direct authority of DOT elements such as air, maritime, surface, rail, and pipelines; and coordinating and supporting prevention/preparedness/mitigation among transportation infrastructure stakeholders at the state and local levels. DOT also provides economic analysis at the local, regional, or national levels and provides recovery assistance, helping coordinate restoration of the transportation system to affected areas.

This program also manages the Regional Emergency Transportation Program, which consists of Regional Emergency Transportation Coordinators (RETCOs), Regional Emergency Transportation Representatives (RETREPs) and response teams. These response teams, which are based in ten regions across the country, provide surge staffing during emergencies that deploy to key regional, state, and local field offices during emergencies to provide critical emergency transportation services.

During FY 2012, the National Response Program will accomplish the following:

- Carry out ESF-1 response and recovery operations and serve as a supporting agency to other ESFs as identified in the NRF, to include participating in interagency plan development/review and other tasks under Presidential Policy

- Directive – 8 (PPD-8), March 30, 2011 “National Preparedness,” and enhance interagency response partners’ awareness of DOT’s response plans and capabilities;
- Participate in planning and conduct of appropriate national and regional exercises, to include training response personnel, partner agencies, and leadership and conducting after action reviews and developing and implementing corrective action plans;
  - Participate in evolution of national policy and practice in transportation elements of emergency management and update procedures and other core documents;
  - Assist Federal, state, local, tribal, and territorial partners through application of our technical expertise.
  - Train and equip additional RETCOS, RETREPs, and Cadre members in accordance with DOT Order 1900.9A.

**Protective Services Division** provides the Secretary of Transportation highly-trained and experienced Special Agents who are deputized U.S. Marshals. The agents provide protection for the Secretary 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 required resources necessary to successfully operate in the United States 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 security and safety, especially in a time of increased terrorist threats or activity. These are highly trained professionals in defensive driving and protection techniques and methods.

During FY 2012, the Protective Services Division will accomplish the following:

- Provide protection for the Secretary;
- Conduct security advance work for all official and public events and any planned travel by the Secretary in the United States or overseas;
- Provide official transportation in the Washington, D.C. metropolitan area for the Secretary of Transportation.

**Why Is This Particular Program/Activity Necessary?**

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The responsibilities of the Office of Intelligence, Security and Emergency Response are derived from Executive Orders, Statutes, and policies. Executive Order 12656, “Assignment of Emergency Preparedness Responsibilities,” issued on November 18, 1988, requires agencies to design preparedness measures to permit a rapid and effective transition from routine to emergency operations. This includes development of a system of



emergency actions that define alternatives, processes, and issues to be considered during various stages of national security emergencies and identification of actions that could be taken in the early stages of a national security emergency or a pending emergency to mitigate the impact or reduce significantly the lead times associated with full emergency action implementation. Section 101, Title 49 USC requires the DOT to provide “coordinated and effective administration of the transportation programs of the United States Government and to “achieve transportation objective considering the needs of the public...and the national defense.” Section 301(1) of Title 49 USC states that the Secretary of Transportation also must “under the direction of the President...exercise leadership in transportation matters, including those matters affecting national defense and those matters involving national or regional emergencies.”

To accomplish these objectives, the Office of Intelligence, Security, and Emergency Response is comprised of five primary areas of responsibility: Intelligence, Security Policy, Preparedness, Operations, and Protective Services. Additional Executive Orders, Statutes, and policies drive the activities of these areas of responsibility. The Executive Orders, Statutes, and policies include the following:

**Intelligence Division.** The Department of Transportation Intelligence function was created on June 14, 1990, in response to the President’s Commission on Aviation Security and Terrorism. Workload expanded significantly under Section 1016(b) of the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA), Public Law 108-458. IRTPA directed that the President establish an Information Sharing Environment (ISE) for the sharing of terrorism information among all appropriate Federal, State, local, tribal entities, and the private sector through the use of policy guidelines and technologies. Most recently, Executive Order 13587, Structural Reforms to Improve the Security of Classified Networks and the Responsible Sharing and Safeguarding of Classified Information, October 7, 2011, prompted the Intelligence Division to take the lead in coordinating with the Office of the PM- ISE and the Intelligence Community in improving ways to better protect information in DOT classified networks. This Executive Order also directs the creation of three new entities: 1) Senior Information Sharing and Safeguarding Steering Committee; 2) Classified Information Sharing and Safeguarding Office; and 3) Insider Threat Task Force. The Intelligence Division works with all of these entities to improve the protection of information in the DOT classified networks.

**Security Policy Division.** Coordination of Security Policy with the DHS is driven by statute and Presidential direction that developed primarily in response to the events of 9/11. The Act Implementing the Recommendations of the 9/11 Commission set 78 tasks involving DOT, many in cooperation or coordination with the DHS. Similarly, Section 4001 of the Intelligence Reform and Terrorism Act of 2004 requires that the Secretary of

DHS “work jointly with the Secretary of Transportation in developing, revising, and updating” a National Strategy for Transportation Security and transportation modal security plans. Another set of requirements was established by HSPD-7, “Critical Infrastructure Identification, Prioritization and Protection,” December 17, 2003, which charges the Secretary of Transportation to provide the DHS with support in identification of critical infrastructure, vulnerability assessments, analysis, and implementation of protective programs, and establishment of measures of effectiveness for continuous improvement. This requirement applies across all modes of transportation and necessitates intermodal coordination. DOT also is actively engaged in transportation issues related to implementation of PPD-8, which is aimed at strengthening the security and resilience of the United States through systematic planning for, carrying out, and measuring all-hazards preparedness. DOT continues to be extensively involved in policy related to Departmental preparedness for roles in response to pandemic influenza.

**Preparedness Division.** The Preparedness Division has three primary areas of responsibility: National Security Programs, International Civil Emergency Preparedness Programs, and Training and Exercise Programs. Each is driven by Executive Orders, Statutes, and policies some of which are identified below.

1. **National Security Program.** These programs date back to the civil defense era of the 1950’s, and were updated via national security directives issued in 1982, 1990, 1992, 1998, and 2007. NSPD-51/HSPD-20, “National Continuity Policy,” May 9, 2007, includes a requirement for each agency to develop prioritized goals and objectives, a concept of operations, performance metrics by which to measure continuity readiness, procedures for continuity and incident management activities, and clear direction to executive department and agency continuity coordinators. In February 2008, Federal Continuity Directives (FCD) 1 and 2 were published and they provide guidance for departmental continuity programs. FCD-1 provides direction to the Federal executive branch for developing continuity plans and programs. FCD-2 provides a Business Process Analysis and Business Impact Analysis to examine each Primary Mission Essential Function to ensure interdependencies are identified, as well as providing a process for threat and vulnerability analysis and mitigation strategies.
2. **International Civil Emergency Preparedness Program.** Responsibility for International Civil Emergency Preparedness is contained in Executive Order 12656, which further delineated these responsibilities to include the tasking to develop “national policies, programs, procedures and systems to meet essential civil and military transportation needs...provide direction to all modes of civil transportation in national security emergencies,...and represent the United States in

transportation-related international (including NATO and allied) civil emergency preparedness planning. The Secretary of Transportation has delegated these responsibilities to the Director of the Office of Intelligence, Security and Emergency Response. The Stabilization and Reconstruction Activities are highlighted in NSPD 44, and the Disaster Assistance Working Group comes under the United States/China Transportation Forum, officially established by the DOT and the China Ministry of Transport in 2007.

3. **Training and Exercise Program.** The Training and Exercise Program is responsible for coordinating the Department's participation in National, regional, and local emergency preparedness/response exercises. These exercises are required by a number of Executive Orders and other Directives. For example, Executive Order 12656, "Assignment of Emergency Preparedness Responsibilities," November 18, 1988, requires the head of each Federal Agency to develop and conduct training and education programs that incorporate emergency preparedness and civil defense information necessary to ensure an effective national response. Following the events of 9/11, HSPD-8, "National Preparedness," December 17, 2003, developed the National Exercise Program, which requires Departments to support strategy and policy exercises through simulation or staff participation as well as maintaining a corrective action program to generate input for and track corrective action issues and report on the effectiveness and accomplishments of training programs. Similarly, NSPD-51 /HSPD-20, "National Continuity Policy, May 9, 2007, requires testing and exercises to ensure survival of a constitutional form of government and the continuity of essential Federal functions. Further, HSPD-5, "Management of Domestic Incidents", February 28, 2003, established minimum training and exercise requirements and minimum training standards and established a certification process based on required training and requires rigorous requirements for continuous improvement for testing and conducting exercises.

**Operations Division.** The Operations Division has two primary areas of responsibility: the CMC and the National Response Program.

1. **Crisis Management Center.** The CMC is an around-the-clock operations center that ensures the Secretary of Transportation is able to meet his responsibilities as defined by Executive Order 12656, "Assignment of Emergency Preparedness Responsibilities," issued on November 18, 1988. This Executive Order requires agencies to design preparedness measures to permit a rapid and effective transition from routine to emergency operations. This includes development of a system of emergency actions that define alternatives, processes and issues to be considered

during various stages of national security emergencies and identification of actions that could be taken in the early stages of a national security emergency or a pending emergency to mitigate the impact or reduce significantly the lead times associated with full emergency action implementation.

2. **National Response Program.** The primary statute that drives the National Response function is the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), 93 Public. Law. No. 288, 88 Stat. 143 (1974) (codified predominately at 42 U.S.C. §§ 5121-5206 (2007)). The Stafford Act establishes the programs and processes for the Federal Government to provide disaster and emergency assistance to states and local governments, tribal nations, individuals, and qualified private non-profit organizations. The provisions of the Stafford Act cover all hazards, including natural disasters and terrorist events. In addition, Section 301(1) Title 49 USC requires the Secretary of Transportation “under the direction of the President...to exercise leadership in transportation matters, including those matters affecting national defense and those matters involving national or regional emergencies.” The NRF further defines Departmental response requirements under ESF-1 responsibilities to provide support to the DHS by assisting federal, state, tribal, and local governmental entities, voluntary organizations, nongovernmental organizations, and the private sector in the management of transportation systems and infrastructure during domestic threats or in response to incidents. PPD-8, March 30, 2011 “National Preparedness,” requires ESF-1 to develop operational plans to implement a series of integrated national planning frameworks, covering prevention, protection, mitigation, response, and recovery. ESF-1 also participates in prevention, preparedness, response, recovery, and mitigation activities. The National Response Program also supports DHS in the implementation of the Post-Katrina Emergency Management Reform Act (Title VI of the DHS Appropriations Act, 2007, Pub. L. 109-295, 120 Stat. 1355 (2006)).

**Protective Service Division (PSD).** Protection of the Secretary is authorized by a variety of legal authorities. These include several Comptroller General decisions, regulations authorizing the U.S. Marshals Service to deputize other federal officers to perform the functions of a deputy U.S. Marshal, and a White house policy adopted in the early 1970s that authorized departments to provide and maintain a force to protect cabinet officials. A further basis supporting the PSD is 18 U.S.C. 351, which provides that it is a federal offense to assault, kidnap, or kill various government officials, including specified cabinet officials. Cabinet PSD roles and responsibilities are also stated in a classified National Security Presidential Directive dated 30 July, 2004.

**Program Benefits**

The Office of Intelligence, Security, and Emergency Response has added two new areas of responsibility and significantly grown in one area since the events of 9/11, in order to respond to requirements from legislation, such as the Intelligence Reform and Prevention of Terrorism Act, the Implementing of the 9/11 Commission Recommendations Act, the Post-Katrina Emergency Management Reform Act, as well as Homeland Security Presidential Directives and National Security Presidential Directives. Reorganization also added 10 staff to the office.

Most of the office's growth has been in new areas or expanded areas of responsibility. Since 9/11, the DOT has created a 24-hour-a-day, 7 day-a-week, CMC which is staffed with 11 FTEs. The creation of a National Exercise Program added 1 FTE to the office to implement an integrated exercise program addressing the full spectrum of emergencies and crises likely to require Executive Branch coordination. Similarly, prior to 9/11, 3 FTEs were engaged in Security Policy. Due to increased emphasis on security issues and required coordination with the DHS and meetings of Interagency Policy Committees at the White House, the staff has grown by an additional 5 FTEs.

Another ten positions were added to the office as a result of a reorganization that added the Protective Services Division to the office. It had been located within the Office of the Assistant Secretary for Administration, but was reorganized into the Office of Intelligence, Security, and Emergency Response due to the continual interaction between the CMC and the Secretary.

Other new positions have been the result of additional Continuity Program requirements, increased involvement in International Civil Emergency planning as a result of the military activity in Iraq and Afghanistan, and refocused National Response Requirements following Hurricane Katrina.

Section 3 – FY 2013 Budget Request by Appropriation

	FY 2002	FY 2003	FY 2004	FY 2005 <sup>2/</sup>	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Growth in staffing 2002- 2012
Management and Administration	9	9	9	9	9	9	9	7	7	7	7	(2)
Intelligence	7	7 <sup>1/</sup>	7	7	7	7	7	7	7	7	8	1
Security Policy	3	3	3	3	3	3	5	6	7	8	8	5
Continuity Programs	2	2	2	2	2	2	2	2	3	3	3	1
International Programs	1	1	1	1	1	1	1	2	2	2	2	1
Training and Exercise Program	0	0	0	1	1	1	1	2	2	2	2	2
Crisis Management Center	0	0	0	6	6	6	8	8	8	10	10	10
National Response	2	2	2	3	3	3	3	3	3	3	3	1
Protective Service	0	0	0	0	0	0	0	0	10	10	10	10
<b>Total S-60 Positions</b>	<b>24</b>	<b>17</b>	<b>24</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>36</b>	<b>37</b>	<b>49</b>	<b>52</b>	<b>53</b>	<b>29</b>

Notes:

- <sup>1/</sup> The Intelligence Staff was funded under the newly created Transportation Security Administration in FY 2003, but was reestablished as a separate line item in FY 2004 when TSA was transferred to the Office of the DHS.
- <sup>2/</sup> The Office of Emergency Transportation was located in the Research and Special Programs Administration. It was transferred to the Office of the Secretary in Fiscal Year 2005 when the Office of Intelligence, Security and Emergency Response was created. An updated organizational chart was approved in April 2009.

Through the activities of the above described Divisions, the Office of Intelligence, Security, and Emergency Response performs activity that is critical to the Department in meeting its Defense mobility and emergency preparedness responsibility, as identified in the Organizational Excellence goal in the Department's Strategic Plan. The Department's Strategic Plan includes the following activities as critical in ensuring the availability of transportation services after natural disasters and in times of national emergency:

- Develop a security policy framework that will ensure preparedness, mitigate the consequences of transportation sector emergencies, and support DOT's mission;
- Assure continuity of operations, support continuity of government, and maintain emergency operations surge staffing and response capabilities to respond effectively to incidents and fulfill our commitments under Presidential Directives and the NRF;

- Develop and maintain plans, procedures, training, and exercises that prepare the Department to meet Federal emergency preparedness, response and recovery policies, strategies, and other requirements;
- Communicate timely, relevant and expert intelligence analysis that focuses on preparedness efforts, supports operational response, and international programs, and fulfills technical requests from the Intelligence and Law Enforcement Communities;
- Document and report on behavior that may be indicative of intelligence gathering or pre-operational planning related to terrorism, criminal, or other illicit intention;
- Issue advisory messages as necessary to Federal, State, local, tribal, and foreign governments as well as the private sector that provide immediate or urgent information on time sensitive threats or situations that may impact local security environments and may require responsive activity;
- Implement the Controlled Unclassified Information Framework and monitor compliance with policy, standards, and markings;
- Fulfill DOT commitments to international partners and agreements, such as the Security and Prosperity Partnership for North America, and the NATO; and
- Ensures ensuring security for the Secretary by using best practices, standards, and assessments.

**Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

The FY 2013 request reflects .5 percent pay raise, a .5 percent inflation adjustment, one more compensable work day, and changes in Working Capital Fund costs. It also funds an estimated 51 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes**  
**for the**  
*Office of Intelligence, Security, and Emergency Response*  
(\$000)

<b>FY 2012 Enacted</b>	<b>\$</b>	<b>10,778</b>
<u>Adjustments to base:</u>		
Inflation Increase	\$	17
Pay Raise	\$	27
One Additional Compensable day	\$	26
Rent	\$	-
WCF	\$	17
Workers Compensation	\$	11
<b>FY 2013 Adjusted Base</b>	<b>\$</b>	<b>10,875</b>
<u>Redirection of Resources:</u>		
Personnel Compensation and Benefits	\$	-
Other Costs	\$	-
WCF	\$	-
<b>Program Changes (+/-):</b>		
<b>Base Offsets (+/-):</b>		
<b>Total FY 2013 Request:</b>	<b>\$</b>	<b>10,875</b>



## Detailed Justification for the Office of the Chief Information Officer

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Office of the Chief Information Officer (\$000)

	<u>FY 2011 Actual</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Request</u>	<u>Difference from FY 2012 Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	4,843	5,423	5,464	41
Travel	25	18	18	1
Other Costs	8,321	9,547	9,635	88
<b>TOTAL</b>	<b>13,189</b>	<b>14,988</b>	<b>15,117</b>	<b>130</b>
<u>STAFFING</u>				
Direct Positions	35	35	35	0
Reimbursable Positions	0	0	0	0
Direct FTE	24.3	33	34	1
Reimbursable FTE	0	0	0	0

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The OCIO is requesting \$15.117 million and an estimated 34 FTEs in FY 2013 to accomplish the mission outlined below.

### What Is This Program/Activity?

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The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT), cyber security, privacy, and records management advisor to the Secretary. The Office of the CIO (OCIO) supports the **Organizational Excellence** Strategic Goal by providing leadership on all matters associated with the Department's \$3 billion IT portfolio. This includes security, privacy, investment management, and improvements in the delivery of services to the American taxpayer through electronic government initiatives.

The Office of the Chief Information Officer (OCIO) administers two sources of funding in performing its various roles in support of DOT. Each funding stream is maintained and reported

independently. The two funding sources track to the CIO's two areas of responsibility: the annually appropriated Salaries and Expenses (S&E) for carrying out IT security and policy (which includes monitoring, reporting and guidance); and the Working Capital Fund (WCF) cost reimbursements for providing Department-wide core IT operational support functions and enterprise services.

The DOT CIO delivers IT services to DOT customers through the operation of an IT infrastructure that includes e-mail services, a backbone network, and help desk support. Operating Administrations (OAs) contract with the CIO for services and reimburse the CIO for the cost of those services through the Working Capital Fund (WCF). The WCF budget (including the CIO component) is provided as a separate part of the OST budget submission.

**Anticipated FY 2012 Accomplishments:**

In FY 2012, OCIO will continue to modernize DOT's current technology environment and will implement an IT and business infrastructure to match customer demands and advancements in technology. The DOT CIO will add the responsibility of serving as the CIO for the Office of the Secretary of Transportation. Work to enhance the overall technology at DOT will be focused in three areas: IT Alignment and Value Services, a Modernized IT Environment, and Information Assurance and Privacy. These enhancements are described below by focus area.

IT Alignment and Value Services. In FY 2012, the Office of the CIO will provide IT alignment and business value by addressing business needs of the enterprise; refining and communicating robust and disciplined processes that include a strategic business and information architecture as a foundation; implementing a robust program to align with the DOT mission and support business needs, which minimizes risks and maximizes returns throughout the investment's lifecycle; achieving common IT leadership and 'best practices' in IT portfolio management through a Project Management Office (PMO); ensuring the robust and strategically aligned Open Government Plan is implemented while managing the risks associated with openness; and adopting a systematic and professional approach to the management of IT services. Specific IT alignment and value services include:

- **Understanding Business Needs** -- The OCIO will continue to develop IT as a strategic enabler by implementing a secure and efficient capability to store and exchange critical information, and responding to the Administration's initiatives. OCIO will manage IT as a corporate strategic resource subject to the rigors of planning, budgeting, and accounting, including establishing IT portfolios, enterprise-wide IT asset management, and a set of strategies to increase productivity and reduce costs.
- **Building Business/Information Architecture** -- The OCIO will convey the importance of a disciplined business/information architecture, which has potential to drive agency-wide decision-making from an integrated strategic and business perspective, identifying and targeting specific areas for eliminating redundancy, providing opportunities for information

sharing, and supporting evolving business needs.

- **Capital Investment Planning** -- The OCIO will continue a Capital Planning and Investment Control (CPIC) program that manages the agency IT portfolio using program performance metrics.
- **Portfolio and Project Management** -- The OCIO will continue to develop a PMO to define and maintain standards for project management within the organization. The primary goal of the PMO is to standardize project management policies and processes, and to become a source for 'best practices' guidance, documentation, and metrics related to managing and implementing projects within DOT.
- **Enterprise-Level Records Management Program** -- The OCIO will continue to develop and refine an enterprise-wide Records Management Program that provides guidance and oversight for all DOT OAs. OCIO will work to serve the other OA communities by providing policies, procedures, standards, and technology for the refinement of the modal records management programs throughout DOT.

Modernized IT Environment. DOT will finalize plans and begin implementation for a Modernized IT Environment in FY 2012 that will proactively address current and future requirements. DOT will move toward adopting an agile and innovative technology platform approach to bridge the current technology gap and to institutionalize the ongoing infrastructure replenishment lifecycle:

- **Updated Client Technology Designs** – In FY 2012, OCIO will identify lowest cost, highest value, proven commercial solutions based on customer needs and research. Activities will include solution development, user testing, and system evaluation.
- **Functional Application Support** -- Web and business intelligence and information visualization systems will be used to support rapid multimedia deployment of information in accordance with the current Administration's emphasis on real-time information delivery. New Media activities will focus on Web 2.0, Business Intelligence, Information Visualization, and Advanced Collaboration, consistent with the current Administration's Open Government Directive and the requirement that technology-enabled transparency, participation, collaboration programs be developed and maintained indefinitely.

Information Assurance and Privacy. In FY 2012, the OCIO will continue to enforce the business strategy to make targeted investments in policy, people, processes, and technology that will rapidly strengthen the Department's ability to ensure the confidentiality, integrity, and availability of its vital data and assets. Priority Information Assurance and Privacy activities in 2012 will include: Education, Training, and Awareness (ETA); Requirements, Standards, Policies, and Directives; Situational Awareness and Incident Response; Independent Verification and Validation; Certification and Accreditation (C&A); and Privacy.

**Why Is This Particular Program/Activity Necessary?**

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There has been a dramatic increase in the number, timing, depth, and complexity of IT infrastructure and services in the last five years. There is an immediate need to create and maintain an agile, reliable and scalable IT environment and business services across DOT. Not doing this in a planned manner may mean ad hoc emergencies, disruptions and costly remediation later. Currently, project management is not planned, processed and delivered in a standardized manner across the Department. This leads to inefficiency and ineffectiveness in performance. Business processes are not strategically implemented in the Department and are not routinely adopted or enforced, leading to inconsistencies and noncompliance with Federal mandates. The Web presence is not forward-thinking and includes very limited New Media or agile Web development. This has positioned the Department far behind the activities of other Federal agencies. OMB has instituted reporting mechanisms to track progress, putting agencies that cannot support the updated IT directive at risk.

Real-time technology demands have grown in size, scope, depth, and sophistication and have become a mission-critical utility. The programs and activities funded through the OCIO are necessary to maintain an enterprise perspective while ensuring the development of mission critical technology services that fully support the Secretary's vision, mission, goals, and operational expectations of "technology on demand."

**Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

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The FY 2013 request reflects a .5 percent pay increase, a .5 percent inflation adjustment, one more compensable work day and changes in Working Capital Fund costs. It also funds an estimated 34 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes  
for the  
Office of the Chief Information Officer  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$</b>	<b>14,988</b>
<u>Adjustments to base:</u>		
Inflation Increase	\$	48
Pay Raise	\$	20
One Additional Compensable day	\$	21
Rent	\$	-
WCF	\$	40
Workers Compensation	\$	-
<b>FY 2013 Adjusted Base</b>	<b>\$</b>	<b>15,117</b>
<u>Redirection of Resources:</u>		
Personnel Compensation and Benefits	\$	-
Other Costs	\$	-
WCF	\$	-
<b>Program Changes (+/-):</b>		
<b>Base Offsets (+/-):</b>		
<b>Total FY 2013 Request:</b>	<b>\$</b>	<b>15,117</b>

## Detailed Justification for the Office of the General Counsel

### What Is The Request and What Will We Get for the Funds?

#### FY 2013 – Office of the General Counsel (\$000)

	<u>FY 2011 Actual</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Request</u>	<u>Difference from FY 2012 Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	17,150	17,282	17,407	125
Travel	390	392	394	2
Other Costs	2,778	1,841	1,814	-27
<b>TOTAL</b>	<b>20,318</b>	<b>19,515</b>	<b>19,615</b>	<b>100</b>
<u>STAFFING</u>				
Direct Positions	113	113	113	0
Reimbursable Positions	0	0	0	0
Direct FTE	101.94	109	109	0
Reimbursable FTE	0	0	0	0

The Office of the General Counsel is requesting \$19.615 million and an estimated 109 FTEs in FY 2013 to accomplish the mission outlined below, which includes \$2.5 million and an estimated 15 FTEs for enhanced aviation enforcement and consumer protection activities.

#### What is this Program/Activity?

The General Counsel is the chief legal officer of the Department of Transportation (DOT). The Office of General Counsel provides legal advice to the Secretary and secretarial offices, and supervision, coordination and review of the legal work of the Chief Counsel Offices in the Department. The Office of the General Counsel supports the **Organizational Excellence** Strategic Goal by providing a broad array of legal services that assist DOT in achieving its Strategic Goals, and by supporting these goals through the development, presentation, and defense of well-reasoned and legally-supportable policies and programs. In addition, the Office of the General Counsel's Aviation Enforcement and Proceedings Office directly supports the **Economic Competitiveness** Strategic Goal.

The Office of the General Counsel is comprised of seven offices (and the Center for Alternate Dispute Resolution) to carry out these functions: (1) the Office of the Assistant General Counsel for General

Law, (2) the Office of the Assistant General Counsel for International Law, (3) the Office of the Assistant General Counsel for Litigation, (4) the Office of the Assistant General Counsel for Legislation, (5) the Office of the Assistant General Counsel for Regulation and Enforcement, (6) the Office of the Assistant General Counsel for Operations, and (7) the Office of the Assistant General Counsel for Aviation Enforcement and Proceedings.

The **Office of the Assistant General Counsel for General Law** provides legal advice, counsel, and representation that reflects a problem-solving approach to achieving national transportation policy goals and the efficient operations of DOT in the following areas: appropriations, fiscal law and financial management; acquisitions, acquisition planning, and financial assistance; innovative financing; real property, facilities, and asset management; information technology investment and management, and capital planning; employee ethical conduct, conflicts of interest, and political activities; equal employment opportunity and other civil rights matters; and Federal personnel and employment. The legal questions that arise in these areas are often complex and issues of first impression. The Office provides legal sufficiency reviews on over 100 acquisition related documents every year. The Office also provides legal sufficiency reviews on over 30 loan actions every year and over 100 financial assistance documents every year. The Office oversees the ethics programs across DOT and reviews over 125 public financial disclosure statements and over 200 confidential financial disclosure statements to provide assurance that reporting individuals are in compliance with applicable ethics laws and regulations, as well as providing an annual ethics training program to over 325 reporting individuals.

Anticipated FY 2012 Accomplishments:

- Continue to ensure that every Federal dollar is well spent and that program operations and processes are efficient and streamlined, by providing legal advice and representation on financial, budget, and contractual matters including the headquarters building, Working Capital Fund (WCF) operations, OST major acquisitions, Office of Small and Disadvantaged Business Utilization's (OSDBU) loan guarantee program, innovative surface transportation financing programs, such as the Transportation Infrastructure Finance and Innovation Act (TIFIA) and the Railroad Rehabilitation and Improvement Financing (RRIF) program, DOT's \$15 billion Private Activity Bond Program, and DOT's Investment Review Board overseeing over \$3 billion in information technology investments.
- Continue to promote an ethical workplace by providing ethics training, counseling, and financial disclosure programs, for approximately 1,000 employees (including Working Capital Fund) in OST. Continue to oversee the ethics programs of ten DOT OAs including their ethics training, counseling, and financial disclosure programs and implementing program enhancements in response to a program review by the Office of Government Ethics.
- Continue to sustain a work environment free from discrimination, by providing on-going legal advice to the Departmental Office of Civil Rights (DOCR) and other DOT offices, and assist DOT in being an employer of choice by providing advice, counsel, and representation on a variety of personnel matters.

- Continue to oversee DOT's response to Office of Special Counsel whistleblower disclosure referrals of violations of law, rule, or regulation; gross mismanagement; a gross waste of funds; an abuse of authority; or a substantial and specific danger to public health or safety.
- Continue to advise on Open Government initiatives including prizes, web policy, and social media policy.
- Continue to mediate workplace disputes and facilitate the resolution of office-wide conflicts to promote employee satisfaction in the workplace and identify other opportunities for faster and more effective approaches for resolving disputes.

The **Office of the Assistant General Counsel for International Law** provides legal support and facilitation of DOT's international programs in areas such as: transportation negotiations with foreign countries; Global Position Satellite matters; international economic aviation licensing and regulatory matters; applications of airline alliances for antitrust immunity; implementation and negotiation of the International Mobile Equipment Financing Convention's sector-specific protocols; war risk insurance issues; international aviation sanctions; Committee on Foreign Investment in the United States (CIFIUS) reviews; and transportation trade issues (such as North American Free Trade Agreement (NAFTA) and interdiction of contraband). In addition, the Office chairs the North Atlantic Treaty Organization (NATO) Insurance Group and the Preparatory Commission for the Establishment of the International Rail Registry under the Rail Protocol to the Mobile Equipment Financing Convention.

**Anticipated FY 2012 Accomplishments:**

- Process over 300 international work items, including safety, security, science and technology agreements, administrative adjudication of requests for antitrust immunity,
- and approximately 25 rounds of international negotiations.
- Provide legal advice to other DOT Offices and review and write over 50 international documents and agreements. This Office's input often results in an innovative legal solution that helps lead to a negotiation's closure; it also ensures efficient and judicious completion of 200 administrative matters. This Office's work on international agreements helps to remove distortions in international markets and achieve more liberal economic regimes, which benefits consumers, industry, and labor.

The **Office of the Assistant General Counsel for Litigation** provides legal advice and support in defense of DOT's programs when they are challenged in judicial proceedings. In any given year, DOT and its OAs are parties in over 100 new cases challenging DOT's decisions, regulations, orders and policies. The Office seeks to achieve successful results in each of these matters, and those efforts are critical to achieving the strategic goal of Organizational Excellence. These matters include cases challenging the decisions of the Secretary, cases of particular importance to the Secretary involving the OAs, bankruptcy cases, and cases involving cross-modal issues. Additionally, all Supreme Court cases are handled directly by the Office. The Office further supports and facilitates DOT's program goals by supervising the preparation of all regulatory filings and participating on behalf of DOT in proceedings in



which DOT has an interest before various independent regulatory agencies. Approximately 15 to 20 such filings are prepared in any given year and the Office participates in 2 to 4 hearings before such agencies per year.

Anticipated FY 2012 Accomplishments:

- Achieve successful outcome in numerous matters of importance to the Department including matters related to the preemptive effect of the laws administered by the Department, the regulation of motor carrier safety, the defense of environmental challenges to the Department's actions, the defense of the Department's Disadvantaged Business Enterprise programs, and the recoupment of government monies under the False Claims Act and other statutes.
- Improve, in conjunction with the OCIO, the Department's readiness to respond to requests for electronic documents in litigation and in Congressional and OIG investigations.

The **Office of the Assistant General Counsel for Legislation** provides support that ensures the non-appropriations legislative materials of DOT submitted to Congress adhere to Administration policy and also maintains effective liaisons with the Office of Management and Budget (OMB) and other Departments. The Office's legislative support work will often span several years on one project. While the various elements of legislative proposals are often prepared by other offices in DOT, this Office is responsible for supporting the program goals by assembling a coherent proposal, ensuring it meets budgetary and other requirements within DOT, obtaining clearance by OMB and other affected agencies, and preparing the transmittal package for the Secretary. The Office provides comparable support for the preparation of testimony, views and letters, and draft Executive Orders, Presidential Memoranda and Proclamations. In addition, the Office provides support for Departmental nominees in the form of briefing materials and responses to the Committee.

One of the most sensitive responsibilities of the office is the preparation, coordination and processing of Enrolled Bill Letters, in which the General Counsel or other designated political official, advises OMB and the President whether an enrolled bill should be signed into law.

Anticipated FY 2012 Accomplishments:

- Implement in legislative language the FY2013 budgetary directive to present full-fledged budgets in the surface accounts.
- Provide Departmental and Administration-wide clearance of approximately 60 items of Congressional testimony by DOT witnesses, and follow-up transcript review and responses to Questions for the Record.
- Conduct Department-wide clearance of approximately 600 policy documents (Administration bills, testimony, views letters, reports and Statements of Administration Policy) circulated to us by the Office of Management and Budget on behalf of the White House, including approximately 50 Presidential items (Executive Orders, Memoranda, and Proclamations).

- Draft needed nomination materials, proposed legislation, amendments, views reports, testimony, and enrolled bill letters on demand.
- Undertake the preparation, clearance and transmittal to Congress of multi-year transportation legislation, such as aviation, rail, surface transportation, hazardous materials, and maritime authorizations for DOT OAs, as well as Presidential priorities.

The **Office of the Assistant General Counsel for Regulation and Enforcement** provides legal support to achieve DOT program goals by applying statutes, Executive Orders and Presidential directives. The Office supports program offices in their preparation of rules that will meet substantive, procedural, and Administration policy requirements. The Office's management support also includes the tracking and review of all significant DOT rulemaking documents as well as non-significant Office of the Secretary of Transportation (OST) rulemakings. In a typical year, DOT is engaged in 100-125 significant rulemaking projects. The Office is the principal liaison with OMB on rulemaking matters, and coordinates important cross-cutting substantive rules that affect multiple OAs.

Anticipated FY 2012 Accomplishments:

- Oversee the rulemaking process by engaging in 100-125 significant rulemaking projects.

The **Office of the Assistant General Counsel for Operations** provides legal support on a broad range of operational issues related to DOT's programs and strategic objectives including: transportation security and emergency response, environmental law, information management, privacy, and disclosure, economic matters related to airports and air carriers, maritime law, the Essential Air Service (EAS) program, the Small Community Air Service Development Program (SCASDP), Native American sovereignty and jurisdiction, and other issues across all modes of transportation.

The Office oversees DOT's Freedom of Information Act (FOIA) Office, which each year processes hundreds of FOIA requests that are submitted to OST and also coordinates the work of the FOIA Offices throughout DOT. Because many of the Office's practice areas involve issues affecting all modes of transportation, such as environmental law and FOIA, the Office works closely not only with clients in OST, but also with the OA's Chief Counsel Offices to support all of DOT's programs and ensure consistent legal interpretations on recurring and novel issues. The Office maintains continuous readiness to provide legal support for emergency response activities, which include regular exercises and 8-10 annual activations of the U.S. Government's Emergency Support Function No. 1 (Transportation), led by DOT. The Office reviews a steady stream of environmental documents, proposed EAS Orders, SCASDP grants, airport competition plans, Privacy Impact Assessments, security-related directives, and other documents.

Anticipated FY 2012 Accomplishments:

- Counsel clients on a number of high-priority items for DOT, including (a) environmental matters, such as project reviews, coordination of DOT's environmental work to speed project delivery, climate change adaptation and mitigation, sustainability, and environmental justice; (b) security/emergency response activities, such as the 2013 Eagle Horizon and National Level Exercises, DOT emergency response operations, and implementation of the Transportation Priorities and Allocations System; and (c) reviews of a number of applications for airport privatizations under the Airport Privatization Pilot Program.
- Continue to implement a 10% reduction in DOT's FOIA backlog, pursuant to the President's direction to Federal agencies.
- Continue to address major privacy and information sharing concerns related to anti-terrorist and cyber-security programs.
- Continue to advise on airport economic issues, including airport competition plans, alleged airport revenue diversion, and airport rates and charges.
- Continue to represent DOT interests in airline bankruptcies by preserving claims for DOT civil penalties and ensuring airline remittance of passenger facility charges for FAA-approved airport projects.

The **Office of the Assistant General Counsel for Aviation Enforcement and Proceedings (AEP)** functions in four general areas that support DOT's strategic goals of economic competitiveness by: (1) enforcing air travel consumer protection and civil rights requirements and aviation economic licensing rules; (2) providing legal guidance to DOT program offices, including review of air carrier fitness decisions; (3) serving as Public Counsel in hearing cases involving fitness and international carrier selection proceedings; and (4) prosecuting cases conducted under the Program Fraud Civil Remedies Act to obtain penalties for false statements or false claims made to OST.

Of major importance is AEP's work to enforce DOT's rules regarding: the civil rights of disabled and other travelers, air fare advertising, on-time performance and code share disclosure, unrealistic scheduling denied boarding compensation, tarmac delays, ticket refunds, baggage liability, public charters, and aviation economic licensing requirements for both direct and indirect, foreign and domestic air carriers. Also of particular importance is AEP's support of DOT's domestic air carrier economic licensing program by providing extensive legal review of air carrier fitness decisions. In addition, the Aviation Consumer Protection Division (ACPD), which is an office within AEP, plays an important role in assisting, educating, and protecting aviation consumers. ACPD undertakes a wide variety of tasks, such as handling consumer complaints about air travel (8,000-20,000 per year), responding to Congressional inquiries regarding constituent travel problems (400-700 per year) and conducting investigations of airlines for violations of DOT rules. ACPD also publishes the monthly *Air Travel Consumer Report (ATCR)*, which summarizes data on flight delays, mishandled baggage, denied boardings, and passenger complaints. It is in a format that is useful to both consumers when making

their transportation decisions and carriers when advertising their service. Together, AEP's enforcement activities and support of DOT program offices contribute to a competitive air transportation system that is responsive to consumer needs, thereby enhancing the economic competitiveness of our nation as a whole. AEP's work protecting the civil rights of travelers with disabilities improves their access to the air transportation system.

Performance Measures:

The performance of the AEP's work will be evaluated against the following measures as listed in Exhibit III-2:

Economic Competitiveness

- Percent of consumer complaints reviewed.
- Median investigation time (days) for civil rights complaints (disability and other discrimination).

Anticipated FY 2012 Accomplishments:

- Continue to review each of the thousands of aviation consumer complaints received by the Department during FY 2012.
- Maintain a median investigation time for civil rights complaints (disability and other discrimination) during FY 2012 of 180 days.
- Handle between 150 and 250 items involving carrier authority during FY 2012, including ensuring that those matters involving new entrant and currently operating carriers meet requisite standards for obtaining or retaining certificates of economic authority.
- Continue to improve the air travel environment for persons with disabilities by issuing regulations that contain standards for improving access to facilities and services, and issuing guidance on existing requirements, for example, those associated with DOT's new disability regulations applicable to wheelchair seat-strapping, the use of airport kiosks, accessible airline websites, and service animals.
- Continue rulemaking actions as a supplement to and improvement upon the comprehensive consumer protection rulemakings that were completed in FY 2010 and 2011.
- Continue rulemaking action to license air charter brokers as indirect air carriers and to ensure adequate consumer protections to charters.
- Conduct investigations to ensure that consumers are properly cared for during extended tarmac delays as required by rules adopted in FY 2010.
- Conduct on-site and other investigations of air carriers regarding compliance with consumer protection requirements. Such as rules covering refunds, deceptive advertising, and denied boarding compensation.

The **Center for Alternate Dispute Resolution (CADR)** provides innovative approaches to problem-solving that control the cost of conflict and produce quicker, more durable outcomes. CADR supports the use of Alternative Dispute Resolution (ADR) by DOT in all areas including formal and informal

adjudication, issuance of regulations, enforcement and compliance, issuing and revoking licenses and permits, contract and grant awards, environmental planning, and litigation brought by or against DOT. CADR supports program offices in the design and implementation of specific ADR approaches that meet an organization's particular need. CADR also facilitates early and direct interaction among parties by providing mediation and facilitation services to help parties resolve disputes efficiently and effectively and helps identify ADR providers outside DOT. Finally, CADR offers informational and skills based training on dispute resolution and conflict management.

Anticipated FY 2012 Accomplishments:

- Provide conflict management-related training skills training to nearly 200 DOT employees through 10 specialized training courses in several DOT operating administrations, and 5 open-enrollment courses.
- Provide conflict coaching and mediation of 23 two-party cases and two large group cases.

**Why Is This Particular Program Necessary?**

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The Office of the General Counsel is necessary to provide leadership, legal advice and guidance to the Secretary and secretarial offices in the implementation and administration of legal matters as the chief legal officer of the Department of Transportation (DOT). The Office also provides supervisory support of legal advice given to the Operating Administrations (OAs). The Office coordinates the Department's legislative efforts, regulatory programs, and litigation and involvement in proceedings that are before other agencies as well as various operational and international legal matters.

The Office manages for the entire Department the clearance of policy views presented to Congress on behalf of the Administration as testimony, views, or proposed legislation, except for appropriations matters. The Office also manages cross-modal international legal advice and coordination for the Department. This includes overseeing Department compliance with State Department guidance and international and domestic law; and administrative adjudications involving citizenship of U.S. air carriers, and inter-carrier agreements involving foreign air transportation.

The Office provides direction and guidance to Modal Chief Counsel Offices to ensure compliance with the Federal laws governing DOT programs, interpreted throughout DOT in a consistent manner. The Office of the Assistant General Counsel for Litigation provides legal support and advice in defense of DOT's programs when they are challenged in judicial proceedings. The Office further supports and facilitates DOT's program goals by supervising the preparation of all regulatory filings and participating on behalf of DOT in proceedings in which DOT has an interest before various independent regulatory agencies.

**Why Do We Want/Need To Fund The Program At The Requested Level?**

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The FY 2013 request reflects a .5 percent pay raise, a .5 percent inflation adjustment, one more compensable work day, and changes in Working Capital Fund costs. It also funds an estimated 109 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes  
for the  
*Office of the General Counsel*  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 17,015</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 8
Pay Raise	\$ 55
One Additional Compensable day	\$ 58
Rent	\$ -
WCF	\$ (21)
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 17,115</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 17,115</b>

**Explanation of Funding Changes  
for the  
Office of the General Counsel - AEP**  
(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 2,500</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 3
Pay Raise	\$ 6
One Additional Compensable day	\$ 5
Rent	\$ -
WCF	\$ -
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 2,515</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	
<b>Base Offsets:</b>	<b>\$ (15)</b>
<b>Total FY 2013 Request:</b>	<b>\$ 2,500</b>



## Detailed Justification for the Office of the Assistant Secretary for Governmental Affairs

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Office of the Assistant Secretary for Governmental Affairs

(\$000)

<u>FUNDING LEVELS</u>	<u>FY 2011 Actual</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Request</u>	<u>Difference from FY 2012 Enacted</u>
Personnel Compensation and Benefits	2,214	2,229	2,239	10
Travel	116	100	100	0
Other Costs	169	171	262	91
<b>TOTAL</b>	<b>2,499</b>	<b>2,500</b>	<b>2,601</b>	<b>101</b>
<u>STAFFING</u>				
Direct Positions	24	24	18	-6
Reimbursable Positions	0	0	0	0
Direct FTE	14.85	17	17	0
Reimbursable FTE	0	0	0	0

The Office of Governmental Affairs is requesting \$2.601 million and an estimated 17 FTEs in FY 2013 to accomplish the mission outlined below.

### What Is This Program/Activity?

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The Office of Governmental Affairs supports the **Organizational Excellence** strategic goal by serving as the primary point of contact for Congressional offices, as well as other state and locally elected officials. This office works with other offices within the Department to ensure that Congressional mandates are fully implemented by the Department.

The Office of Governmental Affairs works with the White House, other Federal agencies, and Congress in order to fulfill the Secretary's and Administration's legislative priorities. This includes, among other things, working with Congress on Departmental priorities within the annual appropriations bills and continuing to work on significant legislative reauthorization bills, such as the Surface Transportation Reauthorization bill and the Federal Aviation Administration reauthorization bill. In addition, the office works with the modal administrations to coordinate Congressional outreach activities related to Secretarial initiatives and programs.

Another key function of the Office of Governmental Affairs is to guide political appointees that require confirmation by the Senate through the Senate confirmation process. This requires working closely with the White House and relevant Senate Committees throughout the various steps of the confirmation process.

The Office of Governmental Affairs will work to attain Organizational Excellence by developing a diverse and collaborative workforce that will enable the Department to advance a transportation system that serves the Nation's long-term social, economic, security, and environmental needs.

#### **Why Is This Particular Program/Activity Necessary?**

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The Office of Governmental Affairs acts as the liaison between the Department of Transportation and Congress and State, local, and tribal governmental entities.

#### **Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

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The FY 2013 request reflects a .5 percent pay raise, a .5 percent inflation adjustment, one more compensable work day, changes in Working Capital Fund and Workers Compensation costs. It also funds an estimated 17 FTEs and associated costs. The Office of Governmental Affairs requests a program increase of \$88 thousand in contract funds in FY 2013 to support contract increases associated with the Grants Notification System (GNS) support contract, and Certification & Accreditation (C&A) requirements for the GNS system. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes  
for the  
Office of Governmental Affairs**  
(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 2,500</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 1
Pay Raise	\$ 8
One Additional Compensable day	\$ 8
Rent	\$ -
WCF	\$ 2
Workers Compensation	\$ (5)
<b>FY 2013 Adjusted Base</b>	<b>\$ 2,514</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	
Cost increases related to the Grants Notification System support contract and Certification and Accreditation (C&A) requirements for that system	\$ 88
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 2,601</b>

## Detailed Justification for the Office of the Assistant Secretary for Budget and Programs, and Chief Financial Officer

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Office of the Assistant Secretary for Budget and Programs, and CFO

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<b>FUNDING LEVELS</b>				
Personnel Compensation and Benefits	8,358	8,534	9,253	719
Travel	15	15	25	10
Other Costs	2,164	1,989	3,922	1,933
<b>TOTAL</b>	<b>10,538</b>	<b>10,538</b>	<b>13,201</b>	<b>2,663</b>
<b>STAFFING</b>				
Direct Positions	64	56	65	9
Reimbursable Positions	1	1	2	1
Direct FTE	45.76	52	58.5	6.50
Reimbursable FTE	1	1	1.5	0.5

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The Office of the Assistant Secretary for Budget and Programs, and (CFO) is requesting \$13.201 million and an estimated 58.5 FTEs in FY 2013 to accomplish the mission outlined below.

#### What Is This Program/Activity?

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The Office of the Assistant Secretary for Budget and Programs, and CFO supports the **Organizational Excellence** strategic goal by assisting the Secretary with budget and financial matters.

### **Why Is This Particular Function Necessary?**

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The Assistant Secretary for Budget and Programs, and CFO is the principal budget and financial advisor to the Secretary and serves as the CFO for the Department of Transportation (DOT).

In addition, the Office of the Assistant Secretary for Budget and Programs, and CFO is responsible for enforcing financial and budgetary statutory authorities and provides administrative guidance to all the DOT Operating Administrations on all budget, finance, and accounting matters.

To carry out its many mandates and responsibilities, the Office of the CFO (OST-B) historically has been organized into three Offices: (1) Office of Budget and Program Performance; (2) Office of the Chief Financial Officer for the Office of the Secretary; and (3) Office of Finance Management. The FY 2013 Budget proposes establishment of a fourth office, the Credit Oversight Office. The responsibilities of each of these offices are as follows:

#### **Office of Budget and Program Performance (B-10)**

B-10 is responsible for ensuring effective preparation and presentation of sound and adequate budget estimates for the Department. Its functions and oversight responsibilities include:

- overseeing all appropriations matters related to DOT's budget;
- fostering effective use of resources;
- providing guidance to budget offices of each Operating Administration and OST;
- ensuring that financial plans are consistent with approved plans and programs;
- regularly briefing and providing information to the White House, Congress, Congressional Staff, Office of Management & Budget (OMB), and others;
- championing DOT's budget and performance integration initiatives, and developing and providing guidance on the application of Departmental performance policies and procedures; and,
- preparing the Department's annual Performance and Accountability Report.

#### **Office of the Chief Financial Officer for the Office of the Secretary (B-20)**

B-20 is responsible for budget formulation and execution, performance management, financial management, and internal controls for the Office of the Secretary. Its functions and responsibilities include:

- formulating and justifying budget requests for OST offices and programs to the Departmental Budget Office, OMB, and Congress;
- executing enacted appropriations, including apportioning and allotting funds and monitoring spending to ensure expenditures do not exceed enacted amounts;
- performing the full-range of financial management functions, including financial statement review, preparation and/or review of all deliverables for the annual financial audit, accounts

payable and accounts receivable oversight, cash management, reimbursable agreement monitoring and reconciliation, and oversight of the integrity of all transactions in the accounting system;

- managing OST's FMFIA and A-123 Internal Control programs, including preparing entity level internal control assessments, documenting OST's major financial business processes, responding to the testing requirements of the internal control auditors, developing risk profiles and risk management plans for OST programs; and,
- developing performance measures under the Department's strategic goals, tracking actual outcomes against those measures, and justifying the OST budget request based on stated strategic goals and performance measures.

### **Office of Financial Management (B-30)**

B-30 is responsible for the financial leadership of DOT. Its primary duty is to uphold strong financial management and accountability while providing timely, accurate, and reliable financial information and enhancing internal controls. Its functions and oversight responsibilities include:

- providing direction and guidance to the finance offices of all DOT Operating Administrations (OA's) and OST;
- coordinating audits with the Inspector General and contract auditors and managing the resolution of material weaknesses;
- ensuring timely and accurate submission of DOT consolidated financial statements to OMB and OIG;
- meeting all other OMB, Treasury, and other centralized reporting requirements;
- managing DOT's FMFIA Program and Internal Control program, including compliance with Appendix A-123 Internal Control Program and Appendix B -Travel Card Program;
- managing DOT's Erroneous Payment and Recovery Audit Programs;
- managing DOT's Improper Payments Information Act Program and coordinating its reporting requirements;
- on behalf of the CFO, serving as system owner to Delphi, DOT's core financial management system;
- providing management direction and oversight to the Enterprise Service Center (ESC) in Oklahoma City, which runs Delphi and provides accounting services to all DOT agencies;
- directing the Department's Financial Systems Modernization (FSM) initiative, the multi-year effort to transform and streamline DOT's financial management policies, processes, and systems;
- serving as system owner to CASTLE, the DOT-wide Consolidated Automated System for Time and Labor Entry;
- serving as liaison to the National Business Center, DOT's payroll provider;
- establishing Departmental travel policy and guidance;
- managing DOT's Travel Credit Card Program;
- managing travel management contract services throughout DOT; and,

- serving as liaison to GSA on GovTrip, the Travel Reservation & Vouchering System used throughout the Department.

### **Credit Oversight Office (CO)**

With the growing demand for credit assistance at DOT in FHWA, FRA, and MARAD, the Office of the Assistant Secretary for Budget and Programs requests \$2.3 million to establish a Credit Oversight office. This Office would assist with the financial review and monitoring of DOT's credit programs. Further, this office will oversee and coordinate all the credit reform requirements with the Office of Management and Budget. Staff in the CO Office will support the work of the DOT Credit Council and the Deputy Secretary and Assistant Secretary for Budget and Programs and Chief Financial Officer. The Credit Council meets at least monthly, and each meeting requires extensive preparation. This Office will lead the Credit Council Working Group, which is comprised of the DOT credit program managers and staff to the Credit Council members. Staff from this newly created office will oversee each of the credit programs at DOT: the Transportation Infrastructure Finance and Innovation Act (TIFIA) program, the Railroad Rehabilitation and Improvement Financing Program (RRIF), and MARAD's Title IX office. With additional staff, the Credit Office will be able to directly support the credit programs in the respective operating administration. The staff will have credit modeling experience and be able to assist the DOT credit programs in maintaining and enhancing their credit subsidy methodology and reestimate processes.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

The FY 2013 request reflects a .5 percent pay raise, a .5 percent inflation adjustment, and one additional compensable workday, and changes in the Working Capital Fund and worker's compensation costs. The request funds an estimated 58.5 FTEs and associated costs. It also includes a program increase of \$2.3 million for the Credit Oversight Office. The growth of the DOT credit programs in both volume and complexity requires a coordinated effort by the Department to maintain the proper oversight and review of credit transactions. Funding proposals by both the Department and the Congress could lead to substantial increases in loan volumes for the TIFIA program. The heightened awareness of federal lending in the public domain further justifies the need for the Department to ensure that proper financial analysis, due diligence and credit monitoring are taking place in each of the DOT credit programs. The request also includes a \$376 thousand program increase to fund additional contractual services. These include editorial and graphic design services for the Department's Budget Highlights and Performance and Accountability Reports, consultant services to improve processes and internal controls for the Office of the CFO for OST, and consultant services to assist the Office of the Assistant Secretary for Budget and Programs in meeting the ever-increasing budget and financial workload. A more detailed breakdown of this request can be found in the Object Class by Office exhibit.

**Explanation of Funding Changes**  
**for the**  
*Office of the Assistant Secretary for Budget and Programs, and CFO*  
(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 10,538</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 10
Pay Raise	\$ 31
One Additional Compensable day	\$ 31
Rent	\$ -
WCF	\$ (72)
Workers Compensation	\$ (13)
<b>FY 2013 Adjusted Base</b>	<b>\$ 10,525</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	
Program increase to fund additional contractual services. These include editorial and graphic design services for the Department's Performance and Accountability Report, consultant services to improve processes and internal controls for the Office of the CFO for OST, and consultant services to assist the Office of the Assistant Secretary for Budget Programs in meeting the ever-increasing budget and financial workload.	\$ 376
Increase is necessary to establish a Credit Office within the Office of the Assistant Secretary for Budget and Programs, and CFO.	\$ 2,300
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 13,201</b>



## Detailed Justification for the Office of the Assistant Secretary for Administration

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 - Office of the Assistant Secretary for Administration

(\$000)

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	Difference from <u>FY 2012</u>
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	7,416	7,865	7,984	119
Travel	67	25	25	0
Other Costs	17,986	17,579	20,663	3,084
<b>TOTAL</b>	<b>25,469</b>	<b>25,469</b>	<b>28,672</b>	<b>3,203</b>
 <u>STAFFING</u>				
Direct Postions	66	66	59	-7
Reimbursable Positions	20	10	9	-1
 Direct FTE	 45.50	 52	 57	 5
Reimbursable FTE	14.91	9	8	-1

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The Offices of the Assistant Secretary for Administration administer funds for the Working Capital Fund and receives an appropriation for Salaries and Expenses. The Office of the Assistant Secretary for Administration also administers reimbursable agreements for the Administrative Law Judge program.

The Office of the Assistant Secretary for Administration is requesting \$28.672 million and an estimated 57 FTEs in FY 2013 to accomplish the mission outlined below.

#### What Is This Program/Activity?

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The Office of the Assistant Secretary for Administration's Salaries and Expense appropriation supports the **Environmental Sustainability** and **Organizational Excellence** Departmental Strategic goals.

The Assistant Secretary for Administration is the principal advisor to the Secretary and Deputy Secretary on Department-wide administrative matters. This includes strategic management of human capital; policy formulation for matters falling within the functional purview of the Office of the Assistant Secretary; follow-up and resolution of Government Accountability Office and

Inspector General audit reviews of department programs, including preparation of required reports; and other management-related initiatives.

As the Chief Acquisition Officer for DOT, OASA formulates departmental policy, controls, and standards to ensure that procurement and financial assistance programs are in accord with applicable laws, regulations, and best business practices. Under the authority delegated by the Secretary, the Assistant Secretary carries out the responsibilities of the Competitive Sourcing Officer as specified in OMB Circular A-76, Performance of Commercial Activities.

The Assistant Secretary is also the senior security executive for the department and provides leadership and direction to departmental organizations to ensure the safety, security, and protection of DOT personnel, information, facilities, and other assets. Through the Office of Security, policies and procedures are issued and oversight reviews are performed to maintain an effective program of coordinators in each of the Operating Administrations (OAs) and Secretarial offices.

The OASA leads the Department's implementation of Executive Orders (EO) 13514, 13423 and the Department's comprehensive Strategic Sustainability Performance Plan (SSPP). The SSPP, which began in FY 2010, is a 10-year strategy for achieving a range of goals focusing on integrating sustainability with the agency missions while minimizing implementation costs. A significant ramping up of supporting activities is necessary to meet the long-term goals in the SSPP.

As the Department's Chief Human Capital Officer (CHCO), the OASA is responsible for implementation of the DOT hiring reform initiative to achieve the goal of reducing the DOT hiring process benchmark of 167 days in FY 2009 to 90 days in FY 2013. DOT's focus is on three key objectives to further reform the hiring process: (1) initiating a vigorous Government-wide recruiting effort that makes it easier to apply for DOT jobs while also raising the bar on candidate quality; (2) giving managers and supervisors a greater leadership role in recruiting and selecting candidates with support from the agency human resources offices; and (3) monitoring agency efforts to improve the speed and quality of hiring and the satisfaction of managers and applicants with the hiring experience.

### **FY 2012 Anticipated Accomplishments**

The Sustainability Office will build upon the Sustainable Buildings Center of Excellence (SBCE) with a team of highly trained experts in specific areas that promote design and renovation for sustainable facilities within the Department. The SBCE will use best practices and the five Guiding Principles of Sustainable Buildings: (1) employ integrated design principles; (2) optimize energy performance; (3) protect and conserve water; (4) enhance indoor environmental quality; and (5) reduce environmental impact of materials. In addition, the Sustainability office will:

- Use building data and information systems needed to support the SBCE to measure baselines and progress toward meeting EO targets for greenhouse gas emissions, energy, water, fleet, electronics stewardship, and green procurement monitoring and management.
- Monitor policy guidelines to ensure the tools and technologies for communications that enable highly effective work patterns and reduce commuting and business travel are utilized.
- Progress in sustainable fleet management in terms of increased alternative fuel usage, reduced petroleum consumption and right sizing the fleet for the Department's mission by supporting information systems and communications that facilitate 'right placing' of vehicles near appropriate fueling facilities, 'right-sizing' vehicles for their individual missions, and seeking new initiatives for motor pool sharing.

The Departmental Office of Human Resources Management (HR) will promote the efficient use of human resources Department-wide, maintaining a performance culture where performance appraisal and award systems are linked to agency mission, goals and outcomes and train the OAs to forecast future trends and needs to improve the linkage between the corporate recruitment program and workforce planning. In addition, HR will:

- Play a key role in the Department's response to emergencies such as national disasters and possible pandemics. Staff must: track employee locations; identify impacted employees; develop and implement systems to track leave usage; and respond to Congressional inquiries.
- Reduce the hiring process to 100 days by focusing on the quality of candidates; reducing the number of personnel processing errors; implementing technological changes in the hiring process to accept resumes while eliminating essay questions; and ensuring hiring managers are engaged throughout the hiring process.
- Support interoperable HR solutions providing common, core functionality to support the strategic management of human capital in addressing duplicative and redundant HR systems and processes across the Federal Government.

The Office of the Senior Procurement Executive (OSPE) will provide expert advice and direction to the OAs, ensuring that taxpayer dollars achieve the performance outcomes required to accomplish DOT's mission while emphasizing performance, integrity and public policy requirements. In addition, the OSPE will leverage DOT's buying power and achieve DOT's goals using innovative strategies and technologies such as strategic sourcing, spend analysis, and performance based acquisition.

The Office of Security will partner with the OPSE to ensure standard security clauses are used in all DOT contracts including clauses that fully implement Homeland Security Presidential Directive (HSPD-12) requirements as well as other security matters. Additionally the Office of Security will:

- Publish a DOT order on classified national security information management that will implement requirements of the new EO 13526 and accompanying Presidential memorandum, and updated regulations issued by the Information Security Oversight Office. In addition, a new DOT order on classified information spillage, which includes requirements for responding to incidents when classified information has been placed on unclassified systems will be finalized and published.
- Establish a policy to ensure proper security education and training for all DOT employees who are granted access to classified information and for all officials who have original classification authority and update the DOT order governing the Technical Surveillance Countermeasures program.
- Represent the Department at meetings on interagency policy that are developing national policies and procedures for the security programs. Examples include the Overseas Security Policy Board, the Interagency Security Committee, the Committee on National Security Systems, Security Executive Agent Advisory Committee, the Suitability and Security Clearance Performance Accountability Council, and the Classified Management Working Group; and subcommittees and working groups of these committees.
- Finalize a personnel security order for DOT, which will incorporate major changes in national policies and procedures for initiating, conducting, and adjudicating background investigations on Federal employees, contractor employees, and affiliated personnel. It will also include updated policies on designating DOT positions as to risk and/or sensitivity level.

### **Why Is This Particular Program Necessary?**

The Assistant Secretary for Administration provides policy leadership to the Office of the Secretary (OST) and departmental elements on laws, regulations, government wide policies, and executive direction related to achieving efficiencies in resource utilization and ensuring full compliance with legal and regulatory requirements. The OASA performs the critical functions of maintaining and institutionalizing new and on-going Human Capital programs while integrating Human Capital practices, reforms, technologies, and programs; providing expert advice and direction to operating administrations to ensure that the over \$85 billion in taxpayer dollars spent annually through DOT's acquisition and grants business processes achieve the performance outcomes required to accomplish DOT's mission; launching significant initiatives toward meeting the goals of the Sustainability Executive Order and the Department's SSPP; and funding centralized OST payments to the WCF and rental expenses to GSA.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

The FY 2013 request reflects a .5 percent pay raise, .5 percent inflation adjustment, one additional compensable work day, and changes in the Working Capital Fund and worker's compensation costs. It also funds an estimated 57 FTEs and associated costs. An additional \$2.478 million in program increases are detailed below.

This request includes \$.901 million in contract support for the OPSE to conduct procurement management reviews (PMR) and assess internal controls over acquisition activities and programs. Providing acquisition policy oversight is a key function of the OPSE. The purpose of the PMR is to review OA policies and procedures to ensure harmony with both Federal and Departmental policies. The outcome of the PMR will identify strengths and opportunities for improvement at the OA level. This includes efforts to charter, staff, and oversee cross-agency spend analysis teams; comparing and analyzing \$5.6 billion in FY 2010 baseline outlays; pulling information from disparate sources such as Federal Procurement Data System (FPDS), PRISM, purchase card and commercial best practices. The Executive Steering Committee will analyze data, evaluate the results, and implement strategic sourcing solutions in areas that generate Department-wide savings.

DOT will be continuing a strong focus on strengthening the acquisition workforce consistent with the agency acquisition human capital plan, to include increasing capabilities to improve acquisition management and performance outcomes. Funds are requested in the amount of \$.694 million to increase the Department's acquisition workforce capability and processes to ensure they are managed effectively. The focus will be on three key areas including: contractor support costs to collect data and provide training to the workforce; business process reengineering; and innovative acquisition approaches that benefit the Department's acquisition efforts.

The request also includes \$.733 million in contract support for the Department's Environmental Sustainability initiative. Contract support will continue identifying the best return on investment targets for achieving a more sustainable and cost efficient DOT by measuring and identifying methods for modernizing and reducing waste in the Department's ~11,000 building portfolio and 6,000 vehicle fleet. With this program, the Department will achieve significant return on investment, when no capital improvement budget is available, by utilizing energy savings performance contracts (ESPCs) as authorized and encouraged in statute. These efforts also support the Administrative Efficiencies EO. An example is the sub-metering project for the Headquarters building that equipped 69 electrical closets throughout the building with advanced electrical sub-meters. By sub-metering each floor individually, utility usage by each operating administration can be monitored to identify and rectify over-usage. In addition, through an interface with the security system, employees can use their ID badges to activate lights and the heating, ventilation, and air conditioning system for two-hour increments during non-work periods. Previously, when overtime utility services are requested, they are typically ordered for an entire day or evening. Data is currently being collected that will be used as a baseline to measure energy conservation. OASA will continue to work with the operating administrations to further progress in achieving sustainable buildings, energy and water conservation, exploring use of renewable energy and move forward on meeting the greenhouse gas emissions requirements in the EO 13514 and the SSPP. This includes achieving the following in 2013:

- 16 of the 30 percent reduction target in vehicle fleet petroleum use.
- 15 of the 26 percent improvement target in water efficiency.
- 8 of the 50 percent recycling and waste diversion target.
- 6 of the 12.3 percent reduction target in greenhouse gas emissions from facilities and fleets.
- 4 of the 10.9 percent reduction target in greenhouse gas emissions from employee business travel and commuting.

Funds in the amount of \$.150 million are requested for contract support to meet the OASA's internal control requirements. Metrics will be developed to measure gaps in processes to include purchase card administration and payment timeliness. Additionally, desktop operating guides will be created to ensure procedures are in accordance with mandated guidelines, and roles and responsibilities are defined.

**FY 2013 Oversight and Policy**

**\$ 9.213 million**

Departmental Office of Human Resource Management:

In FY 2013, HR will focus on the acquisition human capital initiatives, closing competency gaps in the Department's mission critical occupations; as well as improving hiring times for all employees through use of electronic systems and efficient use of human resources. In addition, training will continue in the OAs' use of the Civilian Forecasting System, which provides forward-looking analytical data and seven-year projections based on five years of historical data. The forecasting tool includes personnel target data, projections for accession requirements and separations (by type), and optimizes to target levels. As a workforce-planning tool, the OAs can determine projected vacancies by occupation, grade, organizations units, or geographic location. HR also plays a key role in addressing issues identified in the Annual Employee Viewpoint Survey.

Performance Measure:

The performance of HR will be evaluated against the following measure as listed in Exhibit III-2, Organizational Excellence: reduce the DOT hiring benchmark of 167 days to 90 days.

- Meet the government-wide hiring target;
- Limit external job announcement postings to 7-16 calendar days unless there are extenuating business circumstances;
- Return hiring certificates in 30 calendar days or less;
- Complete the Office of Personnel Management's (OPM) Hiring Manager Satisfaction Survey annually;
- Improve the Personnel Security Action Request and Notification form; and

- Use automated systems in the hiring process.

In addition to hiring reforms, HR will update the DOT succession plan for mission critical occupations and expand the roles and responsibilities of the DOT Labor-Management Forum. The DOT Labor-Management Forum will provide guidance to the OAs labor-management forums on pre-decisional matters; work with the OA forums to achieve the identified mission-linked improvement goals; oversee the development of OA action plans resulting from the labor relations climate survey; and monitor improvements in relationships, productivity and other areas of importance.

#### Departmental Office of the Senior Procurement Executive

In FY 2013, the OSPE will provide expert advice and direction to OAs to ensure taxpayer dollars achieve the performance outcomes required to accomplish DOT's mission. The focus will be on key areas to include requirements and funding for: contractor support costs to collect data and provide training to the workforce; business process reengineering; organizational development; and innovative acquisition approaches that benefit the Department's acquisition workforce efforts. The OSPE is responsible for ensuring a balanced approach to managing DOT's business processes which emphasizes performance, integrity and public policy requirements. In addition, after a decade of reforms which encouraged the acquisition community to be creative, both the Government Accountability Office and the DOT Office of the Inspector General (IG) are more focused on acquisition oversight than ever before. This is evident in the Office of Federal Procurement Policy's (OFPP's) mandate for each agency to perform an assessment of the acquisition function, the IG's focus on the need to improve acquisition and contracting in their *Top Ten Management Challenges* and the many on-going audit engagements in the Department that focus on acquisition and grants management (e.g., oversight of cost type contracts, use of award fee contracts, use of DCAA audit services). These mandates have required increased due diligence by agency Chief Acquisition Officers. In particular, the OSPE will:

- Implement risk management strategies throughout the Department.
- Develop enhanced capabilities to collect, review and analyze procurement and grants data.
- Implement OMB initiatives such as performance based acquisition, enhanced competition, and improved internal controls through evaluation of agency acquisitions functions using the GAO framework.
- Improve departmental acquisition processes and performance outcomes on DOT's major acquisition programs.
- Strengthen audit oversight and tracking to ensure audits (pre award, cost incurred and close-out) are being obtained when needed, that a departmental audit plan is negotiated with the OAs annually, and that responses to audit findings are prepared in a timely manner.

with the OAs annually, and that responses to audit findings are prepared in a timely manner.

- Work with the OAs to establish enterprise-wide contracts based on current spend analyses. Contractor support will work with commodity councils to ensure the success of the DOT Strategic Sourcing Program.

Office of Security:

In FY 2013, the Office of Security will begin transitioning DOT to the “Controlled Unclassified Information” (CUI) regime of protecting sensitive unclassified information. The CUI regime is mandated throughout the Executive Branch to replace other phrases that currently identify sensitive information, such as “For Official Use Only” and “Sensitive But Unclassified.” The Office of Security will lead policy development for the Department; publish an order and manual; develop and implement an educational program for the entire DOT population including contractors; provide guidance to modify information technology (IT) systems; and implement a DOT-wide self-inspection program.

The Office of Security will also coordinate Department-wide implementation of an updated physical security order based on national-level requirements that will apply to all DOT facilities; work closely with designated senior officials from each OA to identify and comply with new requirements of the order; provide Department-wide technical assistance and support; and provide outreach and oversight of the operating administrations’ physical security programs. Additionally, the Office of Security will:

- Represent the Department at numerous meetings on interagency policy led by the National Security Agency, National Archives, the Central Intelligence Agency, Department of State, General Services Administration and others tasked with developing national security program policies and procedures. Examples include the Overseas Security Policy Board, the Interagency Security Committee, the Committee on National Security Systems, Security Executive Agent Advisory Committee, the Suitability and Security Clearance Performance Accountability Council, the External Referral Working Group, and the Classified Management Working Group, as well as subcommittees and working groups of these ongoing committees.
- Work with the OPSE to continue to ensure standard security clauses are used in all DOT contracts, including clauses that fully implement HSPD-12 requirements as well as other security matters.

**FY 2013 Environmental Sustainability**

**\$1.639 million**

On October 5, 2009, President Obama signed EO 13514 titled, “Federal Leadership in Environment, Energy and Economic Performance”. EO 13514 dramatically expanded the sustainability obligations of all federal agencies which can only be achieved through significant



investments. This EO establishes the policy of the United States for all Federal agencies in many areas including the following:

- Design, construct, maintain, and operate high performance sustainable buildings in sustainable locations.
- Increase energy efficiency.
- Measure, report and reduce greenhouse gas emissions from direct and indirect activities.
- Conserve and protect water resources through efficiency, reuse, and stormwater management.
- Eliminate waste, recycle, and prevent pollution.
- Leverage agency acquisitions to foster markets for sustainable technologies and environmentally preferable materials, products, and services.

Not only are these Sustainability programs specified by the EO, but many of these requirements related to areas such as energy, greenhouse gases, fleet, Environmental Management Systems, and water are also specified by law under the Energy Policy Act of 2005 and the Energy Independence and Security Act of 2007. DOT is committed to meet its goals under these environmental laws and executive orders but requires significant resources to do so.

DOT is lagging behind many other agencies in meeting its targets and needs to expand its programs as evidenced by DOT's performance on recent OMB Sustainability Scorecards. The DOT SSPP identifies the far reaching programs and activities that must be instituted to meet the 2012-2020 requirements. Limited, incremental progress due to constrained resources will not allow DOT to be in compliance with these requirements and targets.

DOT's OASA Office of Facilities, Information, and Asset Management, Office of Administrative Policy (APO) is responsible for updating and implementing the DOT SSPP. As the implementing office for EO 13514 and the statutes identified above, significant resources are required within OST and appropriately throughout the Department. APO requires internal and external support and subject matter expertise in the development, management, and oversight of the national strategic sustainability initiatives necessary for meeting the requirements of Executive Orders 13423 (now statute) and 13514, the Energy Independence and Security Act of 2007, and the Energy Policy Act of 2005.

The above requires many diverse policies and programs to achieve and maintain compliance. The national strategic sustainability program requirements include but are not limited to: Environmental Management Systems, Alternative Fuels and Alternative Fuel Vehicles, Greenhouse Gas Emissions Inventory and reduction programs, Facility Energy Efficiency and Renewable Energy Management, High-Performance and Sustainable Buildings Management, Water Conservation, Electronics Stewardship, Green Purchasing, Toxic Chemical Reduction, Pollution Prevention and Recycling, Training, Outreach, and Communications

**FY 2013 Administration****\$17.820 million**OST Payment to the Working Capital Fund

Payments for centralized administrative and support services for all OST offices will total \$8.321 million in FY 2013. Technical and administrative services include building security, personnel operations, facilities management, parking management, printing and graphics, mail operation and dockets management operations, building security, utilities and building maintenance, voice, cable and wireless communications, Disability Resource Center, substance abuse awareness and testing, and procurement and acquisition services. This consolidation of services allows OST to achieve economies of scale and critical safety and health operation for OST employees.

Rental Payments to GSA

Consolidated payments for GSA rental expenses for all OST offices will total \$9.499 million in FY 2013. In addition to the rented space, OST will pay for and occupy the Southeast Federal Center headquarters building.

<b>Rental Locations</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Net</b>
	<b>Rental Payments</b>	<b>Rental Payments</b>	<b>Increase/Decrease</b>
Southeast Federal Center, WDC	\$ 9,391,251	\$ 9,439,355	\$ 48,104
San Francisco, CA	\$ 13,918	\$ 13,918	\$ -
Operations and Maintenance	\$ 45,617	\$ 45,617	\$ -
<b>Total:</b>	<b>\$ 9,450,786</b>	<b>\$ 9,498,890</b>	<b>\$ 48,104</b>

**Explanation of Funding Changes  
for the  
Office of the Assistant Secretary for Administration**  
(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 25,469</b>
<u>Adjustments to base</u>	
Inflation Increase:	\$ 88
Pay Raise	\$ 27
One Additional Compensable Day	\$ 22
Rent:	\$ 1
WCF:	\$ 517
Workers Compensation:	\$ 70
<b>FY 2013 Adjusted Base</b>	<b>\$ 26,194</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
<b>Program Changes (+/-):</b>	
Other Contractual Services	\$ 2,478
<p>\$901 thousand for procurement management reviews (PMRs), OMB Circular A-123 internal control assessments, and oversee cross-agency spend analysis activities.</p> <p>\$694 thousand will support acquisition workforce efforts consistent with the agency's acquisition human capital plan of increasing capabilities to improve acquisition management and performance outcomes.</p> <p>\$733 thousand for contractor support for the Environmental Sustainability Program, fleet management system and safety consulting services.</p> <p>\$150 thousand for contract support to meet the OASA's internal control requirements. Metrics will be developed to measure gaps in processes to include purchase card administration and payment timeliness.</p>	
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 28,672</b>

## Detailed Justification for the Office of Public Affairs

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Office of Public Affairs

(\$000)

	<u>FY 2011</u> <u>Actual</u>	<u>FY 2012</u> <u>Enacted</u>	<u>FY 2013</u> <u>Request</u>	<u>Difference</u> <u>from FY 2012</u> <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	1,846	1,774	1,788	14
Travel	80	50	50	0
Other Costs	125	196	416	220
<b>TOTAL</b>	<b>2,051</b>	<b>2,020</b>	<b>2,254</b>	<b>234</b>
<u>STAFFING</u>				
Direct Positions	19	19	17	-2
Reimbursable Positions	0	0	0	0
Direct FTE	14.65	16	16	0
Reimbursable FTE	0	0	0	0

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The Office of Public Affairs is requesting \$2.254 million and an estimated 16 FTEs in FY 2013 to accomplish the mission outlined below.

### What Is This Program/Activity?

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The Director of Public Affairs is the principal advisor to the Secretary and other senior Department officials and news media on public affairs questions. The Office of Public Affairs prepares news releases and supporting media materials, articles, facts sheets, briefing materials, publications, audiovisual materials and maintains a new media presence. In addition, the Office prepares speeches and talking points for the Secretary and Deputy Secretary. It also provides information to the Secretary on opinions and reactions of the public and news media on

programs and transportation issues. It arranges news conferences and provides speeches, talking points and byline articles for the Secretary and other senior Department officials.

The Office of Public Affairs supports the **Organizational Excellence** strategic goal by developing a diverse, effective and collaborative workforce that will enable the Department to advance a transportation system that serves the Nation's long-term social, economic, security, and environmental needs. The Office of Public Affairs will make available to the public information on the Department's efforts to improve transportation safety, maintain transportation infrastructure in a state of good repair, promote transportation investments that bring lasting benefits to the Nation, foster livable communities and advance environmentally sustainable transportation policies.

The Office of Public Affairs will continue to focus on the progress in upgrading the transportation infrastructure and will use video and satellite feeds and other means to share information about how these projects are creating jobs and improving the economy. In addition, the Department is aggressively pursuing a campaign to end distracted driving. The Office of Public Affairs has organized a national summit on this issue and will continue to promote the campaign through events and speeches, news releases and articles and new media opportunities.

#### **Why Is This Particular Program/Activity Necessary?**

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The Office of Public Affairs has a continuing responsibility to keep the American public, the media and all interested governmental agencies informed of Department of Transportation programs and activities. Not only is there an inherent public right to know, but public understanding and discussion are essential to accomplishing DOT goals. The public support necessary to achieve Department objectives requires an open public information program responsive to media inquiries and public interest. It must also be comprehensive and cohesive, coordinating the public affairs activities of all the Department's modal public affairs offices. The Office of Public Affairs also works with a contractor to provide department-wide newsclips every day. As an indicator of future activity, in 2011, the Office of Public Affairs saw the number of subscribers for the Department of Transportation press releases increase from 10,000 in 2009 to 15,400 in 2011 and the average number of views per month of the Secretary's blog increase 16% from 65,200 in 2010 to 75,600 in 2011.

#### **Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

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The FY 2013 request reflects a .5 percent pay raise, a .5 percent inflation adjustment, one more compensable work day, and changes in Working Capital Fund costs. It also funds an estimated 16 FTEs and associated costs. Funding at the requested level is necessary for the Office of Public Affairs to continue to show how transportation infrastructure dollars are being spent and to continue to promote the Department's efforts to end distracted driving, an undertaking begun in September 2009. In addition, Public Affairs is requesting a program increase of \$.220 million for contracts for speechwriting, social media services and news clipping services. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**Explanation of Funding Changes**  
**for the**  
***Office of Public Affairs***  
(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 2,020</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 1
Pay Raise	\$ 7
One Additional Compensable day	\$ 6
Rent	\$ -
WCF	\$ -
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 2,034</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	
<b>Program Changes (+/-):</b>	
Contracts for speechwriting, social media services, and news clipping services	\$ 220
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 2,254</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

## SALARIES &amp; EXPENSES

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0102-0-1-407			
<b>Obligations by program activity:</b>			
00.01 General Administration	97,406	105,613	111,292
00.02 SCASDP Grants	11,977	7,791	0
00.91 Direct program activities, subtotal	109,383	113,404	111,292
08.01 Reimbursable program	22,356	11,471	7,328
09.00 Total new obligations	131,739	124,875	118,620
<b>Budgetary Resources:</b>			
10.00 Unobligated balance brought forward, Oct 1	13,971	4,081	0
10.10 Unobligated balance transferred to other accounts	-4,496	0	0
10.21 Resources available from recoveries of prior year obligations	519	0	0
10.50 Unobligated balance (total)	9,995	4,081	0
<b>New Budget Authority, disc:</b>			
11.00 Appropriation	102,686	102,481	110,450
11.30 Appropriations permanently reduced (disc.)	-205	0	0
11.60 Appropriations, discretionary (Total)	102,481	102,481	110,450
<b>Spending authority from offsetting collections, discretionary:</b>			
17.00 Collected	32,198	18,313	8,170
17.01 Change in uncollected payments, Federal sources	-1,967	0	0
17.50 Total Spending authority	30,231	18,313	8,170
19.00 Budget Authority (total)	132,712	120,794	118,620
19.30 Total Budgetary Resources Available	142,707	124,875	118,620
<b>Memorandum (non-add) entries:</b>			
19.40 Unobligated Balance Expiring	-6,887	0	0
19.41 Unexpired unobligated balance, end of year	4,081	0	0
<b>Change in obligated balance:</b>			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	43,053	47,683	9,581
30.10 Uncollected pymts, Fed sources, brought forward, Oct 1	-7,438	667	667
30.20 Obligated balance, start of year (net)	35,614	48,350	10,248
30.30 Obligations incurred, unexpired accounts	131,739	124,875	118,620
30.31 Obligations incurred, expired accounts	2,587	0	0
30.40 Obligated balance, Outlays (gross)	-122,769	-162,977	-117,823
30.50 Change in uncollected pymts, Fed sources, unexpired	1,967	0	0
30.51 Change in uncollected pymts, Fed sources, expired	6,139	0	0
30.80 Recoveries of prior year unpaid obligations, unexpired	-519	0	0
30.81 Recoveries of prior year unpaid obligations, expired	-6,407	0	0
<b>Obligated balance, end of year (net):</b>			
30.90 Unpaid obligations, end of year (gross)	47,683	9,581	10,378
30.91 Uncollected pymts, Fed sources, end of year	667	667	667
31.00 Obligated balance, end of year (net)	48,350	10,248	11,045
<b>Budget Authority and outlays, net:</b>			
40.00 Budget authority, gross	132,712	120,794	118,620
<b>Outlays, gross:</b>			
40.10 Outlays from new discretionary authority	106,979	110,546	107,575
40.11 Outlays from discretionary balances	15,789	52,431	10,248
40.20 Outlays, gross (total)	122,769	162,977	117,823
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
40.30 Federal sources	-35,685	-17,471	-7,328
40.33 Non-Federal sources	-2,260	-842	-842
40.40 Total offsetting collection (cash)	-37,945	-18,313	-8,170
<b>Additional offsets against gross budget authority only:</b>			
40.50 Chg in Uncollected cust orders fm Fed Sources (unexpired)	1,967	0	0
40.52 Offsetting collections credited to expired accounts	6,139	0	0
40.60 Additional offsets against gross budget authority only (total)	8,106	0	0
40.70 Budget authority, net (discretionary)	102,873	102,481	110,450
40.80 Outlays, net (discretionary)	84,824	144,664	109,653
41.80 Budget authority, net (disc. and mand.)	102,873	102,481	110,450
41.90 Outlays, net (disc. and mand.)	84,824	144,664	109,653

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SALARIES & EXPENSES

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0102-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1	40,887	47,603	48,509
11.3	4,863	3,101	3,124
11.5	<u>1,347</u>	<u>1,238</u>	<u>1,239</u>
11.9	47,098	51,942	52,872
12.1	11,926	13,918	14,212
21.0	1,276	1,625	1,643
23.1	8,750	9,451	9,499
23.3	103	109	110
24.0	297	297	299
25.2	27,008	28,060	32,428
26.0	381	202	208
31.0	552	8	22
41.00	11,977	7,791	0
42.00	<u>15</u>	<u>0</u>	<u>0</u>
99.0	109,383	113,404	111,292
99.0	<u>22,356</u>	<u>11,471</u>	<u>7,328</u>
99.9	131,739	124,875	118,620

PERSONNEL SUMMARY

Identification Code	FY 2011	FY 2012	FY 2013
69-0102-0-1-407	ACTUAL	ENACTED	REQUEST
1001	Total compensable workyears:		
	407.04	447	469
	Full-time equivalent employment		
2001	Reimbursable workyears:		
	26.7	21	21
	Full-time equivalent employment		



Section 3 - FY 2013 Budget Request by Appropriation

SALARIES AND EXPENSE APPROPRIATION  
FY 2012 REQUEST  
OBJECT CLASS DETAIL BY OFFICE

(in thousands of dollars)

	OFFICE OF THE SECRETARY	OFFICE OF THE DEP. SEC.	OFFICE OF THE EX SEC.	UNDER SEC OF TRANSP POLICY	OFFICE OF SDBU	OFFICE OF INTEL., SEC., AND EMERG. RESPONSE C/O	GENERAL COUNSEL	ASSIST SEC FOR GOVT AFFRS	ASSIST SEC FOR BUDGET	ASSIST SEC FOR ADMIN	OFFICE OF PUBLIC AFFAIRS	TOTAL
a. PC&B COSTS												
PERSONNEL COMP. & BENEFITS												
(1) FTP COSTS	969,000	368,000	1,195,000	7,095,000	1,032,000	5,483,000	13,172,000	1,001,000	6,267,000	5,973,000	851,000	47,603,000
(2) OT/FTP COSTS	798,000	359,000	7,000	0,000	0,000	107,000	163,000	692,000	347,000	11,000	522,000	3,101,000
(3) OTHER COMPENSATION	5,000	2,000	5,000	99,000	30,000	440,000	374,000	16,000	200,000	0,000	11,000	1,238,000
SUBTOTAL COMPENSATION	1,772,000	729,000	1,207,000	7,194,000	1,062,000	6,030,000	13,709,000	1,709,000	6,814,000	5,984,000	1,384,000	51,942,000
b. PERSONNEL BENEFITS	500,000	207,000	331,000	1,982,000	276,000	1,463,000	3,573,000	520,000	1,720,000	1,881,000	390,000	13,918,000
SUBTOTAL, PC&B	2,272,000	936,000	1,538,000	9,176,000	1,338,000	7,493,000	17,282,000	2,229,000	8,534,000	7,865,000	1,774,000	65,860,000
2. TRAVEL & TRANS. OF PERS.	200,000	35,000	2,000	253,000	0,000	535,000	392,000	100,000	15,000	25,000	50,000	1,625,000
4. RENTAL PAYMENTS TO GSA	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	9,451,000	0,000	9,451,000
5. COMM., UTIL., & MISC.	0,000	0,000	3,000	102,000	0,000	4,000	0,000	0,000	0,000	0,000	0,000	109,000
6. PRINTING & REPRODUCTION	0,000	0,000	0,000	0,000	0,000	0,000	297,000	0,000	0,000	0,000	0,000	297,000
7. OTHER SERVICES	113,000	13,000	51,000	576,000	31,000	2,725,000	1,454,000	149,000	1,984,000	8,118,000	196,000	24,929,000
8. SUPPLIES & MATERIALS	33,000	0,000	1,000	0,000	0,000	21,000	90,000	22,000	5,000	10,000	0,000	202,000
9. EQUIPMENT	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	8,000
SUBTOTAL, OTHER COSTS	346,000	48,000	57,000	931,000	31,000	3,285,000	2,333,000	271,000	2,004,000	17,604,000	246,000	36,621,000
TOTAL	2,618,000	984,000	1,595,000	10,107,000	1,369,000	10,778,000	19,515,000	2,500,000	10,538,000	25,469,000	2,020,000	102,481,000
STAFFING												
DIRECT												
POSITIONS	15.00	7.00	15.00	122.00	9.00	53.00	113.00	24.00	56.00	66.00	19.00	534.00
FTE	13.00	7.00	14.00	77.00	9.00	48.00	109.00	17.00	52.00	52.00	16.00	447.00
REIMBURSABLE												
POSITIONS	7.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	1.00	10.00	0.00	22.00
FTE	7.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	9.00	0.00	17.00

Section 3 - FY 2013 Budget Request by Appropriation

SALARIES AND EXPENSE APPROPRIATION  
FY 2013 REQUEST  
OBJECT CLASS DETAIL BY OFFICE

(in thousands of dollars)

	OFFICE OF THE SECRETARY	OFFICE OF THE DEP. SEC.	OFFICE OF EX. SEC.	OFFICE OF THE UNDER SEC. OF TRANSP. POLICY	OFFICE OF SDBU	OFFICE OF INTELL., SEC., AND EMERG. RESPONSE	OFFICE OF THE CIO	GENERAL COUNSEL	ASSIST SEC FOR GOVT AFFAIRS	ASSIST SEC FOR BUDGET	ASSIST SEC FOR ADMIN	OFFICE OF PUBLIC AFFAIRS	TOTAL
a. PC&B COSTS													
PERSONNEL COMP. & BENEFITS													
(1) FTP COSTS	976.000	371.000	1,204.000	7,149.000	1,039.000	5,525.000	4,229.000	13,270.000	1,009.000	6,867.000	6,013.000	857.000	48,509.000
(2) OTFTP COSTS	805.000	362.000	7.000	0.000	0.000	107.000	96.000	164.000	697.000	349.000	11.000	526.000	3,124.000
(3) OTHER COMPENSATION	5.000	2.000	5.000	99.000	30.000	441.000	56.000	374.000	16.000	200.000	0.000	11.000	1,239.000
SUBTOTAL COMPENSATION	1,786.000	735.000	1,216.000	7,248.000	1,069.000	6,073.000	4,381.000	13,808.000	1,722.000	7,416.000	6,024.000	1,394.000	52,872.000
b. PERSONNEL BENEFITS	502.000	209.000	334.000	2,015.000	278.000	1,484.000	1,083.000	3,599.000	517.000	1,837.000	1,960.000	394.000	14,212.000
SUBTOTAL, PC&B	2,288.000	944.000	1,550.000	9,263.000	1,347.000	7,557.000	5,464.000	17,407.000	2,239.000	9,253.000	7,984.000	1,788.000	67,084.000
2. TRAVEL & TRANS. OF PERS.	201.000	35.000	2.000	254.000	0.000	538.000	18.000	394.000	100.000	25.000	25.000	50.000	1,642.000
3. RENTAL PAYMENTS TO GSA	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9,499.000	0.000	9,499.000
4. COMM., UTIL., & MISC.	0.000	0.000	3.000	102.000	0.000	5.000	0.000	0.000	0.000	0.000	0.000	0.000	110.000
5. PRINTING & REPRODUCTION	0.000	0.000	0.000	0.000	0.000	0.000	0.000	298.000	0.000	0.000	0.000	0.000	298.000
6. OTHER SERVICES	113.000	13.000	145.000	1,629.000	192.000	2,755.000	9,607.000	1,425.000	239.000	3,899.000	11,154.000	416.000	34,587.000
7. SUPPLIES & MATERIALS	33.000	0.000	1.000	0.000	0.000	20.000	20.000	91.000	23.000	10.000	10.000	0.000	208.000
8. EQUIPMENT	0.000	0.000	0.000	0.000	0.000	0.000	8.000	0.000	0.000	14.000	0.000	0.000	22.000
SUBTOTAL, OTHER COSTS	347.000	48.000	151.000	1,985.000	192.000	3,318.000	9,653.000	2,208.000	362.000	3,948.000	20,688.000	466.000	43,366.000
TOTAL	2,635.000	992.000	1,701.000	11,248.000	1,539.000	10,875.000	15,117.000	19,615.000	2,601.000	13,201.000	28,672.000	2,254.000	110,450.000

STAFFING DIRECT	POSITIONS FTE	REBURSABLE POSITIONS FTE
15.00	7.00	15.00
14.00	7.00	14.00
7.00	0.00	0.00
7.00	0.00	0.00
18.00	18.00	18.00
17.00	17.00	17.00
0.00	0.00	0.00
0.00	0.00	0.00
59.00	59.00	59.00
57.00	57.00	57.00
2.00	2.00	2.00
1.50	1.50	1.50
17.00	17.00	17.00
16.00	16.00	16.00
0.00	0.00	0.00
0.00	0.00	0.00
9.00	9.00	9.00
8.00	8.00	8.00
491.00	491.00	491.00
468.50	468.50	468.50
18.00	18.00	18.00
16.50	16.50	16.50

## Detailed Justification for Transportation Planning, Research and Development

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Transportation Planning Research & Development (In thousands of dollars)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference From FY 2012 <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	5,491	5,491	5,529	38
Travel	152	153	154	1
Other Costs	4,156	3,356	4,317	961
<b>TOTAL</b>	<b>9,799</b>	<b>9,000</b>	<b>10,000</b>	<b>1,000</b>
 <u>STAFFING</u>				
Direct Positions	31	33	33	0
Reimbursable Positions	0	0	0	0
Direct FTE	30.15	31	32	1
Reimbursable FTE	0	0	0	0

The Transportation Planning, Research and Development (TPR&D) request is for \$10 million and an estimated 32 FTEs in FY 2013 to accomplish the mission outlined below.

### What Is This Program?

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The TPR&D appropriation finances research activities and studies needed to support the Secretary's responsibilities in the formulation of national transportation policies.

In FY 2013, TPR&D contracts support the **Economic Competitiveness**, and **Environmental Sustainability** Strategic Goals. The activities support the development of transportation policy; coordination of national level transportation planning; analysis of methods of increasing the economic efficiency of transportation; research into intermodal and multi-modal issues that are not the responsibility of any one modal agency; regulatory modernization; energy conservation; freight movement; and environmental impacts of transportation; aviation economic policy; sustainable transportation; and international transportation issues.

Economic Competitiveness: The Office of Aviation Analysis (OAA) is an independent source of analyses for the Department's aviation and international affairs policy making function; exercises the Department's economic oversight of the domestic and international aviation industries; and researches and establishes international and Alaskan mail rates as required by law. OAA has the responsibility to provide and analyze the research necessary to support the Department's decision makers on major airline issues, including airline mergers and acquisitions, domestic and international code-share alliances, immunized international alliances between U.S. and foreign carriers, airline distribution practices, airline strike and bankruptcy issues, and airline service at rural communities. . The Office of International Aviation (OIA) develops and implements the Department's international aviation policy. OIA is responsible not only for negotiating, in partnership with the Department of State, agreements to remove legal barriers to the operation of international air services, but also for monitoring compliance with those agreements and fostering an environment that allows operators to exercise available service opportunities without unnecessary regulatory delay or constraints. OIA also works to facilitate the access of general aviation operations to the global market. The Office of Economic & Strategic Analysis (OESA) researches and analyzes methods of increasing the economic efficiency of all modes of transportation, including benefit-cost analysis, pricing mechanisms, and accelerated deployment of transportation technologies such as Intelligent Transportation Systems and the Next Generation Air Transportation System. It provides guidance to the operating administrations on procedures and economic assumptions to use in forecasting and economic analysis; develops recommendations for the Office of General Counsel regarding the economic evaluation of significant regulations prepared in the Department; provides analysis of issues involving the financing of transportation infrastructure projects, including new institutional or financial arrangements; conducts or reviews analyses on the economic and financial viability of new transportation technologies and program proposals; and reviews the adequacy of data available for economic analysis of transportation. The Office of International Transportation and Trade (OITT) researches and develops international surface and inter-modal transportation and trade policies and programs, including trade facilitation, technical assistance and cooperation programs, trade promotion and advocacy, multimodal transportation issues, and international diplomatic and protocol activities to lead and coordinate Departmental representation in global transportation and trade organizations.

Environmental Sustainability: Research in this area is conducted by the Office of Safety, Energy & Environment (OSEE), which formulates and recommends departmental policies, plans and guidelines related to the natural and human environment, including, but not limited to, policy advice and activities on air quality, water quality, ecosystem management, noise, state and local quality of life, historic preservation and bicycle and pedestrian transportation. The office formulates and recommends departmental policies, plans and guidelines related to energy, energy transportation interactions, and greenhouse gas emission reduction.

### **Why Is This Particular Program Necessary?**

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TPR&D research serves two primary functions. One function is to provide the data and assessment tools necessary to determine how key programs, and transportation communities, are performing. The second function is to develop recommendations about how transportation policy should change to shape, or adjust to, a changing world.

To measure and track the value of TPR&D funded research, the Office of the Under Secretary is proposing, beginning in FY 2012, the Department's Research Council review significant studies and research reports one year after they have been issued. The review would assess the value of the report and whether any determinations or recommendations were adopted. The review would provide findings about any shortcomings in the report, and recommendations about how to fix them, if necessary, or avoid them in future reports.

### **How Do You Know The Program Works?**

From its inception the US government wrestled with its role in developing transportation infrastructure and transportation policy. The result has been confusion and needless complexity, leading to an overabundance of aid for some means of transportation and inadequate support for others. The TPR&D funded program addresses such major transportation policy issues, identifies national research needs, and funds research and analysis that results in analytical and information tools to support Federal and State agencies in the planning, operation, management and maintenance of US transportation systems. Policy development for surface transportation reauthorizations are primarily supported by TPR&D funded analytical research and the Office of the Under Secretary staff.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

The FY 2013 request reflects a .5 percent pay raise, .5 percent inflation adjustment, one more compensable work day, and changes in Working Capital Fund costs. It also funds an estimated 32 FTEs and associated costs. Also funded are \$3.582 million in new contracted research to support the Secretary's priorities and \$6.418 million to fund staff support to conduct or oversee contracted research and associated administrative expenses. A program increase of \$.891 million for Aviation Data Modernization is discussed below.

Economic Competitiveness: (\$2,886,023 in contract research)

Aviation Data Modernization: There is consensus within the industry and government aviation community that updated and enhanced airline traffic and financial data are mission-critical to national aviation infrastructure planning and development. The Aviation Data Modernization Program will provide the appropriate data required to administer statutorily mandated aviation programs. An updated methodology will enable analytical alignment with proposed reporting requirements under the Aviation Data Modernization program and the initiation of a la carte pricing by many carriers.

The program seeks to reduce the reporting burden on the airline industry (which also uses this data intensively in planning its business) while enhancing the quality, utility, and accessibility of the data. The collection of accurate data that is uniform for all markets is necessary in order to perform the cost/benefit analysis that is vital for wise spending of tax dollars.

The Department relies upon these data for its mandated responsibilities, including the review of antitrust immunity applications, airline mergers, Essential Air Services carrier selection orders,

airline congestion claims, Small Community Air Service Development Program grant awards, and slot transfers.

The current system dates largely from the 1970s and needs to be updated to better address contemporary needs. The Department also conducted a detailed review of stakeholders' data needs through an Advance Notice of Proposed Rulemaking, subsequent research and dialogue with industry stakeholders, and a Notice of Proposed Rulemaking, which confirmed the importance of the Department's data modernization initiative.

Renewal of profit essentials: This project provides for the maintenance and calibration of a sophisticated airline network computer evaluation model previously purchased and currently used by DOT analysts. The annual costs cover maintenance, training, support, upgrades, calibration, and remote hosting. The model has a broad range of applications for providing critical assessments of the evolving competitiveness of domestic and international aviation markets, rational economic bases for carrier selection decisions, forecasts on the effects on competition of proposed mergers and alliances, and assessments of airport improvement funding requirements. Use of this model is critical to analysis required to support the Department's strategic policy to enhance competition and growth in domestic and international aviation. It has broad uses for analysis and support for the Essential Air Service and Small Community Air Service Development Programs, Competition and Policy Analysis, and the Air Carrier Fitness Division.

Consulting and Analysis support is an optional allocation for DOT to utilize Sabre delivery and consulting resources to assist in larger analysis and/or to provide guidance on specific business cases or projects being accomplished by the DOT.

International Regulatory Cooperation and Research: In 2008, DOT and the European Commission launched a new joint research project aimed at deepening their understanding of how alliances have affected competition in transatlantic markets and the potential impact of the new U.S.-EU Air Transport Open Skies Agreement that began in March 2008. This agreement, which, for the first time, allows EU and U.S. airlines to serve any route between Europe and the United States, calls for developing a common understanding of trends in the airline industry in order to promote compatible approaches.

Global trade is critical to the U.S. economy and our nation's international activities have grown over the past decade. The future growth opportunities for legacy carriers are largely in international service, where their networks provide a competitive advantage. Over the last decade, for example, legacy sector international revenue grew from 25% to 33% of its total network. Alliances have become increasingly important and, in some cases, members have sought antitrust immunity. The Secretary's Future of Aviation Advisory Committee has identified competition as a key issue for his tenure with the Department.

The Department's request for FY 2013 would be used to continue the joint research on the competitive impact of transatlantic alliances by the DOT and the European Commission.

International Transport Forum: The International Transport Forum (ITF) was established in May 2006 within the legal framework of the ECMT Protocol signed in Brussels in October 1953 to reflect the international nature of the transportation sector. Member and Associate Member countries of the ECMT are considered members of the ITF and participate in programmatic decisions such as work priorities and conference agendas. Members that provide financial contributions participate in financial decisions.

The ITF is supported by work of the Organization of Economic Cooperation (OECD)/ECMT Joint Transport Research Center (JTTC), an organization that the U.S. supports both programmatically and financially. DOT's operating administrations have benefited from participation in JTTC research projects ranging from improving highway pavement to congestion mitigation and motorcycle safety.

In addition to the JTTC work, the ITF is a unique international entity that provides DOT with an opportunity to remain integrated with international transport policies as they are being developed, to clarify U.S. direction and goals on legislation, regulations, and activities with our global transportation partners and to consult with foreign Ministers of Transport and well as senior commercial and civic leaders about future transport policies and priorities. The Forum provides an analytical basis to support our transportation policies and learn and exchange information on policies, programs, technologies and techniques developed by other countries. No other single source can carry out this purpose for DOT.

“Best-Practices” Template for Implementing Open-Skies Aviation Agreements: Concurrent with the continuation of the Department's highly successful Open-Skies initiative to liberalization the international aviation operating environment, the Department is seeking to make the legally available rights exercisable by airlines with the minimum necessary regulatory oversight and with necessary infrastructure being available on a fair and transparent basis. Broad-based international adherence to practices that streamline the process of exercising international operating rights will yield significant benefits to airlines, communities, consumers and the U.S. economy as marketing strategies, including new services and pricing initiatives, can be implemented more quickly in response to market demands.

DOT would initiate a three-stage process. Requested funding would be used first to identify, and rank the relative seriousness of, constraints on the exercise of operating rights through outreach to U.S. industry stakeholders, with in-house staff expertise being supplemented by contracted analytical support. Follow-up with U.S. embassies and foreign regulatory authorities could then be used to validate or modify the initial findings. Secondly, the “best practices” template would be developed and vetted with both U.S. Government and U.S. industry stakeholders. Third, the Department would seek international acceptance of the identified best practices through individual bilateral contacts and presentations in regional aviation fora, including staff travel.

Business Aviation Initiative: The general aviation industry is a growing and increasingly important segment of the international aviation community. New operating paradigms, such as “fractional” aircraft ownership programs, not only have made non-commercial aviation more accessible and affordable but also have raised issues about whether these operations continue to be “private” carriage. For this industry sector to reach and maintain its market potential, it is

essential that it not be subjected to the international regulatory regime and market access constraints that apply to commercial operations. The flexibility to “fly anywhere anytime” is the cornerstone for this sector’s further development.

As general aviation becomes increasingly visible, particularly as an adjunct to the globalization of business in general, it is essential that international aviation regulators are sensitized to the economic importance of these services and their operational needs. Growth of this sector has the potential to yield benefits not only for user but also importantly for aircraft manufacturers. Many foreign authorities, particularly in the Asia-Pacific region are just starting to develop their approaches to this sector, and it is critical that these approaches recognize the full-range of general aviation operations as private carriage. Building on the Department’s successes with Canada, Mexico, and Europe, the Department through this initiative would work under the auspices of Asia-Pacific Economic Cooperation (APEC) to develop a set of agreed core principles that would facilitate the development of this sector. The Department’s in-house expertise would be supplemented by contractor collection and analysis of data in developing the economic case for the importance of the sector from both the user and manufacture perspectives. We anticipate that analytical support to create an inventory of current regulatory regimes and airport access criteria will provide an important underpinning for the proposed policy approach and help the Department to target specific countries for bilateral outreach in conjunction with the regional initiative through APEC. The requested funds would support both the contractor participation and staff travel associated with this initiative.

Environmental Sustainability: (\$595,977 in contract research)

The OSEE climate and environmental sustainability work to date has provided research and analytical support to the Department’s senior management for many key Departmental and national initiatives, including environmental and energy aspects of TIGER grant assessments, support for interagency policymaking in climate, energy, and alternative fuels, assessment of transportation impacts. Shaping the national transportation program to achieve national policy goals, rather than by the methods used in the past, will require a formidable cultural change, both in the Department and in actions of the Department’s stakeholders.

Requested funding would advance research to support policy decisions and transportation response to emerging policies on climate change, alternative fuels and strategies to reduce transportation related pollution and impacts on the natural environment, making the transportation sector more environmentally sustainable. Research will assist DOT in attaining performance goals specified in the DOT Strategic and Performance Plans, especially the environmental sustainability goal of advancing environmentally sustainable policies and investments that reduce carbon and other harmful emissions from transportation sources.

This funding will support two new White House initiatives on climate:

- Under White House Office of Science and Technology Policy (OSTP) direction the Global Change Research Program is conducting a National Climate Assessment mandated by the Global Change Research Act. The Assessment will establish an ongoing process for future assessments in order to meet climate change needs. DOT will play a key role in this effort.



- Separately, the White House is leading an interagency effort to implement adaptation planning for all Federal agencies and programs.

DOT actions to implement adaptation to climate will be coordinated through DOT's Center for Climate Change & Environmental Forecasting/Office of Climate Change directed to be established by EISA. In support of both the National Climate Assessment and agency adaptation planning, DOT's research program will identify methodological and data gaps and develop methods and tools to assist national, state and local transportation system and infrastructure operators in developing practical approaches to planning for and adapting to climate change and land subsidence. Efforts will need to be expanded on risk and vulnerability assessments to best inform both efforts.

DOT has a critical role due to the existing and planned infrastructure that will be at risk. The strategy development will identify areas where work is needed to prepare for climate change impacts. Risk and vulnerability assessments will assist modal administrations in developing standardized approaches to incorporating climate change into departmental decision-making through environmental impact statements, cost-benefit risk analyses, and other funding approval and regulatory processes.

Examples of OSEE research include preparing a technical paper on climate impacts on the transportation system to support the National Assessment. A paper on climate adaptation and risk assessment is in review. For additional technical transportation input to the National Assessment, OSEE organized a panel of Climate Adaptation and risk assessment for the Society for Risk Analysis and will organize additional transportation stakeholder outreach. To integrate climate adaptation, OSEE oversaw the preparation of a high level Vulnerability Assessment and is preparing a climate adaptation action plan. Research will continue to support both administration initiatives.

**Explanation of Funding Changes**  
**for the**  
*Transportation Planning, Research, and Development*  
(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 9,000</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 18
Pay Raise	\$ 19
One Additional Compensable Day	\$ 21
Rent	\$ -
WCF	\$ 51
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base:</b>	<b>\$ 9,109</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF:	\$ -
<b>Program Changes (+/-):</b>	
Funds contractor support to develop a tool to accept, process, and disseminate aviation traffic (passenger) data in compliance with statutory requirements (49 U.S.C. 329(b)(1)), which is phase two of the Aviation Data Modernization. This information makes it easier for the government and the private sector to adapt the air transportation system to the needs of commerce by maximizing the quality, objectivity, utility and integrity of information disseminated. Specifically, this program will enable the airlines to use their existing ticket sales and flight data records to report their data to the Department.	\$ 891
<b>Base Offsets(+/-):</b>	<b>\$ -</b>
<b>Total FY 2013 Request:</b>	<b>\$ 10,000</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT  
PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0142-0-1--407			
<b>Obligations by program activity:</b>			
0001	9,259	15,603	10,000
0002	3,806	205	0
0003	272	86	0
0004	0	0	0
0091	13,337	15,894	10,000
0100	13,337	15,894	10,000
0801	0	0	0
0900	13,337	15,894	10,000
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000	8,150	6,894	0
1011	3,000	0	0
1020	-2,553	0	0
1021	2,013	0	0
10.29	0	0	0
1050	10,610	6,894	0
<b>Budget Authority:</b>			
<b>Appropriations, discretionary:</b>			
1100	9,819	9,000	10,000
1130	-20	0	0
1160	9,799	9,000	10,000
<b>Spending authority from offsetting collections, discretionary:</b>			
1700	65	0	0
1701	-172	0	0
1750	-107	0	0
1900	9,692	9,000	10,000
1930	20,302	15,894	10,000
<b>Memorandum (non-add) entries:</b>			
1940	-71	0	0
1941	6,894	0	0
<b>Change in obligated balance:</b>			
<b>Obligated balance, start of year (net):</b>			
3000	25,705	21,059	15,291
3001	2,553	0	0
3010	-1,099	-927	-927
3020	27,159	20,132	14,364
3030	13,337	15,894	10,000
3031	0,785	0	0
3040	-17,984	-21,661	-16,565
3050	172	0	0
3080	-2,013	0	0
3081	-12	0	0
<b>Obligated balance, end of year (net):</b>			
3090	21,059	15,291	8,727
3091	-927	-927	-927
3100	20,132	14,364	7,799
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000	9,692	9,000	10,000
<b>Outlays, gross:</b>			
4010	6,925	3,600	4,000
4011	11,058	18,061	12,565
4020	17,984	21,661	16,565
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4030	-65	0	0
<b>Additional offsets against gross budget authority only:</b>			
40.5	172	0	0
40.51	0	0	0
4060	172	0	0
4180	9,799	9,000	10,000
4190	17,919	21,661	16,565

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0142-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$4,203	\$4,162	\$4,194
11.3 Other than full-time permanent	\$0	\$151	\$151
11.5 Other personnel compensation	\$102	\$62	\$62
11.9 Total personnel compensation	\$4,305	\$4,375	\$4,408
12.1 Civilian personnel benefits	\$938	\$1,116	\$1,121
21.0 Travel and transportation of persons	\$235	\$153	\$154
23.0 Rent and Comm, Util	\$1	\$0	\$0
24.0 Printing	\$0	\$19	\$20
25.2 Other services	\$7,839	\$10,195	\$4,262
26.0 Supplies and materials	\$13	\$20	\$20
31.0 Equipment	\$6	\$15	\$15
99.0 Subtotal, direct obligations	\$13,337	\$15,894	\$10,000
Reimbursable obligations:			
25.2 Other services	\$0	\$0	\$0
99.0 Subtotal, Reimbursable obligations	\$0	\$0	\$0
99.9 Total obligations	\$13,337	\$15,894	\$10,000

PERSONNEL SUMMARY

Identification Code	FY 2011	FY 2012	FY 2013
69-0142-0-1-407	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	30.15	31	32

## Detailed Justification for the Office of Civil Rights

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Office of Civil Rights

(\$000)

	<u>FY 2011</u> <u>Actual</u>	<u>FY 2012</u> <u>Enacted</u>	<u>FY 2013</u> <u>Request</u>	<u>Difference</u> <u>from FY 2012</u> <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	7,046	6,980	7,032	53
Travel	54	66	66	0
Other Costs	2,547	2,339	2,675	336
<b>TOTAL</b>	<b>9,647</b>	<b>9,384</b>	<b>9,773</b>	<b>389</b>
<u>STAFFING</u>				
Direct Positions	64	64	55	-9
Reimbursable Positions	0	0	0	0
Direct FTE	39.86	46	53	7
Reimbursable FTE	0	0	0	0

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The Departmental Office of Civil Rights is requesting \$9.773 million and an estimated 53 FTEs in FY 2013 to accomplish the mission outlined below.

### What Is This Program/Activity?

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The Departmental Office of Civil Rights (DOCR) supports the **Organizational Excellence** strategic goal. DOCR is responsible for advising the Secretary and Departmental Executive Management on equity issues in transportation and enforcing laws and regulations that prohibit discrimination in federally operated and assisted transportation programs.

DOCR offers oversight and guidance through services that include alternative dispute resolutions, final agency decision-writing, disadvantaged business enterprise certification appeals, internal and external policy development, education and quality control, and Equal

Employment Opportunity (EEO) compliance and complaint investigations. DOCR also provides its civil rights partners, customers, and stakeholders with business operation and information technology services that enable them to make informed and timely civil rights decisions. Major statutes which DOCR enforces include: Titles VI and VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; Title II of the Americans with Disabilities Act of 1990; the Equal Pay Act of 1963; and, the Age Discrimination in Employment Act of 1967.

DOCR operates the Department of Transportation's (DOT) national civil rights program from Washington, DC, but maintains a national presence through field investigators throughout the United States. The headquarters personnel provide leadership, policy guidance, and support to the Office of the Secretary (OST) and to the Department's ten Operating Administrations (OAs) that partner with DOCR to deliver an effective, consistent and compliant internal and external civil rights program. DOCR's field investigators provide Title VII, Civil Rights Act 1964 operational support by investigating complaints filed by current and former employees and individuals applying for positions within DOT.

DOT's organizational structure is aligned with Federal and Departmental civil right strategies and expected outcomes supporting the organization's ability to: (1) foster a positive civil rights climate at DOT and within the Transportation community; (2) prevent discrimination to reduce civil rights related complaints filed against DOT and recipients of federal transportation funding; (3) process civil rights related complaints in a timely, efficient and cost effective manner; and (4) provide effective outreach programs to ensure equal and timely access to DOT programs and services to all customers.

### **Why Is This Particular Program/Activity Necessary?**

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Equal Employment Opportunity Programs. The Departmental Office of Civil Rights (DOCR), by virtue of the Civil Rights Act of 1964, maintains an affirmative employment program to address the low participation rates of minorities and women in the federal workforce. DOCR also establishes internal civil rights policies, provides guidance and oversees merit principles governing the fair and equitable treatment of DOT employees.

DOCR provides guidance and direction for federally regulated special emphasis programs that include the National Federal Women's, Persons with Disabilities, and Hispanic Employment programs. It also oversees a formal program for Asian Pacific Islanders that enhance opportunities within the Department. DOCR offers guidance and direction to the Department's Operating Administrations regarding the implementation of programs that ensure the observance of other minority interests and support for equal opportunity in employment activities. All of these programs promote diversity and help to eliminate barriers, raise awareness for employment opportunities, and aid in fostering an appreciation for social and cultural similarities and differences within the Department.

Through its Equal Employment Opportunity Program, DOCR also provides training to DOT employees that raise awareness about key Federal and Departmental civil rights issues, requirements, and initiatives. This program also provides oversight and guidance for the DOT

Civil Rights Scorecard. This scorecard complies with Federal requirements for implementing internal review and evaluation processes and practices. It is used by the Office of the Secretary and the DOT OAs to review and measure progress for civil rights initiatives.

The U.S. Equal Employment Opportunity Commission (EEOC) monitors Federal agencies to ensure that the Government implements civil rights laws and equal access to the benefits and privileges of employment and access to all programs. In its annual report to Congress, EEOC reviews all agencies and their progress toward meeting this goal. Agencies must ensure that their employees have equal opportunities to build successful careers, and actively engage in leadership training, career planning, and other initiatives to incorporate these employees into their organizations. Consequently, the DOT EEO Program is vital to the Department in monitoring the agency's progress in reaching its diversity goal and devising strategies to maintain the agency's position as a model employer.

Policy & Quality Control. DOCR ensures uniform and consistent Department-wide application of civil rights policies, regulations, statutes, and guidance. To ensure quality, consistency, clarity, and sufficiency of all documents requiring the DOCR Director and Deputy Director's input, concurrence or authorization.

The DOCR adheres to the civil rights regulations and guidance provided by the U.S. Equal Employment Opportunity Commission, U.S. Department of Justice, the Office of Personnel Management, and other Federal Agencies to provide consistency in implementing the regulations and guidance, DOCR serves as a clearinghouse for all DOT civil rights policies, procedures, and guidance that affect the Department. DOCR provides advice to the Secretary and his agents to implement policy in the workplace to meet the goals of the enforcing agencies and to maintain a productive model workplace. DOCR serves as the point of contact on Secretarial committees to ensure that the mission of the Department reflects the policies emanating from the committees.

It is imperative that the Department communicate civil rights matters clearly and consistently, conveying its mission to its internal and external customers. Similarly, the Departmental Office of Civil Rights' Policy Division provides assurance that all civil rights policies, procedures, and guidance implemented by the Department adheres to laws, statues, regulations, and procedures to maintain compliance. Failure to adhere to these standards could subject the Department to liability.

External Civil Rights Programs. DOT, through assigned Civil Rights personnel in each DOT Operating Administration is responsible for enforcing civil rights laws prohibiting discrimination by DOT federally-assisted and federally-conducted programs and activities against members of the public and DOT employees who file complaints pursuant to sections 504 and 508 of the Rehabilitation Act of 1973, as amended (External Discrimination). The Department's enforcement activities with respect to this program include: documenting, investigating, and responding to, external civil rights complaints and inquiries; and conducting reviews of DOT federally-funded recipients to assess their compliance with civil rights laws.

DOCR is delegated the responsibility for adjudicating and issuing written decisions on administrative appeals filed with DOT/DOCR by small businesses that have been denied

certification, or decertified as a “Disadvantaged Business Enterprise” (DBE) or “Airport Concession Disadvantaged Business Enterprise”(ACDBE) by a highway, transit, or aviation recipient. Resources to support the DBE program are a Department-wide priority. Many of the appeals received by DOCR are filed by small businesses. During a three year period appeals filed by DBE’s have increased exponentially due in large part to the increased transportation funding extended to recipients through the American Recovery and Reinvestment Act and other transportation infrastructure projects.

DOCR also continues to deliver policy advice, guidance and training to recipients of DOT funds and the employees of the Department’s various Operating Administrations in the following areas: Disadvantaged Business Enterprise Program, Environmental Justice, Limited English Proficiency, and External Discrimination complaint processing.

Compliance Operations. DOCR ensures appropriate and expeditious processing of formal Federal Sector Equal Employment Opportunity (EEO) complaints and provides a platform for employees and applicants of the Department of Transportation to have their civil rights complaints against the Department heard. DOCR has been able to achieve this goal through on-going training of its investigators in current EEO laws and guidance to ensure appropriate investigation of EEO complaints. It has cultivated a cadre of contractors to augment DOCR’s internal staff of EEO investigators. DOCR instituted electronic systems to aid in the tracking of cases and ultimately in the filing of EEO complaints electronically. These actions have reduced the overall processing time on formal complaints filed by DOT employees, former employees and applicants for employment. The average processing time for formal EEO complaints filed against the DOT is 140 days, which is well below the 180 day regulatory time frame.

The Department must maintain compliance with the governing regulations, 29 C.F.R., part 1614 to ensure that applicants and current and former employees of the Department of Transportation have access to a neutral venue to have their complaints of alleged discrimination addressed. If the program is not funded at the requested level, current and former employees and applicants alleging discrimination will see a significant increase in the time frame for processing their complaints.

Complaints Adjudication & Program Evaluation. DOCR issues Final Agency Decisions (FADs) in employment discrimination complaints filed against DOT. The FAD program function is required by regulation, 29 C.F.R. § 1614, which ensures that employees’ rights under federal civil rights laws are protected. Discrimination complaint files are reviewed and analyzed to prepare written decisions based on Equal Employment Opportunity case law. FADs must be issued within timeframes established in 29 C.F.R. § 1614. Without these funds, regulatory requirement to issue FADs within specified timeframes cannot be achieved.

### **Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

The FY 2013 budget request reflects a .5 percent pay raise, a .5 percent inflation adjustment, one more compensable work day, and changes in Working Capital Fund costs. The request also funds an estimated 53 FTEs authorized for this office and associated costs. It also includes a \$.264 million program increase to establish a centralized information technology system to track



accommodation requests submitted by DOT employees and applicants. A breakout of the activities that will be funded within the FY 2013 request, including the program increase, is as follows:

- **\$28 thousand** for licensed certified public accountant services. DOCR will continue to use contracted certified public accounting services to provide ongoing advice and counsel (on an as-needed basis) regarding accounting, tax, and personal net worth DBE appeal certification requirements. By regulation, DOCR processes appeals filed by businesses that were denied certification as a DBE by a highway, transit, aviation recipients, or other departmental entities. Only disadvantaged persons having a personal net worth (PNW) of less than \$1.32 million can potentially qualify for the program. In determining a firm's eligibility for the program, recipients analyze tax returns, personal net worth statements of assets and liabilities, financial account statements and documents, and other material submitted by the applicant. This includes information concerning their personal property, trusts, retirement investments, stocks and bonds, real estate holdings and mortgages, business interests and debts, insurance policies, and other financial documentation to support their PNW calculation. Persons with high personal net worth who wish to enter or continue in the DBE program are using various arrangements to remain within the \$1.32 million threshold. The calculations resulting from these arrangements may not reflect a true and accurate picture of the person's net worth, even though they may be consistent with the Internal Revenue Service (IRS) guidelines. The contractor will research issues and questions provided by DOCR after reviewing applicable DBE appeal records, tax laws, and Federal regulations and offer recommendations and guidance to DOCR that can be used to appropriately make a decision on the appeal.
- **\$500 thousand** for equal employment opportunity counseling, investigations and final agency decision contractual services. These essential services will enable DOCR to utilize contract civil rights experts to assist the organization with reducing EEO complaint processing times by maintaining an EEO complaint processing steady state consistent with the timeline established in 29 C.F.R. §1614. DOT's emphasis is placed on the EEO processing stages that support the issuance of timely reports of investigations, hearing records, and appeals. DOCR also has the responsibility for providing EEO counseling services to the Office of the Secretary. Periodically, DOCR augments staff resources by providing contractual counseling services. In addition, DOCR reviews, analyzes, and prepares final agency decisions (FADs) in discrimination complaints filed against DOT. Increased caseload, along with the reduction of full-time adjudicators results in increasing FAD processing times that exceed the regulatory timeframes. Use of contract services to supplement in-house adjudicators will enable DOCR to reduce average FAD processing times to within the regulatory timeframes.
- **\$303 thousand** for IT infrastructure, applications and databases. These products and services will enhance the organization's ability to provide timely and quality civil rights services and products to its partners and customers. Inter/intra agency agreements and contracts are established to support infrastructure requirements that provide the organization's regional personnel with secure automated business environments. The applications and databases provide DOT's civil rights community with an enterprise solution for collecting and disseminating information for its civil rights programs consistent with annual reporting requirements supporting the Civil Rights Act (1964) e.g. EEOC Form 462, DOJ 12250 and the No FEAR Act.

DOCR also will implement a reasonable accommodation tracking system to capture and maintain accommodation requests Department-wide. The system is necessary to ensure compliance with the DOT Order on Reasonable Accommodation and general guidance from the Equal Employment Opportunity Commission.

- **\$80 thousand** for alternative dispute resolution (ADR) and related services. ADR services will be provided for internal and external customers seeking to prevent or resolve conflicts. ADR services currently provide customers with additional methods for addressing personal and professional differences that hinder the organization's ability to provide and oversee its transportation related mission and programs. The ADR services are integral to effective conflict management, reducing formal internal and external complaints filed against the Department.
- **\$25 thousand** for civil rights related education, compliance and oversight services. Civil rights education and training standards will be developed as technical assistance for DOT employees and key stakeholders responsible for administering DOT's civil rights programs, employees who oversee federally funded transportation and emergency preparedness related programs and services. Federal law requires training for EEO personnel responsible for issuing reports of investigations. DOCR is also responsible for overseeing implementation of DOT's No FEAR training program for all employees to ensure compliance. DOCR will secure necessary expertise to support these initiatives.
- **\$818 thousand** to reimburse Working Capital Fund (WCF) for business operation services. The WCF enables DOCR to purchase shared goods and services (fee-for-service components and administrative support), i.e., building security, copy centers, Departmental initiatives, the Disability Resource Center, DOT's work life/wellness initiatives, and other proportional charges that are expended for common services.
- **\$225 thousand** for civil rights program evaluations. The Federal Code of Regulations, Title 49, Volume 1, §1.70 delegates to DOCR the responsibility for assessing, evaluating, and measuring the effectiveness of DOT's civil rights programs, which are decentralized throughout DOT operating administrations and regional offices.
- **\$332 thousand** for intra agency service agreements and contracts. DOCR uses reimbursable agreements and contracts to support the organization's national infrastructure. DOCR provides physical and virtual facilities to regional employees located throughout the country that are consistent with the facilities provided to employees in its headquarters location. These financial agreements enable the organization to maintain services such as telecommunications, IT and administrative support, mail collection, monitoring and delivery, physical and cyber security and employee transit benefits.

DOCR also uses these agreements to maintain the framework for its records management and records retention program (Federal Records Act of 1950), adhere to federal limited English proficiency requirements for physical and electronic content (Executive Order 13166), and maintain an extensive knowledge management program that supports knowledge sharing and reduces the impact of employee attrition.

- **\$100 thousand** to implement and maintain secure and comprehensive electronic civil rights records. DOCR captures, stores and organizes physical and unstructured electronic civil rights information. Electronic record make information more accessible to the organization's customer base and allows it to be used to support more informed and timely decision making. Legal and compliance issues drive the need for a comprehensive records management strategy. Federal and state requirements have become more stringent with respect to Federal information. Federal Rules of Civil Procedure (FRCP), Sarbanes-Oxley, and other recent regulations mandate resource intensive processes for administering electronically stored information (ESI) that includes contracts, spreadsheets. These various types of information are frequently produced for the courts when required.
- **\$264 thousand** program increase to establish a new centralized information technology system to support the Operating Administrations' reasonable accommodation tracking and reporting. This is necessary to keep DOT's equal employment opportunity services in compliance with EEOC's reporting requirement as set forth in Section 717, Title VII of the Civil Rights Act (1964) and under Section 501 of the Rehabilitation Act. This system will track reasonable accommodation requests submitted by DOT employees and applicants. DOT is required to collect information on accommodation requests and report annually whether requested accommodations were provided or denied within the allowable timeframe (a maximum of 25 business days). The system will assist all decision makers in ensuring that a decision is made and the accommodation is provided within the timeframe allowed.

**Explanation of Funding Changes**  
**for the**  
*Office of Civil Rights*  
(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 9,384</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 12
Pay Raise	\$ 26
One Additional Compensable day	\$ 27
Rent	\$ -
WCF	\$ 60
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 9,509</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	<b>\$ 264</b>
Program increase requested to establish a centralized information technology system to track accommodation requests submitted by DOT employees and applicants to comply with EEOC reporting requirements.	
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 9,773</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0118-0-1-407			
<b>Obligations by program activity:</b>			
00.01 Office of Civil Rights	7,833	9,384	9,773
09.00 Total new obligations	7,833	9,384	9,773
<b>Budget Authority:</b>			
<b>Appropriations, discretionary:</b>			
11.00 Appropriation	9,667	9,384	9,773
11.30 Appropriation permanently reduced	-19	0	0
11.60 Appropriation, discretionary (Total)	9,648	9,384	9,773
19.30 Total Budgetary Resources Available	9,648	9,384	9,773
<b>Memorandum (non-add) entries:</b>			
19.40 Unobligated Balance Expiring	-1,814	0	0
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	2,908	2,398	939
30.20 Obligated balance, start of year (net)	2,815	2,403	944
30.30 Obligations incurred, unexpired accounts	7,833	9,384	9,773
30.40 Outlays (gross)	-8,197	-10,848	-9,740
30.90 Unpaid obligations, end of year (gross)	2,398	939	977
31.00 Obligated balance, end of year (net)	2,403	944	982
<b>Budget Authority and outlays, net:</b>			
40.00 Budget authority, gross	9,648	9,384	9,773
<b>Outlays, gross:</b>			
40.10 Outlays from new discretionary authority	6,635	8,446	8,796
40.11 Outlays from discretionary balances	1,562	2,403	944
40.20 Outlays, gross (total)	8,197	10,848	9,740
40.70 Budget authority, net (discretionary)	9,648	9,384	9,773
40.80 Outlays, net (discretionary)	8,107	10,848	9,740
41.80 Budget authority, net (total)	9,648	9,384	9,773
41.90 Outlays, net (total)	8,107	10,848	9,740

Section 3 - FY 2013 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code		FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0118-0-1-407				
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent	3,948	5,202	5,241
11.3	Other than full-time permanent	132	75	76
11.5	Other personnel compensation	92	0	0
11.9	Total personnel compensation	4,171	5,277	5,317
12.1	Civilian personnel benefits	1,038	1,703	1,715
21.0	Travel and transportation of persons	56	66	66
22.0	Transportation of things	0	0	0
23.1	Rent Payments to GSA	0	0	0
23.3	Communications, utilities and misc.	23	28	29
24.0	Printing	1	11	11
25.2	Other services	2,436	2,199	2,535
26.0	Supplies and materials	37	50	50
31.0	Equipment	71	50	50
99.9	Total obligations	7,833	9,384	9,773

PERSONNEL SUMMARY

Identification Code		FY 2011 ACTUAL	FY 2012 ENACTED	FY 2012 REQUEST
69-0118-0-1-407				
1001	Total compensable workyears:			
	Full-time equivalent employment	39.86	46	53

## Detailed Justification for the Minority Business Outreach

### What Is The Request And What Will We Get For The Funds?

#### FY 2013 - Minority Business Outreach

(\$000)

	FY 2011 Actual	FY 2012 Enacted	FY 2013 Request	Difference from FY 2012 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	138	288	553	265
Travel	39	128	60	-68
Other Costs	2,891	2,652	2,621	-31
<b>TOTAL</b>	<b>3,068</b>	<b>3,068</b>	<b>3,234</b>	<b>166</b>
<u>STAFFING</u>				
Direct Positions	3	4	4	0
Reimbursable Positions	0	0	0	0
Direct FTE	0.98	2	4	2.0
Reimbursable FTE	0	0	0	0.0

The Minority Business Outreach (MBO) program is requesting \$3.234 million and an estimated 4 FTEs in FY 2013 to accomplish the mission outlined below.

#### What Is This Program?

MBO supports the **Economic Competitiveness** Strategic Goal by working to ensure targeted contractual levels are met by the small, minority, women-owned and disadvantaged business enterprises (DBEs). The program is largely implemented through Small Business Transportation Resource Centers (SBTRCs), which are managed by the Office of Small and Disadvantaged Business Utilization's (OSDBU) Regional Partnership Division (RPD). OSDBU is authorized under Title 49, subtitle 1, chapter 3, subchapter II, Sec. 332 to operate the Regional Partnership Division (RPD).

The RPD is responsible for increasing the number of small businesses that are prepared to compete for, and enter into, transportation-related prime and subcontract opportunities with DOT and DOT-funded contracts or grants for transportation-related projects throughout the country.

SBTRCs are the primary mechanism for reaching small businesses. They provide a comprehensive delivery system of business training and counseling, technical assistance, and the dissemination of information to transportation-related DBEs within their regional areas. SBTRCs are established on a region-wide basis, through OSDBU Cooperative Agreements with (1) business-centered community-based organizations, (2) trade associations, (3) colleges and universities, (4) and chambers of commerce. These partnerships are established to create a delivery system that targets all small businesses, including DBEs and women-owned businesses, to enable them to become competitive in the government procurement marketplace.

Services provided by the SBTRCs include:

- Conducting an assessment of small businesses in the SBTRC region, to determine their business, financial, training and technical assistance needs, that can be used to structure programs and services that will enable them to become better prepared to compete for and receive transportation-related contract awards.
- Coordinating with other Federal, State, and local governmental agencies (e.g., SBA; State and local highway departments; State and local airport authorities; and transit authorities) to identify relevant and current information that may support the needs assessment of the regions' small business transportation community.
- Conducting outreach efforts and disseminating information to small businesses at regional transportation-related conferences, seminars, and workshops.
- Supporting the Short Term Lending Program (STLP), including working with Participating Lenders, banks and other lending institutions, to deliver seminars and workshops on DOT's financial assistance program for small businesses.
- Targeting services to small businesses that are currently, or have the potential for, doing business with public and private entities in the transportation industry.
- Participating in local, state and federal conferences and events that are sponsored by members of Congress in their districts.
- Delivering business counseling to small businesses.
- Providing technical assistance to small businesses for loans and surety bonds as well as implementing the Bonding Education Program in their region.

In addition to the SBTRCs, OSDBU operates the National Information Clearinghouse (NIC). The NIC publishes and distributes information on: (1) DOT contracting opportunities, its procurement practices, and how to market to DOT; (2) DOT-assisted contracting opportunities, through contracts and grants, to state and local transportation projects; (3) DOT financial assistance programs; and (4) market research through print media, the



OSDBU web-site and toll-free number. The NIC also provides statistical and program feedback on OSDBU lending, technical assistance and procurement programs.

### **Why Is This Particular Program Necessary?**

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MBO is necessary to facilitate economic competitiveness through a domestic and global transportation system that enables economic growth and development through the expansion of opportunities for small and disadvantaged businesses. These small businesses routinely develop, manufacture and distribute quality products to the private sector, but continue to face significant hurdles participating in procurement opportunities with the Federal Government. To help these entrepreneurs have a fair opportunity to compete, procurement targets have been established for the Federal Government to help overcome the barriers to success for women-owned businesses and DBEs.

The MBO funds many of the major initiatives OSDBU operates to help small and disadvantaged businesses. In addition to the RPD and NIC, the MBO finances several new programs and efforts critical to the OSDBU mission. New programs added since 2009 include the Bonding Education Program, DBE Task Force, Women and Girls Internship Program, and Small Business Days. By continuing to fund the MBO, OSDBU can build upon the momentum of the past several years and further expand and create programs to help small businesses compete and win transportation related contracts. OSDBU serves as the Department's chief advocate for small and disadvantaged businesses. The MBO is at the core of OSDBU's mission, which has taken on even greater significance due to the country's economic situation over the past three years. The MBO is vital to achieving the goals for small business contracting set by Congress and the SBA. Without a well funded MBO, OSDBU would not be able to satisfactorily serve the nation's transportation related small businesses, which play a key role in both building and maintaining the country's infrastructure as well as contributing mightily to the economic recovery.

OSDBU supports the Economic Competitiveness Strategic Goal and the following 2 performance measures:

Increase percent of total dollar value of DOT direct contracts awarded to small disadvantaged businesses. The FY 2013 target is 15%.

Increase percent of total dollar value of DOT direct contracts awarded to women-owned businesses. The FY 2013 target is 6%.

## How Do You Know The Program Works?

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The SBTRC Program provides an array of services and information regarding DOT to the small business communities in order to notify them of procurement opportunities that are available within all modes under the DOT. The SBTRCs serve as OSDBU's outreach arm and provide information and technical assistance to ensure that small, women-owned and disadvantaged business enterprises (DBEs) participate in DOT funded and DOT assisted contracts and subcontracts. The "Scope of Work" outlined in the Cooperative Agreements and the activities listed below are examples how the program works.

### Outreach/Conference Participation:

#### January 2011:

- The Illinois Hispanic Chamber of Commerce, sponsor of the Great Lakes Region SBTRC, hosted a meeting with the Governor of Illinois. The SBTRC familiarized him with DOT programs for small businesses, such as the Short Term Lending Program, the Bonding Assistance Program and the activities of the SBTRCs. The small business community was able to learn about the Governor's proposed \$31 billion "Illinois Jobs Now" bill, that will create many new "green" weatherization jobs, protect and improve the state's fresh water supplies, and advance high-speed rail from Chicago to St. Louis. The SBTRC has also provided business counseling to DBEs as well as assisting DBEs in identifying potential contracts available to them.
- The Southwest Region SBTRC Project Director was invited to present on a panel discussion regarding "Government Contracting- Opportunities for Business" at the White House Initiative on Asian Americans and Pacific Islanders Summit on Entrepreneurship and Small Business Growth. The summit was held at the Microsoft Silicon Valley Campus. The SBTRC represented the OSDBU at this event and discussed issues with small businesses on How to do Business with DOT. The SBTRC was able to provide immediate assistance to several businesses attending the summit on DOT's STLP and assist 4 of those businesses secure funding for transportation related contracts they either bid on or currently had in place.
- The Central Region Project Director delivered a presentation on "How to do Business with DOT," which included a discussion on the STLP and the goals and objectives of the SBTRC Program. Subsequent to that event the SBTRC staff visited the offices of some Missouri state legislators to discuss the SBTRC opportunities for small businesses in their districts. The Central Region SBTRC has worked with several of the businesses that attended the conference by providing bid leads, "matchmaking" with prime contractors, assisting businesses with adding NAICS codes to their DBE profiles, and providing assistance with the STLP application process.

#### February 2011:

- The Northeast SBTRC Project Director participated as an exhibitor at the Vermont Matchmaker Conference. The NE SBTRC distributed DOT information and materials and provided one-on-one counseling to 15 small businesses. They are now working with the

SBTRC to participate in DOT's Short Term Lending Program and identify procurement opportunities.

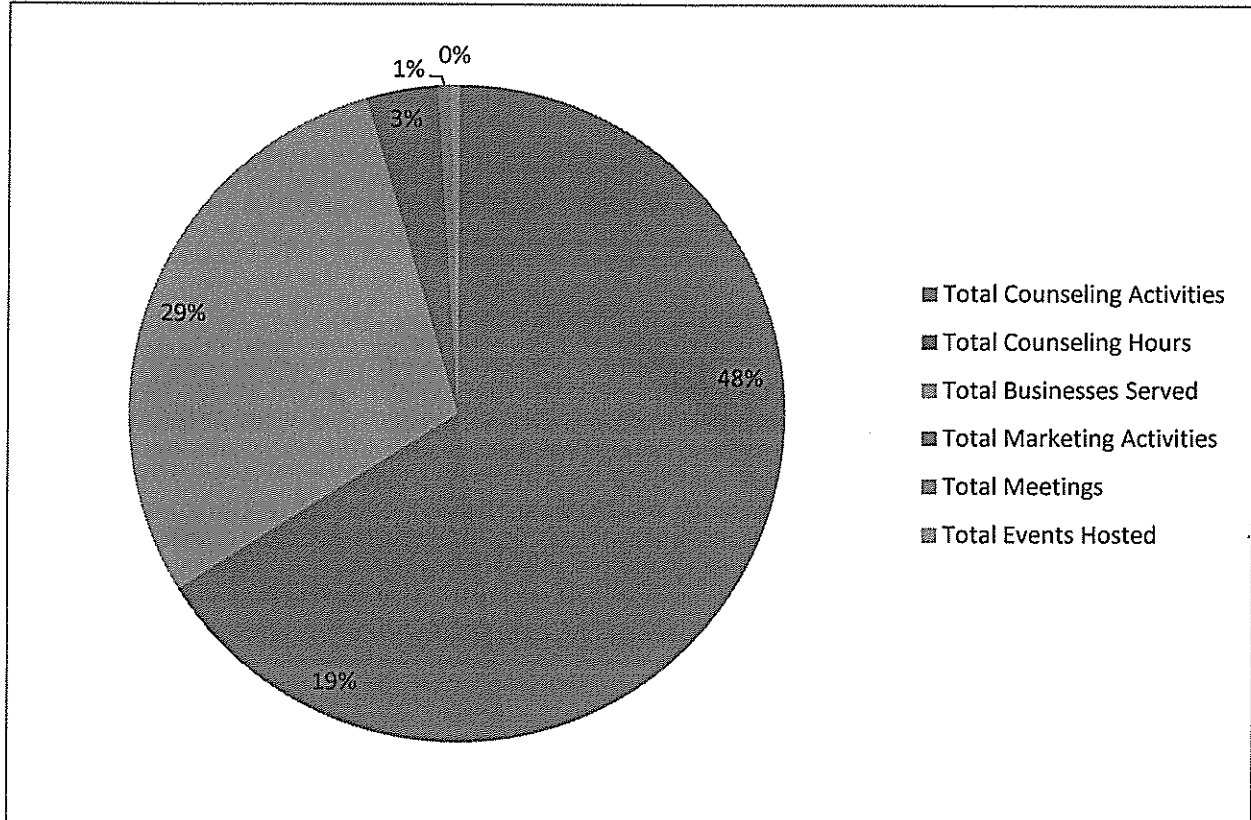
March 2011:

- The Project Director of the Mid Atlantic Region participated in an event entitled, "Forum to Boost Economic Opportunity throughout the State of Ohio. Discussions were held on current infrastructure and transportation projects in northeast Ohio, and focused on economic inclusion and job creation for women and minorities in that region. The SBTRC also made a presentation on programs and services available to small businesses from DOT. As a result of this conference, the Mid Atlantic Region SBTRC assisted 23 of the DBEs that attended the conference by providing technical assistance, and counseling on obtaining financing and bonding, providing "matchmaking" opportunities with prime contractors.

The data that follows was collected from the SBTRCs' April, 2011 through September, 2011 monthly reports and demonstrates the commitment to ensuring the small business community is provided adequate support. These activities contribute to OSDBUs ability to meet or exceed the two performance measure targets.

**SBTRC Quarterly Reporting Totals**

<b>QUARTER:</b>	<b>April - June 2011</b>	<b>July - Sept 2011</b>	<b>Totals</b>
<b>COUNSELING ACTIVITY:</b>			
New Appointments	146	453.75	599.75
Follow-up Appointments	349	411	760
Phone Inquiries	378	671	1,049
E-Mail Inquiries	454	842	1,296
Counseling Hours	534	1007.75	1,541.75
<b>Total</b>	<b>1861</b>	<b>3,385.5</b>	<b>5246.5</b>
<b>BUSINESSES SERVED:</b>			
DBE	174	769	943
8a	54	157	211
WOB	67	215	282
HubZone	60	248	308
SDB	25	54	79
SDVOB	32	52	84
Non-Certified Business	152	359	511
<b>Total</b>	<b>564</b>	<b>1854</b>	<b>2418</b>
<b>MARKETING:</b>			
Events Attended:	58	70	128
As an attendee	35	52	87
As an exhibitor	19	11	30
As a panelist/presenter	22	3	25
Events Attended (OSDBU)	6	18	24
Email Blast	2	16	18
<b>Total</b>	<b>142</b>	<b>170</b>	<b>312</b>
<b>MEETINGS:</b>			
With DOT reps (state)	27	35	62
With DOT reps (regional)	18	14	32
With Other Agencies	26	21	47
<b>Total</b>	<b>71</b>	<b>70</b>	<b>141</b>
<b>EVENTS HOSTED:</b>			
DBE Workshop	1	1	2
STLP Workshop	4	4	8
One-on-One Matchmaking	0	0	0
Other Workshops	0	0	0
<b>Total</b>	<b>5</b>	<b>5</b>	<b>10</b>




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**Why Do We Want/Need To Fund The Program At The Requested Level?**

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The FY 2013 request reflects a .5 percent pay raise, .5 percent inflation adjustment, one additional compensable work day and changes in Working Capital Fund costs. It also funds an estimated 4 FTEs and associated costs. A \$.117 million program increase will be utilized to fund an SBTRC in the SW Region.

In FY 2013, the SBTRCs program will expand and enhance the assistance provided to the small business community through an array of services to include:

**Cooperative Agreements:** OSDBU will continue its Cooperative Agreements with 11 Regional SBTRCs, including the 2 additional Centers added during FY 2010. The basic services to small businesses will continue to include business counseling, business analysis, workshops, seminars and conference participation, and will increase the involvement of the SBTRC’s Regional Planning Committees to work more closely with the SBTRCs.

**Technical Assistance:** OSDBU will continue providing technical assistance to assist small businesses with certifications, such as DBE, 8(a), HUBZone, women-owned small businesses and service disabled veteran- owned small businesses. The Small Business Technical Resource Center (SBTRC) program will plan and present Short Term Lending Program workshops for small businesses, to provide opportunities to obtain short-term working capital at reasonable interest rates for DOT and DOT-funded transportation-related contracts, and have local bank participation in the sessions.

**Training and Orientation:** During FY 2013, OSDBU will hold two training and orientation sessions. The first training and orientation session (2 days) will be held for all SBTRCs and is designed to exchange ideas and program initiatives between the Regional Centers. It will be held in Washington, DC so that DOT officials can participate and give their input to the program. The second training and orientation session will occur later in the year to ensure the SBTRCs have the most current information available for their regions, and for OSDBU to receive feedback from the field.

**DBE Task Force:** OSDBU has organized a first of its kind internal DBE Task Force comprised of all offices and operating administrations within DOT that affect the DBE Program. Comprised of the top officials in each office or operating administration, the Task Force will work to ensure that all Federal, State, and local policies are consistent and are being uniformly implemented. The immediate areas the Task Force has covered are enforcement, outreach, stakeholder involvement, regulations, and data collection/analysis. The most significant aspect of the Task Force is the active participation of the Secretary of Transportation, the Deputy Secretary of Transportation, the modal administrators from FAA, FHWA, FRA, and FTA, and the heads of the Office of General Counsel, Office of Civil Rights, Office of Government Affairs, Office of Policy, and Office of Public Affairs. With the decision makers meeting regularly, the Task Force is able to efficiently take action and address DBE issues in a manner that matches the high priority in which the Secretary holds the program.

DOT OSDBU is also part of the Executive Committee of the White House Interagency Task Force on Federal Contracting Opportunities for Small Businesses. The OSDBU Director co-chairs the working group entitled, “Enabling Small Business Contracting through Training, Outreach, Bonding, and Access to Capital.” The DBE Coordinator hired in FY2012 will be OSDBU’s main point of contact for all aspects of the DBE Program and advise the OSDBU Director on DBE issues.

**Bonding Education Program:** In FY 2010, OSDBU launched a Pilot Bonding Education Program (BEP). The BEP is a partnership with the Surety and Fidelity Association of America (SFAA) to get small businesses bond ready. Access to bonding capacity is a major challenge for many small and disadvantaged businesses, but often a necessary step to grow and succeed. The program consists of a 10 week curriculum where participants attend class one night per week and are simultaneously paired with a local surety bond professional who will work with them one-on-

one. Because of the success of the pilots, the BEP will be offered at least once in each of the SBTRC region in FY 2013. The Bonding Coordinator hired in FY 2012 will continue to further expand the BEP nationally as well as monitor the bonding challenges facing small businesses.

**Women and Girls Internship Program:** The Women and Girls Internship Program began as a partnership between OSDBU and Spelman College in Atlanta, Georgia as part of a broader effort, led by the White House, to ensure that Federal programs and policies take into account the distinct needs and concerns of women and girls.

During FY 2013, OSDBU and Minority Business Outreach program will spend \$341,000 to continue the Entrepreneurial Training and Technical Assistance Women and Girls Program. This program encourages girls to pursue careers in science, engineering, and technology and help women in the field to achieve their goals. DOT Women's Internship Program is expanding from one school to a national program, enabling young women from colleges and universities across the country to participate. Administered through the SBTRC program, each SBTRC will be responsible for placing qualified female college students in transportation related internships throughout their regions with state DOTs, transit and airport authorities, small businesses, lending and financial institutions, and technical assistance providers. Each region will provide approximately 30 internships for the fall and spring academic semesters. A Women and Girls Coordinator will be brought on-board in the third quarter of FY 2012 to effectively administer the expanded program. The coordinator will focus on the expanded Women's Internship Program and also will be OSDBU's point of contact for issues relating to the White House Council on Women and Girls.

**Small Business Days:** OSDBU has initiated a series of Small Business Days across the country to highlight DOT opportunities for small businesses to gain access to capital, and how to do business with the government. The purpose of these events is to connect small businesses with federal, state, and local government contracting opportunities, while educating small business owners on the resources available to help their business grow. Small business representatives are provided the opportunity to meet with representatives from the federal government, various state agencies, and small business resource centers. In addition to informational exhibits, DOT-OSDBU presents workshops on Access to Capital and How to Contract with the Government, and has successfully completed six Small Business Days: Chicago; Baltimore; Prince George's County, MD; Pine City, MN; Honolulu; and Minneapolis. Small Business Days will continue as an essential regular part of the office's outreach activities during FY 2013.

**Small Business Vendor Days:** OSDBU will also host Small Business Vendor Days at DOT Headquarters that are focused on Disabled Veteran and Women-Owned Small Businesses. These annual events, hosted by the Secretary, provide an opportunity for small business owners to interact with contracting offices, as well as participate in workshops with senior government officials and top business leaders from across the country.

**Explanation of Funding Changes  
for the  
Minority Business Outreach (MBO)**

(\$000)

<b>FY 2012 Enacted</b>	<b>\$ 3,068</b>
<u>Adjustments to base:</u>	
Inflation Increase:	\$ 14
Pay Raise	\$ 1
One Additional Compensable day	\$ 1
Rent:	\$ -
WCF	\$ 33
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base:</b>	<b>\$ 3,117</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF:	\$ -
<b>Program Changes (+/-):</b>	
The program increase will be utilized to fund an SBTRC in the SW Region.	\$ 117
<b>Base Offsets (+/-)</b>	
Personnel Compensation and Benefits	\$ 263
Other Costs	\$ (263)
<b>Total FY 2013 Request:</b>	<b>\$ 3,234</b>



DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

## MINORITY BUSINESS OUTREACH

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0119-0-1-407	ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>			
00.01 Minority business outreach	4,662	3,340	3,235
00.02 Bonding Assistance	189	6,371	0
09.00 Total new obligations	4,851	9,711	3,235
<b>Budgetary resources available for obligation:</b>			
10.00 Unobligated balance brought forward, Oct. 1	7,797	6,643	0
10.21 Recoveries from prior year unpaid obligations	648	0	0
10.50 Unobligated balance (total)	8,445	6,643	0
<b>Budget authority:</b>			
<i>Appropriation, discretionary:</i>			
11.00 Appropriation	3,074	3,068	3,235
11.30 Appropriations permanently reduced (disc) (-)	-6	0	0
11.60 Appropriation discretionary (total)	3,068	3,068	3,235
19.10 Total budgetary resources available	11,513	9,711	3,235
<b>Memorandum (non-add) entries:</b>			
19.40 Unobligated Balance Expiring (SF-133 Line 2201)	-19	0	0
19.41 Unexpired unobligated balance, end of year	6,662	0	0
<b>Change in obligated balances:</b>			
30.00 Unpaid obligations brought forward Oct 1 (gross)	6,496	5,768	307
30.10 Uncollected pymts, Fed sources, brought forward, Oct 1	0	0	0
30.20 Obligated balance, start of year (net)	6,496	5,768	307
30.30 Obligations incurred, unexpired accounts	4,851	9,711	3,235
30.31 Obligations incurred, expired accounts	0	0	0
30.40 Total outlays (gross)	-4,445	-15,172	-3,218
Obligated balance, end of year (net)			
30.90 Unpaid obligations, end of year (gross)	5,768	307	324
31.00 Obligated balance end of year	5,768	307	324
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
40.00 Budget Authority, gross	3,068	3,068	3,235
<b>Outlays (gross), detail:</b>			
40.10 Outlays from new discretionary authority	545	2,761	2,911
40.11 Outlays from discretionary balances	3,901	12,411	307
40.20 Total outlays (gross)	4,445	15,172	3,218
41.80 Budget Authority, net (total)	3,068	3,068	3,235
41.90 Outlays, net (total)	-4,445	-15,172	-3,218

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
MINORITY BUSINESS OUTREACH

OBJECT CLASSIFICATION  
(In Thousands)

Identification Code 69-0119-0-1-407	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
Direct obligations:			
11.0 Personnel compensation	116	237	455
12.1 Civilian benefits	21	51	99
21.0 Travel and transportation of persons	20	128	60
22.0 Transportation of Things	-2	0	0
23.0 Rent, Communications & Utilities	86	0	1
25.2 Other Services	750	940	519
26.0 Supplies & Materials	4	5	21
41.0 Grants, subsidies and contributions	1,887	1,706	2,081
42.0 Insurance claims and indemnities	0	0	0
99.9 Total obligations	2,882	3,068	3,234

PERSONNEL SUMMARY

Identification Code 69-0119-0-1-407	FY 2011 ACTUAL	FY2012 ENACTED	FY 2013 REQUEST
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	1	2	4

## Detailed Justification for the Minority Business Resource Center Program

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 - Minority Business Resource Center

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Guaranteed Loan Subsidy	329	333	418	85
Administrative Expenses	592	589	867	278
<i>Salaries &amp; Benefits</i>	151	173	176	3
<i>Travel</i>	24	15	15	0
<i>Loan Fees</i>	56	205	271	66
<i>Other</i>	417	196	405	209
 TOTAL	921	922	1,285	363
 Guaranteed Loan Financing:	\$ 18,367	\$ 18,367	\$ 21,955	\$ 3,588
 <u>STAFFING</u>				
Direct Positions	1	1	1	0
Reimbursable Positions	0	0	0	0
 Direct FTE	0.98	1	1	0

The Minority Business Resource Center (MBRC) is requesting \$1.285 million and an estimated 1 FTE for FY 2013 to accomplish the mission outlined below.

### What Is This Program?

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The Short Term Lending Program (STLP) supports the DOT **Economic Competitiveness** Strategic Goal by providing 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. The revolving lines of credit are tightly monitored to reduce the risk to the government. Access to the lines of credit allows the small business to meet short-term operating costs that it would otherwise be unable to finance with the goal of 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. In return for the guarantee, Participating Lenders receive and administration fee of 1% to 1.5% of the face value of the loan and the chance to establish a banking relationship with the small and disadvantaged business.

### **Why Is This Particular Program Necessary?**

The Short Term Lending Program (STLP) is necessary to facilitate an efficient domestic and global transportation system that enables economic growth and development by providing the opportunity to obtain short-term working capital. Access to working capital at affordable rates and terms means expanded opportunities for small disadvantaged businesses which serves the economic interests of the United States, both nationally and globally. In general, a Small Disadvantaged Business, as defined in current government regulations, is at least 51% owned and controlled by one or more socially and economically disadvantaged individuals, and has been certified as a Small Disadvantaged Business in accordance with 13 CFR Part 124 Subpart B. Socially disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and other minorities or individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of the Small Business Act.

Small businesses routinely develop, manufacture and distribute quality products to the private sector, but continue to face limited access to working capital as lending institutions have tightened credit conditions after the 2008 financial market crisis. The STLP provides vital access to financing in order for small businesses to participate in procurement opportunities with the Department of Transportation and our transportation grant recipients that they would not otherwise have had. This program has increased lending to small businesses because the DOT guarantee makes lending to these small and disadvantaged companies good business for participating lenders.

The working capital provided by the guaranteed loans enables borrowers to hire more employees and pay for cost of goods sold in anticipation of payment for goods and services provided on transportation-related contracts and allows small businesses to continue to bid on and win more transportation-related contracts. This in turn contributes to the economic growth of our country.

The Short Term Lending Program (STLP) supports the Economic Competiveness Strategic Goal and the following 2 performance measures:

Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to small disadvantaged businesses. The FY 2013 target is 15%.

Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to women-owned businesses. The FY 2013 target is 6%.

### **How Do You Know The Program Works?**

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The Minority Business Resource Center and Short Term Lending Program (STLP) have helped small disadvantaged businesses obtain access to working capital as illustrated in the following examples:

**T3 Designs, P.C.**, a Woman-Owned engineering consulting firm from Fairfax, VA specializing traffic engineering, transportation planning and Intelligent Transportation Systems (ITS) services to agencies throughout Virginia and Maryland received a loan for \$350,000. T3 Designs has 27 transportation contracts in process with agencies such as the Virginia Department of Transportation (VDOT), Maryland State Highway Administration (MDOT), Maryland Transportation Authority (MTA), and the District of Columbia Department of Transportation (DDOT).

**SITEC, LLC**, a certified Disadvantaged Business Enterprise in South Carolina and Georgia as well as a certified HUBZone company received a loan in the amount of \$80,000. The firm is a General Contractor that does commercial, residential, and industrial construction, as well as construction management and training service to private and public customers. SITEC is currently working on 3 South Carolina DOT projects, as the line of credit allowed SITEC to win multiple contracts.

A new loan in the amount of \$300,000 was recently awarded to **Plaza Construction, Inc. (PCI)**, a certified Disadvantaged Business Enterprise located in Denver, Colorado. Plaza Construction, Inc. is a General Contractor that specializes in commercial site and building concrete work. Plaza's most notable current contracts are the Sloan's Lake Renovation, Denver Union Station, a Blackhawk road project, and a train switch station at Denver International Airport. The loan is a direct result of a financial workshop held by the Denver Small Business Transportation Resource Center and Solera National Bank.

**United Enterprise LLC**, a certified Disadvantaged Business Enterprise located in Summit, Illinois was awarded a new loan in the amount of \$500,000. The company performs construction work in the areas of sewer services, specializing in the installation, repair, cleaning, and maintenance of all types of sanitary drains, sewer, and water mains. For the past three years, United has worked on Illinois DOT projects, focusing on sewer and concrete adjustments, and landscaping.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

The FY 2013 request reflects a .5 percent pay raise, .5 percent inflation adjustments, one additional compensable work day and changes in Working Capital Fund costs. It also funds one FTE and associated costs. A \$.353 million program increase includes \$.085 million requested for subsidy to support an additional \$3.588 million of guaranteed lending; \$.065 million for increased loan administration fees for Participating Lenders associated with the increase in guaranteed lending; and \$.203 million for program administrative expenses, including outreach to potential Participating Lenders and additional independent financial advisor contractual support associated with higher loan guarantee levels. With this funding, the STLP will be able to guarantee revolving lines of credit totaling \$21.955 million.

In an effort to make the program more available to small and disadvantaged businesses in need of credit to expand their businesses across the country, OSDBU launched an aggressive campaign in 2010 to solicit more Participating Lenders. As a result, FAD has been adding approximately 1 new Participating Lender per month. There will be an estimated 51 Participating Lenders by 2013. However, the FAD goal is to have a Participating Lender in each state. By FY 2013, it is estimated that 75% of the goal will be achieved. In FY 2013, 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.

To date, this effort to broaden the participation in the program has led to an increase in the volume of new loans over previous fiscal years. Focused, increased outreach to potential Participating Lenders has enabled the program to double the number of Participating Lenders and expand access to small and disadvantaged business across the country. This in turn has doubled the amount of loans to new, small and disadvantaged participants in the program. The majority of loans in FY 2012 have been new loans generated by the New Participating Lenders. OSDBU thoroughly trains the new Participating Lenders and works with OSDBU Field Offices and the State DOT DBE offices to conduct financial workshops to help generate loans. 3 of the 5 loans that have been approved in FY 2012, came from new Participating Lenders as a direct result of the financial workshops. In FY 2011, there was a 30% increase in loan volume due to the outreach and bank expansion.

In addition, focused, increased outreach to small and disadvantaged businesses through SBTRC workshops, OSDBU Small Business Workshops, the State DOTs, and the Participating Lenders, have also contributed to the increased loan volume. As part of this effort, the Financial Assistance Division (FAD) has effectively utilized the Small Business Transportation Resource Centers (SBTRC) program to increase awareness of the STLP and outreach to more small and disadvantaged businesses and potential Participating Lenders across the country.

The continuation of the current efforts to broaden participation in the STLP of both small and disadvantaged businesses and Participating Lenders will lead to increased demand for guaranteed revolving lines of credit. The willingness of existing and potential Participating Lenders to lend will also contribute to demand. In January 2011, the FDIC and the Federal Reserve sponsored a Small Business Forum entitled, “Overcoming Obstacles to Small Business Lending”. At that forum, it was stressed that banks are to start lending again. The increased demand will translate into increased participation of small and disadvantaged businesses on transportation-related contracts and contribute to the economic growth of our country.

**Explanation of Funding Changes  
for the  
Minority Business Resource Center**  
(\$000)

<b>FY 2012 Enacted:</b>	<b>\$ 922</b>
 <u>Adjustments to base:</u>	
Inflation Increase	\$ 2
Pay Raise	\$ 1
One Additional Compensable day	\$ 1
Rent	\$ -
WCF	\$ 6
Workers Compensation	\$ -
 <b>FY 2013 Adjusted Base:</b>	 <b>\$ 932</b>
 <u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
Guaranteed Loan Subsidy	\$ -
Administrative Expenses	\$ -
 <b>Program Change (+/-):</b>	
<i>Guaranteed Loan Subsidy</i>	\$ 85
With this funding, the STLP will be able to guarantee revolving lines of credit totaling \$21.955 million.	
 <i>Loan Fees</i>	
Additional loan fees associated with higher guaranteed loan levels.	\$ 65
<i>Administrative Expenses</i>	\$ 203
The program increase will fund additional outreach to potential Participating Lenders, and additional independent financial advisor contractual support associated with higher guaranteed loan levels.	
 <b>Base Offsets (+/-)</b>	 <b>\$ -</b>
 <b>Total FY 2013 Request:</b>	 <b>\$ 1,285</b>



DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

PROGRAM ACCOUNT

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification code	FY 2011	FY 2012	FY 2013
69-0155-0-1-407	ACTUAL	ENACTED	REQUEST
<b>Program by activities:</b>			
00.02 Guaranteed loan subsidy	81	333	418
0707 Reestimate of guaranteed loan subsidy	15	17	0
0708 Interest on reestimate of guaranteed loan subsidy	0	0	0
0709 Administrative expenses	560	589	866
0900 Total new obligations (object class 99.5)	657	939	1,284
<b>Budget resources available for obligation:</b>			
22.00 New budget authority (gross)	936	939	1,284
23.95 New obligations	-657	-939	-1,284
23.98 Unobligated balance expiring	280	0	0
<b>Budgetary Resources:</b>			
Budget Authority:			
<i>Appropriations, discretionary</i>			
11.00 Appropriation	923	922	1,284
11.30 Appropriation Permanently Reduced	-2	0	0
11.60 Appropriation Total	921	922	1,284
<i>Appropriations, Mandatory:</i>			
12.00 Appropriation	15	17	0
19.3 Total budgetary resources available	936	939	1,284
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct. 1 (gross)	519	446	0
30.30 Obligations incurred, unexpired accounts	657	939	1,284
30.31 Obligation adjustments-expired accounts	45	0	0
30.40 Total outlays (gross)	-640	-1,385	-1,284
30.81 Recoveries of unpaid obligations-expired accounts	-91	0	0
<b>Budget authority and outlays, net</b>			
Discretionary:			
Outlays, gross:			
40.10 Outlays from new discretionary authority	391	922	1,284
40.11 Outlays from discretionary balances	234	446	0
41.00 Outlays from mandatory authority	15	17	0
41.80 Budget authority, net (total)	936	939	1,284
41.90 Outlays, net (total)	639	1,385	1,284

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 2011	FY 2012	FY 2013
69-0155-0-1-407	ACTUAL	ENACTED	REQUEST
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
2150 Loan guarantee levels	4,530	18,367	21,955
2159 Total loan guarantee levels	4,530	18,367	21,955
2320 Subsidy rate	1.79	1.81	1.73
2329 Weighed average subsidy rate	1.79	1.81	1.73
2330 Subsidy BA	81	333	418
2339 Total subsidy BA	81	333	418
2340 Subsidy outlays	71	358	418
2349 Total subsidy outlays	71	358	418
2350 Upward reestimate	15	17	0
2370 Downward reestimate	47	71	0
3510 Administrative expense BA	560	589	866
3580 Administrative expense outlays from balances	219	421	0
3590 Administrative expense outlays from new authority	335	589	866

PERSONNEL SUMMARY

Identification code	FY 2011	FY 2012	FY 2013
69-0155-0-1-407	ACTUAL	ENACTED	REQUEST
Direct:			
Total compensable workyears: Civilian full-time			
1001 equivalent employments	1	1	1

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

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-4082-0-3-407			
<b>Program by activities:</b>			
00.01 Default claims	0	18	84
00.02 Payment of interest to Treasury	0	0	0
08.02 Downward subsidy reestimate	42	68	0
08.04 Interest on downward subsidy reestimate	5	2	0
10.00 Total obligations	47	88	84
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	128	170	447
22.00 New financing authority (gross)	89	365	458
23.90 Total budgetary resources available for obligation	217	535	905
23.95 Total new obligations	-47	-88	-84
24.40 Unobligated balance carried forward, end of year	170	447	821
<b>New financing authority (gross), detail:</b>			
Spending authority from offsetting collections			
Mandatory			
67.10 Borrowing authority	0	0	0
69.00 Offsetting collections (cash)	88	390	458
69.10 Change in uncollected customer payments from Federal sources	1	-25	0
69.47 Portion applied to repay debt	0	0	0
69.90 Spending authority from offsetting collections (total)	89	365	458
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year	-24	-25	0
73.10 Total new obligations	47	88	84
73.20 Total financing disbursements (gross)	-47	-88	-84
74.00 Change in uncollected customer payments from Federal sources	-1	25	0
74.40 Obligated balance, end of year	-25	0	0
<b>Outlays (gross), detail</b>			
87.00 Total financing disbursements (gross)	47	88	84
<b>Offsets</b>			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from : Federal sources (subsidy)	71	333	418
88.00 Offsetting collections (cash) from : Federal sources (upward reestimate)	15	17	0
88.25 Interest on uninvested funds	2	40	40
88.90 Total offsetting collections (cash)	88	390	458
88.95 Change in uncollected customer payments from Federal sources	1	-25	0
<b>Net financing authority and financing disbursements</b>			
89.00 Financing authority	0		
90.00 Financing disbursements	-41	-302	-374

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 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-4082-0-3-407			
Position with respect to appropriations act limitation on commitments			
2111 Limitation on guaranteed loans made by private lenders	18,367	18,367	21,955
2142 Uncommitted loan limitation	-13,837	0	0
2150 Total guaranteed loan commitments	4,530	18,367	21,955
2199 Guaranteed amount of guaranteed loan commitments	3,398	13,775	16,466
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	2,964	4,056	18,368
2231 Disbursements of new guaranteed loans	3,930	18,367	21,955
2251 Repayments and prepayments	-2,838	-4,037	-18,283
2263 Terminations for default that result in claim payments	0	-18	-84
2264 Other adjustments, net			
2290 Outstanding, end of year	4,056	18,368	21,956
Memorandum:			
2299 Guaranteed amt of guaranteed loans outstanding, EOY	3,042	13,776	16,467
6300 Net financing disbursements	-41	-302	-374

MINORITY BUSINESS RESOURCE CENTER  
 GUARANTEED LOAN FINANCING ACCOUNT

BALANCE SHEET  
 (In thousands of dollars)

Identification Code	FY 2011
69-4082-0-3-407	ACTUAL
<b>ASSETS:</b>	
Federal assets:	
1101 Fund balances with Treasury	170
1106 Receivables, Net	0
1999 Total assets	170
<b>LIABILITIES:</b>	
2101 Accounts Payable	0
2103 Debt	0
2104 Resources payable to Treasury	0
2204 Non-Federal liabilities: Liabilities for loan guarantees	170
2999 Total liabilities	170
<b>NET POSITION:</b>	
3999 Total net position	
4999 Total liabilities and net position	170

## Detailed Justification for Financial Management Capital

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Financial Management Capital

(\$000)

	<u>FY 2011 Enacted</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Request</u>	<u>Difference from FY 2012 Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	0	0	0	0
Travel	0	0	0	0
Other Costs	4,990	4,990	10,000	5,010
<b>TOTAL</b>	<b>4,990</b>	<b>4,990</b>	<b>10,000</b>	<b>5,010</b>
<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 is requesting \$10 million in FY 2013 to continue the mission outlined below. An additional \$4 million will be contributed by the DOT Operating Administrations (OAs) as the project sponsors and beneficiaries. This contribution will directly support critical system activities.

### What Is This Program?

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Purpose, Goals, Beneficiaries, and Description of Activity. The Department of Transportation (DOT) continues to forge ahead with a major financial management improvement and modernization effort, called the Financial Systems Modernization (FSM) initiative. This multi-year project, begun in FY 2009, supports the **Organizational Excellence** strategic goal by transforming and streamlining financial management policies, processes, and systems in an effort to better meet the growing and dynamic mission of the Department in this decade and beyond.

DOT is modernizing DOT's financial management system to improve financial data management, better meet financial system standards and system security requirements, and improved functionality provided by the next Oracle Core Financials release.

The FSM initiative is led by the Office of the Assistant Secretary for Budget and Programs, and CFO and includes full participation and support from each Operating Administration (OA) to ensure success of the project.

FY 2013 Base Budget and Anticipated Accomplishments. In addition to FY 2013 appropriations for this initiative, an additional \$4 million will be contributed from the DOT Operating Administrations (OAs) as the project sponsors and beneficiaries. Anticipated accomplishments during FY 2013 will be:

- The migration of all required custom solutions and code to the next version of Oracle Federal Financials, Release 12. This activity includes analyzing the changes between the current version of Oracle Federal Financials and Release 12 and modifying the existing code based on changes to the table structures in Release 12;
- Configuration and testing of sub-ledger accounting functionality, which is a new feature of Oracle Federal Financials. Transaction codes have been replaced with sub-ledger accounting, which uses business events to generate standard general ledger accounts;
- Performing multiple iterations of systems tests including end-user testing; and,
- Continuing change management activities, training, and end-user documentation.

### **Why Is This Particular Program Necessary?**

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Purpose and Benefits of FSM. The FSM initiative is a paramount priority for DOT because it will provide a financial management infrastructure (procedures, systems, and reporting capabilities) that will assist the Department in meeting complex financial management stewardship responsibilities and to comply with internal and external requirements.

Timeframe for Key Outcomes. The first phase of the FSM initiative is a global grants payment solution to be rolled-out in mid-2012. An integrated vendor payment solution will be introduced in the second phase. The transition to the Oracle Core Financials Release 12 is scheduled for early FY 2014.

Result of Program Not Being Funded. Funding for the FSM initiative began in FY 2008 with contributions from the OAs. Funding through the Financial Management Capital appropriation was first appropriated in 2009, with funding also provided in FY 2010, FY 2011, and FY 2012. DOT has exemplified strong financial management discipline, processes, and systems in the past, and the FSM is the chosen means by which DOT will systematically address organizational deficiencies or areas requiring modernization or improvement in preparation for the transition to

the Oracle Core Financials Release 12 product. Should FSM funding be reduced or eliminated, the Department will face:

- The inability to upgrade systems and processes, which are needed to comply with Federal laws, regulations and standards, including: the Federal Financial Management Integrity Act (FFMIA), the Federal Managers' Financial Integrity Act (FMFIA), the Federal Information Security Management Act (FISMA), OMB requirements, and the Government Accountability Office (GAO) standards for internal control in the Federal Government;
- The inability to upgrade systems and processes, necessary to effectively manage long-standing financial management challenges, including addressing the core causes of significant deficiencies in internal controls over funds status monitoring and reporting, overreliance on journal entries for financial reporting, and timely addressing of obligated but not disbursed amounts;
- The inability to meet requirements for enhanced information security;
- A Disaster Recovery Process which does not meet the Federal Preparedness Standards established by the National Institute of Standards and Technology (NIST); and,
- Additional license and related expenses for extended support of the current version of Oracle Core Financials.

### **How Do You Know The Program Works?**

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The success of the FSM effort is contingent on securing the right mix of people, funding, acquisitions, collaboration, innovation, and project management discipline over the course of the entire project. Over the last three years, the FSM leadership has worked to put the foundation in place in all these areas to gain the momentum necessary to attain the FSM vision. Our senior governance body – the Executive Leadership Council – has provided regular positive feedback on the initiative's progress and direction, and teams are reporting success on project plan activities and tasks on an on-going basis.

The FSM long-term strategy is predicated on continual process and system improvement and modernization with milestone expectations throughout the project lifecycle. The initiative is monitored by the project teams, a Project Management Office (PMO), FSM leadership, and governance bodies (beneficiaries) on an on-going basis to ensure that the program is working to achieve all intended modernization, standardization, and improvement results.



**Why Do We Want/Need To Fund The Program At The Requested Level?**

\$10 million is requested for Financial Management Capital for FY 2013, an increase of \$5.01 million over FY 2012. FSM leadership has been working on long-term budget projections as well as more defined long-term strategies, milestones, and schedules. Budget estimates are derived from calculated level of effort projections that take into account funding for contractual resources, hardware, equipment, software, and any other relevant funding needs. The President's FY 2011 and 2012 Budget requested at total of \$38 million for this project, but only \$9.99 million was approved; therefore, the FSM project team has been continually revising the scope for this project, focusing on the reengineering of limited, critical business activities, as well as accommodating an upgrade to the Oracle Federal Financials accounting application. Consistent with these contingencies, a revised financial plan is being prepared.

**Explanation of Funding Changes  
for  
Financial Management Capital  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 4,990</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ -
Pay Raise	
One Additional Compensable day	
Rent	
WCF	\$ -
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 4,990</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	
Other Costs	
WCF	\$ -
<b>Program Changes (+/-):</b>	<b>\$ 5,010</b>
Program increase requested for the reengineering of critical business activities and for an upgrade to Oracle Federal Financial accounting application.	
<b>Base Offsets (+/-)</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 10,000</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0116-0-1-407			
<b>Obligations by program activity:</b>			
00.01 Financial Management Capital	1,762	15,149	10,000
09.00 Total new obligations (object class 25.2)	1,762	15,149	10,000
<b>Budgetary resources available for obligation</b>			
10.00 Unobligated balance available, Oct 1	5,957	10,159	0
10.21 Recoveries of prior year unpaid obligations	974	0	0
10.50 Unobligated balance (total)	6,931	10,159	0
<b>Budget Authority: Appropriations, discretionary:</b>			
11.00 Appropriation	5,000	4,990	10,000
11.30 Appropriation permanently reduced	-10	0	0
11.60 Appropriation, discretionary (Total)	4,990	4,990	10,000
19.30 Total Budgetary Resources Available	11,921	15,149	10,000
<b>Memorandum (non-add) entries:</b>			
19.41 Unexpired unobligated balance, end of year	10,159	0	0
<b>Change in obligated balance:</b>			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	2,242	323	998
30.30 Obligations incurred, unexpired accounts	1,762	15,149	10,000
30.40 Outlays (gross)	-2,707	-14,474	-8,998
30.80 Recoveries of prior year unpaid obligations, unexpired	-974	0	0
Obligated balance, end of year (net):			
30.90 Unpaid obligations, end of year (gross)	323	998	2,000
31.00 Obligated balance, end of year (net)	323	998	2,000
<b>Budget Authority and outlays, net:</b>			
40.00 Budget authority, gross	4,990	4,990	10,000
<b>Outlays, gross:</b>			
40.10 Outlays from new discretionary authority	1,557	3,992	8,000
40.11 Outlays from discretionary balances	1,150	10,482	998
40.20 Outlays, gross (total)	2,707	14,474	8,998
41.80 Budget authority, net (total)	4,990	4,990	10,000
41.90 Outlays, net (total)	2,707	14,474	8,998

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0116-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
25.2 Other services	1,762	15,149	10,000

PERSONNEL SUMMARY

Identification Code	FY 2011	FY 2012	FY 2013
69-0116-0-1-407	ACTUAL	ENACTED	REQUEST
Total compensable workyears:			
1001 Full-time equivalent employment	0	0	0

## Detailed Justification for the Essential Air Service (EAS) Program

### What Is The Request And What Will We Get For The Funds?

#### FY 2013 – Essential Air Service/Payments to Air Carriers

<u>FUNDING LEVELS</u>	<u>FY 2011 Actual</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Request</u>	<u>Difference from FY 2012 Enacted</u>
<b>Payments to Air Carriers (Trust Fund) - Discretionary Budget Authority</b>				
Essential Air Service	149,700	143,000	114,000	-29,000
Unobligated Balance	0	22,534	0	-22,534
<b>Essential Air Service (Overflight Fees) - Mandatory Budget Authority</b>				
Personnel Compensation and Benefits	2,025	2,018	2,032	14
Travel	11	3	3	0
Other Costs	252	325	334	9
Essential Air Service	<u>47,711</u>	<u>47,654</u>	<u>97,631</u>	<u>49,977</u>
Subtotal - Mandatory Budget Authority	50,000	50,000	100,000	50,000
<b>TOTAL - Discretionary &amp; Mandatory</b>	<b>199,700</b>	<b>215,534</b>	<b>214,000</b>	<b>-1,534</b>
<b>STAFFING</b>				
Direct Positions	14	14	14	0
Reimbursable Positions	0	0	0	0
Direct FTE	9.48	11	13	2
Reimbursable FTE	0	0	0	0

The Essential Air Service (EAS) program is requesting a discretionary appropriation of \$114 million in FY 2013. In addition, the FY 2013 budget proposes to amend section 41742(a) of Title 49 to increase the mandatory portion of the EAS program funded by FAA overflight fees from \$50 million to \$100 million, for a total FY 2013 program level of \$214 million. The mandatory appropriation includes funding for an estimated 13 FTEs to administer the program.

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### **What Is This Program?**

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The EAS program supports the Department's **Livable Communities Strategic Goal**. The EAS program was established as a safety net for the smaller and more isolated communities across the country that had scheduled air service at the time the Airline Deregulation Act (ADA) was passed in 1978. Under the Act, these communities were assured that, for ten years, they would continue to receive scheduled service to a hub airport -- by federally subsidized flights if necessary. (The program was later extended for ten years, and ultimately made permanent.)

The EAS program has retained its basic eligibility criteria since 1978. Since then, the aviation landscape has dramatically changed. Hub-and-spoke systems are now widespread, exponentially expanding the travel options available to passengers from the various spoke communities. Regional jets offer faster and more comfortable travel to more distant domestic locations. Service options at small hubs have greatly expanded, and even non-hub airports now typically offer multiple carriers operating dozens of departures daily, many by jet. Low-fare carriers have expanded in popularity, prompting millions of passengers to drive an extra distance to the airports where they operate. (That drive is now often faster and safer than in 1978, due to the expansion of Interstate and other limited-access highways.)

In the FY 2012 DOT Appropriations Act, (PL 112-55), Congress capped the program in the lower 48 states; therefore, DOT expects to maintain regularly scheduled air service at 155-160 communities across the country, including about 45 in Alaska.

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### **Why Is This Particular Program Necessary?**

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The Essential Air Service program is mandated by Federal statute, 49 U.S.C. section 41731 et seq. On April 25, 2007, in testimony before the Subcommittee on Aviation, Committee on Transportation and Infrastructure, U.S. House of Representatives, the General Accountability Office stated, "Regarding EAS, I think it is important to recognize that for many of the communities, air service is not—and might never be—commercially viable and there are limited alternative transportation means for nearby residents to connect to the national air transportation system. In these cases, continued subsidies will be needed to maintain that capability. In some other cases, current EAS communities are within reasonable driving distances to alternative airports that can provide that connection to the air system. It will be Congress' weighing of priorities that will ultimately decide whether this service will continue or whether other, less costly options will be pursued." <http://www.gao.gov/new.items/d07793t.pdf>

Without the EAS program, about 155-160 communities across the country (including about 45 in Alaska, many of which are islands without any access to the outside world other than air service) would lose all regularly scheduled air service. Below is a historical list of the annual EAS budget and the number of communities subsidized:

Year	# of Communities	Budget in Millions
1996	97	22.6
1997	95	25.9
1998	101	50.0
1999	100	50.0
2000	106	50.0
2001	115	50.0
2002	123	113.0
2003	126	101.8
2004	140	101.7
2005	146	101.6
2006	152	109.4
2007	147	109.4
2008	146	109.4
2009	153	138.4
2010	159	200.0
2011	155	199.7
2012	155	215.5 <sup>1/</sup>

<sup>1/</sup> Includes \$22.5 million unobligated balance of Payments to Air Carrier funding carried forward into FY 2012.

For many communities in the lower 48 states, surface transportation would be a more cost-effective alternative.

### **How Do You Know The Program Works?**

In a July 2009 report, the General Accountability Office stated, “For many communities, the EAS program provides a valuable connection to the national transportation network. Many EAS routes carry 10,000 or more passengers per year. However, low passenger volume and high subsidies remain the norm for many EAS communities. Changes in the air service industry, including the growth of air travel alternatives provided by low-cost carriers, have changed the environment in which the EAS program operates. However, some legislative EAS program requirements, and the growing cost to operate aircraft for EAS service, contribute to the program’s inability to maintain service to EAS communities. Further, rural population shifts since deregulation, and continuing passenger leakage away from small airports with EAS service combine to limit passenger ridership on EAS flights. These factors contribute to the continuing financial strain on the EAS program which brings its long-term viability into question.”

**Why Do We Want/Need To Fund The Program At The Requested Level?**

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The FY 2013 request reflects a .5 percent pay raise, a .5 percent inflation adjustment, one more compensable work day, and changes in Working Capital Fund costs. At the requested FY 2013 budget level, the Department expects to be able to maintain continuous, regularly scheduled air service to 155-160 small communities across the nation, including about 45 in Alaska. The FY 2013 budget proposes appropriations language for the Department to transfer funds from anywhere in DOT, as opposed to just OST, to the EAS program to make up any funding shortfall within the Department. In addition, the budget proposes to amend section 41742(a) of Title 49 to increase the mandatory portion of the EAS program funded by overflight fees from \$50 million to \$100 million beginning in FY 2013.

The Department needs the requested budget level in order to maintain regularly scheduled air service to currently eligible communities. DOT does not have the authority to deny service to any eligible community, nor to deny those communities their statutorily guaranteed service levels.



**Explanation of Funding Changes  
for the  
Payments to Air Carriers  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 143,000</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ -
Pay Raise	
One Additional Compensable day	
Rent	\$ -
WCF	\$ -
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 143,000</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	
Program decrease in PAC funding is offset by an increase in EAS (mandatory) funding, which is necessary to maintain regularly scheduled air service at all of the communities currently eligible to receive subsidized air service under the EAS program.	\$ (29,000)
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 114,000</b>

**Explanation of Funding Changes  
for the  
Essential Air Service  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 50,000</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 240
Pay Raise	\$ 7
One Additional Compensable day	\$ 8
Rent	\$ -
WCF	\$ 6
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 50,262</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	
To increase the collections of overflight fees for the mandatory portion of the program.	\$ 50,000
<b>Base Offsets (+/-):</b>	
Base offset to fund the inflation, one more compensable day, and WCF increases.	\$ (262)
<b>Total FY 2013 Request:</b>	<b>\$ 100,000</b>

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 2011	FY 2012	FY 2013
69-5423-0-2-402	ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>			
0001 Essential Air Service and Rural Airport	59,751	50,000	100,000
0900 Total new obligations	59,751	50,000	100,000
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1	23,774	1,194	1,194
1010 Unobligated balance transferred to other accounts [69-5422]	-12,531	0	0
1021 Recoveries of prior year unpaid obligations	1,040	0	0
1029 Other balances withdrawn	-1,337	0	0
1050 Unobligated balance (total)	10,945	1,194	1,194
<b>Budget Authority:</b>			
<b>Appropriations, mandatory:</b>			
1221 Transferred from other accounts [69-5422]	50,000	50,000	100,000
1260 Appropriations, mandatory (total)	50,000	50,000	100,000
1900 Budget authority (total)	50,000	50,000	100,000
1930 Total budgetary resources available	60,945	51,194	101,194
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year	1,194	1,194	1,194
<b>Change in obligated balance:</b>			
<b>Obligated balance, start of year (net):</b>			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	27,549	23,954	20,000
3020 Obligated balance, start of year (net)	27,549	23,954	20,000
3030 Obligations incurred, unexpired accounts	59,751	50,000	100,000
3040 Outlays (gross)	-62,307	-53,954	-80,000
3080 Recoveries of prior year unpaid obligations, unexpired	-1,040	0	0
3090 Unpaid obligations, end of year (gross)	23,954	20,000	40,000
3100 Obligated balance, end of year (net)	23,954	20,000	40,000
<b>Budget authority and outlays, net:</b>			
<b>Mandatory:</b>			
4090 Budget authority, gross	50,000	50,000	100,000
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority	42,535	30,000	60,000
4101 Outlays from mandatory balances	19,771	23,954	20,000
4110 Outlays, net (total)	62,307	53,954	80,000
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4120 Federal sources	0	0	0
4160 Budget authority, net (mandatory)	50,000	50,000	100,000
4170 Outlays, gross (total)	62,307	53,954	80,000
4180 Budget authority, net (total)	50,000	50,000	100,000
4190 Outlays, net (total)	62,307	53,954	80,000

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 2011	FY 2012	FY 2013
69-8304-0-7-402	ACTUAL	ENACTED	REQUEST
Direct obligations:			
41.0 Grants, subsidies and contributions	<u>145,166</u>	<u>165,534</u>	<u>114,000</u>
99.9 Total new obligations	145,166	165,534	114,000

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 2011	FY 2012	FY 2013
69-5423-0-2-402		ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>				
0001	Essential Air Service and Rural Airport	59,751	50,000	100,000
0900	Total new obligations	59,751	50,000	100,000
<b>Budgetary Resources:</b>				
<b>Unobligated balance:</b>				
1000	Unobligated balance brought forward, Oct 1	23,774	1,194	1,194
1010	Unobligated balance transferred to other accounts [69-5422]	-12,531	0	0
1021	Recoveries of prior year unpaid obligations	1,040	0	0
1029	Other balances withdrawn	-1,337	0	0
1050	Unobligated balance (total)	10,945	1,194	1,194
<b>Budget Authority:</b>				
<b>Appropriations, mandatory:</b>				
1221	Transferred from other accounts [69-5422]	50,000	50,000	100,000
1260	Appropriations, mandatory (total)	50,000	50,000	100,000
1900	Budget authority (total)	50,000	50,000	100,000
1930	Total budgetary resources available	60,945	51,194	101,194
<b>Memorandum (non-add) entries:</b>				
1941	Unexpired unobligated balance, end of year	1,194	1,194	1,194
<b>Change in obligated balance:</b>				
<b>Obligated balance, start of year (net):</b>				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	27,549	23,954	20,000
3020	Obligated balance, start of year (net)	27,549	23,954	20,000
3030	Obligations incurred, unexpired accounts	59,751	50,000	100,000
3040	Outlays (gross)	-62,307	-53,954	-80,000
3080	Recoveries of prior year unpaid obligations, unexpired	-1,040	0	0
3090	Unpaid obligations, end of year (gross)	23,954	20,000	40,000
3100	Obligated balance, end of year (net)	23,954	20,000	40,000
<b>Budget authority and outlays, net:</b>				
<b>Mandatory:</b>				
4090	Budget authority, gross	50,000	50,000	100,000
<b>Outlays, gross:</b>				
4100	Outlays from new mandatory authority	42,535	30,000	60,000
4101	Outlays from mandatory balances	19,771	23,954	20,000
4110	Outlays, net (total)	62,307	53,954	80,000
<b>Offsets against gross budget authority and outlays:</b>				
<b>Offsetting collections (collected) from:</b>				
4120	Federal sources	0	0	0
4160	Budget authority, net (mandatory)	50,000	50,000	100,000
4170	Outlays, gross (total)	62,307	53,954	80,000
4180	Budget authority, net (total)	50,000	50,000	100,000
4190	Outlays, net (total)	62,307	53,954	80,000

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE AND RURAL AIRPORT IMPROVEMENT FUND

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-5423-0-2-402	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1,235	1,535	1,547
11.5 Other personnel compensation	55	21	21
11.9 Total personnel compensation	1,290	1,556	1,567
12.1 Civilian personnel benefits	274	462	465
21.0 Travel and transportation of persons	1	3	3
23.0 Communication and utilities	0	0	0
25.0 Other services	307	322	331
26.0 Supplies and materials	4	3	3
31.0 Equipment	0	0	0
41.0 Grants, subsidies, and contributions	47,970	47,654	97,631
0.0 Transfers	9,905	0	0
99.0 Subtotal, direct obligations	59,751	50,000	100,000
99.0 Reimbursable obligations	0	0	0
99.9 Total new obligations	59,751	50,000	100,000

PERSONNEL SUMMARY

Identification Code	FY 2011	FY 2012	FY 2013
69-5423-0-2-402	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears:	9.48	11	13
Full-time equivalent employment			

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

COMPENSATION FOR AIR CARRIERS

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0111-0-1-402			
<b>Budgetary resources available for obligation</b>			
10.00 Unobligated balance available, Oct 1	5,641	6,555	6,555
10.50 Unobligated balance (total)	5,641	6,555	6,555
<b>Spending authority fm offsetting collections, mandatory:</b>			
18.00 Collected	914	0	0
18.50 Total Spending authority	914	0	0
19.00 Budget Authority (total)	914	0	0
19.30 Total Budgetary Resources Available	6,555	6,555	6,555
<b>Memorandum (non-add) entries:</b>			
19.41 Unexpired unobligated balance, end of year	6,555	6,555	6,555
<b>Budget Authority and outlays, net:</b>			
40.90 Budget authority, gross	914	0	0
41.20 Federal sources	-1,353	0	0
41.23 Non-Federal sources	438	0	0
41.30 Total Offsetting Collection (cash)	-914	0	0
41.70 Outlays, net (mandatory)	-914	0	0
41.90 Outlay, net (total)	-914	0	0

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

COMPENSATION FOR AIR CARRIERS

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0111-0-1-402			
Direct obligations:			
41.0 Grants, subsidies and contributions	0	0	0
99.9 Total obligations	0	0	0



DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

## COMPENSATION FOR GENERAL AVIATION OPERATIONS

## PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0156-0-1-402			
<b>Budgetary resources available for obligation</b>			
10.00 Unobligated balance available, Oct 1	3,254	3,254	0
10.50 Unobligated balance (total)	3,254	3,254	0
<b>Budget Authority: Appropriations, discretionary:</b>			
11.31 Unobligated balance of appropriations permanently reduced	0	-3,254	0
11.60 Appropriation, discretionary (Total)	0	0	0
<b>Spending authority fm offsetting collections, discretionary:</b>			
19.00 Budget Authority (total)	0	-3,254	0
19.30 Total Budgetary Resources Available	3,254	0	0
<b>Memorandum (non-add) entries:</b>			
19.41 Unexpired unobligated balance, end of year	3,254	0	0
<b>Budget Authority and outlays, net:</b>			
40.00 Budget authority, gross	0	-3,254	0
40.70 Budget authority, net (discretionary)			0
41.80 Budget authority, net (total)	0	-3,254	0

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

COMPENSATION FOR GENERAL AVIATION OPERATIONS

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0156-0-1-402	ACTUAL	ENACTED	REQUEST
Direct obligations:			
41.0 Grants, subsidies and contributions	0	0	0
99.9 Total obligations	0	0	0

Section 3 - FY 2013 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code		FY 2011	FY 2012	FY 2013
69-0147-0-1-407		ACTUAL	ENACTED	REQUEST
	<b>Obligations by program activity:</b>			
00.01	Direct program activity	841	794	0
09.00	Total new obligations	841	794	0
	<b>Budgetary resources available for obligations:</b>			
10.00	Unobligated balance, brought forward Oct 1	1,611	794	0
10.21	Recoveries of prior year obligations	24	0	0
10.41	Anticipated recoveries of prior year unpaid obligations			0
10.50	Unobligated balance (total)	1,635	794	0
	<b>New budget authority (gross), detail:</b>			
	Discretionary:			
	Discretionary: Spending authority from offsetting collections:			
19.30	Total budgetary resources available	1,635	794	0
	<b>Unobligated balance:</b>			
	Apportioned			
22.01	Available in current period			0
22.02	Available in subsequent periods			0
24.90	Unobligated balance, end of year			0
25.00	Total budgetary resources			0
	<b>Change in obligated balance:</b>			
30.00	Unpaid obligations, brought forward, October 1			0
30.10	Obligations incurred, unexpired accounts			0
30.20	Obligated balance, start of year (net)	1,575	1,876	0
30.30	Total new obligations	841	794	0
30.40	Total outlays (gross)	-517	-2,670	0
30.80	Recoveries of prior year obligations, unexpired accounts	-24	0	0
30.90	Unpaid obligations, end of year (gross)	1,876		0
31.00	Unpaid obligations, end of year (net)	1,876	0	0
	<b>Outlays (gross), detail:</b>			
40.11	Outlays from new discretionary authority	517	2,670	0
40.11	Outlays from discretionary balances			0
40.80	Outlays (net)	517	2,670	0
	<b>Net budget authority and outlays:</b>			
41.80	Budget authority (net)	0	0	0
41.90	Outlays (net)	517	2,670	0

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code		FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0147-0-1-407				
25.2	Direct obligations: Other services	841	794	0
99.9	Total new obligations	841	794	0

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SUPPLEMENTAL DISCRETIONARY GRANTS FOR NATIONAL SURFACE TRANSPORTATION SYSTEM  
(RECOVERY ACT)

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0106-0-1-401	ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>			
0001 Discretionary Grants	1,066	0	0
0002 Administrative Costs	1	0	0
0003 TIFIA Subsidy & Admin	14	0	0
0004 TIFIA Challenge Grants	0	0	0
0900 Total new obligations	<u>1,081</u>	0	0
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1	1,079	0	0
1010 Unobligated balance transferred to other accounts [69-0106]	-25		
1011 Unobligated balance transferred from other accounts [69-0106]	25		
1021 Recoveries of prior year unpaid obligations	2	0	0
1050 Unobligated balance (total)	<u>1,081</u>	0	0
<b>Budget Authority:</b>			
<b>Appropriations, discretionary:</b>			
1160 Appropriations, discretionary (total)	<u>0</u>	<u>0</u>	<u>0</u>
1930 Total budgetary resources available	<u>1,081</u>	0	0
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year	0	0	0
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	411	1,254	750
3020 Obligated balance, start of year (net)	<u>411</u>	<u>1,254</u>	<u>750</u>
3030 Obligations incurred, unexpired accounts	1,081	0	0
3031 Obligations incurred, expired accounts	0	0	0
3040 Outlays (gross)	-235	-505	-420
3080 Recoveries of prior year unpaid obligations, unexpired	-2	0	0
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1,255	750	330
3100 Obligated balance, end of year (net)	<u>1,255</u>	<u>750</u>	<u>330</u>
<b>Budget authority and outlays, net:</b>			
Discretionary:			
<b>Outlays, gross:</b>			
4011 Outlays from discretionary balances	235	505	420
4080 Outlays, net (discretionary)	<u>235</u>	<u>505</u>	<u>420</u>
4180 Budget authority, net (total)	0	0	0
4190 Outlays, net (total)	235	505	420
	0	0	0

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SUPPLEMENTAL DISCRETIONARY GRANTS FOR NATIONAL SURFACE  
TRANSPORTATION SYSTEM  
(RECOVERY ACT)

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0106-0-1-401	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	267	0	0
11.5 Other personnel compensation	1	0	0
11.9 Total personnel compensation	269	0	0
12.1 Civilian personnel benefits	78	0	0
21.0 Travel and transportation of persons	8	0	0
23.0 Communication and utilities		0	0
25.0 Other services	524	0	0
26.0 Supplies and materials	4	0	0
31.0 Equipment	0	0	0
41.0 Grants, subsidies, and contributions	1,079,995	0	0
99.0 Subtotal, direct obligations	1,080,878	0	0
99.0 Reimbursable obligations	0	0	0
99.9 Total obligations	1,080,878	0	0

PERSONNEL SUMMARY

Identification Code	FY 2011	FY 2012	FY 2013
69-0106-0-1-401	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	2.56	0	0

## Detailed Justification for the Livable Communities

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Livable Communities

(\$000)

	<u>FY 2011 Actual</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Request</u>	<u>Change FY 2012- 2013</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	0	0	0	0
Travel	0	0	0	0
Other Costs	0	0	5,000	5,000
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>5,000</b>
<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

The Livable Communities program requests \$5 million in FY 2013 to accomplish the mission outlined below.

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### What Is This Program?

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Livability is a key priority for this Administration, and the Secretary has made Livable Communities a new Departmental strategic goal. A livable community is defined as a community with transportation options, a variety of housing types, and destinations close to homes. The way infrastructure investments are made – including the layout of the roads, transit systems and walkways –has a huge impact on livability. The Livable Communities program promotes coordination of livability and sustainability in Federal infrastructure policy and supports the **Livable Communities** strategic goal. The Department's comprehensive strategy promotes livability, increases transportation choices, and significantly lowers the long-run cost of transportation (and other infrastructure) both for household budgets and taxpayers.

The Livable Communities program, which is administered by the Office of the Assistant Secretary for Policy within the Office of the Secretary of Transportation (OST), supports the work of the DOT Livability Initiative and the multi-agency Partnership for Sustainable Communities. The initiative provides support for urban and rural communities to promote livable communities through adoption of transportation plans and policies that are coordinated with plans for housing, sewer and water infrastructure, investments, and related policies. In FY 2013, a focus area will be creating a Livability Technical Assistance and Capacity Building Pilot to provide intensive technical assistance and capacity building support, along with HUD and EPA, for selected pilot communities seeking to develop and implement regional strategies to integrate transportation, housing, environmental and economic development plans. The Partnership for Sustainable Communities is committed to building communities that provide housing options that are connected by multiple transportation modes to opportunities to work, learn and play.

As part of the larger transportation system, a network of highly interconnected regional, urban, local, and rural public transportation services will have a vital role in providing mobility and access, ensuring that people can move conveniently and efficiently. The Livable Communities program will work through the Partnership for Sustainable Communities to develop broad, universal performance measures that can be used to track livability across the Nation as well as performance measures that capture local circumstances, help advance more robust State and local planning efforts, create incentives for investments that demonstrate the greatest enhancement of community livability based on performance measures, and focus transportation spending in a way that supports and capitalizes on other infrastructure investment, both public and private.

The Livable Communities program oversees DOT modal livability programs to better support the planning and building of interconnected walking and bicycling networks as well as the connections of those networks to local transit systems. The program will continue to support an online website for livability. This online site's essential in providing adequate information and tools for communities wishing to implement livability policies and projects. It will be a central point for online users to find tools, funding opportunities, peer exchanges, trainings, and other resources related to livable communities.

The Livable Communities program will foster the development of more transportation choices, including improving networks that accommodate pedestrians and bicycles by working with EPA and HUD to support planning, capacity building and tool development that allows communities to consider how they will grow. The program will work with EPA and HUD to encourage investments in infrastructure that support community growth plans and support more transportation choices. Actions have already led to new Departmental and bicycle policies and networks that allow choices in addition to the automobile will continue to be fostered.



## Why Is This Particular Program Necessary?

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A key priority for DOT and this Administration is fostering livable communities – places where transportation, housing and commercial development investments have been coordinated so that people have access to adequate, affordable, and environmentally sustainable travel options. The outcomes or results of livable communities include increased access to convenient, affordable transportation choices, improvements in the public transit experience, provision of additional pedestrian and bicycle networks, and improved access to transportation for special needs populations and individuals with disabilities. Achieving these outcomes with this program and a coordinated approach with other agencies will lead to lower household expenditures for transportation, currently 17 percent,<sup>1</sup> and affordable connections to jobs and other amenities.

Since the federal government began investing in the U.S. transportation system 50 years ago, projects have often been poorly coordinated with other infrastructure investments such as housing, schools, and commercial development. This has contributed to the prevalence of low-density, scattered, auto-dependent communities and disinvestment in many of the Nation's core urban and rural centers. This kind of development is energy-intensive and contributes to a dependence on fossil fuels and a tendency toward high carbon-emissions; it has been correlated with increasing rates of obesity in the U.S. and higher transportation costs for American families.

Coordinated development and comprehensive planning – the type of projects encouraged by the Livable Communities program – are shown to have decreased greenhouse gas emissions associated with them, positive health impacts on the community's residents, and lower household transportation costs, leading to more economically resilient communities. This coordinated approach can also save taxpayer dollars. Using U.S. Census Bureau data, many studies estimate that compact, mixed-use development can reduce infrastructure costs by 11 percent or more.

A consumer research study found that over half of the Millennial generation – people born from the mid-1970s to the 1990s – felt that an easy walk to stores was an extremely important determinant in housing and neighborhood choice and over two-thirds of them felt that living in a walkable community was important.<sup>2</sup> In more livable, walkable communities, older Americans will be more able to age in place because, even if they have to curtail their driving, they will still have access to medical services, shopping family, friends and social amenities.

The traditional nuclear family that made up 40 percent of households in 1970 now comprises less than 24 percent of households.<sup>3</sup> This is an important demographic trend that could have a profound effect on the demand for transit because older, non-family, non-white households are the demographic groups growing most quickly. Due to zoning codes and disjointed transportation, housing, and economic development policies, meeting market demand for vibrant, walkable neighborhoods is often difficult or

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<sup>1</sup> U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey, 2007 and personal communication with U.S. Department of Transportation, Bureau of Transportation Statistics, November 2008.

<sup>2</sup> Ducker, Adam. "Generation Y and the MPC: Oil and Water or the Next Big Wave?." ULI MPC Conference. RCLCO consumer research: 2008. Web. 25 Jan 2010. [www.rclco.com/generalpdf/general\\_Jun1320081110\\_ULI\\_MPC\\_Conference\\_RCLCO\\_Gen\\_Y\\_6.13.pdf](http://www.rclco.com/generalpdf/general_Jun1320081110_ULI_MPC_Conference_RCLCO_Gen_Y_6.13.pdf)

<sup>3</sup> Reconnecting America and Center for Transit Oriented Development. "TOD 101." *Why Transit Oriented Development and Why Now?*. 2008. Reconnecting America, Web. <<http://www.reconnectingamerica.org/public/show/tod101full>>.

impossible. The Livable Communities initiative is intended to alleviate and remove barriers to implementation, allowing for the appropriate supply of these highly and widely-valued communities.

The Livable Communities program within DOT will directly support work that will encourage the positive outcomes of livable communities. By supporting the work of the Partnership, more outcomes will be achieved that break down silos and eliminate barriers – making implementation of livable communities easier at the local level. By coordinating among the operating administrations of DOT, the OST Livable Communities program will ensure that DOT initiatives also support these goals, send a consistent message, provide adequate tools and resources, and are original and useful in their scope and implementation. Finally, by developing key tools and making additional data available to communities interested in pursuing livable communities, the Department is encouraging these benefits in a direct and tangible way.

### **How Do You Know The Program Works?**

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Livable communities have been shown to have many benefits, which would be supported by the Livable Communities program. Livable communities save tax payer money on infrastructure costs, save household transportation costs, decrease environmental impacts, boost economic competitiveness, and increase health.

The application of livability strategies can save billions in infrastructure investment. According to the U.S. Census Report, “The Market for Smart Growth,” smart growth savings could be: 12% on road-building, 6% on water and sewer infrastructure costs, and 4% on annual operations if transportation, housing, and water infrastructure plans were aligned. These facts are supported by the example of Envision Utah, where their “Quality Growth Strategy” is projected to require \$4.5 billion less investment in transportation, water, sewer, and utility over 10 years as compared to traditional development patterns.

Livable communities also save household’s money. In livable communities, which support increased transportation choices, people own fewer vehicles and drive fewer miles, and therefore have lower transportation costs. In fact, good transit access yields one less car per household, lowering the cost of living by \$300-600/month. This is the equivalent of increasing income 10-20% tax free. This is because people who live close to transit stops tend to use it. A study in the Bay Area by the Metropolitan Transportation Commission found that, for people who both live and work within half a mile of a rail or ferry stop, 42% of them commute by transit. For those who neither work nor live within such proximity, the number falls to 4%.

Oil use and air pollution drops substantially in communities that provide transportation choices, walkability, and destinations within an easy distance of each other. An NPR case study in Atlanta compared the carbon footprint of a family in a walkable, transit-served neighborhood to a family in a car-dependent one. The footprint of the car-dependant family was 40% larger, with transportation accounting for almost 95% of the difference. This case study, Atlantic Station, avoided 50 million vehicle miles traveled. Additionally, livable communities help address many environmental issues faced in rural areas. Productive farmland close to urban centers is being lost due to suburban sprawl. New land could be brought into agricultural production but often at high economic and environmental cost. Also the farther farmland is moved from urban centers—where the consumers are—the more inefficient

it is to bring products to market, especially for smaller farms selling their produce in local markets. Livable communities help address these issues by reducing sprawl and providing transportation options within rural communities.

Livable communities are more economically resilient. HUD has found that foreclosures were more pervasive in communities that were car dependent. And in some cases, property values in livable communities have actually continued to rise. One study showed that in 13 of 15 metro areas studied, a one-point increase in the Walk Score associated with a \$500 - \$3,000 increase in home values. The increase in home values, along with the other commodities and conveniences offered in livable communities, cause an increase in investment. From 2004-2008, EPA invested \$3.3 million in place-specific projects and programs. These investments attracted \$8.1 million in additional investments.

Finally, livable communities have tangible health benefits.. People who walk as part of their daily routine (as opposed to part of an exercise regime) tend to be healthier. Recent studies have shown an average weight difference of 6 pounds for walkable versus auto- dependent communities.

The benefits of livable communities are tangible. The Partnership for Sustainable Communities and the DOT Livability Initiative are promoting livable communities by working to remove federal regulatory, administrative, and legislative barriers to implementation, providing funding opportunities for livability projects, providing technical assistance and planning support, and by increasing the capacity of regional offices and community leaders. By supporting these efforts, the Livable Communities program will contribute to these community enhancements.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

The Department requests \$5 million for Livable Communities program within the Office of the Secretary working to refine federal policies that promote livable communities and work with DOT Operating Administrations, HUD, and EPA to develop and implement programmatic guidance, standards, rules, and program proposals consistent with the new policies. In addition, the program identify current federal program barriers for developing livable communities, options for lifting those barriers, and assessing the effectiveness of various transportation programs in supporting livability.

The program will use up to \$2.5 million for technical oversight activities and other expenses to include technical assistance; a new Livability Technical Assistance and Capacity Building Pilot; increased coordination with modal administrations, particularly coordination of field office outreach; and oversight of livability tool refinement, including an affordability index, an online livability database, and training for federal employees working with livability.

This request includes appropriations language that would facilitate joint funding between participating agencies. The joint funding experience with FY 2010 funds between DOT and HUD through the Community Challenge/TIGER2 planning grants identified numerous barriers to facilitating joint funding and consequently resulted in the duplication of effort by our grantees and by Federal staff. These barriers have been raised in a July 2011 report to Congress on barriers to integrating housing and transportation programs.

The remaining \$2.5 million will be used to develop tools for implementing livable communities - all in collaboration with EPA, HUD and DOT's Operating Administrations. Some of these tools will require multi-year funding while others may be fully funded in a single year. The tools will include:

- An affordability index that will combine housing and transportation costs for households. The development of a housing and transportation affordability index will have significant implications for redefining housing affordability and in FY 2013 the program will work to integrate this tool into DOT policies and programs. It will play a role in illustrating the affordability of housing near public transportation versus suburban housing that lacks accessibility.
- Updates to an online website for livability maintained in conjunction with HUD and EPA. This online site is essential in providing adequate information and tools for communities wishing to implement livability policies and projects. It will be a central point for online users to find grant announcements, tools, funding opportunities, peer exchanges, trainings, and other resources related to livable communities.
- Finally, the Livable Communities program will fund multiple in-person and/or virtual training sessions for the purpose of bringing together regional staff from DOT, HUD, and EPA. By bringing field office employees designated as points of contact for livability across all three agencies together, the training sessions will increase knowledge and capacity in the field offices to promote livable communities. Staff will be instructed in best practices in community engagement and learn sustainable development practices providing them the skills needed to provide technical assistance to grantees and the successful implementation of projects.

The development of these tools and web information is crucial for moving forward with the livability initiative. Providing a central location for local governments, community leaders, and other stakeholders to access them is crucial to disseminating important information about the implementation of livability.

**Explanation of Funding Changes  
for the  
*Livable Communities*  
(\$000)**

<b>FY 2012 Enacted</b>	\$	-
<u>Adjustments to base:</u>		
Inflation Increase	\$	-
Pay Raise	\$	-
One Additional Compensable day	\$	-
Rent:	\$	-
WCF	\$	-
Workers Compensation:	\$	-
<b>FY 2013 Adjusted Base</b>	\$	-
<u>Redirection of Resources:</u>		
Personnel Compensation and Benefits	\$	-
Other Costs	\$	-
WCF	\$	-
<b>Program Changes (+/-):</b>	\$	5,000
<p>\$2.5 million will be used for technical oversight activities and a new Livability Technical Assistance and Capacity Building Pilot; and \$2.5 million will be used to develop tools for implementing livable communities.</p>		
<b>Base Offsets(+/-)</b>	\$	-
<b>Total FY 2013 Request:</b>	\$	<b>5,000</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

LIVABLE COMMUNITIES

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0158-0-1-401	ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>			
0001 Livable Communities	0	0	5,000
0900 Total new obligations (object class 25.2)	0	0	5,000
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	0	0	5,000
1160 Appropriation, discretionary (total)	0	0	5,000
1930 Total budgetary resources available	0	0	5,000
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	0	0	0
3020 Obligated balance, start of year (net)	0	0	0
3030 Obligations incurred, unexpired accounts	0	0	5,000
3040 Outlays (gross)			-2,000
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	0	0	3,000
3100 Obligated balance, end of year (net)	0	0	3,000
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross			5,000
Outlays, gross:			
4010 Outlays from new discretionary authority			2,000
4180 Budget authority, net (total)			5,000
4190 Outlays, net (total)			2,000

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

LIVABLE COMMUNITIES

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code		FY 2011	FY 2012	FY 2013
69-0158-0-1-401		ACTUAL	ENACTED	REQUEST
25.2	Direct obligations: Other services	0	-	5000
99.9	Total new obligations	0	0	5,000

## Detailed Justification for the National Infrastructure Investments

### What Is The Request And What Will We Get For The Funds?

FY 2013

#### National Infrastructure Investments

(\$000)

	FY 2011 Actual	FY 2012 Enacted	FY 2013 Request	Difference from FY 2012 Enacted
<b>FUNDING LEVELS</b>				
Discretionary: Infrastructure Investments	501,994	480,000	-	(480,000)
Administrative Expenses	24,950	20,000	-	(20,000)
Discretionary: Subtotal	526,944	500,000	-	(500,000)
Discretionary: Infrastructure Investments	(501,994)	(480,000)	-	480,000
Administrative Expenses	(24,950)	(20,000)	-	20,000
Discretionary: Subtotal	(526,944)	(500,000)	-	500,000
Mandatory: Infrastructure Investments (Appropriations)	501,994	480,000	-	(480,000)
Administrative Expenses	24,950	20,000	-	(20,000)
Mandatory: Subtotal	526,944	500,000	-	(500,000)
Mandatory: Infrastructure Investments (Trust Fund Contract Authority)				
Mandatory: Infrastructure Investments	-	-	480,000	480,000
Administrative Expenses	-	-	20,000	20,000
Mandatory: Subtotal	-	-	500,000	500,000
<i>Obligation Limitation (Trust Fund)</i>			<i>[500,000]</i>	<i>[500,000]</i>
<i>Liquidating Cash (Trust Fund)</i>			<i>[500,000]</i>	<i>[500,000]</i>
<b>TOTAL</b>	<b>526,944</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>
<b>STAFFING</b>				
Direct Positions	18	25	12	-13
Direct FTE	9.41	10	12	2

As part of the surface transportation reauthorization proposal, the Administration is proposing \$500 million of contract authority in FY 2013 for the National Infrastructure Investments program funded from the multi-modal account in the Transportation Trust Fund. The FY 2013



Budget proposes a \$500 million obligation limitation on the program. It also rebaselines the FYs 2011 and 2012 funding for this program from discretionary to mandatory.

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### **What Is This Program?**

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The National Infrastructure Investments program leverages federal dollars and focuses on investments of national and regional significance that often fall through the cracks in the current mode-specific transportation programs. Funds are provided to State and local governments and transit agencies for capital investments in the Nation's surface transportation infrastructure, including roads and highways, public transportation facilities, freight and passenger rail, and port infrastructure. The Secretary awards these funds on a competitive basis, and selects merit-based projects that make a significant impact on the Nation, a metropolitan area, or a region.

The surface transportation reauthorization proposal includes contract authority of \$500 million for FY 2013 increasing to \$638 million in FY 2018 for the National Infrastructure Investments program. The National Infrastructure Investments legislative language in the surface transportation reauthorization proposal includes provisions to ensure equitable geographic distribution of the funds as well as an appropriate balance in addressing the needs of urban and rural communities. It also provides for the program's funds to be used Transportation Infrastructure Finance and Innovation Act (TIFIA) credit assistance to eligible projects.

### **Why Is This Particular Program Necessary?**

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The National Infrastructure Investments program is necessary because the U.S. transportation infrastructure, much of which was built decades ago, is aging and in need of repair. The program helps build more varied, affordable, and environmentally sustainable transportation options. The program promotes innovative approaches to moving people and goods. Competitive national programs facilitate creative and innovative approaches at the State and local level and leverage substantial resources for major transportation investments.

### **How Do You Know The Program Works?**

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National Infrastructure Investments have the unique ability to increase the economic competitiveness of the Nation in the full range of transportation infrastructure options - highway, transit, rail, and port facilities – to support solutions that no other program at the Department can offer. State and local governments have shown a tremendous interest in the program and the Department expects that demand for grant funds will continue to far exceed what is available.

**Why Do We Want/Need To Fund The Program At The Requested Level?**

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As part of the surface transportation reauthorization proposal, the Administration is proposing \$500 million of contract authority in FY 2013 for the National Infrastructure Investments program funded from the multi-modal account in the Transportation Trust Fund.

A \$500 million obligation limitation is requested for the National Infrastructure Investments program in FY 2013, subject to the enactment of surface transportation reauthorization legislation. It also funds an estimated 12 FTEs to administer the National Infrastructure Investment program. The program will address the deteriorating state of the Nation's transportation system, and help spur investment beyond the Federal government. The competitive aspect of this program encourages additional investment into transportation infrastructure while utilizing the available grant and loan funding to enhance the Nation's transportation network.

**Explanation of Funding Changes  
for  
National Infrastructure Investments  
Contract Authority (Trust Fund)  
(\$000)**

<b>FY 2012 Enacted</b>	\$	-
<u>Adjustments to base:</u>		
Pay Raise	\$	-
Inflation Increase	\$	-
One Additional Compensable day	\$	-
Rent	\$	-
WCF	\$	-
Workers Compensation	\$	-
<b>FY 2013 Adjusted Base</b>	<b>\$</b>	<b>-</b>
<u>Redirection of Resources:</u>		
Personnel Compensation and Benefits	\$	-
Other Costs	\$	-
WCF	\$	-
<b>Program Changes (+/-):</b>		
Mandatory Contract Authority (Transportation Trust Fund)		500,000
<b>Base Offsets (+/-):</b>		
<b>Total FY 2013 Request</b>	<b>\$</b>	<b>500,000</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENTS

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0143-0-1-401	Actual	Enacted	Request
<b>Obligations by program activity:</b>			
0001 National Infrastructure Investments Grants	448,098	618,029	489,429
0002 Administrative Costs	4,703	28,000	17,690
0003 TIFIA Subsidy & Admin	20,000	0	0
0900 Total new obligations	472,801	646,029	507,119
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1	599,000	653,148	507,119
1010 Unobligated balance: Transferred to other accounts	-574,727	0	0
1011 Unobligated balance: Transferred from other accounts	574,727	0	0
<b>Budget Authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation	528,000	500,000	0
1130 Appropriation permanently reduced	-1,056	0	0
1160 Appropriation, discretionary (total)	526,944	500,000	0
<b>Appropriations, mandatory:</b>			
1200 Appropriation	0	0	0
1260 Appropriation, mandatory (total)	0	0	0
1900 Budget authority (total)	526,944	500,000	0
1930 Total budgetary resources available	1,125,944	1,153,148	507,119
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year	653,148	507,119	0
<b>Change in obligated balance:</b>			
<b>Obligated balance, start of year (net):</b>			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	758	440,237	982,555
3020 Obligated balance, start of year (net)	758	440,237	982,555
3030 Obligations incurred, unexpired accounts	472,801	646,029	507,119
3040 Outlays (gross)	-33,317	-103,711	-319,658
3080 Recoveries of prior year obligations	-5	0	0
<b>Obligated balance, end of year (net):</b>			
3090 Unpaid obligations, end of year (gross)	440,237	982,555	1,170,016
3100 Obligated balance, end of year (net)	440,237	982,555	1,170,016
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross	526,944	500,000	0
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority	87	0	0
4011 Outlays from discretionary balances	33,230	103,711	319,658
4020 Outlays, gross (total)	33,317	103,711	319,658
4070 Budget authority, net (discretionary)	526,944	500,000	0
4080 Outlays, net (discretionary)	33,317	103,711	319,658
4180 Budget authority, net (total)	526,944	500,000	0
4190 Outlays, net (total)	33,317	103,711	319,658

*The Office of the Secretary of Transportation (OST) plans to announce the awards of the National Infrastructure Investments FY 2012-2013 grants in FY 2012. Therefore, these funds are expected to be obligated starting in early FY 2013.*

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENTS

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0143-0-1-401	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	783	1,468	1,468
11.5 Other personnel compensation	5	14	14
11.9 Total personnel compensation	788	1,482	1,482
12.1 Civilian personnel benefits	245	367	367
21.0 Travel and transportation of persons	9	90	90
22.0 Transportation of things		3	3
23.0 Communication and utilities			
24.0 Printing and Reproduction			
25.2 Other services from non-federal sources	3,658	12,755	4,800
26.0 Supplies and materials	2	15	15
31.0 Equipment			
41.0 Grants, subsidies, and contributions	18,000		
99.0 Direct obligations	22,702	14,713	6,757
Allocation Account - direct:			
11.1 Personnel compensation: Full-time permanent	853	2,832	3,353
21.0 Travel and transportation of persons		715	714
24.0 Printing and Reproduction		9	9
25.2 Other services from non-federal sources	1,147	9,379	6,993
26.0 Supplies and materials		19	19
41.0 Grants, subsidies, and contributions	448,098	618,029	489,429
99.0 Allocation account - direct	450,098	630,983	500,517
99.9 Direct obligations	472,800	645,696	507,275

PERSONNEL SUMMARY

Identification Code	FY 2011	FY 2012	FY 2013
69-0143-0-1-401	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	9.41	10	8

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENTS  
TRANSPORTATION TRUST FUND

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code		FY 2011 Actual	FY 2012 Enacted	FY 2013 Request
69-8372-4-7-401				
<b>Obligations by program activity:</b>				
0001	National Infrastructure Investments Grants	0	0	480,000
0002	Administrative Costs	0	0	2,000
0003	TIFIA Subsidy & Admin	0	0	0
0900	Total new obligations	0	0	482,000
<b>Budgetary Resources:</b>				
<b>Unobligated balance:</b>				
1000	Unobligated balance brought forward, Oct 1	0	0	0
1010	Unobligated balance: Transferred to other accounts	0	0	0
1011	Unobligated balance: Transferred from other accounts	0	0	0
<b>Budget Authority:</b>				
<b>Appropriations, discretionary:</b>				
1101	Appropriation (Special or Trust Fund)	0	0	500,000
1137	Appropriations applied to liquidate contract authority	0	0	-500,000
1160	Appropriation, discretionary (total)	0	0	0
<b>Contract Authority, mandatory</b>				
1600	Contract Authority, mandatory	0	0	500,000
1640	Contract authority, mandatory (total)	0	0	500,000
1900	Budget authority (total)	0	0	500,000
1930	Total budgetary resources available	0	0	500,000
<b>Memorandum (non-add) entries:</b>				
1941	Unexpired unobligated balance, end of year	0	0	18,000
<b>Change in obligated balance:</b>				
<b>Obligated balance, start of year (net):</b>				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	0	0	0
3020	Obligated balance, start of year (net)	0	0	0
3030	Obligations incurred, unexpired accounts	0	0	482,000
3040	Outlays (gross)	0	0	0
3080	Recoveries of prior year obligations	0	0	0
<b>Obligated balance, end of year (net):</b>				
3090	Unpaid obligations, end of year (gross)	0	0	482,000
3100	Obligated balance, end of year (net)	0	0	482,000
<b>Budget authority and outlays, net:</b>				
<b>Mandatory</b>				
4090	Budget authority, gross	0	0	500,000
<b>Outlays, gross:</b>				
4100	Outlays from new mandatory authority			
4101	Outlays from mandatory balances	0		
4110	Outlays, gross (total)	0	0	0
4160	Budget authority, net (mandatory)	0	0	500,000
4170	Outlays, net (mandatory)	0	0	0
4180	Budget authority, net (total)	0	0	500,000
4190	Outlays, net (total)	0	0	0

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENTS  
TRANSPORTATION TRUST FUND

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-8372-4-7-401	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	0	0	1,000
11.5 Other personnel compensation	0	0	0
11.9 Total personnel compensation	0	0	1,000
12.1 Civilian personnel benefits	0	0	0
21.0 Travel and transportation of persons	0	0	0
22.0 Transportation of things			
23.0 Communication and utilities	0		
24.0 Printing and Reproduction		0	0
25.2 Other services from non-federal sources	0	0	1,000
26.0 Supplies and materials	0	0	0
31.0 Equipment			
41.0 Grants, subsidies, and contributions	0		
99.0 Direct obligations	0	0	2,000
Allocation Account - direct:			
11.1 Personnel compensation: Full-time permanent	0	0	0
21.0 Travel and transportation of persons		0	0
24.0 Printing and Reproduction		0	0
25.2 Other services from non-federal sources	0	0	0
26.0 Supplies and materials		0	0
41.0 Grants, subsidies, and contributions	0	0	480,000
99.0 Allocation account - direct	0	0	480,000
99.9 Direct obligations	0	0	482,000

PERSONNEL SUMMARY

Identification Code	FY 2011	FY 2012	FY 2013
69-0143-0-1-401	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	0	0	4

## Detailed Justification for the Cyber Security Initiative

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – Cyber Security Initiative (\$000)

	FY 2011 Actual	FY 2012 Enacted	FY 2013 Request	Difference from FY 2012 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	0	0	0	0
Travel	0	0	0	0
Other Costs	0	10,000	6,000	-4,000
<b>TOTAL</b>	<b>0</b>	<b>10,000</b>	<b>\$ 6,000</b>	<b>\$ (4,000)</b>
<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

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The OCIO is requesting \$6 million in FY 2013 to accomplish the mission outlined below.

### What Is This Program/Activity?

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The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT), cyber security, privacy, and records management advisor to the Secretary. The Office of the CIO (OCIO) supports the **Organizational Excellence** Strategic Goal.

A major focus of the FY 2013 Cyber Security Initiatives request will be for necessary upgrades to wide area network and information technology infrastructure and building on and continuing the accomplishments achieved in FY 2012. The funding will position DOT to address evolving



risks in cyber security by implementing an environment that will properly divide the WAN and existing Campus Area Network (CAN) environment associated with the Common Operating Environment Network (COE). The appropriation will provide funding to upgrade the WAN to strengthen cyber security at DOT by accommodating current and future users, replacing failing pieces of the existing infrastructure, and properly implementing infrastructure components to support critical federal initiatives, including Trusted Internet Connection (TIC), Domain Name System Security Extensions (DNSSEC), and Compliance Monitoring.

Currently, there are pieces of both a DOT WAN and CAN in the Working Capital Fund (WCF). A limited Capital Asset replacement reserve is maintained in the WCF to support replacement of existing capital assets. The current equipment replacement reserve balance in the WCF is composed primarily of equipment purchased for the New HQ Building infrastructure - intended to support the DOT HQ campus only. The New HQ equipment infrastructure was purchased in FY 2006 with a special appropriation and was transferred into the WCF starting in FY 2008 for operational support, maintenance and future reserves. The existing equipment is largely out-of-date and inconsistently deployed, posing cyber security risks to the infrastructure.

In line with the original purpose of the New HQ Building equipment purchase, the WCF assets will continue to support the CAN associated with the DOT HQ. The Cyber Security Initiatives appropriation will focus on funding the Wide Area Network (WAN) and building on and continuing the accomplishments achieved in FY 2012. This includes infrastructure outside of the DC campus, focusing on the field network expansion. By consolidating all DOT networks into the COE through an expanded and stabilized WAN, the Department will be more secure through a standardized, integrated environment.

The updated infrastructure approach supports the Departmental cyber security plan, which is a holistic initiative that invests in people, process, and technologies at strategic, operational, and tactical levels.

**Anticipated FY 2012 Accomplishments:**

In FY 2012, \$10M was appropriated to allow DOT to address urgent and immediate threats to critical transportation related business operations. This appropriation will assist in stabilizing the DOT technology infrastructure, effectively remediating vulnerabilities, and ensuring adequate threat remediation moving forward. Specific areas for improvement will be focused on Trusted Internet Connection (TIC), Desktop Security, and Compliance Monitoring. In all three areas, work is planned to address DHS compliance elements and OIG recommendations.

### **Why Is This Particular Program/Activity Necessary?**

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The DOT operates and oversees significant elements of the critical transportation and information technology (IT) infrastructure of the United States. Much of the DOT framework relies upon, and is integrated with, computer networks, computer mediated communications, online databases, and a wide variety of other computer and computer network capabilities. With the increasing interconnectivity between DOT, other federal, state, and local government agencies, and the private sector entities it regulates, and an ongoing modernization to include commodity Internet-based technologies, new dependencies, relationships, and vulnerabilities are created that did not previously exist, resulting in new risks to the DOT IT infrastructure.

Another challenge is supporting the ongoing COE field consolidation, which requires integration of the HQ assets with existing Operating Administration (OA) owned field assets. The current Capital Asset replacement reserve in the Working Capital Fund will not support the purchases for field asset and bandwidth integration. The current reserve also does not adequately support the expanding network and security requirements or new technology enhancements. This initiative will build the necessary Wide Area Network (WAN) infrastructure to support expanding OMB-mandated DOT network security requirements and network field integration.

### **Why Do We Want/Need To Fund The Program/Activity At The Requested Level?**

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The DOT OCIO is requesting \$6 million in FY 2013, to allow a build-out and modernization of the WAN and build on and continue the accomplishments achieved in FY 2012. This funding will focus on the replacement and implementation of WAN infrastructure components in the categories of: Network Infrastructure, Server Infrastructure, Security and Incident Management Center (IMC) Operations, and Communications and Utilities. These components will expand the WAN and provide key program enhancements, including infrastructure upgrades that will improve detection and response capabilities, and engineering resources to address DOT network security requirements. The end goal is to implement an adequate WAN to shift the Department from a reactive posture to a proactive approach that avoids system compromise and information loss to the maximum extent practicable.

**Explanation of Funding Changes  
for the  
Cyber Security Initiative  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 10,000</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ -
Pay Raise	\$ -
One Additional Compensable day	\$ -
Rent	\$ -
WCF	\$ -
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 10,000</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	<b>\$ (4,000)</b>
<b>Base Offsets (+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ 6,000</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

## CYBER SECURITY INITIATIVES

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
69-0159-0-1-407			
<b>Obligations by program activity:</b>			
00.01 Cyber Security Initiative	0	10,000	6,000
01.00 Direct program activities, subtotal	0	10,000	6,000
<b>Budgetary resources available for obligation</b>			
10.00 Unobligated balance available, Oct 1	0	0	0
10.21 Recoveries of prior year unpaid obligations	0	0	0
10.50 Unobligated balance (total)	0	0	0
<b>Budget Authority: Appropriations, discretionary:</b>			
11.00 Appropriation	0	10,000	6,000
11.30 Appropriation permanently reduced	0	0	0
11.60 Appropriation, discretionary (Total)	0	10,000	6,000
19.30 Total Budgetary Resources Available	0	10,000	6,000
<b>Memorandum (non-add) entries:</b>			
19.41 Unexpired unobligated balance, end of year	0	0	0
<b>Change in obligated balance:</b>			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	0	0	1,000
30.20 Obligated balance, start of year (net)	0	0	1,000
30.30 Obligations incurred, unexpired accounts	0	10,000	6,000
30.40 Outlays (gross)	0	-9,000	-6,400
30.90 Unpaid obligations, end of year (gross)	0	1,000	600
31.00 Obligated balance, end of year (net)	0	1,000	600
<b>Budget Authority and outlays, net:</b>			
40.00 Budget authority, gross	0	10,000	6,000
<b>Outlays, gross:</b>			
40.10 Outlays from new discretionary authority	0	9,000	5,400
40.11 Outlays from discretionary balances	0	0	1,000
40.20 Outlays, gross (total)	0	9,000	6,400
40.70 Budget authority, net (discretionary)	0	10,000	6,000
40.80 Outlays, net (discretionary)	0	9,000	6,400
41.80 Budget authority, net (total)	0	10,000	6,000
41.90 Outlays, net (total)	0	9,000	6,400

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011	FY 2012	FY 2013
69-0159-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges	0	825	825
25.2 Other services	0	2,773	2,773
31.0 Equipment	0	6,403	2,402
99.9 Total obligations	\$0	\$10,000	\$6,000

PERSONNEL SUMMARY

Identification Code	FY 2011	FY 2012	FY 2013
69-0159-0-1-407	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears: Full-time equivalent employment	0	0	0

## Detailed Justification for Immediate Transportation Investments

### What Is The Request And What Will We Get For The Funds?

---

FY 2013

#### Transportation Infrastructure Grants and Financing

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Estimate</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Estimate</u>
<u>FUNDING LEVELS</u>				
Grants and Financing <sup>1/</sup>	0	4,000,000	0	-4,000,000
<b>TOTAL</b>	<b>0</b>	<b>4,000,000</b>	<b>0</b>	<b>-4,000,000</b>
<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

<sup>1/</sup> One half of half a percent of the available funds can be used for administrative expenses.

To spur job growth and allow states to initiate sound multi-year investments, the budget assumes in FY 2012 a \$50 billion economic boost above current law spending for immediate investments for highway, highway safety, transit, passenger rail, and aviation activities. Of this amount, \$4.0 billion is for Transportation Infrastructure Grants and Financing.

### What Is This Program?

---

The FY 2012 Immediate Transportation Investments funding would provide \$4 billion for Transportation Infrastructure Grants and Financing. Grants and credit assistance would be awarded on a competitive basis for projects across all surface transportation modes that would have a significant impact on the Nation, a metropolitan area, or a region. The Secretary would publish criteria on which to base competition for the grants and credit assistance within 90 days of enactment, with priority for distribution of funds given to projects expected to be completed within three years of the date of enactment of the funding.

**Why Is This Particular Program Necessary?**

---

The Transportation Infrastructure Grants and Financing program would address the dual needs of upgrading the U.S. transportation infrastructure and creating jobs that will put more Americans back to work. The program would focus on innovative, multi-modal transportation investments that provide innovative approaches to moving people and goods. Competitive national programs such as this facilitate creative and innovative approaches at the State and local level and leverage substantial resources for major transportation investments.

**How Do You Know The Program Works?**

---

Modeled after the successful TIGER grant program, the Transportation Infrastructure Grants and Financing program has the ability to invest in the full range of surface transportation infrastructure options – highways, transit, rail and port facilities – to support solutions that no other program at the Department can offer. State and local governments have demonstrated tremendous interest in this kind of program. As with many transportation grant programs, the Department expects that demand for grant funds and credit assistance will exceed the available funding, even at the \$4 billion funding level.

**Why Do We Want/Need To Fund The Program At The Requested Level?**

---

\$4 billion is requested for the Transportation Infrastructure Grants and Financing program in FY 2012. The program will provide needed transportation infrastructure and create jobs, while spurring job growth and investment beyond the Federal government.

**Explanation of Funding Changes  
for the  
*Immediate Transportation Investment*  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 4,000,000</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ -
Pay Raise	\$ -
One Additional Compensable Day	\$ -
Rent	\$ -
WCF	\$ -
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base:</b>	<b>\$ 4,000,000</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
<b>Program Changes (+/-):</b>	<b>\$ (4,000,000)</b>
<b>Base Offsets(+/-):</b>	
<b>Total FY 2013 Request:</b>	<b>\$ -</b>



**DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND  
TECHNOLOGY**

**FY 2013 CONGRESSIONAL BUDGET SUBMISSION**

**RESEARCH AND TECHNOLOGY TABLE OF CONTENTS**

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**GENERAL NOTES**

Detail in this document may not add to the totals due to rounding.

**Office of the Assistant Secretary for Research and Technology**

**FY 2013 Congressional Budget Submission  
Assistant Secretary's Overview**

**New Approach for Transportation Research Initiatives**

To strengthen research functions across the Department by providing a prominent, centralized focus on research and technology, the fiscal year 2013 budget elevates all activities currently performed by the Research and Innovative Technology Administration (RITA) to a new office within the Office of the Secretary. The proposed Office of the Assistant Secretary for Research and Technology will improve coordination and collaboration between operating administrations, resulting in higher quality research outcomes.

Under this proposal, the RITA Administrator will become the Assistant Secretary for Research and Technology. All functions of RITA will remain in the Office of the Assistant Secretary for Research and Technology. The Office of the Assistant Secretary for Research and Technology will:

- Facilitate, review, and maximize the effectiveness of the Department's research, development, and technology (RD&T) portfolio;
- Coordinate the Department's RD&T Planning Council and Planning Team;
- Provide transportation statistics research, analysis, and reporting through the Bureau of Transportation Statistics (BTS);
- Advance innovative technologies through the Intelligent Transportation Systems (ITS) Joint Program Office (JPO); and
- Further education and training in transportation and related fields through the University Transportation Centers (UTC) program.

The new placement of research and technology activities in the Office of the Secretary will:

- Ensure research activities and budgetary resources across the Department are aligned with the Department's strategic goals and key interest areas;
- Improve coordination of research and technology across the Department, which will reduce duplication of efforts and eliminate inefficiencies;
- Increase the use of multi-modal approaches to research; and
- Elevate the work of the RD&T Planning Council to ensure engagement from all areas of the Department.

**The FY 2013 Budget Request**

The FY 2013 budget requests \$13.7 million for the Research and Development activities of the Office of the Assistant Secretary for Research and Technology. This funding level includes:

- \$6.7 million for Salaries and Administrative Expenses of the Office of the Assistant Secretary for Research and Technology will fund staff and operating expenses supporting the Research and Development account. The total is a decrease of \$257 thousand compared to 2012.
- \$499 thousand for Alternative Fuels Research & Development, level funding compared with 2012, will support collaborative efforts to examine multi-modal and cross-modal transportation efforts to reduce the reliance on fossil fuels.
- \$509 thousand for RD&T Coordination, level funding compared with 2012, will provide critical support to identify collaborative R&D opportunities, strengthen multi-modal efforts, and avoid duplication.
- \$5.6 million for the Nationwide Differential Global Positioning System, which will allow for O&M and recapitalization at the FY 2012 level. The total is a decrease of \$2 million compared to 2012.
- \$345 thousand for Positioning, Navigation and Timing (PNT), which will allow for participation as the lead civil agency for PNT activities. The total is a decrease of \$54 thousand compared to 2012.

The FY 2013 budget request also includes \$38 million for BTS, an increase of \$13 million over the FY 2012 enacted level. BTS funds are transferred from the Federal Highway Administration as an allocation from the Transportation Trust Fund. The increase will support the following initiatives:

- **\$3 million to re-establish a National Long Distance Travel Data Program** necessary to inform the nation's considerable transportation investments, including the President's initiative on high-speed rail. Data would be used as a key input into a newly proposed passenger travel model that would provide a detailed view of passenger travel, as well as travel forecasting capability for the future.
- **\$2 million for a Safety Data and Analysis Initiative** to integrate safety data from across the modes to a centralized source for cross-modal decision-making;
- **\$8 million for the Freight Statistics Program** to fund the Commodity Flow Survey (CFS); Vehicle Inventory and Use Survey (VIUS); and the International Freight Data System (IFDS).

#### Other Critical Programs

- The University Transportation Centers (UTC) program (\$100 million) advances U.S. technology and expertise in many transportation-related disciplines, and advances DOT RD&T priorities through baseline funding for university-based transportation education, research and technology transfer, along with a competitive cross-modal component. Of the \$100 million requested, \$80 million will fund competitively selected multimodal and multidisciplinary UTC consortia around particular theme areas. The additional \$20 million will be reserved for a targeted multimodal research program for which the UTCs can compete. The program is jointly funded by reimbursable agreements with the Federal Highway Administration (FHWA) [\$92 million] and the Federal Transit Administration (FTA) [\$8 million].

- A Multimodal Innovative Research Program, funded at \$20 million, would provide cutting-edge research focusing on U.S. DOT priorities under the governance of the RD&T Planning Council. This program is funded by a reimbursable agreement with FHWA.
- The Intelligent Transportation Systems program is requested at \$110 million. Intelligent Transportation Systems technology solutions offer the opportunity to reduce crashes, fatalities and injuries thereby improving public health; improve efficiency, reliability and mobility; and reduce fuel consumption and greenhouse gas emissions. Vehicle-to-vehicle and vehicle-to-infrastructure communications safety applications are designed to increase situational awareness and reduce or eliminate crashes through data transmission that supports driver advisories, driver warnings, and vehicle and/or infrastructure controls. With these multimodal applications for light vehicles, trucks, buses, and fleets of all kinds, vehicle-to-vehicle and vehicle-to-infrastructure communications may potentially address up to 80 percent of crash scenarios involving unimpaired drivers, preventing tens of thousands of automobile crashes every year (further research will incorporate heavy vehicle crashes including buses, motor carriers, and rail).
- The John A. Volpe National Transportation Systems Center and the Transportation Safety Institute, both fee for service organizations, provide critical support to meet the mission of this office to coordinate, facilitate and review the Department's over \$1 billion in transportation-related research, analysis, technology transfer, deployment, education and training activities.

The FY 2013 budget supports all of the Department's strategic goals and objectives. It ensures that decision-makers would have access to robust data collection and analysis, advanced research, and cutting-edge technologies.

## Detailed Justification for Salaries and Administrative Expenses

### FY 2013 - Salaries and Administrative Expenses

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	3,998	4,156	4,188	32
Travel	141	90	90	0
Other Costs	2,818	2,728	2,439	-289
<b>TOTAL</b>	<b>6,957</b>	<b>6,974</b>	<b>6,717</b>	<b>-257</b>
<b><u>STAFFING</u></b>				
Direct Positions	36	36	36	0
Reimbursable Positions	0	0	0	0
Direct FTE	26	26	26	0
Reimbursable FTE	0	0	0	0

#### **What Do I Need To Know Before Reading This Justification?**

The Salaries and Administrative Expenses line item provides resources for the staff funded from the Research and Development (R&D) account. The staff supports the coordination, facilitation, and review of the Department's research and development programs and activities.

The Office of the Assistant Secretary for Research and Technology's mandate is to coordinate research across the Department to maximize and leverage the taxpayer's \$1.2 billion annual investment in transportation research, development and technology (RD&T) activities. The functions of this office are supported by 26 FTE.

#### **What Is The Request And What Will We Get For The Funds?**

This request provides \$6.717 million for the staff and operating expenses supporting the Research and Development (R&D) account. The FY 2013 request includes a \$257 thousand reduction from the FY 2012 enacted level.

Operating expenses include salaries and benefits to support an estimated 26 FTE (\$4.188 million), working capital fund (\$1.301 million), travel (\$90 thousand), GSA rent (\$593

thousand), printing (\$1 thousand), supplies (\$15 thousand), equipment (\$151 thousand), and other common service expenses (\$378 thousand). Common service expenses include: accounting systems and services, HR systems and services, e-Gov, IT hardware and software, SharePoint and web services. The 26 FTE support and manage the following programs funded from the R&D account: Alternative Fuels; RD&T Coordination; Positioning, Navigation and Timing; and Nationwide Differential Global Positioning System. In addition, a variety of reimbursable and allocation programs, including the University Transportation Centers Program and the Multimodal Innovative Research Program are staffed through this account.

### **What Is This Program?**

---

The salaries and administrative expenses line item in the R&D account provides administrative support for staff to conduct oversight and direction for Human Capital, Legal, Facilities and Logistics Management, Administrative Services, Governmental, International and Public Affairs, Space Management, Procurement, Program Management and Coordination and many other vital activities critical to the Office of the Assistant Secretary for Research and Technology's mission.

### **Why Is This Particular Program Necessary?**

---

This program is necessary to continue agency operations and to ensure proper oversight, coordination and performance. Leadership has placed great emphasis on the Department's Organizational Excellence Goal. The Office of the Assistant Secretary for Research and Technology will develop a diverse and collaborative workforce that will enable the Department to advance a transportation system that serves the nation's long-term social, economic, security and environmental needs. The workforce would be capable of handling any complex transportation issues that might occur and provide important opportunities for staff to sharpen existing competencies and develop aspiring leaders for the future. In addition, staff would develop program and policy guidance for stakeholders, launch multimodal workforce development of RD&T programs, and execute essential, human capital, and other organizational services.

### **How Do You Know The Program Works?**

---

The Office of the Assistant Secretary for Research and Technology's organizational performance is measured by its ability to provide high quality service in human capital management, program and policy guidance, program coordination, legal services, and other organizational services. In order for the Office of the Assistant Secretary for Research and Technology to operate functionally as an agency and continue to coordinate transportation systems research, proper staffing is required to provide services quickly and accurately.

## Detailed Justification for Alternative Fuels R&D

### FY 2013 - Alternative Fuels R&D

(\$000)

	<u>FY 2011</u> <u>Actual</u>	<u>FY 2012</u> <u>Enacted</u>	<u>FY 2013</u> <u>Request</u>	<u>Difference</u> <u>from</u> <u>FY 2012</u> <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	499	499	499	0
<b>TOTAL</b>	499	499	499	0
<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

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

### What Do I Need to Know Before Reading This Justification?

This program has changed its focus from solely hydrogen-related technologies to include other resources such as ethanol, biodiesel and other biobased products used a fuel source. The program is a collaborative and coordinated effort to examine multi-modal and cross-modal transportation efforts to reduce the reliance on fossil fuels, to reduce greenhouse gas emissions and to promote fuel efficiency. It leverages the coordination effort outside the Department by coalescing similar initiatives and investments identified in the Energy Independence and Security Act of 2007 and the Renewable Fuel Standards Program.

The program convenes Departmental program managers, researchers and external stakeholders to develop intermodal/multimodal projects in alternative fuels, the results of which are shared broadly and support Departmental safety, economic competitiveness, and environmental sustainability strategic goals. The program facilitates cooperation across the Administration on

biofuels and collaboration with the interdepartmental Biomass Research and Development (R&D) Board.

The request continues the base program at prior levels and continues to facilitate cooperation and leverage investment across the Department to address the impacts of alternative fuels on the transportation system and to ensure safe and efficient deployment.

**Key Actions:**

- Deploy the Pipeline and Hazardous Materials Safety Administration (PHMSA) emergency response training module for alternative fuels.
- Continue the Federal Motor Carrier Safety Administration (FMCSA) commercial vehicle safety training and education for hydrogen hazardous awareness and other alternative fuels.
- Determine the necessity for vehicle hydrogen cylinder registration and enforcement of proper storage and disposal.
- Support the multimodal DOT Alternative Fuels Working Group to conduct collaborative advanced research.
- Conduct a competition to identify alternative fuels projects that improve the transportation system's ability to support this emerging industry and promote energy independence.
- Collaborate with other federal agencies and external partners, to heighten awareness and leverage resources in conducting alternative fuels research.
- Adapt transportation applications of long-term research performed by other Federal agencies and state and local governments.
- Allocate funds competitively to intermodal and multimodal alternative fuels projects under the auspices of the multimodal RD&T Planning Council.

**Key Outputs:**

- Multi-modal focused alternative fuels research and education products examining safety, logistical and distribution issues of alternative fuels approaching market level production.
- First responder training and safety handling products to assist in developing a safe and responsive alternative fuels delivery system.

**Key Outcomes:**

- Safe and efficient transportation system delivery of alternative fuels.
- Educating the transportation industry and technology investors on the impacts of alternative fuels on the transportation system.

**What is This Program?**

---

**Strategic Goals:** Safety, Environmental Sustainability.

**Purpose/Beneficiaries:** This program convenes the Office of the Assistant Secretary for Research and Technology's alternative fuels program managers and researchers to select projects that leverage and improve the current state of knowledge.

**Partners:** FHWA, FAA, PHMSA, MARAD, FMCSA, FTA, FRA, NHTSA, OST



**Description:** Funding allows the Office of the Assistant Secretary for Research and Technology to bring together intra-agency partners as well as external stakeholders including those from other Federal agencies, to pursue activities with broad appeal and need. The program’s competitive review process allows the program to support initiatives that best sustain the collective transportation missions and objectives.

**Prior Year Accomplishments:**

- Completed and deployed phase three of PHMSA emergency response training in hydrogen fuels and education outreach demonstration project.
- Set safe limits on biodiesel constituents for pipeline integrity.
- Continued research on the transition to alternative fuels and infrastructure readiness.
- Developed the baseline to test the safety and validity of compressed natural gas in high pressure vehicle cylinders and establish storage and disposal procedures.

**Why Is This Program Necessary?**

---

The Alternative Fuels program funding allows the Office of the Assistant Secretary for Research and Technology to collaborate research and education aimed at reducing the nation’s reliance on petroleum as the primary transportation energy source. The program supports investments across the federal government to maximize the benefits of alternative fuels on our nation’s transportation system. In addition, the program also supports the Department’s environmental sustainability strategic goal, and aims to expand the safe and efficient deployment of alternative fuels.

Without this funding, the Office of the Assistant Secretary for Research and Technology’s ability to support, collaborate, and coordinate the deployment of alternative fuels and the opportunity for the public to choose between energy sources would be lost.

**How Do You Know the Program Works?**

---

**Effective:** The Departmental modal administrations and their stakeholders continue to develop proposals for consideration by the Alternative Fuels Working Group. The resulting research and education products continue to be well received and widely disseminated. In addition to information sharing and development of best practices, the results of this research will be measured in:

- Technological advances evidenced through patents and technology demonstrations.
- Increased scientific knowledge measured by numbers of publications and citations.
- Promulgation of training materials, rules, regulations and standards based on research results.

**Research:** Research is used to advance safe and efficient shipment of alternative fuels in a multimodal system needed to transport newly developing feed stocks and fuels from source to user. Current systems are structured for the chemical composition of petrochemical fuels, which present different corrosive, safety and flammability properties from alternative fuels, and from

feed stocks used to create them. Standards, regulations, handling and training information are desired from research results.

**Efficient:** The Office of the Assistant Secretary for Research and Technology's Office of RD&T plays a coordinating role, leveraging funds to pursue research that has multimodal relevance, particularly in the identification of safety issues that cross transportation modes.

## Detailed Justification for Research, Development and Technology Coordination

### FY 2013 RD&T Coordination

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	535	509	509	0
<b>TOTAL</b>	<b>535</b>	<b>509</b>	<b>509</b>	<b>0</b>
<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
<sup>1</sup> Funding appears in the Salaries and Administrative Expenses Justification.				
<sup>2</sup> Reflects contract funding only.				

### What Do I Need to Know Before Reading This Justification?

The RD&T Coordination program provides critical support to identify collaborative R&D opportunities, strengthen multi-modal research efforts, and avoid duplication.

#### **Key Actions:**

- Continue the Office of the Assistant Secretary for Research and Technology's ability to coordinate, facilitate and review the Department's investments in research, development and technology (RD&T) programs.
- Interact with transportation system stakeholders to develop a national research agenda through workshops, conferences and symposia, both domestically and internationally, to create synergistic research opportunities and eliminate duplicative research efforts.
- Maintain and improve the ability of the Research Clusters to support coordination and collaboration among Departmental and stakeholder researchers. Enhance social media and other cooperative activities.

- Maintain comprehensive coverage of DOT’s RD&T portfolio using the USDOT Research Hub and support ongoing data mining, data refresh, and reporting capabilities. Coordinate web based research information systems across the transportation research community.
- Disseminate research information and results to facilitate technology commercialization through Technology Transfer activities, such as hosting University Transportation Centers to display their technologies developed with DOT funds.
- Continue the Education and Outreach program using multiple social media tools to disseminate information about transportation RD&T within the DOT research community, increase awareness of DOT-funded research and increase transparency of Departmental RD&T results to external stakeholders and research partners.

### **What is the Program?**

---

**Strategic Goal:** Safety, State of Good Repair, Economic Competitiveness, Livable Communities, Environmental Sustainability and Organizational Excellence.

**Purpose:** Coordinate, facilitate and review Departmental RD&T programs and activities. Foster coordination and collaboration among DOT researchers and stakeholders working in similar areas of interest, especially the collaboratively-defined Research Clusters, in order to eliminate duplication and create a more efficient research effort. Enhance the Department’s ability to conduct Technology Transfer activities. Inform RD&T stakeholders of DOT research activities.

**Beneficiaries:** DOT cross-modal and mode-specific research programs, senior Departmental leadership, researchers within and outside of the DOT, stakeholders, Congress and oversight agencies, and ultimately users and managers of the transportation system.

**Partners:**

- Federal Aviation Administration
- Federal Highway Administration
- Federal Motor Carrier Safety Administration
- Federal Railroad Administration
- Federal Transit Administration
- Maritime Administration
- National Highway Traffic Safety Administration
- Office of the Secretary of Transportation
- Pipeline and Hazardous Materials Safety Administration
- St. Lawrence Seaway Development Corporation
- External stakeholders, including other Federal agencies, academic institutions, State DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including owners and operators of transportation infrastructure.

**Description:**

- *Planning & Coordination* - Office of the Assistant Secretary For Research and Technology’s coordination activities are overseen by the RD&T Planning Council and RD&T Planning

Team. These groups are convened at the Administrator level and RD&T program director level, respectively, to provide a forum for inter-agency collaboration and coordination. Coordination management activities also include preparing the RD&T Section V budget guidance, Annual RD&T Funding Report, monitoring the implementation of the current *DOT RD&T Strategic Plan*, and coordinating domestic and international research activities to create efficiencies and reduce duplication.

- **Research Clusters** - Research Clusters is a two-pronged initiative that facilitates information sharing among the hundreds of Departmental researchers and among those researchers and their thousands of colleagues across the nation. Funding provides for needed upgrades and improvements to social media sites for interactive sharing of research.
- **USDOT Research Hub** - Office of the Assistant Secretary for Research and Technology maintains a central repository of RD&T project records in order to facilitate coordination of DOT's RD&T portfolio, ensuring transparency and leveraging opportunities for cross-agency collaboration.
- **Technology Transfer Program** - This program identifies, organizes, and disseminates information on DOT-funded technologies. It creates ways to disseminate technology and commercialization information to our stakeholders across the transportation industry using various communication mediums such as hosting events, workshops, webinars, conference calls and other activities. Funding for a Technology Transfer Program provides structured dissemination of information on research products, speeding dissemination of results and adoption of technologies across the transportation industry.
- **Education and Outreach** - This program promotes education and outreach to DOT personnel through dissemination of scientific information using various forms of communication through the different programs.
- **Prior Year Accomplishments:**
  - Continued Departmental RD&T coordination through:
    - Monthly meetings of RD&T Planning Team.
    - Semi-annual meetings of the RD&T Planning Council.
    - Annual Departmental RD&T Program Reviews.
    - Review of the Departmental RD&T Budget to ensure alignment with the Secretary's priorities, the DOT Strategic Plan and the President's Budget.
    - RD&T Planning Team review of Research Clusters progress in increasing coordination and collaboration within the Department and with stakeholders.
    - Development of the DOT RD&T FY 2012-2017 Strategic Plan.
    - Participation in stakeholder activities to enforce the Office of the Assistant Secretary for Research and Technology's mission of research coordination.
  - Hosted bi-monthly meetings of the Research Clusters with DOT researchers and various collaborative meetings among those researchers and their peers inside and outside the Department. Continued improvement of the Research Clusters' social media portal at [www.transportationresearch.gov](http://www.transportationresearch.gov) to make it easier for researchers to post completed, on-going and planned projects, collaborate with peers across the nation and share information on innovations and emerging trends.
  - Engaged modal administrations to conduct collaborative research and analysis projects in support of the Secretary's Distracted Driving Initiative.

- Used the USDOT Research Hub database to analyze DOT’s RD&T portfolio, identifying gaps and duplication in ongoing research activities across the Department, and developing reports on pertinent research topics.
- Continued public access to the database ensured RD&T funding transparency, supported the Administration's Open Government initiative, and assisted the research efforts of academic stakeholders around the country.
- Continued education and outreach through:
  - Monthly publication of University Transportation Center (UTC) Program Spotlight newsletters, seminars, lectures and monthly RD&T Interchange email newsletters to all DOT researchers, RD&T Planning Team members, UTC directors and other interested stakeholders.
  - External RD&T Program website with added links to DOT-funded research information.
  - Technical support to DOT Climate Change Center lecture series.
  - Monthly meetings of the RD&T Planning Team and regularly scheduled meetings of Research Cluster members.
  - The annual UTC “Spotlight Conference” co-sponsored with the Transportation Research Board (TRB).

### **Why Is This Program Necessary?**

Since most Departmental research is funded on a modal basis, the RD&T Coordination program provides the critical mechanisms and activities required to effectively coordinate this investment across the Department. With the support of the senior leadership serving on the RD&T Planning Team and RD&T Planning Council, coordination staff is responsible for bringing together the modal administrations to identify areas of potential collaboration while minimizing inefficiencies and duplication of effort, developing a more coherent, thematically-oriented Departmental RD&T direction.

Without these RD&T programs, on-going advancements in information flow and awareness of intermodal activities would be greatly curtailed, if not lost. This would slow adoption of best practices and decrease project research transparency. The progress made by the Research Clusters, Technology Transfer, and the USDOT Research Hub initiatives would cease, ending the availability of key information for coordinating research across the modal administrations and across the transportation research community as a whole.

### **How Do You Know the Program Works?**

**Effective:** Indicators of program success include:

- Establishing a searchable USDOT Research Hub, a database with project-level information on Departmental research projects.
- Developing 14 cross-cutting research clusters, which are enabling collaborations among Departmental researchers and external stakeholders.
- Establishing collaborative portals on [www.transportationresearch.gov](http://www.transportationresearch.gov) through which researchers exchange information in real-time.

- Providing Annual RD&T Program Reviews which lead to better coordinated research, minimized duplication, and broader adoption of best practices.
- Collecting data to support the development of metrics to assess research coordination initiatives.

**Efficient:** The Office of the Assistant Secretary for Research and Technology's RD&T coordination program is refining qualitative and quantitative metrics for its activities. They include:

- Number of visits to social media portal on [www.transportationresearch.gov](http://www.transportationresearch.gov) to seek and share information on RD&T opportunities, works in progress and research products.
- Number of visits to the USDOT Research Hub website to seek and share information about research in progress and research products.
- Number of collaborative research projects undertaken by DOT.
- Number of DOT-funded research technologies ready for use and/or being used in our transportation system.
- Number of DOT-funded RD&T projects listed in the USDOT Research Hub.

## Detailed Justification for the Nationwide Differential Global Positioning System (NDGPS) Program

### FY 2013 - Nationwide Differential Global Positioning System (NDGPS)

(\$000)

	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>Difference from</b>
	<b><u>Actual</u></b>	<b><u>Enacted</u></b>	<b><u>Request</u></b>	<b><u>FY 2012</u></b>
				<b><u>Enacted</u></b>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	4,591	7,600	5,600	-2,000
<b>TOTAL</b>	<b>4,591</b>	<b>7,600</b>	<b>5,600</b>	<b>-2,000</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

### **What Do I Need To Know Before Reading This Justification?**

The Nationwide Differential Global Positioning System (NDGPS) Program provides national, real-time accurate dynamic positioning and navigation information at one-to-three meters for surface transportation users. NDGPS receives substantial use by highway, transit and rail sectors in operations, maintenance, planning, construction, quality assurance and asset management. Multiple other Federal agencies, state and local governments and private sector users in many economic sectors meet mission requirements in automated construction, precision agriculture, surveying and mapping, GIS, environmental and natural resource management, and severe weather forecasting using the NDGPS service.

- A 2011 Coast Guard assessment projected that operations and maintenance (O&M) cost growth for the inland segment will become untenable in FY 2013 unless equipment recapitalization is completed. Recapitalizing system equipment to bring the DOT sites up to current Coast Guard operational standards, and establishing a robust O&M floor for reliable system availability to users, was initiated in FY 2012, and is continued through this request.



- NDGPS is a national positioning asset funded through DOT to support surface transportation users. However, it is recognized that multiple Federal agencies/sub-agencies, state and local governments, and private sector users in many economic sectors leverage DOT’s investment in NDGPS to meet their requirements.
- Although NDGPS is funded through Office of the Assistant Secretary for Research and Technology, NDGPS is an operational nationwide positioning and navigation utility, not a research and technology program.

The requested level of funding is needed to support O&M to maintain system reliability and availability commitments to the Federal, state and local transportation user communities; and to continue to reduce program technical costs by replacing aged equipment that is at risk for failure. The FY 2013 President’s Budget funds 100 percent of routine O&M needs and continues needed equipment recapitalization.

The request will enable:

- NDGPS to maintain system availability at the 29 inland segment sites at 98.5% or better;
- Reduced risk of failure by bringing inland segment stations up to Coast Guard standards.

Key Actions	Key Outputs	Key Outcomes
<ul style="list-style-type: none"> <li>• Exercise robust O&amp;M protocols</li> <li>• Reduce maintenance backlog</li> <li>• Continue equipment recapitalization effort</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain system availability at <math>\geq 98.5\%</math></li> <li>• Reduce programmatic risk (technical, cost, performance)</li> <li>• Eliminate outdated equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Technology providers and users can make investments based on improved system reliability/reduced risks</li> <li>• Enables ability to troubleshoot issues remotely; out year O&amp;M cost growth reduced</li> </ul>

**What Is This Program?**

**Strategic Goals:** The Nationwide Differential Global Positioning System (NDGPS) supports the safety and environmental sustainability strategic goals.

**Purpose/Beneficiaries:** NDGPS provides a national service that delivers real-time, accurate dynamic positioning and navigation information at one-to-three meters (and often submeter) for civil transportation applications. NDGPS accomplishes this goal through local broadcast of accurate GPS position corrections (<http://www.navcen.uscg.gov/?pageName=ndgpsMain>). The Coast Guard operates NDGPS as a nationwide DGPS utility coordinated with the Maritime DGPS and inland waterways segments (<http://www.navcen.uscg.gov/?pageName=dgpsMain>). DOT provides NDGPS for surface transportation applications, and there is significant public and private sector reliance on NDGPS for automated construction, precision agriculture, environmental management, natural resource management, surveying and mapping, severe weather forecasting and other applications.

**Partners:** U.S. Coast Guard, U.S. Army Corps of Engineers, National Oceanic and Atmospheric Administration (NOAA) and other federal, state and local agencies.

**Description:** NDGPS provides support infrastructure for surface transportation operations, and opportunities for future cross-modal surface transportation safety, security, efficiency and emergency response services.

### **Why Is This Particular Program Necessary?**

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NDGPS augments GPS by providing increased accuracy and integrity for transportation applications (<http://www.navcen.uscg.gov/?pageName=ndgpsSites&All>). The NDGPS service provides reliable GPS to meet the increasing positioning and navigation accuracy requirements of surface transportation users.

In addition to providing a real-time broadcast of corrections, NDGPS provides a robust operational backbone to the NOAA/National Weather Service's (NWS) Earth Systems Research Laboratory (<http://www.esrl.noaa.gov/research/themes/climateweather/>) for short-term severe weather and precipitation forecasts (enabling better severe weather warnings); the NOAA/National Geodetic Survey's Continuously Operating Reference Stations (CORS) application (<http://www.ngs.noaa.gov/CORS/>) for highly-accurate post-processing survey applications and Web-enabled location solutions accessed thousands of times weekly; NOAA/NWS/Space Weather Prediction Center (<http://www.swpc.noaa.gov/index.html>) for space weather warnings (affecting electrical power and communications systems); and for plate tectonic monitoring (addressing earthquake and volcano monitoring).

The equipment recapitalization begun in FY 2012 will bring the inland NDGPS segment to the Coast Guard operational standard, enabling remote troubleshooting and reducing out year O&M cost growth. Coast Guard completed maritime DGPS recapitalization in 2009, and has realized significant operational efficiencies. Inland NDGPS equipment beyond serviceable life is being maintained at high risk of failure and at increased expense by purchasing/stocking/rebuilding expensive parts. Coast Guard's Command, Control, and Communications Engineering Center (C3CEN) completed an assessment in FY 2011 that projected that O&M cost growth for the inland segment would become untenable in FY 2013 unless equipment recapitalization is completed.

NDGPS availability and accuracy is leveraged by multiple other Federal agencies to meet their requirements in surveying and mapping, precision agriculture, environmental and natural resources management; historical resources management; and emergency response. In FY 2012, the Coast Guard initiated research on NDGPS real-time accuracy estimates and measurements, and there is civil agency interest in real-time, low-cost streaming of NDGPS observables through NOAA's CORS network to provide a robust national CORS backbone in support of the National Spatial Reference Service.

Without this funding, hundreds of thousands of routine users across multiple economic sectors would be unable to receive the accurate positioning information on which they depend daily for routine operations, and the growing location-based services market would be negatively

impacted, as documented in “NDGPS Assessment: Final Report” ([http://www.navcen.uscg.gov/pdf/ndgps/ndgps%20assessment%20report\\_final.pdf](http://www.navcen.uscg.gov/pdf/ndgps/ndgps%20assessment%20report_final.pdf)).

### **How Do You Know The Program Works?**

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**Effective:** DOT’s “NDGPS Assessment: Final Report” documents hundreds of thousands of routine NDGPS users across multiple sectors, and a minimum system return on investment (ROI) for the Federal-Aid Highway Program alone of 40:1. ROI for other Federal agencies, state and local governments and private sector could not be calculated, but includes a significantly larger user base.

**Effective:** Recognizing the cross-sector interest in a robust, higher-accuracy augmentation, the U.S. Department of Agriculture completed a study in FY 2011 suggesting expanded NDGPS applications, “Evaluating the Potential for New Civil User Services That Could Be Provided from DGPS Sites.” The report identified 36 discrete surface transportation services, 27 other Federal agencies’ services, 35 state and local government applications, and 21 private industry applications that currently use NDGPS.

**Research:** USDA’s “Evaluating the Potential for New Civil User Services That Could Be Provided from DGPS Sites” identified 15 new categories of improved citizen services that could be enabled by the NDGPS investment. Short-term potential applications include: higher accuracy mobile positioning, improved GPS monitoring, improved science data delivery, and internet-delivered near-real-time DGPS observables for general public use (no receiver required).

**Research:** Ongoing feedback received from the user community through the Civil GPS Service Interface Committee (CGSIC; <http://www.navcen.uscg.gov/cgsic/>), the worldwide forum for effective interaction between all civil GPS users, supports the continued need for the NDGPS service, and to the expectation of expanded future uses in transportation and other economic sectors, especially if accuracy can be improved.

## Detailed Justification for the Positioning, Navigation, and Timing (PNT) Program

### FY 2013 - Positioning, Navigation, and Timing (PNT) Program

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	399	399	345	-54
<b>TOTAL</b>	<b>399</b>	<b>399</b>	<b>345</b>	<b>-54</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

The \$345 thousand level is required to participate in projects as the lead civil agency for PNT. Technical and cost analysis is needed for the Department to make informed decisions on alternative sources of PNT to integrate with GPS. This program produces the *Federal Radionavigation Plan* and the *Civil PNT Requirements Document*, chairs the Civil GPS Service Interface Committee, and advances the National PNT Architecture in conjunction with the Department of Defense and other government agencies to close identified PNT capability gaps and provide more efficient and effective capabilities to users.

### **What Do I Need To Know Before Reading This Justification?**

The Positioning, Navigation and Timing (PNT) Program is the sole means by which the Federal Government defines and implements civil sector PNT requirements. The Secretary of Transportation is assigned this role by the National Security Presidential Directive (NSPD-39), and includes all Federal, state and local government needs for services of the Global Positioning

System (GPS) and its augmentations, as well as those of the private sector. The PNT Program is essential to ensuring that critical infrastructures have the primary and back-up PNT systems as well as identifying and pursuing gaps and research needed to meet these requirements, to enable future systems such as Next Gen, Positive Train Control, and Intelligent Transportation Systems (ITS).

DOT and the Department of Defense (DOD), in conjunction with 29 other departments and agencies, developed a National PNT Architecture Implementation Plan which identifies over 40 tasks to be accomplished to overcome capability gaps predominantly resulting from the limitations of GPS.

Key Actions	Key Outputs	Key Outcomes
<ul style="list-style-type: none"> <li>• Participate in interagency analysis to address PNT capability gaps and assist with implementation of the 2025 National PNT Architecture</li> <li>• Hold meetings of the Federal Radionavigation Plan (FRP) Working Group to develop 2014 FRP content</li> <li>• Coordinate update to Civil PNT Requirements Document with DOT Extended Pos/Nav Working Group</li> <li>• Hold U.S. and international Civil GPS Service Interface Committee (CGSIC) meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Provide a refined National PNT Architecture Implementation Roadmap based on coordinated analysis</li> <li>• Draft 2014 Federal Radionavigation Plan</li> <li>• Publish updated Civil PNT Requirements Document</li> <li>• Provide presentations and summary record of the Civil GPS Service Interface Committee meetings on website</li> </ul>	<ul style="list-style-type: none"> <li>• Transportation industry and technology providers can make business decisions on products to offer (or not offer) based on U.S. Government plans for PNT capabilities and services</li> <li>• Informed U.S. government and commercial decision making and ability to support long range planning on alternative PNT sources that can be integrated with GPS</li> <li>• Public knowledge of the status of GPS modernization and the ability for it to satisfy civil PNT requirements</li> </ul>

**What Is This Program?**

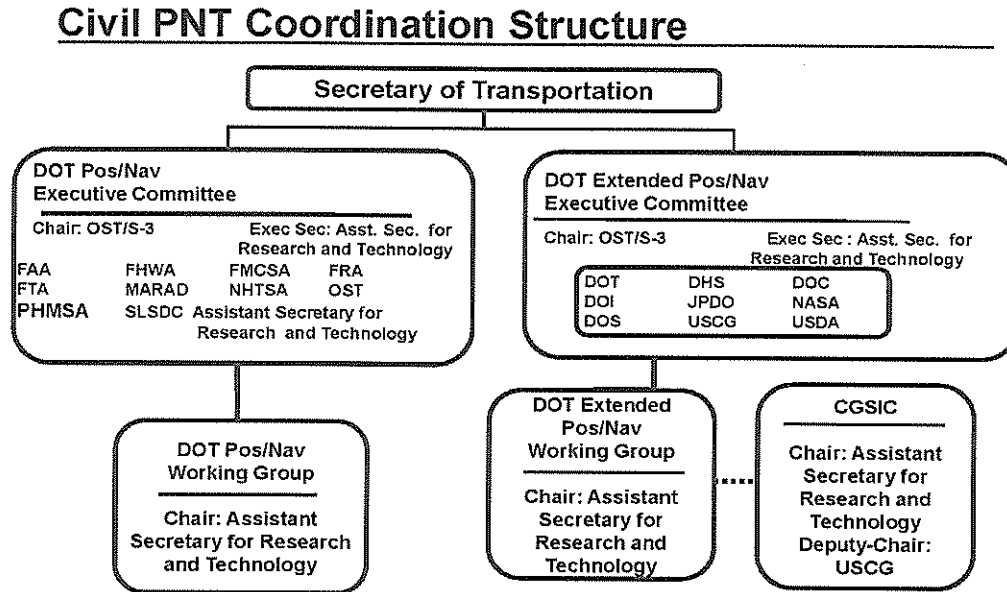
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**Strategic Goals:** Safety and environmental sustainability.

**Purpose/Beneficiaries:** The purpose of this effort is to provide more effective and efficient PNT capabilities, and an evolutionary path for government-provided PNT systems and services. The beneficiaries of this effort are civil departments and agencies in the development, acquisition, management, and operations of GPS and other PNT services, and external users of government-provided PNT services.

**Partners:** The Office of the Assistant Secretary for Research and Technology serves as the civil lead of the National PNT Architecture effort, a cross-modal interagency effort, to guide future PNT system-of-systems investment and implementation decisions. This effort is conducted

modes within DOT. The DOT Extended Pos/Nav Working Group and Executive Committee is DOT's PNT coordination process with other civil agencies. The structure for this coordination process is shown in Figure 1.



**Figure 1 – Civil PNT Coordination Structure**

**Description:** The Positioning, Navigation, and Timing (PNT) Program coordinates DOT PNT technology and policy, and provides civil PNT systems analysis which is critical to intermodal transportation applications in support of the DOT Strategic Goals. The program coordinates all civil sector PNT requirements and provides outreach to communities associated with PNT plans and policy.

A general description of the program activities is provided below:

PNT Policy Coordination \$100 thousand

- Provide support to the Deputy Secretary of Transportation and Under Secretary of Transportation for Policy with preparation of materials and briefings for their participation as the co-chairs of the Space-Based PNT Executive Committee and Executive Steering Group, respectively.
- Develop the *Federal Radionavigation Plan (FRP)* as directed by the National Defense Authorization Act for Fiscal Year 1998 (10 U.S.C. 2281(c)). The FRP is developed biennially by DOT in conjunction with DOD and the Department of Homeland Security (DHS) and is signed by the Secretaries of DOT, DOD, and DHS. The FRP reflects national policies and plans for U.S. government radionavigation systems and is used as a reference document both nationally and internationally.
- Provide a Civil PNT Requirements Document which serves as the foundation for the National PNT Architecture effort and allows program assessments to be performed to

determine if the capabilities of the National PNT Architecture meet the needs of the civil community.

National PNT Architecture \$235 thousand

- The National PNT Architecture is based on the fact that PNT is integral to the infrastructure on which the U.S. economy, national security and transportation systems rely. The architecture provides a time-phased, fiscally informed roadmap through 2025 of PNT activities, including needs for research and development to address capability gaps.

Civil GPS Service Interface Committee (CGSIC) \$10 thousand

- The CGSIC is the recognized worldwide forum for effective interaction between all civil GPS users and the U.S. GPS authorities. Office of The Assistant Secretary for Research and Technology chairs the CGSIC and the U.S. Coast Guard serves as Deputy Chair.

**Prior Year Accomplishments:**

- Addressed interference to GPS from the proposed LightSquared 4G broadband service.
- Produced a GPS threat assessment for transportation applications of GPS, as well as a GPS National Risk Assessment in conjunction with DHS.
- Released the 2012 *Federal Radionavigation Plan* in conjunction with DOD and DHS.
- Published an updated Civil PNT Requirements Document.
- Provided a refined National PNT Architecture Implementation Roadmap based on coordinated interagency analysis.

**Why Is This Particular Program Necessary?**

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The National Security Presidential Directive on Space-Based Positioning Navigation and Timing Policy gives the Secretary of Transportation broad responsibilities in providing for and implementing PNT services for the civil community. This policy ensures that the U.S. maintains space-based positioning, navigation, and timing services, augmentation, back-up, and complementary capabilities. Positioning, Navigation, and Timing capabilities are critical for the Next Generation Air Transportation System, Intelligent Transportation Systems, and Positive Train Control.

**How Do You Know the Program Works?**

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The National PNT Architecture effort works because it recognizes that PNT is integral to the infrastructure on which the U.S. economy, national security and transportation systems rely. DOT and DOD, in conjunction with 29 other departments and agencies, completed the National PNT Architecture Implementation Plan which identifies tasks to be accomplished to overcome capability gaps resulting from the limitations of GPS.

**Explanation of Funding Changes  
for the  
Office of the Assistant Secretary for Research and Technology  
*Research and Development Account*  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 15,981</b>
<u>Adjustments to base:</u>	
Inflation Increase	\$ 14
Pay Raise	\$ 16
One Additional Compensable Day	\$ 16
Rent	\$ -
WCF	\$ (132)
Workers Compensation	\$ -
<b>FY 2013 Adjusted Base</b>	<b>\$ 15,895</b>
<u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF:	\$ -
<b>Program Changes (+/-):</b>	
NDGPS	\$ (2,000)
PNT	\$ (54)
<b>Base Offsets/Redirection of Resources:</b>	
Other Contractual Services:	\$ (171)
<b>Total FY 2013 Request:</b>	<b>\$ 13,670</b>



**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY  
RESEARCH AND DEVELOPMENT  
PROGRAM AND FINANCING  
(In thousands of dollars)**

Identification code 69-1730	<u>FY 2011 ACTUAL</u>	<u>FY 2012 ENACTED</u>	<u>FY 2013 REQUEST</u>
<b>Obligations by program activity:</b>			
0001 Salaries and administrative expenses	6,711.69	6,974.00	6,717.00
0002 Alternative fuels research & development	711.60	703.61	499.00
0003 Research development & technology coordination	198.79	1,090.61	509.00
0004 Nationwide differential global positioning system	4,590.80	7,600.00	5,600.00
0005 Positioning navigation & timing	399.20	399.00	345.00
0100 Direct Program by Activities - Subtotal	<u>12,612.08</u>	<u>16,767.23</u>	<u>13,670.00</u>
0799 Total direct obligations	<u>12,612.08</u>	<u>16,767.23</u>	<u>13,670.00</u>
0801 University transportation centers	794.54	10,986.00	8,000.00
0802 Transportation safety institute	12,520.86	26,524.00	20,000.00
0803 Other programs	<u>3,363.55</u>	<u>11,333.00</u>	<u>10,000.00</u>
0809 Reimbursable program activities, subtotal	<u>16,678.95</u>	<u>48,843.00</u>	<u>38,000.00</u>
0899 Total reimbursable obligations	<u>16,678.95</u>	<u>48,843.00</u>	<u>38,000.00</u>
0900 Total new obligations	29,291.03	65,610.23	51,670.00
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1	645.47	11,629.22	(0.00)
1021 Recoveries of prior year unpaid obligations	4,292.93	-	-
1050 Unobligated balance (total)	<u>4,938.40</u>	<u>11,629.22</u>	<u>(0.00)</u>
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation	13,007.00	15,981.00	13,670.00
1130 Appropriation permanently reduced	(26.01)	-	-
1160 Appropriation, discretionary (total)	<u>12,980.99</u>	<u>15,981.00</u>	<u>13,670.00</u>
<b>Spending authority from offsetting collections, discretionary:</b>			
1700 Collected	25,261.97	38,000.00	38,000.00
1701 Change in uncollected payments, Federal sources	(66.81)	-	-
1750 Spending auth from offsetting collections, disc (total)	<u>25,195.15</u>	<u>38,000.00</u>	<u>38,000.00</u>
1900 Budget authority (total)	<u>38,176.14</u>	<u>53,981.00</u>	<u>51,670.00</u>
1930 Total budgetary resources available	43,114.54	65,610.22	51,670.00
<b>Memorandum (non-add) entries:</b>			
1940 Unobligated balance expiring	(2,194.29)	-	-
1941 Unexpired unobligated balance, end of year	11,629.22	(0.00)	(0.00)
<b>Change in obligated balance:</b>			
<b>Obligated balance, start of year (net):</b>			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	107,368.99	57,165.02	16,348.25
3001 Adjustments to unpaid obligations, brought forward, Oct 1	-	-	-
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	(22,203.63)	(19,750.01)	(19,750.01)
3020 Obligated balance, start of year (net)	85,165.36	37,415.01	(3,401.76)
3030 Obligations incurred, unexpired accounts	29,291.03	65,610.23	51,670.00
3031 Obligations incurred, expired accounts	1,002.23	-	-
3040 Outlays (gross)	(72,834.22)	(106,427.00)	(51,901.10)
3050 Change in uncollected pymts, Fed Sources, unexpired	66.81	-	-
3051 Change in uncollected pymts, Fed Sources, expired	2,386.81	-	-
3080 Recoveries of prior year unpaid obligations, unexpired	(4,292.93)	-	-
3081 Recoveries of prior year unpaid obligations, expired	(3,370.08)	-	-
<b>Obligated balance, end of year (net):</b>			
3090 Unpaid obligations, end of year (gross)	<u>57,165.02</u>	<u>16,348.25</u>	<u>16,117.15</u>
3091 Uncollected pymts, Fed sources, end of year	<u>(19,750.01)</u>	<u>(19,750.01)</u>	<u>(19,750.01)</u>
3100 Obligated balance, end of year (net)	37,415.01	(3,401.76)	(3,632.86)
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross	38,176.14	53,981.00	51,670.00
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority	16,565.30	52,382.90	50,303.00
4011 Outlays from discretionary balances	<u>56,268.92</u>	<u>54,044.10</u>	<u>1,598.10</u>
4020 Outlays, gross (total)	<u>72,834.22</u>	<u>106,427.00</u>	<u>51,901.10</u>
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4030 Federal sources	(25,132.66)	(38,000.00)	(38,000.00)
<b>Additional offsets against gross budget authority only:</b>			
4050 Change in uncollected payments, Fed sources, unexpired	(66.81)	-	-
4060 Additional offsets against budget authority only (total)	<u>129.31</u>	<u>-</u>	<u>-</u>
4070 Budget authority, net (discretionary)	12,980.99	15,981.00	13,670.00
4080 Outlays, net (discretionary)	<u>47,701.56</u>	<u>68,427.00</u>	<u>13,901.10</u>
4180 Budget authority, net (total)	12,980.99	15,981.00	13,670.00
4190 Outlays, net (total)	47,701.56	68,427.00	13,901.10

**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY**  
**RESEARCH AND DEVELOPMENT**  
**OBJECT CLASSIFICATION**  
(In thousands of dollars)

	<u>FY 2011</u> <u>ACTUAL</u>	<u>FY 2012</u> <u>ENACTED</u>	<u>FY 2013</u> <u>REQUEST</u>
<b><u>Direct Obligations:</u></b>			
<b>Personnel compensation:</b>			
1111 Personnel compensation, full-time permanent	2,805	2,949	2,981
1113 Other than full-time permanent	218	227	227
1115 Other personnel compensation	<u>75</u>	<u>55</u>	<u>55</u>
Total personnel compensation	3,098	3,231	3,263
1121 Civilian personnel benefits	900	925	925
1210 Travel and transportation of persons	129	90	90
1220 Transportation of things	12	0	0
1231 Rent to GSA	723	590	593
1240 Printing and reproduction	0	1	1
1251 Advisory and assistance services	744	745	745
1253 Other purchases of goods and services	6,733	11,020	7,887
1260 Office supplies	10	15	15
1310 Equipment	<u>88</u>	<u>150</u>	<u>151</u>
1990 Subtotal, direct obligations	12,583	16,767	13,670
2990 Reimbursable obligations	<u>16,679</u>	<u>48,843</u>	<u>38,000</u>
9999 Total obligations	29,262	65,610	51,670

**Employment Summary:**

<b>Direct:</b>			
1001 Civilian Full-time Equivalent Employment	26	26	26
<b>Reimbursable:</b>			
2001 Civilian Full-time Equivalent Employment	45	60	50
<b>Allocation account:</b>			
3001 Civilian Full-time Equivalent Employment	68	70	70

## Detailed Justification for the Competitive University Transportation Centers (UTC) Program

### FY 2013 – Competitive University Transportation Centers

(\$000)

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<b>Difference from</b>
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>FY 2012</u>
				<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits <sup>1</sup>	[0]	[0]	[0]	[0]
Travel <sup>1</sup>	[55]	[250]	[250]	[0]
Competitive UTC Consortia <sup>2</sup>	[80,006]	[73,651]	[79,750]	[6,099]
Multimodal Competitive Research Grant	[0]	[0]	[20,000]	[20,000]
<b>TOTAL</b>	<b>[80,061]</b>	<b>[73,901]</b>	<b>[100,000]</b>	<b>[26,099]</b>

#### STAFFING

Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
 Direct FTE	 0	 0	 0	 0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

The Competitive University Transportation Centers (UTC) Program requests \$100 million in FY 2013 to accomplish the mission outlined below.

This program is a major investment in the Nation's transportation intellectual and human capital in order to ensure the durability, improvement and renewal of our transportation systems.

#### **Key Actions:**

- Award grants to competitively-selected University Transportation Centers
- Report and disseminate results of FY 2012 UTC grants
- Facilitate collaboration and interaction among universities, USDOT, state departments of transportation, transit agencies and other interested partners.

- Award competitively-selected research grants to universities for multimodal projects approved by the Department’s Research, Development and Technology Council.

### **What Is This Program?**

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The fully competitive University Transportation Center (UTC) program consists of two components: a request of \$80 million to fund competitively selected multimodal and multidisciplinary UTC consortia around particular theme areas, and an additional \$20 million for a targeted multimodal research program for which the UTCs can compete. By funding university research and education, the Department is investing in our nation’s intellectual transportation and workforce capacity.

#### **Competitive University Transportation Center (UTC) Consortia**      **FY 2013 Request: [\$80,000,000]**

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Through the University Transportation Centers (UTC) Program the Department taps into the intellectual and academic resources of our Nation’s universities in order to advance U.S. transportation expertise and technology.

In FY 2011 the Department reformed the UTC program by eliminating earmarks and competitively selecting twenty-two Centers. In FY 2013 we propose to continue to fund competitively-selected UTCs.

Although every UTC will have the same broad objectives, the Department will encourage diversity in the program participants and in the approaches individual Centers take to reach the program objectives. The Department will encourage unique approaches to research, education, workforce development and technology transfer, building on or reflecting institutional expertise, facilities, and partnerships. In order to achieve the Department’s vision of a truly multimodal integrated system, the Department will encourage UTCs to cut across disciplines and span all modes of transportation, enabling improvements to the Nation’s entire surface transportation system, inclusive of rail, marine, highway, pipelines and transit.

Performance metrics will ensure that transportation research and workforce needs are met, programmatic targets are realized, and that funds are effectively invested. Reporting requirements will include explicit details of research results.

The UTC consortia will advance transportation education and workforce development through degree-granting programs, seminars and training for practicing professionals, and outreach activities to attract new entrants to careers in transportation.

UTCs will be required to use the Transportation Research Board’s Research in Progress and Transportation Research International Documentation Database and the USDOT Research Hub to avoid duplication of efforts and to ensure wide awareness of efforts and dissemination of research results.

Each competitively-selected UTC consortia will receive baseline funding. These competitively-elected recipients will also be eligible to receive funds from the UTC Multimodal Competitive Advanced Research Grants.

The Office of the Assistant Secretary for Research and technology receives UTC Program funding through an allocation from the Federal Highway Administration (\$72M) and a reimbursable agreement from the Federal Transit Administration (\$8M). The Secretary shall expend not more than 1.5 percent of amounts made available to coordinate, oversee and manage this program.

**University Transportation Center (UTC) FY 2013 Request: [\$20,000,000]  
Multimodal Competitive Advanced Research Grants**

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Most U.S. DOT research is funded on a mode-by-mode basis. In order to encourage cross-modal research the Secretary will appoint an internal cross-modal governance council to select annual priorities for targeted advanced research. The University Transportation Center (UTC) Multimodal Competitive Advanced Research Grant Program reserves 20 percent of the total \$100 million competitive UTC program to provide access to the nation's top academic researchers and university-based laboratories, where advanced transportation research may be successfully carried out, to address cross-modal research priorities in the areas of safety, state of good repair, economic competitiveness, livable communities and environmental sustainability. This program will allow all modal administrations to present long term research projects and unanticipated issues on an annual basis for which universities involved in the UTC program may compete. This unique cross-modal program will enable DOT staff to engage directly in partnership with UTC researchers to investigate both near and long term transportation issues. Eligible recipients of these grants will be any of the universities participating in the competitively selected UTC consortia.

The Department will receive University Transportation Center (UTC) Multimodal Competitive Advanced Research Grants funding through an allocation from the Federal Highway Administration (\$20 million).

**Why Is This Particular Program Necessary?**

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This program provides unique benefits to the Department, state departments of transportation, transit agencies, and other transportation providers as well as university-based transportation educators and researchers – a ready-source of independent transportation researchers at leading universities and a steady stream of highly educated professionals in key transportation disciplines such as civil, environmental, mechanical and electrical engineering, urban planning, construction management, computer science, business, psychology, logistics, and others. Through the competitively-selected UTCs, we support and strengthen our Nation's transportation intellectual and academic capital which is of vital importance to innovation and our transportation systems. Much of the research now executed within the UTC program is both applied and focused on a single mode. The existing transportation system is becoming increasingly multi-modal and

interdependent. In order to develop the multi-modal transportation system of future generations, advanced research needs to be done in the present. Universities are one of the greatest research assets this country holds and this type of multi-modal advanced research should be conducted at universities; particularly universities well experienced in, and capable of performing, advanced transportation research. The universities in the UTC program are such universities. This program would ensure opportunities for the nation's top research universities to conduct the needed multi-modal, advanced research necessary to develop the transportation system for future generations.

### **How Do You Know The Program Works?**

The UTC program has a long track-record of success in educating highly skilled and innovative transportation professionals, researchers and academics. Since its inception 25 years ago, thousands of professionals have graduated from these universities going on to pursue highly skilled careers in all modes of transportation as well as in academic research and education. The investment made in research has paid off in new technologies, materials, improved construction processes, structural monitoring, addressing human factors issues such as distracted driving, and emergency evacuation to name but a few. A sample of recent results can be found at <http://utc.dot.gov/publications/spotlight/>.

Success in this program will initially be measured by the level of cooperation among the USDOT modal administrations in defining advanced research areas of interest and the selection of universities, through a competitive proposal process, to conduct research in these defined areas of interest.

Funding from this program will be allocated based on a competitive process; one of the critical outcomes of this process will be the highlighting of critical advanced research needs in the transportation sector. These needs will be categorized in terms of the five USDOT Strategic Goals, and will then contribute to the development of a national research agenda that will, in part, be executed by the selected UTC's.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

By funding the program at the proposed level, we are making an investment commensurate with the workforce needs and innovation challenges of the transportation industry of our Nation.

UTC's develop promising results in their outlined baseline funded programs that modal administrations may wish to carry on in an advanced research that addresses critical long-term, multimodal issues. These funds will allow modal administrations to develop RFP's for such research and then develop statements of works with UTCs to conduct the type of advanced research deemed necessary by the modal administrations.

Advanced research is extremely expensive when compared to applied research programs such as the National Cooperative Highway Research Program which funds projects at

levels usually between \$200-\$500 thousand. To fund an advanced research effort, to create the “critical mass” so key to university research, will require millions of dollars per project. Costs for such projects are high due to the fact that advanced research runs over a period of years; projects funded under this program will run for as long as the awarded grants will allow, rather than for just a single year or two. The significant involvement of senior faculty at the universities, which is essential to conduct advanced research, along with the high number of Ph.D. candidates needed, as opposed to Masters students, also increase the costs of advanced research projects. An additional component to the cost of advanced research is the need to use laboratories and potential need to purchase equipment. At this level of funding per project, it is necessary to fund this program at \$20 million per year in order to initiate many projects as opposed to just two or three, which would be the case if the annual funding were much lower.

## Detailed Justification for the Multimodal Innovative Research Program

### FY 2013 – Multimodal Innovative Research

(\$000)

	FY 2011	FY 2012	FY 2013	Difference from FY 2012
	<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 <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	0	0	[20,000]	[20,000]
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>[20,000]</b>	<b>[20,000]</b>
<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

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

### What Is This Program?

The Multimodal Innovative Research Program is a restructuring of the current Advanced Research Program, managed by Office of the Assistant Secretary for Research and Technology. Using the DOT RD&T Planning Team and RD&T Planning Council as cross-modal selecting bodies, the new program will fund a set of collaboratively outlined long-term research priorities. Competitively solicited proposals for the research will be open to bid by industry, university or state-based stakeholders and will serve as the basis for this Departmental, multi-modal research agenda. Guided by the *DOT RD&T Strategic Plan*, this initiative will create opportunities for funding cross-modal research that is aimed at solving transportation problems at the interfaces between modes, or problems that affect more than one mode. The transportation problems will relate to: attainment of DOT's strategic goals and multi-modal elements of the DOT RD&T Strategic Plan; address issues affecting policy, and cross modal concerns such as efficient and intermodal goods and passenger movements; and support development of advanced vehicle technologies and repurposing of existing technologies such as remote sensing and spatial information products. The program will also include a component fostering creativity and innovation that can support a competition aimed at solving urgent transportation problems.



**Why Is This Particular Program Necessary?**

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The program will focus on applied, short term problem solving type research. Such outcomes of such research may include new processes, methodologies, policy guidelines, planning tools, and prototypes or pilot products for practical application. Such examples would be the design and production of new structural elements to be used in Accelerated Bridge Construction or the development of new disaster evacuation policies and methodologies.

**How Do You Know The Program Works?**

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Research products and results from this initiative will provide:

Transportation system applications of innovative transportation technologies, methodologies, policies and decisions.

Best practices in planning, operations, design and maintenance of transportation and related systems.

Technology identification, modification and dissemination through outreach to other federal agencies, state and local transportation agencies and other public, private and academic stakeholders in the industry.

Successful projects will support the DOT strategic goals by applying state-of-the art innovative technology solutions to multimodal transportation issues.

**Why Do We Want/Need To Fund The Program At The Requested Level?**

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Sufficient funding is necessary to provide support to the level of research necessary to deal with the multitude of pressing issues that are present today in the nation's transportation system relating to safety, state of good repair, and operations. This type of innovative research is needed to close the funding gap that exists between the funds needed to maintain and operate transportation systems and the actual funding available. This type of research can improve operations and increase the durability of new infrastructure as well as improve maintenance procedures.

## Detailed Justification for the Transportation Safety Institute

### FY 2013 – Transportation Safety Institute

	(\$000)			Difference from
	FY 2011	FY 2012	FY 2013	FY 2012
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	[4,000]	[4,000]	[4,000]	[0]
Travel	[2,000]	[2,000]	[2,000]	[0]
Other Costs	[14,000]	[14,000]	[14,000]	[0]
<b>TOTAL<sup>1</sup></b>	<b>[20,000]</b>	<b>[20,000]</b>	<b>[20,000]</b>	<b>[0]</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	51	51	51	0
Direct FTE	0	0	0	0
Reimbursable FTE	31	41	36	-5

<sup>1</sup>Resources are shown as non-adds because the Transportation Safety Institute is funded by reimbursable agreements, tuitions, and fees.

#### **What Is This Program?**

The Transportation Safety Institute (TSI), a fee-for service organization that operates without a direct appropriation, provides transportation safety training to Federal, state and local governmental, private sector, and foreign transportation professionals on a cost-recovery basis.

#### **Why Is This Particular Program Necessary?**

TSI supports DOT's goal to reduce transportation-related deaths and injuries through quality instruction to those entrusted with safety enforcement and committed to safety compliance. TSI annually trains more than 20,000 professionals.

#### **How Do You Know The Program Works?**

Since 1971, TSI has been training transportation professionals on a reimbursable basis. Many clients represent repeat business, and TSI training is in demand domestically and internationally. In addition, data show transportation-related deaths and injuries significantly lower than four

decades ago. Education and training are key factors in improved transportation safety. Course evaluations remain extremely positive and customers consider the trainings critical.

**Why Do We Want/Need To Fund The Program At The Requested Level?**

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TSI is a fee-for service organization that operates without a direct appropriation. Through high-quality instruction, TSI provides valuable assistance to the DOT and creates a safer transportation system for the traveling public. As new clients seek TSI expertise and existing customers continue to support safety as a priority, safety training investments are vital. TSI plans to enhance its safety training services to accommodate changing needs and growing demands. TSI has a 40-year history of high value to the government and success as a cost-recovery organization.

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## Detailed Justification for Volpe National Transportation Systems Center

### FY 2013 – Volpe National Transportation Systems Center

#### Working Capital Fund

(\$000)

	FY 2011	FY 2012	FY 2013	Difference from FY 2012
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	[78,801]	[69,000]	[70,000]	[1,000]
Travel	[4,901]	[5,000]	[4,000]	[-1,000]
Other Costs	[179,356]	[185,000]	[186,000]	[1,000]
<b>TOTAL</b>	<b>[263,058]</b>	<b>[259,000]</b>	<b>[260,000]</b>	<b>[1,000]</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	550	550	550	0
Direct FTE	0	0	0	0
Reimbursable FTE	539	532	532	0

The Volpe Center programs are funded through its Working Capital Fund on a full cost reimbursable basis.

#### **What Is This Program?**

The Volpe Center mission is to advance technical, operational, institutional and managerial innovations to improve the nation's transportation system; to anticipate emerging transportation issues; and to be a Federal center of excellence for informed decision-making. The Center provides a unique capability in the synergy of transportation expertise with its institutional knowledge of the global transportation system and its stakeholder perspective; the federal perspective with its awareness of Federal responsibilities, objectives and activities in the public interest; and experience with the full spectrum of technologies and disciplines relevant to transportation system improvements. Over five hundred federal employees, all dedicated transportation professionals, half of which have advanced degrees, is the Center's most important asset who represent a full spectrum of disciplines from engineering to physical and social sciences.

The Volpe Center provides leadership to advise, facilitate and manage a wide range of high profile, complex, often rapid response, Departmental, agency, and priority initiatives of the Secretary, Assistant Secretary for Research and Technology and Volpe Center Director. Through extensive outreach and coordination, the Volpe Center supports the U. S. DOT's efforts to expand its understanding of current and emerging issues through strategic planning initiatives and timely communication.

#### **How Do You Know The Program Works?**

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The Volpe Center's activities support the missions of many Federal agencies on a full cost reimbursable basis. Many DOT and other Federal agencies utilize the Volpe Center capabilities because of the high quality, extensive expertise and customer focus validated by periodic customer satisfaction surveys.

#### **Why Do We Want/Need To Fund The Program At The Requested Level?**

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To facilitate its mission and the mission of the Department, the Volpe Center has eight Technical Centers: Transportation Policy and Planning; Safety Management Systems; Environmental and Energy Systems; Transportation Logistics and Security; Infrastructure Systems and Engineering; Air Traffic Systems and Operations; Human Factors Research and System Applications; and Advanced Transportation Technologies. Collectively, these technical centers provide progressive, multidisciplinary expertise in support of key Departmental and Federal transportation issues and in solving complex transportation problems.

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DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY  
WORKING CAPITAL FUND,  
VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER  
PROGRAM AND FINANCING  
(in thousands of dollars)

Identification code 69-4522-0-4-407

	<u>FY 2011</u> <u>ACTUAL</u>	<u>FY 2012</u> <u>ENACTED</u>	<u>FY 2013</u> <u>REQUEST</u>
0900 Total new obligations	263,058	259,000	260,000
<b>Budgetary Resources</b>			
1000 Unobligated balance brought forward	260,963	245,006	245,006
1050 Unobligated balance	260,963	245,006	245,006
<b>Budget Authority</b>			
1700 Collected	260,209	259,000	260,000
1701 Change in uncollected payments, fed sources	(13,108)		
1750 Spending authority from offsetting collections	247,101	259,000	260,000
1930 Total budgetary resources available	508,064	504,006	505,006
1941 Unexpired unobligated balance, end of year	245,006	245,006	245,006
<b>Change in Obligated Balance</b>			
3000 Unpaid obligations brought forward	114,462	130,675	7
3010 Uncollected payments, fed sources, brought forward	(123,650)	(110,542)	(110,542)
3020 Unobligated balance, start of year (net)	(9,189)	20,133	(110,535)
3030 Obligations incurred, unexpired accounts	263,058	259,000	260,000
3040 Outlays (gross)	(246,845)	(259,000)	(260,000)
3050 Change in uncollected payments, fed sources, unexpired	13,108		
3090 Unpaid obligations end of year (gross)	130,675	7	7
3091 Uncollected payments, fed sources, end of year	(110,542)	(110,542)	(110,542)
3100 Obligation balance, end of year (net)	20,133	(110,535)	(110,535)
<b>Budget Authority and Outlays</b>			
4000 Budget Authority (gross)	247,101	259,000	260,000
4010 Outlays from discretionary authority	167,260	259,000	260,000
4011 Outlays from discretionary balances	79,585	123,000	
4020 Outlays, gross (total)	246,845	382,000	260,000
4030 Offsetting collections from federal sources	(257,423)	(259,000)	(260,000)
4033 Offsetting collections from non-federal sources	(2,787)		
4040 Offsets against gross budget authority and outlays	(260,210)	(259,000)	(260,000)
4050 Change in uncollected payments, fed sources, unexpired	13,108	-	-
4060 Additional offsets against budget authority only (total)	13,108	-	-
4070 Budget authority, net (discretionary)	-	-	-
4080 Outlays, net (discretionary)	(13,365)	123,000	-
4180 Budget authority, net (total)	-	-	-
4190 Outlays, net (total)	(13,365)	123,000	-

**DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY  
WORKING CAPITAL FUND  
VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER**

**Object Classification  
(in thousands of dollars)**

Identification code 69-4522-0-4-407

**Reimbursable Obligations**

Obj Code Item	<u>FY 2011 ACTUAL</u>	<u>FY 2012 ENACTED</u>	<u>FY 2013 REQUEST</u>
<b>Personnel compensation</b>			
2 111 Full-time permanent	60,598	51,000	52,000
2 113 Other than full-time permanent	3,262	3,000	3,000
2 115 Other personnel compensation	1,277	1,000	1,000
2 119 Total personnel compensation	<u>65,137</u>	<u>55,000</u>	<u>56,000</u>
2 121 Civilian personnel benefits	13,664	14,000	14,000
2 130 Benefits for former personnel	0	0	0
2 210 Travel & transportation of persons	4,790	5,000	4,000
2 220 Transportation of things	111	0	0
2 233 Commun, utilities & misc. charges	3,864	5,000	6,000
2 240 Printing and reproduction	0	0	0
2 251 Advisory and assistance services	341	0	0
2 252 Other services	57,002	63,000	63,000
2 253 Purch of G&S from Govt accounts	1,987	1,000	1,000
2 254 O&M of facilities	6,038	5,000	5,000
2 255 R&D Contracts	97,094	98,000	98,000
2 257 O&M of equipment	949	1,000	1,000
2 260 Supplies and materials	1,025	1,000	1,000
2 310 Equipment	7,987	8,000	8,000
2 320 Land and structures	3,069	3,000	3,000
2 999 Total new obligations	263,058	259,000	260,000

**EMPLOYMENT SUMMARY**

Reimbursable:			
2 001 Civilian full-time equivalent employment	539	532	532

## Detailed Justification for the Intelligent Transportation Systems (ITS) Program

### FY 2013 - Intelligent Transportation Systems (ITS)

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	0	0	0	0
Travel	0	0	0	0
Research	[84,620]	[88,015]	[89,590]	[1,575]
Technology Transfer and Evaluation	[12,865]	[4,564]	[15,410]	[10,846]
ITS Program Support	[4,375]	[4,875]	[5,000]	[125]
<b>TOTAL<sup>1</sup></b>	<u>[101,860]</u>	<u>[97,454]</u>	<u>[110,000]</u>	<u>[12,546]</u>
<u>STAFFING</u>				
Direct Positions	[18]	[18]	[18]	[0]
Reimbursable Positions	0	0	0	0
Direct FTE	[18]	[18]	[18]	[0]
Reimbursable FTE	0	0	0	0

<sup>1</sup>Resources are shown as non-adds because funding resides in the FHWA budget.

### What Do I Need to Know Before Reading This Justification?

The current funding level is adequate to execute the scope of research outlined in the Intelligent Transportation Systems Strategic Research Plan. The reallocation of funds from FY 2012 and FY 2013 will provide a more effective program.

#### **Key actions:**

- Develop and test proven reliable multimodal vehicle-to-vehicle and vehicle-to-infrastructure communications safety applications using dedicated short range communications (DSRC) to demonstrate whether results warrant adoption of technology on new vehicles.
- Develop, test and support deployment of smart multimodal infrastructure applications for safety, mobility and environmental sustainability purposes to allow state DOTs, local transportation agencies and other systems operators to deploy and operate smart infrastructure.



- Establish one or more multi-source data environments to enable transformative operations efficiency and environmental sustainability for transportation managers of freeways, arterials, transit systems, maritime systems, and rail systems.
- Develop and test applications that can directly impact transportation's impact on the environment by making use of vehicle-to-vehicle wireless technology to improve environmental sustainability.
- Transfer research result to relevant state and local agencies and other ITS stakeholders and provide technical assistance for implementation.

### **What is This Program?**

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**Strategic Goals:** The Intelligent Transportation Systems (ITS) program specifically supports five of DOT's strategic goals: Safety, Environmental Sustainability, Livable Communities, Economic Competitiveness, and State of Good Repair.

**Purpose and Beneficiaries:** The purpose of the Intelligent Transportation Systems program is to fulfill the research role outlined by Congress and in support of the DOT strategic goals. The Intelligent Transportation Systems program consists of a multimodal, short-term intermodal, and exploratory research program administered as a collaborative partnership between the Intelligent Transportation Systems program and DOT modal administrations. Beneficiaries include the traveling public, state DOTs, automotive manufacturers, transit agencies, other local transportation agencies, private industry data providers, application developers, academia, and international transport agencies.

**Partners:** The Intelligent Transportation Systems program jointly conducts research with our modal partners, including:

- Federal Highway Administration (FHWA)
- Federal Motor Carrier Safety Administration (FMCSA)
- Federal Railroad Administration (FRA)
- Federal Transit Administration (FTA)
- Maritime Administration (MARAD)
- National Highway Traffic Safety Administration (NHTSA)

### **Prior Year Accomplishments:**

The Intelligent Transportation Systems program initiated a large scale safety pilot of the vehicle-to-vehicle and vehicle-to-infrastructure communications safety technologies in approximately 2,000–3,000 test vehicles in multiple geographic locations around the country to demonstrate and evaluate the effectiveness of the safety applications. Real time data capture and management testing will be completed to validate data quality, reliability, and consistency to ensure it supports operational requirements of transportation managers and information requirements for users.

Vehicle-to-vehicle and vehicle-to-infrastructure communications technical standards have been approved, and the vehicle-to-vehicle and vehicle-to-infrastructure communications test bed in Detroit, Michigan, was upgraded to incorporate new standards to support the Safety Pilot testing. Real time data capture and management testing will be conducted to inform researchers on the

best way to collect, control, and utilize real time data for performance management purposes. International standards harmonization, support of deployment through technology transfer and outreach and broadening the range of stakeholders involved in the program will also occur.

### **Why Is This Program Necessary?**

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Intelligent Transportation Systems technology solutions offer the opportunity to reduce crashes, fatalities and injuries thereby improving public health; improve efficiency, reliability and mobility; and reduce fuel consumption and greenhouse gas emissions. The travelling public, automotive manufacturers, and state and local transportation agencies will all benefit from reduced crashes, injuries, and fatalities on the U.S. transportation system. Vehicle-to-vehicle and vehicle-to-infrastructure communications safety applications are designed to increase situational awareness and reduce or eliminate crashes through data transmission that supports driver advisories, driver warnings, and vehicle and/or infrastructure controls. With these multimodal applications for light vehicles, trucks, buses, and fleets of all kinds, vehicle-to-vehicle and vehicle-to-infrastructure communications may potentially address up to 80 percent of crash scenarios involving unimpaired drivers, preventing tens of thousands of automobile crashes every year (further research will incorporate heavy vehicle crashes including buses, motor carriers, and rail).

The traveling public, freight movers, and state and local transportation agencies will benefit from the use of real time data applications to improve the safety, efficiency, mobility, reliability and sustainability of the U.S. transportation system. Data generated from vehicle-to-vehicle and vehicle-to-infrastructure communications systems can provide travelers and operators with detailed, real-time information on vehicle location, speed, emissions and other operating conditions. Informed travelers and commercial freight operators can use this information to improve system operations and choose optimum routing to avoid congested routes, take alternate routes, use other modes of transportation, shift to public transit, or reschedule their trips — all of which can save time, fuel, and money.

Without federal research investment and federal leadership, vehicle-to-vehicle and vehicle-to-infrastructure technologies and applications are unlikely to be realized. Federal leadership is critical to ensuring collaboration among automotive manufacturers and their suppliers as well as between the automotive industry and public sector agencies. Further, to realize the safety benefits, coordination is required for implementation at a nationwide scale. The federal government, working through the Department of Transportation is uniquely positioned to facilitate and enable the ultimate implementation of this technology.

Private sector innovations would still be developed for technologies that have market demand or a clear business case. However, due to the high risk and cost involved with safety applications and the need for nationwide interoperability, there is not a clear business case for the development of vehicle-to-vehicle or vehicle-to-infrastructure safety applications without federal research and government-sponsored standards development to ensure interoperability.

Further, without federal research investments, state DOTs, transit properties, and transportation managers would not have the resources to conduct independent Intelligent Transportation

Systems research and implement successful research and technology results. Without this funding, the adoption and deployment of Intelligent Transportation Systems by state and local transportation agencies would be reduced.

### **How Do You Know the Program Works?**

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**Effective:** The amount of Intelligent Transportation Systems technology deployment by state DOT's and transit agencies has been increasing over time. Data from the 2010 deployment tracking survey indicates that \$18.0 billion has been spent on ITS deployment in the top 75 metropolitan areas. Between 2005 and 2010, about \$500 million was spent per year. This far exceeds the amount of federal research investment which argues that the federal investment has been successfully leveraged over time. The saturation of ITS deployment differs across applications, ranging from 94% penetration for electronic toll collection technology, 61% penetration of electronic fare payment in transit properties to 54% for freeway surveillance systems. As a result, our transportation system has benefitted from this deployment in terms of increased mobility, better emergency and incident response times, better overall traffic management, and increased rush hour capacity. Additionally, private sector companies have made investments that are not easily captured. Current research is seeding private sector investment in vehicle-to-vehicle technology, based on the promise of these technologies for saving lives and an announcement by NHTSA that in 2013 the agency will assess whether the technologies warrant regulation or other means of encouraging adoption on new vehicles.

**Research:** Positive results from our vehicle-to-vehicle proof of concept testing in Michigan have demonstrated that the vehicle-to-vehicle and vehicle-to-infrastructure approach is feasible and effective. Independent evaluations are conducted on all research projects and made available to the public through the Office of the Assistant Secretary for Research and Technology's National Transportation Library. Effective strategies and technologies are being adopted, such as the congestion initiative and rural safety applications that have been demonstrated in specific operational locations around the country.

**Sub-program Balance:** The Intelligent Transportation Systems Research sub-program is critical to achieving the Departmental goals. The Intelligent Transportation Systems program could not be properly executed and deployment could not be made possible without the Program Support and Technology Transfer and Evaluation subprograms.

**Efficient:** Vehicle-to-vehicle research is currently being conducted to enable a decision by the Department in 2013 about whether to pursue a regulatory process to require technology on new vehicles or take other action to encourage adoption of related safety technologies. The efficient planning, acquisition, demonstration and evaluation of a complex research workload are supporting this aggressive regulatory timeframe.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

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**Funding Options:** The current budget request is necessary to achieve the NHTSA vehicle-to-vehicle 2013 decision milestone on the future of this potentially game-changing technology. The Department requires a large scale research and testing program with sufficient data to enable NHTSA to make a conclusive decision. Additionally, the funding supports related research that

expands this technology to benefits for mobility and the environment. The requested funding level will allow programs to be executed as described in the Intelligent Transportation Systems Strategic Research Plan.

## Detailed Justification for Salaries and Administrative Expenses

### FY 2013 – Bureau of Transportation Statistics (Highway Trust Fund) Account

(\$000)

	FY 2011	FY 2012	FY 2013	Difference from FY 2012
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	[10,243]	[12,154]	[12,245]	[91]
Travel	[140]	[153]	[154]	[1]
Other Costs	[10,404]	[8,565]	[8,520]	[-45]
<b>TOTAL<sup>1</sup></b>	<b>[20,787]</b>	<b>[20,872]</b>	<b>[20,919]</b>	<b>[47]</b>
<b><u>STAFFING</u></b>				
Allocation Positions	117	117	117	0
Reimbursable Positions	0	0	0	0
Allocation FTE	68	70	70	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

#### **What Do I Need To Know Before Reading This Justification?**

The Salaries and Administrative Expenses line item provides resources for the staff funded from the Bureau of Transportation Statistics (BTS) account. The staff supports the Office of the Assistant Secretary for Research and Technology's mission to provide transportation statistics research, analysis, and reporting in support of the Department's strategic goals and stakeholder needs.

These FTE support the Assistant Secretary for Research and Technology's mandate to enhance the data collection and statistical analysis programs in support of data-driven decision-making across the Department. These 70 FTE support the Assistant Secretary for Research and Technology's headquarters program and administrative functions allocated to the BTS account.

#### **What Is The Request And What Will We Get For The Funds?**

This request provides \$20.919 million for the staff and operating expenses supporting the Office of the Assistant Secretary for Research and Technology from the Highway Trust Fund (HTF) account. The FY 2013 funding level includes an increase of \$47 thousand over the FY 2012 level to provide for inflationary increases. This request provides funding for the BTS program

staff as well as mission support staff and associated operating expenses funded from the BTS account. Operating expenses include salaries and benefits (\$12.245 million), working capital fund (\$3.978 million), GSA rent (\$1.457 million), travel (\$144 thousand), printing (\$5 thousand), supplies (\$20 thousand), equipment (\$758 thousand), and other common service expenses (\$2.312 million). Common services expenses include: accounting systems and services, HR systems and services, e-Gov, IT hardware and software, SharePoint and web services. In order for the Office of the Assistant Secretary for Research and Technology to operate as a good steward of Federal funds and to advance the transportation system, proper staffing is required to provide services quickly and accurately.

### **What Is This Program?**

This function provides staff to support program management, analysis and execution of BTS programs including: Safety Data Analysis, Passenger Travel Statistics, Freight Statistics, Transportation Economics, Geospatial Information Systems, Transportation Analysis, Data Quality and Performance Metrics, and the National Transportation Library.

In addition, the function provides administrative oversight and direction for the Office of the Assistant Secretary for Research and Technology in Budget and Financial Management, Information Technology, Human Capital, Legal, Administrative Management, Governmental, International and Public Affairs, Space Management, Procurement and many other vital activities critical to the Office of the Assistant Secretary for Research and Technology's mission.

### **Why Is This Particular Program Necessary?**

This program is necessary to continue agency operations in an effective manner. The Assistant Secretary for Research and Technology has placed great emphasis on the Department's Organizational Excellence Goal. This office continues to develop a diverse and collaborative workforce that enables the Department to advance a transportation system that serves the nation's long-term social, economic, security and environmental needs. The Office of the Assistant Secretary for Research and Technology's workforce will be capable of handling any complex transportation issues that might occur and provide important opportunities for staff to sharpen existing competencies and develop aspiring leaders for the future. In addition, staff would develop program and policy guidance for stakeholders and carryout essential financial management, human capital, information technology and organizational services.

### **How Do You Know The Program Works?**

The Office of the Assistant Secretary for Research and Technology's organizational performance is measured by its ability to provide high quality service in Financial Management, Human Capital Management, Program and Policy Guidance, Legal Services, Information Technology and other organizational services.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

Funds are essential to staff the organization and to continue transportation systems research, human capital, and organizational services in an effective manner.

## Detailed Justification for the Safety Data and Analysis Program (SDAP)

### FY 2013 – Safety Data and Analysis

(\$000)

	FY 2011	FY 2012	FY 2013	Difference from FY 2012
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	0	0	[2,000]	[2,000]
<b>TOTAL<sup>3</sup></b>	<b>0</b>	<b>0</b>	<b>[2,000]</b>	<b>[2,000]</b>
<u>STAFFING</u>				
Allocation Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Allocation FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

<sup>3</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

### What Do I Need To Know Before Reading This Justification?

Safety is DOT's highest priority. The Safety Data and Analysis Program (SDAP) is a new initiative designed to centralize, standardize and address gaps in safety data and analysis across all operational modes in support of the U.S. DOT and Safety Council. The data will allow the DOT and Safety Council to develop a formal process for multi-modal data sharing and adopt a data-driven approach to identify, analyze, evaluate, and potentially correct systemic problems and create countermeasures across modes and sectors. The program will address the synthesis, collection, processing, and analysis of multimodal transportation safety data and information.

The requested level of funding is needed to:

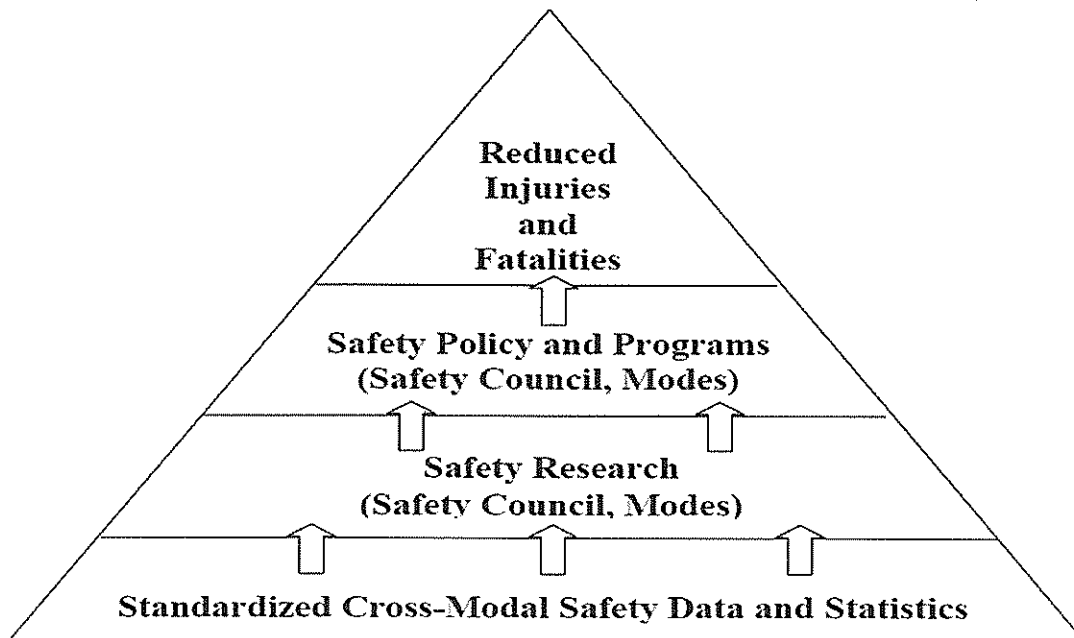
- Establish a safety data portal to serve U.S. DOT and other transportation safety communities;
- Cross-walk various modal data sources to facilitate the development of exposure measures;

- Maintain analytic expertise in safety risk analysis, data integration, and analysis of naturalistic driving studies;
- Expand development and operation of close-calls reporting systems to other modes beyond the Federal Railroad Administration and Federal Aviation Administration;
- Develop safety performance measures and program evaluation methodologies.

**Key Actions:**

- Coordinate with other modal administrations to create a collaborative data portal, available to a broad range of stakeholders and the public, for accessing, synthesizing and analyzing safety data across the Department, including precursor (near-miss) and incident/accident safety information;
- Integrate multimodal Intelligent Transportation System (ITS) deployment data with safety data where data are available and indicate data gaps where appropriate;
- Coordinate and expand the collection of multimodal transportation exposure data to improve estimation of safety risk rates and facilitate risk analysis across modes (with a focus on vulnerable populations, such as senior citizens, motorcyclists, pedestrians, bicyclists);
- In coordination with other modal administrations, develop and apply new measures of transportation safety risk exposure to better characterize and communicate risk;
- Coordinate the collection and analysis of occupational safety and health data pertinent to the analysis of vehicle operator and safety performance;
- Develop advanced statistical methodology for emerging areas of research in the Department;
- Provide technical support to the modal administrations in the design and implementation of surveillance data systems, data standardization, and safety data integration with GIS standards;
- Provide support to the modal administrations in the areas of study design, study protocol development, data collection and analysis of transportation safety studies.

**Safety Statistics and Data Form the Foundation for Research and Policymaking**





**Key Outputs:**

- A data clearinghouse to support the analysis of multimodal safety data.
- Documentation of safety data gaps and a roadmap to fill data gaps.
- A roadmap to integrate non-transportation data (e.g., occupational safety and health) to support holistic safety analysis.
- Potential safety risk exposure measures that are compatible across all modes.
- Technical support to improve data collection and analysis.

**Key Outcomes:**

- Improved safety program assessments and support more effective inter-modal safety investments.
- A focused effort on reducing injuries and transportation-related fatalities by minimizing data gaps and improving data access, including information on near-miss (precursor) and other hazard data.

**What Is This Program?**

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The Safety Data and Analysis Program (SDAP) will enable BTS to effectively integrate transportation safety data and information across modes and address gaps in existing Departmental data programs. Improving safety throughout the transportation sector is the Department's top goal. The Departmental Safety Council is working collaboratively to address safety problems by leveraging resources, and sharing experience, expertise and best practices. The Safety Council's strategy is to adopt data-driven approaches to identify, analyze, evaluate, and potentially predict systemic problems; and create improvements across modes and sectors.

**Partners:** FHWA, NHTSA, FMCSA, FRA, MARAD, PHMSA, FTA, FAA, DOT Safety Council, safety advocates and transportation industry.

**Description:** The SDAP addresses multimodal safety data issues and the Department's strategic goal of improving transportation safety through accurate and timely incident and potential incident and exposure data and analyses. This program augments existing data collection and data analysis efforts, providing a portal for integrated data for research and decision making by critical stakeholders.

**Why Is This Particular Program Necessary?**

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The SDAP provides improved multimodal safety data and analysis through increased collaboration across modal administrations. The centralized data portal will provide standardized access to a wide array of data sources, and will identify and address gaps in Departmental data programs. Transportation risk is highly concentrated in certain sub-populations and under certain conditions; e.g., in aviation on takeoffs and landings, especially at night; and in motor vehicle travel, especially with higher risk drivers and occupants traveling during late night or early morning conditions.

The transportation safety data that are collected, processed, maintained, and disseminated by the different DOT modal administrations lack uniformity and comparability in terminology and

reporting formats (e.g., different injury reporting criteria), which may limit system-wide risk assessments. In addition, there are gaps in existing data, such as the information on operator fatigue and its impact on safety performance.

The requested funding will allow BTS to provide a multi-modal data portal and cross-cutting analysis capabilities in support of the Department’s highest priority, safety.

### **How Do You Know The Program Works?**

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Success for the SDAP program will be indicated by several factors:

**Effectiveness:** Preliminary results from the current confidential close-calls rail reporting system has indicated that such reporting systems are needed across modes to support safety initiatives.

**Research:** An NTSB report has commended BTS past safety data-related efforts: “in reviewing BTS efforts to establish data quality standards, identify information gaps, and ensure compatibility between the Department’s safety data systems, the Safety Board recognizes a number of important BTS accomplishments. BTS has led safety data improvement efforts in recent years, and the Safety Board commends these efforts.” The NTSB has also recommended that BTS develop better risk exposure data.

**Efficient:** BTS, as a designated federal statistical agency, has authority to collect and protect confidential information. Furthermore, BTS is organized to collect and analyze cross-modal safety data and collaborate effectively and efficiently across all operational modes.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

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This is a new initiative. Funding of \$2 million would be sufficient to implement this program.

## Detailed Justification for Travel Statistics Program

### FY 2013 - Travel Statistics

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	[450]	[450]	[3,450]	[3,000]
<b>TOTAL<sup>3</sup></b>	[450]	[450]	[3,450]	[3,000]
<u>STAFFING</u>				
Allocation Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Allocation FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

<sup>3</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

### What Do I Need To Know Before Reading This Justification?

The Travel Statistics Program is the primary means the Department uses to compile data on the way Americans travel around their communities and around the country. This information is integral for DOT to base its significant investment and policy decisions on sound science and rigorous analysis. These data are particularly applicable as the President's \$50 billion investment initiatives for high speed rail are implemented. The current absence of intercity long distance passenger travel data greatly hinders the transportation community's ability to target scarce resources. The 2011 Transportation Research Board (TRB) national policy study report, *How We Travel: A Sustainable National Program for Travel Data*, detailed the importance of timely and comprehensive passenger travel data.

- The transportation community -- including DOT, state and local agencies, researchers, and other stakeholders -- need updated data describing characteristics of long distance intercity passenger travel, particularly in the context of major investments in high-speed rail.

- Long distance and local travel are key contributors to safety risk exposure, infrastructure performance, greenhouse gas and other emissions, and economic performance.
- There is a seventeen-year gap in the collection of long distance passenger travel data; during this period substantial societal changes have taken place making the last passenger flow data collected in 1995 obsolete.
- The Travel Statistics Program provides critical information for performance measures associated with the Department's strategic goals for safety, livable communities, state of good repair, and environmental sustainability.
- The Program works closely with other DOT modes to collect and integrate passenger travel data with modeling techniques to provide a more comprehensive landscape of passenger flows across the nation.

### **Base Program:**

The Omnibus Household Survey has been conducted since 2000. Data are collected from over 1,000 nationally representative households and a target sample of 500 households in nine selected Metropolitan Statistical Areas. Survey questions cover a variety of areas to better understand the nation's satisfaction with the transportation system, including items related to: mode use, journey to work, distracted driving, telecommuting, livable communities, security screening procedures at airports; and bicyclists and pedestrian attitudes and interests. As a result, transportation analysts are better able to identify areas for improvement, develop model parameters for forecasting and establish performance measures to evaluate them. For FY 2013 this survey will provide a quick turnaround data collection vehicle for use across DOT to gather information on time-sensitive transportation issues.

The Intermodal Passenger Connectivity Database (IPCD) includes data on facility location and, upon completion, will include air, intercity ferry, and intercity rail (including commuter, heavy, light, and standard rail) modes that serve each of the estimated 7,000 passenger terminals in the U.S. This provides an integrated basis for measuring intermodal connectivity in the passenger transportation system, and the only consolidated database of passenger transportation facilities for all modes. The need for intermodal facility data is identified in the *DOT Strategic Plan* as necessary for evaluating the livability of American communities by emphasizing mode choice. The database will also be used to create a routable network to model long distance travel flow.

BTS will continue to provide data users with comprehensive monthly and annual vehicle, container, passenger and pedestrian entry count information for all U.S. land and ferry ports of entry from Canada and Mexico. The data represents activity at the port level on the U.S.-Canadian and U.S.-Mexican land border and international ferry crossings. The data are used for monitoring North American Free Trade Agreement activity, for traffic analysis, and for data-driven resource allocations.

**The following new initiative will be conducted:**

**\$3M**

BTS will also conduct methodological research and pilot studies as the initial steps in the reestablishment of a National Long Distance Travel Data Program. City-to-city passenger travel data are necessary to inform the nation's considerable transportation investments, including the

President's initiative on high-speed rail and the continued focus on safety. Data would be used as a key input into a newly proposed passenger travel model that would provide a detailed view of passenger travel, as well as travel forecasting capability for the future. While information on specific modes of transportation, such as air and intercity rail exists (with known limitations and limited access,) the majority of intercity passenger travel by the highway mode (i.e., approximately 90 percent of one-way passenger trips of 50 or miles) remains unmeasured. The gap in long distance passenger travel flow data has now extended nearly twenty years. Updated data on passenger on travel flows is badly needed for multimodal analysis of intercity passenger travel including travel along the nation's busiest corridors and between major metropolitan areas. This program will enable the collection of baseline information to estimate the city-to-city flows of persons travelling by type of mode, as well as by important socio-demographic characteristics (e.g., the growing population of the elderly).

**Key Actions:**

- Conduct methodological research and pilot studies to determine the optimal design for the next long distance travel survey.
- Initiate long distance travel data program outreach and partnerships to better inform transportation investments.
- Collect data from households (Omnibus Survey) covering issues including air, auto, intercity bus and intercity rail (on a reimbursable basis).
- Maintain and increase the data coverage in the Intermodal Passenger Connectivity Database (IPCD).
- Provide updated data on the nation's ferry operations; including information on ferry operators, their vessels, services, and routes.
- Collaborate with other modal administrations to gain a better understanding of intercity passenger travel to identify and use data from passenger surveys and alternative passenger data sources including data models.
- Estimate long distance travel patterns for selected areas and between major metropolitan areas.
- Estimate key transportation variables, such as household trips and VMT at the census tract level, and provide comprehensive national travel forecasts across modes.

**Key Outputs:**

- Estimated passenger travel from origin to destination by mode, and innovative data collection methods for collecting intercity passenger travel data, including air, auto, intercity bus and rail, and intermodal travel.
- Monthly and annual pedestrians, passengers and vehicle crossings including rail and intermodal crossings into the U.S. from Canada and Mexico (Border Crossing /Entry data) released via the Office of The Assistant Secretary for Research and Technology web site in a searchable database. Border Crossing/Entry data will also be made available via [www.data.gov](http://www.data.gov).
- Estimates of household trips and VMT at the census tract level.
- National travel forecasts across modes.
- Trends in Focus reports using key transportation data with context to timely and relevant travel-related issues.
- Technical reports on travel data and information including data quality issues and data gaps.

**Key Outcomes:**

- Provide up-to-date intermodal data on passenger transportation (the Intermodal Connectivity Database) in FY 2013. This will provide decision makers with the information necessary for planning and investments.

## Detailed Justification for the Freight Statistics Program

### FY 2013 - Freight Statistics

(\$000)

	FY 2011	FY 2012	FY 2013	Difference from FY 2012
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	[4,500]	[2,621]	[10,368]	[7,747]
<b>TOTAL<sup>3</sup></b>	<u>[4,500]</u>	<u>[2,621]</u>	<u>[10,368]</u>	<u>[7,747]</u>
<u>STAFFING</u>				
Allocation Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Allocation FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

<sup>3</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

### What Do I Need To Know Before Reading This Justification?

Understanding how freight moves to and from the nation's ports and throughout the country is essential in informing the Department's transportation policy and investment decisions. The Freight Statistics Program is designed to bring this information to light by conducting comprehensive multimodal freight surveys and data analyses.

- Except for temporary setbacks during the recent economic downturn, freight transportation continues a long-term growth pattern, supporting economic activity throughout the U.S. and providing the means for American exports to reach foreign markets.
- Freight transportation is an increasingly significant contributor to congestion, safety exposure, infrastructure performance, and greenhouse gas and other emissions; local

congestion is creating disruptions and added costs for a growing amount of interstate and international commerce.

- The *DOT Strategic Plan* identifies the need for better information on freight flows to enhance the nation's ability to make optimal transportation planning and investment decisions.
- The Commodity Flow Survey (CFS) is the only source for national truck shipments and national truck hazardous materials shipment data.
- The International Freight Data System (IFDS) partnership of DOT agencies supports a requirement of Section 405 of the SAFE Port Act of 2006 and supports data needs regarding hazardous materials, truck transport activity at U.S. borders, vehicle imports and other areas.
- BTS works with DOT agencies with regulatory authority over hazardous materials transport in the CFS and IFDS efforts to ensure the survey and international data effectively address emerging issues in this area.
- BTS provides data and technical guidance to decision makers and planners supporting the President's National Export Initiative.

### **Base Program:**

The base program includes conducting data collection, initiating the 2012 Commodity Flow Survey, and continued analysis of the international trade and freight transportation data. The Freight Statistics Program performs research and produces data-driven special and focused reports on key freight transportation issues.

The following major initiatives will be conducted in FY 2013:

#### **Commodity Flow Survey \$6.1M**

The Commodity Flow Survey (CFS) is the flagship survey of the Freight Statistics Program and has been recognized within the Department and by external customers as one of the Department's most valued freight data series since its initiation in 1993. Although the CFS is a multimodal survey, it is the only available source of national freight data for the highway mode. It also provides the most comprehensive set of national data on the movement of hazardous materials. These data are fundamental in supporting DOT's strategic goals of economic competitiveness and safety.

#### **The Vehicle Inventory and Use Survey (VIUS) \$3M**

The VIUS captures the physical and operating characteristics of trucks nationally—crucial data for evaluating the role of trucks in transportation. Since 1963, the U.S. Census Bureau has conducted this survey on a five-year basis as part of the Economic Census. Data from the VIUS has been used to conduct safety analysis, estimate fuel consumption and the economic productivity of trucks, and develop statistics of highway usage and cost allocation. For example, these data are used in developing the Freight Analysis Framework, which is a national tool for estimating freight traffic on the nation's highway network.

#### **International Data Program \$1.3M**

BTS' International Data Program is focused on data collection, data integration, filling critical data gaps, development of data standards, analysis and outreach. The current program includes such issue areas as U.S. international trade and transportation, travel and border crossings, North



American transportation research, impacts of trade on the nation's transportation network, changes in the direction of trade and the nation's global competitiveness. The largest topic area for the International Data Program is international multi-modal freight transportation data and information. Transborder data collection and analysis is ongoing and is released monthly. The International Freight Data System (IFDS) partnership project is DOT's interface with the Customs and Border Protection's International Trade Data System (ITDS). The IFDS will provide a single source of comprehensive import and export data to seven DOT agencies leading to better quality analysis of transportation issues and support decision-making.

**Key Actions:**

- Release the North American freight transportation (Transborder Freight) data, on a monthly basis, for customers including Departmental staff, Congressional staff, state DOTs, international organizations, universities and academics, and others.
- Conduct research and analysis using available freight transportation data to support the Departmental strategic goals, and to inform on key transportation issues and events that impact all modes of transportation.
- Complete the data collection phase for the 2012 CFS.

**Key Outputs:**

- Comprehensive, high quality and timely multimodal and intermodal import and export data are available for all modes of transport.
- Publication of the international and intermodal freight reports provide data profiles of the nation's leading international and intermodal transportation gateways. The reports highlight key gateways and border crossings for air, water, and surface modes.
- Hazardous materials and other import data are delivered to DOT modal administrations. These data fill critical data gaps, improve risk assessments and support evaluations of entities that transport hazardous materials, improving the safety of the U.S. transportation system.

**Key Outcomes:**

- Customers use Transborder Freight data for a variety of purposes, including trade corridor studies, risk assessments, decision making, transportation infrastructure planning and investment, and other purposes.
- Improved access to critical data for DOT agencies to support their regulatory missions and decision-making.
- Improved understanding of the demand that freight movements place on the U.S. transportation system.

**What Is This Program?**

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**Strategic Goals:** Safety, environmental sustainability, state of good repair, livable communities, and economic competitiveness. *The DOT Strategic Plan* identifies the need for intermodal and cross-modal research and data-driven decision-making.

**Purpose/Beneficiaries:** Develops and compiles data on freight movements within, through, into and from the U.S. by all modes of transportation.

**Partners:** DOT modal administrations, other federal agencies and the transportation industry.

**Description:** Collects, compiles, and analyzes freight data for all modes of transportation; provides analytic reports and products from a multimodal and intermodal perspective on the performance and impacts of national and international freight flows on the national transportation system.

**Prior Year Accomplishments:**

- Completed three-fourths of the data collection and be fully engaged in the processing and editing of the 2012 CFS.
- Executed the monthly scheduled release of the TransBorder Freight Data.
- Collaborated with the U.S. Census Bureau, Canadian and Mexican transportation and statistics agencies, and other federal agencies in the North American Transportation Statistics Interchange, and hosted the trilateral meeting in the U.S.
- Completed trilateral update of the North American Transportation Statistics (NATS); lead the release of new key indicators in the NATS-OD (online database).
- Continued to conduct outreach to customers to assure that the most important data are provided, and developed innovative methods for meeting freight data needs at the state and local levels.
- Completed the first phase deployment of the IFDS data warehouse in partnership with the Department of Homeland Security (DHS), Customs and Border Protection. Prepared reports on key transportation issues such as container ports, NAFTA trade and freight transport, trade with U.S. trade partners, national freight movements (including hazardous materials shipments), and changes in global transportation activities.

**Why Is This Particular Program Necessary?**

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Information on the movement of goods as described in the Intermodal Transportation Database, National Transportation Atlas Database, and Transportation Statistics Annual Report has been requested by Congress in the past. Goods movement data are central to analyses of transportation investments under the American Recovery and Reinvestment Act, the National Environmental Policy Act, the National Export Initiative, the SAFE Port Act and other federal legislation.

Support of interstate commerce is a core function of the federal government. Data describing the volume, value, and geography of freight movement and performance of the transportation system identify the most cost-effective investments in freight infrastructure. These data help policy-makers understand the potential effectiveness of proposed regulations, financial incentives, and other policies to improve safety and environmental sustainability. Freight data are also key to understanding and enhancing the role of the domestic transportation system in moving U.S. international trade, particularly in supporting the Presidential goal of increasing exports.

Further expansion of the 2012 CFS will allow for increased flow data and better commodity by mode estimates. Through the first phase of the IFDS data warehouse and interface with Customs and Border Protection's import data, DOT will obtain international transportation data to address safety, environmental and policy issues, and for research and analysis. Funding will provide

detailed data needed for decision making such as transportation investments in infrastructure and allocation of border resources.

Economic activity is variable and must be monitored to assure that the freight transportation system is responding effectively to the nation's logistical needs. Failure to meet the logistical needs of manufacturing and services can result in loss of jobs and reduced spending on other economic activities.

### **How Do We Know The Program Works?**

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**Effective:** Demand from the Department, modal administrations, research community, industry, state and local governments, and the general public. A wide array of transportation data users rely on data from the Freight Data Program, including researchers and media who utilize the data and analysis.

**Research:** BTS reviews comments from its customers and stakeholder received through formal and informal means. This includes:

- Customer outreach and listening sessions;
- Input from the American Customer Satisfaction Index;
- Data requests and downloads from the Office of The Assistant Secretary For Research and Technology web pages;
- Participation in freight-related conferences and workshops to proactively seek feedback on our products.

**Sub-program balance:** Sub-programs necessary for understanding freight flows.

**Efficient:** TRB panels have identified these collection strategies as the optimal approach.

## Detailed Justification for the Transportation Economics Program

### FY 2013 - Transportation Economics

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	from FY 2012 <u>Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	[160]	[160]	[160]	[0]
<b>TOTAL<sup>3</sup></b>	<b>[160]</b>	<b>[160]</b>	<b>[160]</b>	<b>[0]</b>
<b><u>STAFFING</u></b>				
Allocation Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Allocation FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

<sup>3</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

### **What Do I Need To Know Before Reading This Justification?**

The U.S. transportation system forms the backbone of the nation's economy. To better understand this relationship and maximize economic competitiveness, the Transportation Economics Program develops and analyzes data that helps to explain the economic impact of the Department's transportation policy and investment decisions.

Congress has previously mandated that BTS compile and publish statistics supporting economic and transportation analysis for transportation decision-making by all levels of government, the transportation community, businesses and consumers.

**Key Actions:**

- This program compiles Government Financial Transportation Statistics (GTFS) and the Transportation Satellite Account (TSA).
- GTFS consists of data on government transportation revenues and expenditures by type of expenditure, source of revenue, mode of transportation, and level of government.
- The TSA expands upon the basic Bureau of Economic Analysis (BEA) accounts which describe only the for-hire transportation industry by providing coverage of in-house transportation, and thereby improving our understanding of the economic impact of transportation.
- This program also develops basic economic and financial data to support transportation decision-making, including investment analysis, through development of economic indicators that measure the contribution of transportation to the economy, research on transportation economic trends and forecasts, and on transportation costs and expenditures.

**Key Outputs:**

- GTFS expenditure and revenue data tables;
- Updated Transportation Satellite Account with economic multipliers measuring the effect of transportation investments upon the economy;
- Economic analysis and modeling;
- Publication of Journal of Transportation and Statistics (JT&S);
- Transportation Services Index (TSI);
- A database of seasonal adjusted key transportation variables for all modes of travel;
- Data and findings used to assess transportation impacts on the U.S. economy.

**Key Outcomes:**

Provide policy-makers with greater insight into the impact of transportation on the economy and Gross Domestic Product (GDP), including analyses of long-term trends of transportation data.

**What Is This Program?**

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**Strategic goals:** Economic competitiveness and environmental sustainability.

**Purpose:** Transportation and related investments are critical to the competitiveness of the U.S. economy and represent significant investments by governments and households. This request funds the continuation of the Transportation Economics Program for: (1) producing the GTFS report to address government transportation finance and expenditures; (2) updating the TSA, which measures the role of transportation in the economy; (3) producing deseasonalized modal travel data to determine seasonal effects to understand the underlying trends and events in transportation data; (4) improving the efficiency of producing the TSI to improve the quality of the data and reduce costs; (5) publishing the peer-reviewed Journal of Transportation and Statistics; and (6) developing and using economic models for policy and economic impact analysis.

**Beneficiaries:** OST, FHWA, FAA, Congress, state and local governments.

**Partners:** FHWA, Office of the Secretary Economics and Policy offices

**Description:** Program products provide transportation officials and community with information on the economic impact of transportation, and how to optimize transportation investments so that system productivity can be improved, and the value of transportation to users can be increased. Specifically:

- The GTFS report provides the only single source of statistics on transportation-related revenues and expenditures of the federal, state and local governments for all modes of transportation. The report contains revenues by source, expenditures by type, and federal grants to state and local governments. Statistics on federal expenditures are provided at the agency and program level.
- The TSA expands upon the basic Bureau of Economic Analysis (BEA) input-output (I-O) accounts, which describe all industries and the commodity inputs used in production, by providing separate coverage of for-hire and in-house transportation and detailed inputs of services and commodities used in the transportation sector by mode. These comprehensive estimates for the transportation sector are not available from BEA.
- JT&S is being reintroduced after a hiatus of several years, and this will provide a peer-reviewed journal of original transportation research to improve public and private decision-making. JT&S provides an international forum for the latest developments in transportation information and data, theory, concepts, and methods of analysis relevant to all aspects of the transportation system.
- The BTS Trending and Forecast Team performs trending, prediction, seasonal adjustment, and time series and econometric forecasting of transportation data. The team works with federal transportation forecasters outside of BTS, as well as with the modal agencies across DOT, on indexes, VMT forecasting, and modeling. This assists policy makers in identifying trends and turning points in the economy.

**Prior Year Accomplishments:**

- Updated and published the most recently available TSA estimates for private truck, rail, aviation, and waterborne modes for use by the Departmental staff, AASHTO and other economists to measure impacts of transportation expenditures on GDP.
- The GTFS 2007 estimates were published on the BTS website in FY 2012 and the GTFS 2009 estimates will be available in FY 2013.
- Developed models to de-seasonalize key monthly transportation data; e.g. air passenger miles, highway VMT, unlinked passenger transit trips. The seasonally adjusted data will be published on the BTS website.
- Continued development of a Time Series and Forecasting Center and published time series trends, including publication of Transportation Trends in Focus (TTiF) reports on requested topics. The TTiF series reports on key transportation data.
- Provided aviation and other modal data, modeling and forecasting expertise to the Federal Highway Administration in constructing a multi-modal network and forecasting model. Continued publication of the Air Travel Price Index (ATPI), on the BTS website, which captures air ticket price increases by air carrier and airport.
- Developed estimates of short-term time series and mid-term travel forecasts; provided support to FHWA on forecasting of VMT and trends in historical nationwide congestion measures; estimated deseasonalized monthly travel data for FHWA.

- Re-introduced JT&S and invited international transportation, economic and statistical experts to be on the JT&S Editorial Board, and initiated a call for papers for a special issue on transportation safety. The first issue is expected to be published by the end of 2012.
- Continued to streamline the TSI production by modeling, standardizing the data entry and creating statistical computer programs to deseasonalize the data.
- Published the 2011 edition of the 2007 and 2008 Government Transportation Financial Statistics (GTFS). The 2009 data will be available in 2012.

### **Why is this Particular Program Necessary?**

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Information on economic performance and an accounting of capital stocks is explicitly required for the Intermodal Transportation Database and Transportation Statistics Annual Report, which have been requested by Congress in the past.

The program provides unique products to the Department and other policy makers to estimate how changes in the transportation sector impact the economy. It provides a comprehensive accounting of transportation revenues and expenditures across all levels of government and throughout the private sector. Coverage is essential to understand the consequences of changes to user fees and taxes, as well as business and household logistics costs. This is needed for understanding the potential impacts of changes in energy markets and policies on the transportation sector and other parts of the economy that depend on transportation. Measurement of metrics based on the GTFS expenditures and revenues can be established to track and evaluate the effectiveness of transportation programs.

The TSA provides data to link project and programs from transportation to the economy for cost-benefit purposes, financial, investment and program evaluation. Economic multipliers are developed in the TSA which measure the effects of transportation investment upon the economy. The Program will estimate various scenarios for policy development and evaluation, investment analysis, financial planning, program evaluation and budget impacts.

Without this funding, U.S. DOT would not be able to calculate the impact of transportation expenditures on the economy—critical for measuring economic competitiveness.

### **How Do You Know the Program Works?**

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**Effective:** Frequency of use of products and information, and inquiries from the White House, Congress, and OST. The program generates unique products that are widely used by federal, state and local government agencies, such as AASHTO, as well as university researchers. The TSA is often requested by all of the modal agencies within USDOT and several large contracting companies for use in evaluating the effects of government spending at the state and national level upon the GDP and the economy.

**Research:** The TSA is based on methodologies developed in partnership with the Bureau of Economic Analysis. Each year changes to the TSA are peer reviewed by most of the customers before release.

**Efficient:** This program is useful to planners and policy makers for assessing the effectiveness and efficiency of the transportation system and for evaluating the effectiveness of transportation investments.



## Detailed Justification for the Geospatial Information Systems (GIS) Program

### FY 2013 - Geospatial Information Systems Program

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	[360]	[360]	[360]	[0]
<b>TOTAL<sup>3</sup></b>	<b>[360]</b>	<b>[360]</b>	<b>[360]</b>	<b>[0]</b>
<u>STAFFING</u>				
Allocation Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Allocation FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

<sup>3</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

### What Do I Need To Know Before Reading This Justification?

Much of the data in transportation is best represented on a map. The Geospatial Information Systems (GIS) program develops transportation maps to display data to support DOT agencies, the DOT Crisis Management Center, Congress, and the transportation community. Analysis of geospatial transportation data is also done by the GIS program to support DOT policy and investment decisions.

- The GIS Program is Congressionally-mandated and annually develops, maintains, and distributes the National Transportation Atlas Database (NTAD), a set of nationwide geospatial databases of transportation facilities, transportation networks and associated infrastructure.
- DOT's Geospatial Information Officer resides within BTS.

- GIS Program staff co-chairs the Federal Geographic Data Committee’s (FGDC) transportation subcommittee.
- The BTS Director sits on the FGDC steering committee.

**Key Actions:**

- Provide GIS standards and technical expertise to Departmental Staff.
- Develop and distribute transportation data for mapping applications.
- Operate and maintain the DOT American Recovery and Reinvestment (ARRA) web mapping application and other web mapping applications that highlight transportation data and statistics.
- Develop the transportation layer of the National Spatial Data Infrastructure (NSDI) as established under Office of Management and Budget (OMB) Circular A-16.
- Represent DOT in the transportation geospatial community at conferences and committees, and provide a critical nexus for information and data sharing.
- Provide transportation data and related software expertise to support the Department’s Emergency Preparedness and Response and Recovery Programs.
- Continue to enhance the State Facts and Figures web tool.

**Key Outputs:**

- Produce and distribute the 2013 edition of the National Transportation Atlas Database.
- Continue to provide geospatial mapping, analysis, and application development services to Congress, RITA, the DOT Crisis Management Center (CMC) and other modal administrations.
- Coordinate geospatial activities throughout the Department.

**Key Outcomes:**

- Improved methods for understanding the spatial patterns of transportation activity that are enabled through geographic identification and linkage of critical characteristics of livable communities, infrastructure weaknesses, and safety risks.

**What Is The Program?**

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**Strategic Goals:** Safety, livable communities, environmental sustainability, state of good repair, and economic competitiveness.

**Purpose:** The GIS program leads Departmental use and analysis of geospatial representation of multi-modal transportation data, and partners with the Environmental Protection Agency (EPA) and FHWA to maintain a geospatial dataset of EPA non-attainment areas to support the Department’s environmental sustainability strategic goal. The Program also supports state-level needs by working closely with the National State Geographic Information Council (NSGIC).

**Beneficiaries:** The GIS program provides geospatial mapping, analysis, and application development services to Congress, other DOT modal Administrations, RITA, and the DOT Crisis Management Center (CMC). Cartographic products are used in BTS publications; provided to the CMC to support their emergency operations and planning; and are submitted to Congress.

**Partners:** EPA, FHWA, Data.gov, geo.data.gov, FRA, NSGIC, FGDC, and the CMC.

**Program Description:** The program is leading efforts to develop web mapping tools that will monitor a range of sustainability metrics of U.S. cities. The GIS program has also developed geospatial applications to aid in the visualization and analysis of transportation data, including a desktop application to estimate multi-modal trip distances traveled by freight shipments and a web application to display the transportation projects funded by the American Recovery and Reinvestment Act (ARRA).

**Prior Year Accomplishments:**

- Produced and distributed the 2012 National Transportation Atlas Database (NTAD);
- Began the development of new geospatial datasets for rail bridges and ferry routes;
- Produced the 2012 edition of Major Transportation Facilities of the United States map;
- Supported the CMC during National Level Exercise 2012 and during emergency situations;
- Produced maps for DOT publications;
- Produced maps of structurally deficient bridges on the national highway system by state and congressional district;
- Operated and maintained the DOT ARRA web mapping application;
- Developed new web mapping applications that showcase DOT data;
- Represented the DOT in the FGDC Steering Committee and chaired the Transportation Subcommittee;
- Assisted in the planning of AASHTO GIS for Transportation Symposium; and
- Partnered with NSGIC to complete the strategic plan for the “Transportation for the Nation” initiative.

**Why Is This Particular Program Necessary?**

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The GIS program is responsible for the development of the transportation layer of the National Spatial Data Infrastructure (NSDI) as established under Office of Management and Budget (OMB) Circular A-16. The GIS program annually develops, maintains, and distributes NTAD which is mandated by the Congress. This program leads the DOT’s effort to develop a web mapping tool to evaluate the sustainability of U.S. cities.

**How Do You Know The Program Works?**

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**Effective:** Customers receive high quality geo-spatial products from the GIS program. More than 2,000 NTAD DVDs are distributed annually because of the popularity of this product along with its minimal production cost. The number of DVDs has been considerably reduced over time. The NTAD download site receives more than 20,000 annual visits. During the past decade, the GIS Program has produced more than 60 special maps per year. These maps enhance U.S. DOT publications and support the CMC.

**Research:** There is consistent high demand for products and services. The NTAD has been produced every year since 1995. Each year, over 2,000 DVDs are distributed. The American Customer Satisfaction Index web survey on the BTS site also captures stakeholder feedback on

GIS products and services. BTS stakeholder outreach has revealed a desire for centralized GIS reporting at the DOT and the GIS program provides this service for DOT.

**Efficient:** Recent stakeholder outreach found that the GIS program offers substantial value for a low-cost investment as evidenced by customer demand.

## Detailed Justification for Transportation Analysis, Data Quality, and Performance Metrics Program

### FY 2013 -Transportation Analysis, Data Quality, and Performance Metrics

(\$000)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	[395]	[395]	[395]	[0]
<b>TOTAL<sup>3</sup></b>	<b>[395]</b>	<b>[395]</b>	<b>[395]</b>	<b>[0]</b>

#### **STAFFING**

Allocation Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Allocation FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

<sup>3</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

### **What Do I Need To Know Before Reading This Justification?**

Access to high quality data and transportation metrics is vital in understanding the state of the nation's transportation system. The Transportation Analysis, Data Quality, and Performance Metrics program works to ensure that the quality of U.S. DOT data is of the highest standards and that the metrics used to measure transportation performance are comprehensive.

- The Bureau of Transportation Statistics (BTS) provides a wide range of transportation data analysis, such as the Transportation Services Index (TSI) for decision-makers and the public.
- The Office of Statistical Quality provides technical support to the Administration's performance management agenda, which includes the development of more comprehensive and outcome-focused performance measures.

**Key Actions:**

- Produce, publish, and make data and statistics available online and via limited print documents, scheduled releases of transportation-related data that support the Department’s strategic goals, critical national initiatives, transportation research and decision-making.
- Develop and provide data visualization tools to enhance the analytical capability of transportation planners, researchers, system operators, and decision-makers.
- Produce relevant and timely focused analytical and technical reports on multimodal and intermodal transportation and statistics-related issues.
- Serve as the lead U.S. DOT participant in the North American Transportation Statistics (NATS) Interchange to promote and develop high quality, relevant, comparable data, and analysis for an efficient and fully integrated transportation system for North America.
- Support the Department in the interpretation and implementation of the statistical portion of the U.S. DOT *Information Dissemination Quality Guidelines*.
- Develop statistical methodology to incorporate existing information with new types of transportation data generated by GPS devices and other wireless technology.

**Key Outputs:**

- 2012 *Pocket Guide to Transportation*;
- 2012 *Transportation Statistics Annual Report (TSAR)*;
- Monthly scheduled releases of the Transportation Services Index (TSI);
- Bi-monthly updates and releases of Multimodal Transportation Indicators, including development of new indicators;
- Annual updates and releases of State Transportation Statistics (STS);
- Data-driven BTS Fact Sheets and Special Reports on events and issues impacting the U.S. transportation system;
- Quarterly scheduled updates of the National Transportation Statistics (NTS);
- Guidance to Departmental staff on performance measures, BTS data products and reports, and statistical quality standards.

**Key Outcomes:**

- Improved data quality and reliability;
- Improved online access to key transportation statistics and analyses;
- Online availability of intermodal and multimodal transportation data; and
- Reliable performance measures for Departmental programs and projects.

**What Is This Program?**

---

**Strategic Goals:** Safety, economic competitiveness, livable communities, state of good repair, environmental sustainability, and organizational excellence.

**Purpose/Beneficiaries:** This program makes high quality transportation data for all modes easily accessible. This program also develops transportation data standards and improves data accuracy.

**Partners:** U.S. DOT modal administrations, OMB, and international organizations.

**Description:** The Transportation Analysis, Data Quality, and Performance Metrics program performs research and publishes multi-modal and intermodal transportation data and analysis covering critical and timely transportation topics with the goal of providing quality data and information for all modes of transportation for decision-making.

**Prior Year Accomplishments:**

- Provided support to the Department in the interpretation and implementation of the statistical portion of U.S. DOT *Information Dissemination Quality Guidelines*.
- Supported intra-agency requests, such as review of statistical methods in rulemaking processes to ensure that rulemakings are based on sound data.
- Conducted statistical data quality reviews of data compilations and products.
- Provided statistical support for U.S. DOT's *Performance and Accountability Report*.
- Produced and published the annual *Transportation Statistics Annual Report (TSAR)*.
- Produced and released the monthly Transportation Services Index (TSI).
- Updated, published, and distributed the annual *Pocket Guide to Transportation*.
- Updated the web compendium of the National Transportation Statistics quarterly and produced an associated volume of the State Transportation Statistics.
- Produced bi-monthly web update of the Multimodal Transportation Indicators.
- Produced relevant and timely focused analytical and technical reports on transportation and statistics-related issues and data.

**Why Is This Particular Program Necessary?**

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This program supports the emphasis on performance measurement and management to improve the delivery of transportation services. Key to effective performance measurement is the availability of reliable, timely data, and the presentation of performance measures in effective forms.

Statistical capabilities are necessary to ensure the reliability and validity of the statistical agency's products, support the data needs of U.S. DOT, and facilitate compliance with legal requirements of the *Information Quality Act*. BTS evaluates performance measures used to assess U.S. DOT and the U.S. transportation system's performance, such as improving safety and overall system reliability.

**How Do You Know The Program Works?**

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**Effective:** High demand from OST, modal administrations, researchers, and the public.

**Research:** Customer outreach; online customer survey (American Customer Satisfaction Index); data requests and downloads from the Office of the Assistant Secretary for Research and Technology's web pages and the library reference services; and stakeholder feedback.

**Sub-program Balance:** Emphasis on data quality, performance measurement; data dissemination and international partnerships to cover critical areas.

**Efficient:** One organization for transportation expertise and data quality guidance in all modes.

## Detailed Justification for the National Transportation Library

### FY 2013 - National Transportation Library

(\$000)

	FY 2011	FY 2012	FY 2013	Difference from FY 2012
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	[348]	[348]	[348]	[0]
<b>TOTAL<sup>3</sup></b>	<u>[348]</u>	<u>[348]</u>	<u>[348]</u>	<u>[0]</u>
 <u>STAFFING</u>				
Allocation Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
 Allocation FTE	 0	 0	 0	 0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification.

<sup>2</sup>Reflects contract funding only.

<sup>3</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

### What Do I Need To Know Before Reading This Justification?

The National Transportation Library (NTL) maintains and facilitates access to statistical, research and other information needed for transportation decision-making at the federal, state, and local levels. Transportation information requests are facilitated through the NTL for Congress, industry, the media, and the public.

#### **Key Actions:**

- Enter into new partnerships with transportation information providers.
- Improve information access tools and user interfaces.
- Continue digitization of historical transportation information.
- Continue development and maintenance of transportation information standards.
- Coordinate the activities of the national transportation knowledge network (NTKN).



**Key Outputs:**

- Updates to transportation information management standards, such as the digital repository interoperability standards and controlled vocabularies to enhance search and retrieval.
- New mobile interfaces to provide access to transportation information.
- New formats of information included in library collections, such as images and video.
- New information resources, databases, and collections included in NTL information access portals/searches.

**Key Outcomes:**

- Increased access to information and tools for DOT and other transportation decision-makers.
- Increase in users of NTL resources over FY 2012 levels.
- Decrease in redundant research throughout the transportation community, through information partnerships and knowledge networks.
- Increased productivity through more central and mobile access points to transportation research and information.

**What Is This Program?**

---

**Strategic Goals:** Safety, livable communities, environmental sustainability, state of good repair, and economic competitiveness.

**Purpose/Beneficiaries:** NTL maintains and facilitates access to statistical, research and other information needed for transportation decision-making at the federal, state, and local levels. NTL also supports the professional development competencies and skills to transportation information professionals, Congress, the media, researchers, transportation professionals, federal, state, and local governments, DOT staff, and the general public.

**Partners:** Transportation Research Board (TRB), American Association of State Highway and Transportation Officials (AASHTO), public and private transportation libraries and information providers, and library networks and organizations.

**Program Description:** The NTL operates in four functional areas:

Reference Management: NTL reference services are the transportation information ‘front door’ to the U.S. DOT. The NTL Reference Service team handles 1,500-2,500 requests for information each month, provides a searchable FAQ database used between 60,000-80,000 times per month, and delivers training and outreach to internal and external stakeholders.

Database and Archive Management: The NTL Integrated Search platform includes a Digital Repository, web portal, and single search interface for transportation information resources. Through the search interface, users can search all NTL and other transportation resources at once. An average of approximately 90,000 individual users access NTL web resources and tools over 1.3 million times monthly. With FY2011 activities, the number of databases managed increased to include maintenance of a portal for transportation datasets and development and hosting of the USDOT Research Hub (formerly titled Knowledge Management System), in partnership with the Research, Development, and Technology Office.

*Tools and Standards Management:* The NTL's metadata standard for indexing digital resources and use of controlled vocabularies allows interoperability with other web resources and targeted access to transportation information resources. NTL is building and maintaining a one-stop portal for transportation information which will search Departmental and stakeholder resources and databases. These and other tools and standards are used in tandem with the databases and archives enabling efficient, robust search, retrieval, and access to transportation information.

*Networking:* NTL's networking activities include collaborative efforts to develop and provide improved access to information and support the professional development of the information management community. Existing tools and activities include the Transportation Libraries Catalog, Transportation Librarians Roundtable, and coordination of the three regional Transportation Knowledge Networks (TKNs) toward development of NTKN.

**Prior Year Accomplishments:**

- NTL released the Transportation Data Clearinghouse in beta to the public. The clearinghouse is a portal to Departmental, national and international transportation data.
- Provision of quick, courteous and accurate answers to requests for information from Congress, federal agencies, academia, industry, the media, and the public within.
- Development, maintenance, and promotion new and existing tools and standards.
- Coordination of national information dissemination activities through the NTKN.

**Why Is This Particular Program Necessary?**

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Congress previously authorized BTS to establish the NTL to collect, maintain, and facilitate access to transportation data and information. These activities support the Open Government Initiative goal of transparency to increase access to government information and are positioned to assume the role of a central repository for federally-funded transportation research in the model of the National Library of Medicine's (NLM) PubMed database. NLM is mandated to collect and archive all papers describing results of research that is partially or fully-funded by federal dollars in medicine. NTL's Digital Repository infrastructure and processes are similar to that of the NLM's PubMed database and can mirror that function for the transportation community.

The NTL serves as a one-stop portal providing access to core information resources; access to local, regional, national, and international resources; improved services, protocols, and standards to facilitate information sharing and improve professional competencies. The NTL program supports the information needs of DOT stakeholders and the general public, as well as the transportation information professionals.

**How Do You Know The Program Works?**

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**Effectiveness:** High and increasing demand from OST, modal administrations, researchers, and the public evidence the NTL program's effectiveness. For example, an increase in the number of average daily visitors to the physical library and in the usage of an electronic database, demonstrate that resources and services NTL provides are increasingly useful for a larger proportion of users.

**Research:** In addition to several reports and current cooperative research projects conducted by the Transportation Research Board (i.e., *Transportation. Knowledge. Networks. A Management Strategy for the 21st Century*, *Implementing Transportation. Knowledge Networks*, and *Improving Management of Transportation Information*), BTS customer outreach, data requests, and NTL independent analyst activities inform the program's operation. BTS uses the American Customer Satisfaction Index web survey to evaluate customer satisfaction with overall and specific features of the website. Customer feedback is tracked and analyzed according to GAO recommendations.

**Efficiency Measures:** Community-wide adoption of standardized information storage and retrieval procedures reflects NTL's efficiencies. The program achieves this goal through strategic resource use and encouraging transportation information partners' use of standards and protocols.

## Detailed Justification for the Airline Transportation Statistics Program

### FY 2013 - Airline Transportation Statistics

(\$000)

	FY 2011	FY 2012	FY 2013	Difference from FY 2012
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	[1,740]	[1,800]	[1,814]	[14]
Travel	[11]	[5]	[5]	[0]
Other Costs <sup>1</sup>	[2,249]	[2,195]	[3,181]	[986]
<b>TOTAL</b>	<b>[4,000]</b>	<b>[4,000]</b>	<b>[5,000]</b>	<b>[1,000]</b>
<u>STAFFING</u>				
Allocation Positions	0	0	0	0
Reimbursable Positions	19	19	19	0
Allocation FTE	0	0	0	0
Reimbursable FTE	14	19	14	-5

<sup>1</sup>The total funding includes salaries and administrative expenses and contract program.

The budget request is \$5 million and would be provided by the FAA through an Interagency Agreement. This funding supports salaries and administrative expenses for 14 FTE as well as contract funds.

#### What Do I Need To Know Before Reading This Justification?

The Airline Transportation Statistics Program provides comprehensive data and analysis to support Departmental policies, programs, and regulations regarding the airline industry. Air transportation plays a critical role in enhancing the economic competitiveness of the nation and the data provided by the Airline Transportation Statistics Program enables DOT to make well-informed decisions.

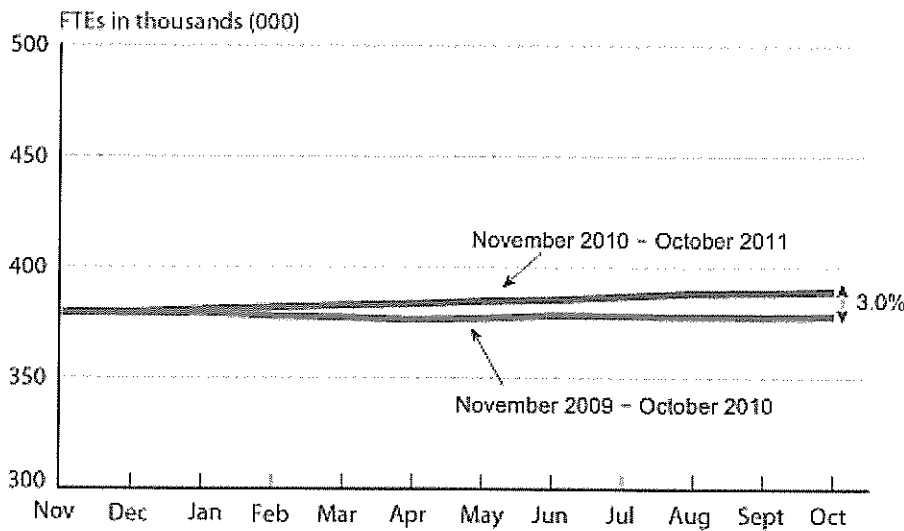
- New DOT rulemakings have expanded the types of on-time performance data that large airlines must report, including tarmac delay times.

- The implementation of the *Notice of Proposed Rulemaking for Reporting Ancillary Airline Passenger Revenues* will require additional resources for processing additional financial data submitted by carriers.
- Recent accomplishments include the initiation of a new collection of tarmac time data and its dissemination through the Air Travel Consumer Report and BTS website.

**Key Actions:**

- Maintain the national airline data system: collect and disseminate airline financial, traffic, performance, and operational data from more than 100 U.S. airlines.
- Enhance electronic filing system to better track and manage data submissions that are missing, incomplete or inaccurate.
- Support the completion of the final rule for the collection of airline ancillary revenues and implement processes and procedures to support a new Part 241 Schedule P-9 ancillary revenues data collection.
- Training: instruct airlines on data quality review findings and guidelines for better meeting data reporting requirements and processes.

**Scheduled Passenger Airline Full-Time Equivalent Employees November 2009-October 2011**



*Tuesday, December 13, 2011 - U.S. scheduled passenger airlines employed 3.0 percent more workers in October 2011 than they did in October 2010, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported today. This is the 11th consecutive increase in full-time equivalent employee (FTE) levels for the scheduled passenger carriers from the same month of the previous year (Tables 1, 2). FTE calculations count two part-time employees as one full-time employee.*

**Key Outputs:**

- Faster, more accurate standardized electronic data collection and coordination with air carriers on problems with data submissions.
- Accurate scheduled releases of comprehensive on-line monthly, quarterly, and annual data on the operations of the airline industry.
- Improved insight into air carrier timeliness and accuracy of reporting.

- Improved insight into the organization’s performance in receiving, validating, and processing air carrier data submissions.
- Detailed financial data on baggage, reservations cancellation, and other ancillary fees.

**Key Outcomes:**

- System enhancements will provide DOT officials, other decision-makers and stakeholders with more timely and accurate data for regulatory actions.
- Data form the basis for a greater understanding of the airline industry, which can shape decisions on safety, economic competitiveness, and improved operations.
- Electronic reporting will reduce reporting burden on airlines.

**What Is This Program?**

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**Strategic Goal:** Safety, economic competitiveness, livable communities, environmental sustainability, state of good repair, and organizational excellence.

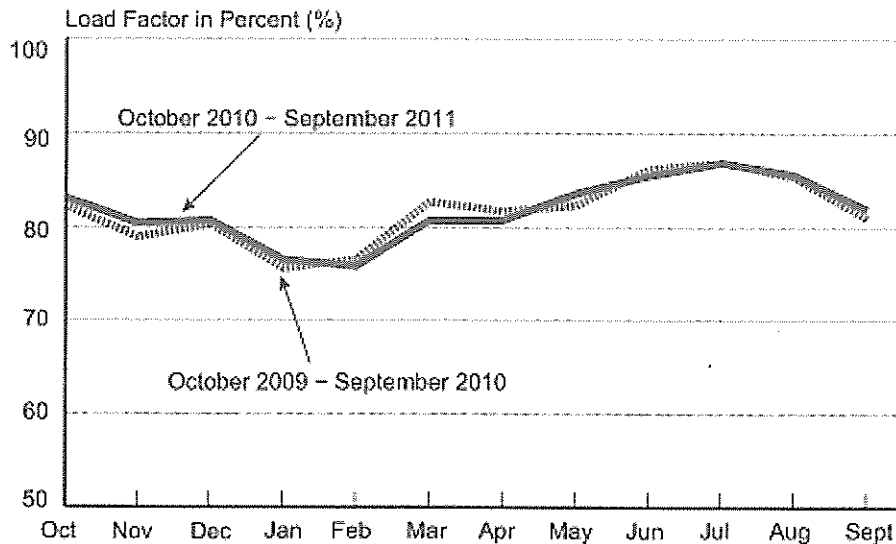
**Purpose/Beneficiaries:** The comprehensive data necessary for consumer protection and enforcement activities, a major Secretarial priority, and for aviation policy decision making.

**Partners:** Stakeholders include:

- **Decision-makers:** The Office of Airline Information (OAI) makes data available which provide Congress and other policy-makers with robust, timely, and accurate data upon which to base decisions.
- **DOT Users:**
  - a) The Office of the General Counsel, Enforcement and Proceedings uses the data to monitor airline compliance with consumer protection regulations, and collaborates on data dissemination through the Air Travel Consumer Report and other vehicles.
  - b) The Office of Aviation of International Affairs - Office of Aviation Analysis uses the data to monitor and evaluate air carrier performance, economic fitness and competitiveness, and the Essential Air Service (EAS) program.
  - c) The FAA uses the airline data to administer safety and airport improvement programs. The air carrier industry provides the data to BTS as required by regulation.
- Air travel consumer groups, media outlets and other stakeholders use BTS data to monitor and report on airline performance.
- State and local governments and regional airport authorities use BTS airline data to make strategic investment decisions.
- Airlines, consulting firms, and other entities in aviation use BTS airline data to help better align air transportation services with customer needs.

**Description:** The program collects and disseminates airline data related to on-time flights and other consumer-related issues, domestic and international passenger and freight traffic, passenger ticket information, and airline financial, fuel cost and consumption, and employment information. The Bureau of Transportation Statistics (BTS) collects data from 130 U.S. airlines and foreign carrier operations to and from the United States. Annually, BTS collects more than 8,000 data reports from U.S. and foreign carriers. This data is reported by the air carriers as required by regulation.

### Passenger Load Factor on All U.S. Scheduled Airlines (Domestic and International), October 2009-September 2011



#### Prior Year Accomplishments:

- BTS Successfully implemented processes and procedures to support the new Part 244 Tarmac Delays data collection.
- Monthly, quarterly and annual airline financial, employment, and fuel cost and consumption data used to gauge the strength of the industry and individual airlines.
- Monthly air traffic reports on passenger enplanements, flights, freight and mail that signal how the airline system is operating.
- Monthly performance data that measures flight delays and cancellations, bumping and mishandled baggage reports.
- Quarterly ticket data used to track airline fares and itineraries and automated data collection, analysis, and dissemination system for improved data quality.

#### Why Is This Particular Program Necessary?

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The program is the sole source of the airline operations data required by federal statute and regulation and is essential information for DOT policy making, Congress, the airline industry and the traveling public. Without this funding:

- DOT agencies and Congress would not have the data necessary to provide oversight and make informed policy decisions regarding the airline industry, including operational safety, and its impact on the economy and traveling public;
- The airline industry would lose the ability to schedule and set ticket prices based on objective, industry-wide airline data, with potential industry cost impacts since no private sector entity has the authority to collect industry-wide airline data; and
- The public would lose access to consumer information possibly used to make informed travel decisions (such as airline on-time performance).

### **How Do You Know The Program Works?**

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**Effectiveness Measures:** The collection and reporting of airline on-time performance data, including tarmac delay data, are key components of Secretary LaHood's successful efforts to ensure consumers have the information necessary to make informed decisions about their travel, and to provide airlines an incentive to reduce the inconvenience and added expense to passengers resulting from flight delays. The data also provides stakeholders with important information on the prevalence of the issue to better inform decision-making.

DOT enforcement relies on data to enforce rules on tarmac times, chronically delayed and overbooked flights, and the Air Travel Consumer Report. Airline data are the most requested category on the BTS website, with more than 10,000 requests per month. Industry representatives use the data for their own analyses and maintain links to the BTS webpage. BTS also receives information on customer satisfaction from the American Customer Satisfaction Index. BTS tracks air travel customers registered on social media networks such as Twitter. GAO relies heavily on BTS airline statistics for their studies of airplane delays and of ancillary revenues. (See GAO-10-542, National Airspace System: Setting On-Time Performance Targets at Congested Airports Could Help Focus FAA Actions; and GAO-10-785. Commercial Aviation: Consumers Could Benefit from Better Information about Airline-Imposed Fees and Refunds of Government-Imposed Taxes and Fees.

**Research:** Customer outreach; American Customer Satisfaction Index; data requests; and downloads from Office of The Assistant Secretary for Research and Technology web pages and stakeholder feedback.

**Efficient:** Federal statute and regulation require this data collection program. A key measure of efficiency for the air transportation statistics program is the timeliness with which BTS releases the air carrier data (passenger, flights, freight) to the public, typically within 30 days. On-time data are released within 15 days of carrier submission.



**Explanation of Funding Changes  
for the  
Office of the Assistant Secretary for Research and Technology  
Bureau of Transportation Statistics Account  
(\$000)**

<b>FY 2012 Enacted</b>	<b>\$ 25,206</b>
 <u>Adjustments to base:</u>	
Inflation Increase	\$ 44
Pay Raise	\$ 46
One Additional Compensable Day	\$ 47
Rent	\$ -
WCF	\$ -
Workers Compensation	\$ -
 <b>FY 2013 Adjusted Base</b>	 <b>\$ 25,343</b>
 <u>Redirection of Resources:</u>	
Personnel Compensation and Benefits	\$ -
Other Costs	\$ -
WCF	\$ -
 <b>Program Changes (+/-):</b>	
Safety Data and Analysis	\$ 2,000
Travel Statistics	\$ 3,000
Freight Statistics	\$ 7,747
 <b>Base Offsets/Redirection of Resources:</b>	
Other Contractual Services:	\$ (90)
 <b>Total FY 2013 Request:</b>	 <b>\$ 38,000</b>

**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY**  
**BUREAU OF TRANSPORTATION STATISTICS**  
**(Allocation Account under FHWA's Federal-Aid Highway)**  
**OBJECT CLASSIFICATION**  
**(In thousands of dollars)**

		<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
		<b><u>ACTUAL</u></b>	<b><u>REQUEST</u></b>	<b><u>REQUEST</u></b>
<b><u>Direct Obligations:</u></b>				
<b>Personnel compensation:</b>				
1111	Full-time permanent	7,700	9,484	9,550
1113	Other personnel compensation	198	161	161
1115	Other personnel compensation	<u>216</u>	<u>204</u>	<u>204</u>
1119	Total Personnel Compensation	8,114	9,849	9,915
1121	Civilian Personnel benefits	2,129	2,305	2,330
1210	Travel and Transportation of persons	130	143	144
1220	Transportation of Things	10	10	10
1231	Rent to GSA	1,179	1,450	1,457
1240	Printing & Production	3	5	10
1250	Other Services	18,242	10,670	23,356
1260	Office Supplies	11	20	20
1310	Equipment	873	754	758
1420	Claims	<u>9</u>	<u>0</u>	<u>0</u>
1990	Subtotal, direct obligations	30,692	25,206	38,000
1990	Reimbursable obligations	<u>5,868</u>	<u>10,000</u>	<u>10,000</u>
1990	Total obligations	36,560	35,206	48,000

**Personnel Summary:**

<b>Reimbursable:</b>				
2001	Civilian Full-time Equivalent Employment	14	19	14
<b>Direct:</b>				
3001	Civilian Full-time Equivalent Employment	68	70	70

## Detailed Justification for the Working Capital Fund

### What Is The Request And What Will We Get For The Funds?

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#### FY 2013 – WCF

#### TOTAL WORKING CAPITAL FUND FY 2013 BUDGET ESTIMATE (In thousands of dollars)

<u>Program</u>	FY 2011	FY 2012	FY 2013	Difference
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	from FY 2012 <u>Enacted</u>
WCF DOT Activities	147,596	172,000	174,128	2,128
WCF Non-DOT Activities	446,687	341,966	319,120	(22,846)
<b>Total</b>	<b>594,283</b>	<b>513,966</b>	<b>493,248</b>	<b>(20,718)</b>
<u>Staffing</u>				
Reimbursable Positions	246	262	256	(6)
Reimbursable FTE	204.84	241	246	5

The Offices of the Assistant Secretary for Administration and Chief Information Officer administer funds for the Working Capital Fund and receive appropriations for Salaries and Expenses. The Office of the Assistant Secretary for Administration also administers reimbursable funds.

The Working Capital Fund (WCF) is a fee-for-service operation that normally receives no direct appropriation; its costs are paid by its customers. For FY 2013, the WCF estimates \$493,248 million in obligations, 256 positions, and 246 FTEs in this request.

### What Is This Program/Activity?

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#### Overview:

The WCF supports the **Organizational Excellence** Strategic Goal by providing high quality, timely administrative services to the DOT customers which enable the Operating Administrations to focus on core transportation infrastructure goals.

The WCF is authorized under 49 U.S.C 327 to provide the common administrative services the Secretary of Transportation decides are desirable for the efficiency and economy of the Department.

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.

The WCF is a fee-for-service operation which normally 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.

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.

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 reducing 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.

The WCF currently maintains an operating reserve capped at 4% of the previous year's revenue to protect the fund from exceeding the amounts authorized and to add an acceptable margin for both flexibility and responsiveness.

The two secretarial offices providing WCF services are:

The **Office of the Assistant Secretary for Administration (OASA)** prioritizes and deploys resources to provide the financial management for the WCF and Departmental services in human resources and systems, security, acquisition and federal acquisitions reporting systems, information services, transportation and facilities, and space management. In addition, the OASA manages the transit benefit program for over 100 agencies nationwide.

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, file and print service, enterprise hosting services, consolidated headquarters network and enterprise help desk support. Operating administrations contract with the OCIO for services and reimburse the WCF for the cost of those services.

**FY 2012 Anticipated Accomplishments:**

The Office of the Assistant Secretary for Administration will build upon the Department's culture of being citizen-centered, results-oriented, and market-based through the Strategic Management of Human Capital and a multi-sector workforce.

The WCF continues to enhance utilization of performance based metrics and expand management control plans. Documentation and testing is performed for the 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 Office of the Chief Information Officer's (CIO) will continue to encourage field offices to migrate their desktop support to the Common Operating Environment. The consolidation into the Common Operating Environment will:

- Meet the Office of Management and Budget's mandate to reduce the number of Trusted Internet Connections.
- Achieve efficiencies of scale through centralized procurement and support.
- Eliminate a fragmented network and mitigate security vulnerabilities and risk while ensuring compliance with Federal Information Security Management Act requirements.

The Department will transfer the HR systems reimbursable project into the WCF in FY 2012. The Departmental Office of Human Resource Management currently provides technical management and support for all consolidated HR systems on a reimbursable basis within the Department. This budget would move these costs and associated positions into the WCF.

The WCF will consolidate the E-Gov initiatives into the WCF in FY 2012. This will reduce 84 Inter-Agency Agreements into six agreements. This will gain efficiencies by eliminating 78 Inter-Agency Agreements. Operated, managed, and supported by Federal agencies, these initiatives provide high-quality, common solutions such as citizen tax filing, Federal rulemaking, and electronic training. The E-Gov Initiatives benefit and serve citizens, businesses, and Federal and state government employees by delivering high quality services.

The WCF will also fully support the IdeaHub program in FY 2012. IdeaHub is an online community that facilitates innovation and collaboration throughout DOT. It is designed to bring comprehensive, cultural change to the DOT through the use of a collaborative website. It empowers employees to develop and rate programs and technological processes and improve the work environment. By supporting communication through a transparent and accountable process, IdeaHub is an important component of DOT's Open Government Strategy.

**Why Is This Particular Program Necessary?**

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Through the consolidation of services, the WCF is positioned to achieve economies of scale, eliminate redundancies, promote consistency in service, and reduce administrative costs across the Department.

The WCF reduces costs by consolidating administrative management structures. Without this structure, each operating administration would have to negotiate with a service provider, losing economies of scale, leading to inefficiencies and inconsistency in services. Additionally, some programs like Unemployment Compensation are required by other statutes to provide a single Departmental point of payment to the servicing agency.

### **Why Do We Want/Need To Fund The Program At The Requested Level?**

The FY 2013 budget request aligns 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.

Specific changes from the FY 2012 request are discussed below:

Overall, the FY 2013 WCF request represents a \$20.7 million net decrease over FY 2012 estimates, comprised of a \$22.8 million decrease to Non-DOT Transit Benefits, as a result of a reduction in benefits during the first quarter of FY 2012 to the \$125 per participant rate. The DOT increase of \$2.1 million is discussed below. Some increases are off-set by decreases due to changes in customer demand and priorities. Customer demand changes include a decrease in Printing & Multi-Media (\$1.9 million) and an increase in Transit Benefits and Parking (\$.285 million). Other small increases and decreases as a result of shifts in customer demand for services have been incorporated in various programs and are reflected in the revenue estimates to the WCF customers.

Funding has been requested in the Building Security business lines for the Physical Access Control System (PACS) at South East Federal Center (SEFC) and Closed-Circuit TV System (CCTV) for a net increase of \$.271 million. PACS is a mission critical system for the protection of personnel, information and facilities. The software and hardware upgrade is estimated at \$.33 million and is required to maintain system operability and to support Card Authentication Key (CAK) certificate full-path validation for the turnstile readers and multi-factor authentication for controlled spaces in accordance with HSDP-12, ICAM and M-11-11 Directives. The Closed-Circuit TV System (CCTV) is for the life cycle replacement of parts at Headquarters and FAA's 10A and 10B buildings at a cost of \$.15M per year for 5 years. Due to the age of the systems, lack of manufacture support and spare parts, the CCTV systems must be upgraded to ensure continuous and uninterrupted operational capabilities. These systems are mission-critical and are used to ensure the security of our employees, information and facilities. The CCTV system has over 300 cameras and FY 2013 funding will add video analytics software which will help the Command Center Operators make sense of the vast amounts of video and data for better decisions and faster, more effective action.

Funding in the amount of \$.36M has been requested for a Career Development Program. The program will be developed to prepare future leaders to step into leadership positions at all levels within an organization. With a goal of yielding a greater return on investment, the Career Development Program will build a leadership pipeline and talent pool to assume leadership roles by developing potential successors in ways that best fit individual strengths tailored to mission critical needs

Due to increased Unemployment Compensation Costs, the WCF is requesting an additional \$.339M in FY 2013 to continue to provide Unemployment Compensation payments to the Department of Labor on behalf of the Department.

An additional \$.779 million will be added to the E-Gov Initiative Program for two acquisition initiatives, and for a new Performance Management Line of Business (\$.61M). This new Line of Business facilitates a transition from print-based GPRA performance plans and reports to a shared, web-based, Government-wide performance portal, as required by the GPRA Modernization act (Sec. 7 and Sec. 10), and will help agencies efficiently meet legal requirements through a shared solution and avoid redundant stove-piped agency development and operation costs.

The WCF GSA Rent is anticipated to increase by approximately \$.154 million due to the reassignment of the Warehouse space back into the WCF and certain realignments of space at the SEFC HQ building.

The Campus Area Network and Desktop Services programs increased by \$.78M to accommodate increased customer demand and annualization of maintenance of equipment.

Other increases include \$.257 million for an anticipated rate adjustment in Facilities Services & Utilities and \$.753 million for pre-negotiated contract increases and personnel related costs such as annualization of new hires.

Without the DOT WCF, each operating administration would have to assume responsibility for the common services provided in the WCF. Not providing these activities through the WCF would NOT eliminate the need for them. Instead, it would lead to inherent inefficiencies as each administration would strive to provide services. In programs like Copier, Printing & Multi-media, economies of scale would be lost as each mode would be forced to negotiate with a service provider for individual printing services.

**FY 2013 Program Initiatives:**

To enhance the WCF operations and ensure centralized services are performed at rates which will return in full all expenses of operations, including depreciation of equipment and an amount necessary to maintain a reasonable operating reserve, the WCF is requesting the following General Provisions:

- (1) Authority to include the operation of the NON-DOT Transit Benefit program under Title 49 U.S.C 327. (This General Provision was included in the FY 2012 DOT Appropriations Act.)
- (2) Designation of the Department of Transportation as the Executive Agency for transit pass transportation fringe benefits responsible for issuing guidance on nationwide implementation of the transit pass transportation fringe benefits program.
- (3) Language specifying all WCF funding decisions requiring the transfer of funds from the OAs to the WCF must be approved by a majority of the voting members of the WCF Steering Committee and the Secretary. This language is proposed as an alternative to language in previous DOT Appropriations Acts requiring each modal administrator to approve all transfers of funds to the WCF, which has restricted the Secretary's ability to encourage efficiencies and economies of scale by allowing one OA regardless of size, to block a program from being included in the WCF. (This General Provision was included in the FY 2012 DOT Appropriations Act.)



**FY2013 REQUEST**  
**WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2013 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	2,740	0	2,740
Building Security	13,774	0	13,774
Commercial Services Management	365	0	365
Consolidated Federal Funds	143	0	143
Copier, Printing & Multimedia	8,490	30	8,520
Disability Resource Center	2,306	290	2,596
Dockets Management and Operations	2,162	206	2,368
E-Gov Initiative	1,804	0	1,804
Facilities Services & Utilities	11,187	360	11,547
Federal Acquisitions Reporting Systems	247	0	247
Federal Laboratory Consortium	26	0	26
COOP Facility	905	0	905
Financial Mgmt, Accting & Admin	7,795	0	7,795
Flexible Spending Account	363	0	363
Human Resource Services	6,093	44	6,137
Human Resource Systems	18,783	0	18,783
Library & Information Services	1,321	0	1,321
Mail Services & Postage	3,371	0	3,371
Publications Distribution	0	0	0
Rent & Space Management	8,375	0	8,375
Security Operations	4,910	0	4,910
Substance Abuse Awareness & Testing	1,872	4,381	6,253
Transit Benefits & Parking	5,317	313,193	318,510
Unemployment Compensation	1,939	0	1,939
Warehouse	689	0	689
<b>Assistant Secretary for Admin Subtotal:</b>	<b><u>104,977</u></b>	<b><u>318,504</u></b>	<b><u>423,481</u></b>
<b>Chief Information Officer</b>			
Campus Area Network	6,862	0	6,862
Desktop Services	19,778	0	19,778
Information Assurance & Privacy	14,980	0	14,980
Enterprise Licenses	1,625	0	1,625
Server & Messaging Services	14,649	0	14,649
Voice, Cable & Wireless	11,257	616	11,873
<b>Chief Information Office Subtotal:</b>	<b><u>69,151</u></b>	<b><u>616</u></b>	<b><u>69,767</u></b>
<b>Grand Total:</b>	<b><u>174,128</u></b>	<b><u>319,120</u></b>	<b><u>493,248</u></b>

**FY 2012 ENACTED BUDGET**  
**WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2012 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	2,513	0	2,513
Building Security	13,503	0	13,503
Commercial Services Management	265	0	265
Consolidated Federal Funds	62	0	62
Copier, Printing & Multimedia	10,340	15	10,355
Disability Resource Center	2,230	290	2,520
Dockets Management and Operations	2,103	113	2,216
E-Gov Initiative	1,025	0	1,025
Facilities Services & Utilities	10,930	340	11,270
Federal Acquisitions Reporting Systems	197	0	197
Federal Laboratory Consortium	25	0	25
COOP Facility	905	0	905
Financial Mgmt, Accting & Admin	7,690	0	7,690
Flexible Spending Account	363	0	363
Human Resource Services	5,733	42	5,775
Human Resource Systems	18,771	0	18,771
Library & Information Services	1,310	0	1,310
Mail Services & Postage	3,370	0	3,370
Publications Distribution	-	0	0
Rent & Space Management	8,221	0	8,221
Security Operations	5,030	0	5,030
Substance Abuse Awareness & Testing	1,890	4,190	6,080
Transit Benefits & Parking	5,032	336,390	341,422
Unemployment Compensation	1,600	0	1,600
Warehouse	667	0	667
<b>Assistant Secretary for Admin Subtotal:</b>	<b><u>103,775</u></b>	<b><u>341,380</u></b>	<b><u>445,156</u></b>
<b>Chief Information Officer</b>			
Campus Area Network	6,538	0	6,538
Desktop Services	19,322	0	19,322
Information Assurance & Privacy	14,949	0	14,949
Enterprise Licenses	1,625	0	1,625
Server & Messaging Services	14,601	0	14,601
Voice, Cable & Wireless	11,190	586	11,776
<b>Chief Information Office Subtotal:</b>	<b><u>68,225</u></b>	<b><u>586</u></b>	<b><u>68,811</u></b>
<b>Grand Total:</b>	<b><u>172,000</u></b>	<b><u>341,966</u></b>	<b><u>513,966</u></b>

**FY 2011 ACTUAL**  
**WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2011 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	4,989	0	4,989
Building Security	11,693	0	11,693
Commercial Services Management	200	0	200
Consolidated Federal Funds	132	0	132
Copier, Printing & Multimedia	8,315	10	8,325
Disability Resource Center	2,241	290	2,531
Dockets Management and Operations	2,257	199	2,456
E-Gov Initiative	0	0	0
Facilities Services & Utilities	11,006	365	11,371
Federal Acquisitions Reporting Systems	240	0	240
Federal Laboratory Consortium	25	0	25
COOP Facility	881	0	881
Financial Mgmt, Accting & Admin	7,038	0	7,038
Flexible Spending Account	363	0	363
Human Resource Services	5,026	42	5,068
Human Resource Systems	0	0	0
Library & Information Services	1,321	0	1,321
Mail Services & Postage	3,283	16	3,299
Publications Distribution	275	42	317
Rent & Space Management	7,454	0	7,454
Security Operations	5,030	0	5,030
Substance Abuse Awareness & Testing	1,474	4,348	5,822
Transit Benefits & Parking	5,159	440,687	445,846
Unemployment Compensation	1,600	25	1,625
Warehouse	957	63	1,020
<b>Assistant Secretary for Admin Subtotal:</b>	<b>80,959</b>	<b>446,087</b>	<b>527,046</b>
<b>Chief Information Officer</b>			
Campus Area Network	6,914	0	6,914
Desktop Services	20,341	0	20,341
Information Assurance & Privacy	14,268	0	14,268
Server & Messaging Services	13,661	0	13,661
Voice, Cable & Wireless	11,453	600	12,053
<b>Chief Information Office Subtotal:</b>	<b>66,637</b>	<b>600</b>	<b>67,237</b>
<b>Grand Total:</b>	<b>147,596</b>	<b>446,687</b>	<b>594,283</b>

**ASSISTANT SECRETARY FOR ADMINISTRATION  
WORKING CAPITAL FUND  
FY 2013 BUDGET ESTIMATE**  
(In thousands of dollars)

<u>Program</u>	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
DOT Activities	80,959	103,776	104,977	1,201
Non-DOT Activities	<u>446,087</u>	<u>341,380</u>	<u>318,504</u>	<u>(22,876)</u>
<b>Total</b>	<b><u>527,046</u></b>	<b><u>445,156</u></b>	<b><u>423,481</u></b>	<b><u>(21,675)</u></b>
 <u>Staffing</u>				
Reimbursable Positions	214	230	224	(6)
Reimbursable FTE	182.34	214	217	3

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.

### **MISSION/VISION/VALUES**

The OASA provides the Department with a 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, administrative and internal security management, headquarters building and space management programs, procurement and federal acquisitions reporting while ensuring administrative support services are responsive to limitations and DOT's 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 2013 BUSINESS LINES BY PROGRAM****Acquisitions & Procurement Operations****\$2.740 million**

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 Administration (RITA)<sup>1/</sup>, 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 \$400 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.

<sup>1/</sup> The FY 2013 Budget proposes to convert RITA into the office of the Assistant Secretary for Research and Technology.

**Departmental Procurement Platform**

The Procurement Efficiencies Initiatives (PEI) supports the Department-wide strategy of migrating to a standard consolidated procurement system. Consolidation of the multiple DOT procurement systems that now exist will significantly enhance Department-wide spend analysis and reporting capabilities while reducing the cost of software maintenance, application support and system hosting obligations.

The PEI supports specific efforts focused on business process re-engineering and process standardization in the areas of data cleansing, process re-engineering, and the continuation of planning for a software solution to connect the procurement system to the financial system.

The collective effort of business process re-engineering and process standardization will provide near-term procurement solutions that will result in the enforcement of common procurement business rules, processes and data that will support a future transition to a linked procurement system.

**Building Security****\$13.774 million**

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.

The Lenel OnGuard® system installed at the 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.

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.

### **Commercial Services Management**

**\$.365 million**

This activity provides, on an as needed basis, a commercial services management infrastructure for business process reengineering and high performing organization implementation activities throughout the Department.

### **Consolidated Federal Funds**

**\$.143 million**

The 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**

**\$.8.520 million**

#### Visual Information and Printing (VIP):

The VIP Program 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. Contract Printing is approved 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 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, thus savings cost when used properly. Graphics provides expert consultation including design specifications, multimedia 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. Contract Printing will evaluate job requests to be produced in the Digital Document Center as a first option before sending jobs out through the GPO procurement methods.

The VIP also 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 this area include implementing consistent front end systems to improve color uniformity and allow editing of PDF to reduce color copy cost to customers.

The mailing lists and addresses for publication distribution are maintained in a database 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.

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.

Multi-functional Printers:

This program provides 259 black/white and color multi-functional printers (MFPs) to OAs, resulting in excess of 35 million clicks annually. (The term “clicks” is used for any MFP action. It would include making a copy, receiving a fax, or printing a document from an electronic file.) 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**

**\$2.596 million**

The DOT Disability Resource Center (DRC) is a centralized resource that provides 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.

DRC also assists agencies in understanding accessibility and Section 508 compliance issues related to training, video and multimedia presentations.

In addition to direct costs, DRC provides the staff time required in supporting 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.

**Docket Services**

**\$2.368 million**

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 are 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 utilizes the 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.

**E-Gov Initiative**

**\$1.804 million**

In response to the E-Government Act of 2002, the Office of Management and Budget and Federal agencies identified 24 E-Gov Initiatives to provide high-quality, common solutions such as citizen tax filing, Federal rulemaking, and electronic training. The E-Gov Initiatives serve citizens, businesses, and Federal and state government employees by delivering high quality services.

This business line transferred into the WCF in FY 2012 and consolidated 84 separate interagency agreements into six agreements. In FY 2013 two E-Gov initiatives for acquisitions and one for Performance Management will be added for a total of Nine E-Gov initiatives processed by the WCF.



**Facilities Services & Utilities**

**\$11.547 million**

Transportation & Facility Services manages a diversified and complex, mission-essential, building management program for the DOT Headquarters facility totaling over 1,350,000 square feet of space which houses the Secretary of Transportation and over 5,500 employees. 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. The office is also responsible for lease management of the 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 building owner to take corrective action on items which are included in the lease. The Facilities Office monitors building custodial services ensuring that the building owner 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. The Facilities Office is also responsible for handling all customer requests for special events, audio visual services and equipment, managing and operating the Central Receiving Office, and the receipt for all deliveries to the DOT Headquarters facility.

Building Maintenance and Utilities:

The Facilities Office manages 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 and 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 manages 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 Motor Pool 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 ensuring 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; and manages the U-Drive fleet of vehicles.

Funding for the program is on a fee for service basis; with 70% of the budget supported by usage fees and 30% supported by the DOT Operating Administrations.

Conference Center:

The Conference Center in the DOT Headquarters is available to meet the needs of DOT occupants in the Headquarters Building. The facilities are used by DOT organizations for purposes related to DOT mission, programs, and activities.

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, 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.

Fitness Center:

The DOT Health and Fitness Program develops and promotes Department-wide employee health and fitness policy and guidelines thereby improving employees' ability to enhance their work performance. The core programs offered by the DOT Fitness Center are well-rounded and are designed to address 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. Funding for the program is through membership fees; with half of the budget supported by DOT employee membership fees and the other half supported by the DOT Operating Administrations.

**Financial Assistance Reporting System (FARS)**

**\$.247 million**

With an enterprise perspective, the Office of the Senior Procurement Executive Grants Management Program consists of the Financial Assistance Reporting System (FARS), which is a system that records awards of grants and other financial assistance actions (loans, cooperative agreements, and other transactions). The FARS captures all DOT Financial Assistance data from the Operating Administrations (OA) and transmits that data to other government agencies and directed sources for Departmental reporting purposes, as a result of statute or regulation.

This program also includes contracting for Program Management support for E-Grants. The scope of Federal grants streamlining goals are three-fold: (1) to reduce the number of individual federal grant systems; (2) to standardize data requirements, processes, and policies; and (3) to create greater uniformity and interoperability within individual agencies and across government.

The FARS program is also involved in the implementation of the Transparency Act. Specifically, beginning October 1, 2010 Federal agencies must initiate a sub-award reporting process so that recipients of new grants can provide required information to a central Federal database. This data will be combined and provided to the public through the USAspending.gov website.

**Federal Laboratory Consortium**

**\$.026 million**

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 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. 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.

**COOP Facility**

**\$.905 million**

This program provides centralized billing services for the Department's Continuity of Operations (COOP) facility utilized by DOT leadership. This activity includes costs associated with leasing the Secretary's (COOP) relocation site, and provides funding for equipment and services necessary for the operation of the facility.

**Financial Management, Accounting & Administration**

**\$7.795 million**

Office of Financial Management:

The Office of Financial Management (OFM) provides financial administration, guidance and support to the OASA and the program offices within the WCF to include the OCIO. 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, 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 130 DOT and non-DOT customers and has an established agreement for each. The OFM meets periodically with all the DOT Operating Administrations 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 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 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**

**\$.363 million**

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. The FSA program is administered government-wide, through a contract held by the Office of Personnel Management (OPM). The WCF is the Departmental point of contact for these payments. The costs are distributed to the OAs based on actual usage information provided by OPM.

**Human Resource Services**

**\$6.137 million**

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)<sup>1/</sup>. This program provides human resource services and training that includes 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, the program evaluates human resources management activities; adherence to merit principles and prevention of prohibited personnel practices. Training includes classes and activities to develop human resource skills for managers and employees.

<sup>1/</sup> The FY 2013 Budget proposes to convert RITA into the office of the Assistant Secretary for Research and Technology.

Organizational Planning & Initiatives:

The Organizational Planning & Initiatives program office assures that DOT satisfies statutory and regulatory requirements to conduct workforce analyses, competency assessments, and reporting on the department's leadership development and other learning programs in support of the human capital initiatives. OST partners and modal HR organizations fill OA gaps and leverage services in order to meet the increasing requirements of statute and those related to the human capital initiatives. In addition, the office works with OAs to identify positions and develop recruitment strategies, and ensures OAs are aware of the commitments for hiring

individuals for these programs (e.g., training and rotational requirements, developing individual development plans, and monitoring intern performance).

Organizational Planning and Initiatives will also be conducting a Career Development Program. The program will be developed to prepare future leaders to step into leadership positions at all levels within an organization. With a goal of yielding a greater return on investment, the Career Development Program will build a leadership pipeline and talent pool to assume leadership roles by developing potential successors in ways that best fit individual strengths tailored to mission critical needs. The program will prepare entry to mid-level employees with the skills and competencies needed for successful leadership. At the GS 14 and 15 levels, the program will prepare participants for Senior Executive Service with a primary focus on the development of the executive core qualifications through a variety of developmental exercises, rotational experiences, and training. Currently half of the DOT SES population is retirement eligible.

All of these activities are required under the Chief Human Capital Officers Act of 2002 and the Federal Workforce Flexibility Act of 2004, and implementing regulations.

Departmental Programs:

The Departmental Special Programs Office provides centralized coordination of programs that cross all DOT operating administrations, Secretarial offices, and the Surface Transportation Board (STB). Program responsibilities include: Secretary's Annual Awards Program, Combined Federal Campaign, Incentive Awards Program, various OPM Performance Management Awards Programs, Public Service Recognition Week, Blood Donor Program, Volunteer Program, IdeaHUB, and the Voting Assistance Program.

IdeaHub is an online community that facilitates innovation and collaboration within the DOT and the OAs. It is designed to bring comprehensive, cultural change to the DOT through the use of a collaborative website. It empowers employees to develop and rate programs and technological processes and improve the work environment. By supporting communication through a transparent and accountable process, IdeaHub is an important component of DOT's Open Government Strategy. IdeaHub will bring DOT into the world of social media, and inspire cultural change in traditional business procedures. IdeaHub depends on the active participation of employees to accomplish its mission of open communication, and dedicated agency improvement.

Executive and Political Resources Program:

The Executive and Political Resources Program coordinates Departmental approvals for SES actions including providing support to the DOT Executive Resources Board; 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.

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

This program also 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.

DOT Work-life Program:

The Work-Life Program provides 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.

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. 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.

Health Services:

DOT Health Services provides a full health service program with the goal of improving the health of its employees. Health Services will be staffed by Federal Occupational Health (FOH) staff eight hours per day, and will service a Federal population of approximately 3,607.

Health Services offer a full range of services including: individualized health counseling, periodic bed rest, blood pressure monitoring, glucose monitoring, allergens and other medications administered by injection (employee provides allergy medication), and immunizations (Flu, tetanus and Pneumococcal), traveler's health and immunization information.

**HR Systems**

**\$18.783 million**

The Departmental Office of Human Resource Management (HRM/HR Systems M-12) provides program management, oversight and support for all consolidated HR systems and associated services, which include the Federal Personnel and Payroll System (FPPS), the Talent Management System (TMS), the Enterprise Human Resources Integration (EHRI) Electronic Official Personnel Folder (eOPF) and Analytic Tools, the Human Resources Management Suite (HRMS), the Exit Interview System (EIS), and the Workers' Compensation Information System (WCIS), as well as for ongoing HR systems modernization.

- FPPS provides HR and payroll support and processing for all of DOT. FPPS facilitates movement toward achieving strategic management of Human Capital by providing reports that enable diversity management plans to sustain a workforce that represents the face of America in all occupations and at all grade levels and by providing support to

workforce planning reporting to identify mission critical competencies and gaps in those competencies.

- TMS provides system support for the delivery of on-line learning, learner registration, learner training completion, the delivery and recording of assessments, and the reporting of TMS data to OPM. DOT is able to identify competency and resource gaps and develop improvement strategies for mission-critical occupations and is able to identify competency and resource gaps and develop improvement strategies for mission-critical occupations.
- eOPF allows secure access to official employee HR records for employees and HR staff. The centralized management of and access to the data provides the technological means for consolidating HR operations and improves the government's ability to share and transfer data about employees moving between agencies.
- WCIS provides the efficient and effective use of an automated system to transmit workers compensation claims to the Department of Labor and to allow workers compensation specialists and managers to monitor and manage the workers compensation cases.
- EHRI Analytic Tools allows DOT to develop 5-year projections for Departmental mission-critical occupations using the EHRI Forecasting Tool.
- HRMS provide Departmental implementation and operation of the HRMS Workforce Tracking and Transformation System (WTTS) and Entrance on Duty System (EODS).
- EIS provides the operation of a flexible and customizable Department-wide automated exit interview survey tool that allows DOT to collect useful management information from exiting employees.
- ECStaffing will provide the ability to track, monitor, and report data associated with managing contractor's staff and maintain pertinent information required for generating HSPD-12 badging information, maintain the history of contractor assignments, status of security training, and assignment/status of access to systems.
- EPDS is an electronic position classification system. This system will provide supervisors and HR with automated tools to more easily develop information needed for determining the proper job series category and grade for classifying position descriptions.
- PD Library will include a library of classified positions that will be maintained in a centralized area and will be accessible to HR and hiring managers.

These modules provide automated staffing and entry on duty support for all DOT employees, improving DOT's ability to (1) track projected gains; (2) track transfers and losses of federal staff and (3) allow HR specialists to develop checklists for entrance on duty, as well as providing on-line forms for new employees to complete information required on entrance to duty.

### **Library & Information Services**

**\$1.321 million**

The DOT Library Program is one of the largest transportation libraries in the United States and serves approximately 3,800 DOT customers each year. The Library collects materials in all areas of transportation, in both print and electronic format. The Library provides circulation, interlibrary loan, serials routing, acquisitions and cataloging services. The Library is transitioning its collection and selection practices from hard-copy to electronic formats. By seeking to increase electronic access to DOT customers 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****\$3.371 million**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 are 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.

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, Service Source, is flexible and through contract modification can meet emerging requirements quickly due to their size and background in the field.

Postage Program:

This program is responsible for the direct billing of actual postage and shipment fees by each operating administration at all locations throughout the Washington Metropolitan area. These fees are for Standard Ground shipment of large packages and parcels to include large boxes.

**Headquarters Space Management and WCF Rent****\$8.375 million**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.

A key goal of this program is to improve space utilization and 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 \$6.7 million, which includes the Federal Protection Services cost, is tracked under this business line and distributed to the other WCF programs.

**Security Operations****\$4.910 million**

Security & Investigations (S&I):

The 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.

Security Personnel 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. Personnel review and conduct follow-up investigations on guard incident reports and serve as liaisons with their security counterparts in Federal, state, and local law enforcement agencies, as well as at the DOT headquarters buildings. Security personnel 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. Staff also provide security awareness seminars for DOT employees to deter thefts and ensure adequate protection of government and personal property.

The S&I program 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.

This program also includes lock and key services for all DOT OAs in the headquarters buildings. The locksmith conducts periodic combination safe changes throughout the headquarters buildings.

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.

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. It is anticipated that initial issuance of HSPD-12 cards will be completed for DOT by the end of FY 2012 and FY 2013 will start the sustainment phase of the program.

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. 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, the Volpe Center, 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 buildings and is essential for proper management of both identification cards and credentials.

HSPD-12:

HSPD-12 requires the Office of Security to establish and follow stringent procedures to ensure a separation of functions in the issuing of these new identification cards. Specifically, those who serve as registrars cannot be the same ones who issue cards to DOT personnel. The Federal Aviation Administration (FAA) has agreed to be the Office of Security's HSPD-12 service provider; thus, the Office of Security and FAA have entered into an Intra-Agency Agreement for these services. The Office of Security is responsible for registering and enrolling employees and certifying that the background investigation requirements have been met.

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. 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.

**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.

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.

**Substance Abuse Awareness & Testing**

**\$6.253 million**

The DOT Federal Employee Drug and Alcohol Testing Program, mandated by Executive Order 12564 and the Omnibus Employee Testing Act of 1991, 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 mandatory supervisory training; and coordination of the Employee Assistance Program. Drug and alcohol collection and testing services are provided through contract vendors.

**Transit Benefits & Parking**

**\$318.510 million**

Transportation Services (TRANServe) delivers transit benefit services to DOT operating administrations and 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 Title 49 U.S.C 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.

Transit Benefit Program:

The TRANServe Program office is a Federal Government provider for transit benefits to 110 Federal agencies with over 280,000 participants worth in excess of \$300 million annually. Historically, TRANServe has provided these fringe benefits in the form of a transit voucher.

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. 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.

DOT's Implementation of the Transit Benefit Program

TRANServe operates a highly sophisticated program (the Program) for ordering fare media, maintaining inventory control, and distributing such media to approximately 110 agencies. The Program is supported by a complex and dynamic network of activities, such as statistical forecasting for nationwide distribution, multi-million dollar contract awards, support arrangements for travel and distribution, and an elaborate array of financial analysis for agency billing. Over time, the commercial marketplace supporting the transit benefit delivery system has evolved to a more technologically advanced discipline. For instance, many Transit Authorities are re-engineering their transit media delivery system by eliminating paper and moving to electronic fare media. This has compelled a nationwide transit benefit distribution shift from a paper based system (Vouchers) to an electronic fare media structure.

- TRANServe historically distributed transit benefits in the form of a *transit voucher* for use at approximately 556 transit authorities, reinforcing a costly and inefficient framework for voucher distribution.
- TRANServe is shifting distribution from paper fare media to electronic to support Green Government, tighten internal controls, and meet Transit Authorities changing requirements.
- The goal is to use a single fare media MCC-restricted debit card with extensive internal controls to deliver transit benefits in an effective, fiscally responsible manner.

TRANServe executed a Memorandum of Understanding (MOU) with the Department of Treasury, Financial Management Service (FMS) to provide the ability to partner with a federally approved Bank for nationwide delivery of electronic fare media across the Federal government. The terms of the MOU required that Treasury FMS select a Financial Agent to work with

TRANServe in the implementation of a nationwide debit card for the delivery of the qualified transportation benefit. On July 12, 2010 TRANServe entered into discussions with J.P. Morgan Chase, the Financial Agent selected by FMS, regarding establishment of a nationwide electronic fare media product in the form of a debit card.

TRANServe has collaborated with the Department of Treasury and Internal Revenue General Counsels' Offices to ensure the program would be compliant with IRS tax code and the benefit would maintain its tax-free status. The IRS has determined that while the program doesn't fit in any of the 4 situations currently outlined in their guidance, the IRS believes that it does meet the spirit of the guidance published and IRS will publish additional guidance to support this exception—format will be an Agency to Agency letter

The implementation of the electronic fare media began with the roll-out in New York in June 2011. TRANServe transitioned 51 agencies comprised of 18,000 transit benefit participants to an electronic fare media component.

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.

**Unemployment Compensation**

**\$1.939 million**

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. Department of Labor (DOL) bills the Department of Transportation on a quarterly basis for their unemployment charges. Current actual billing trends for the department are significantly higher than anticipated; obligations have been requested to cover this additional amount.

**Warehouse**

**\$.689 million**

The Warehouse Program provides storage for furniture, equipment, bulk materials such as computers 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 addition, customers can search, view and download desired publications from the On-line Publication (OLP) System. Subsequent Distribution serves 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.

**OFFICE OF THE CHIEF INFORMATION OFFICER**  
**WORKING CAPITAL FUND**  
**FY 2013 BUDGET ESTIMATE**  
(In thousands of dollars)

<u>Program</u>	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
DOT Activities	66,637	68,225	69,151	926
Non-DOT Activities	600	586	616	30
<b>Total</b>	<b>67,237</b>	<b>68,811</b>	<b>69,767</b>	<b>956</b>
 <u>Staffing</u>				
Reimbursable Positions	32	32	32	0
Reimbursable FTE	22.50	27	29	2

**Background**

The Office of the Chief Information Officer (OCIO) has the responsibility for the management and administration of the IT Shared Services portion of the Department's WCF organization, which supports the operation of an infrastructure that includes telecommunications, e-mail/directory services, a fully consolidated DOT headquarters network, help desk and other support.

At the beginning of FY 2012, 23 government employees provided technical direction and oversight of approximately 200 contractors.

IT Shared Services has expanded to the field and the current request will provide oversight and guidance of the \$69.1 million in IT services to the Department's OAs on a cost recovery basis.

**MISSION/VISION/VALUES**

WCF OCIO/IT Shared Services provides the Department with a single source for a competitively priced, comprehensive wide range of IT services while continuously improving the technology and safety of the IT infrastructure for the Department. WCF/OCIO IT Shared Services provides 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 Shared Services staff maintain, operate, design, implement, and oversee communications and core IT infrastructure for the Department. The Federal staff oversees the technical and business operations, with the majority of the day-to-day operations provided by contractors.



**FY 2013 OCIO BUSINESS LINES BY PROGRAM**

**Campus Area Network (CAN)**

**\$6.862 million**

The Campus Area Network provides support services for the network infrastructure, wide-area network and Internet connectivity for the DOT headquarters and connectivity between DOT HQ and other DOT buildings in the DC Metro area, including the FAA HQ (FOB-10A).

The FY 2013 request includes continued infrastructure funding to remediate security vulnerabilities, including those identified by the DHS/US-CERT, Cyber Security Management Center (CSMC) and Federal Information Security Management Act (FISMA) audits. The estimate includes support for the Incident Management Center (IMC) and maintenance, support for new security software and appliances, support of the additional bandwidth for Internet connectivity, and the increased level of monitoring as required by DHS and the Trusted Internet Connection.

**Desktop Services**

**\$19.778 million**

The IT Shared Services desktop, laptop, and engineering PC program provides quality, cost effective seat management, and related support under service level agreements with customers. In FY 2011 IT Shared Services supported more than 8,800 desktop users. There are plans to expand consolidation to include additional regional and field users during FY 2012 and FY 2013. The affected operating administrations currently pay for this support directly (i.e. outside of the Working Capital Fund). In FY 2013 the support will be provided by IT Shared Services and funded by the modes through the WCF.

**Information Assurance & Privacy**

**\$14.980 million**

The Information Assurance and Privacy program is composed of the following five program areas:

Information Assurance:

The Information Assurance program is designed to ensure the protection, integrity, availability, and confidentiality of the DOT IT infrastructure across the DOT's hundreds of geographically separated locations. The program's primary function is to manage DOT's compliance with the Federal Information Security Management Act (FISMA) and other statutory requirements. FISMA support includes managing and reporting on security issues and remediation activity. Information is maintained on the Cyber Security Asset Management System (CSAM).

The Information Assurance program supports continuous operations of the DOT CSMC, which has responsibility to detect, protect against, and report all cyber events across the entire DOT enterprise and coordinate reporting efforts to the US-CERT. The CSMC identifies cyber events, privacy violations and network interruptions. CSMC coordinates with DOT CIO's, ISSO's, the intelligence community, and DHS for incident management, monitoring, cyber threat analysis and responding to modal requests.

The Information Assurance program also supports Security Awareness training to the entire DOT community. The cost of these services will continue to be proportionately allocated to the OAs.

The Information Assurance program also supports the continual Certification and Accreditation process for all of the major systems that are managed by DOT ITSS. The C&A process within ITSS is also the core baseline for most of the modal systems as the consolidated infrastructure is an inherent component for the completion of the C&A processes and annual audits of financial systems.

Enterprise Network Operations Center (ENOC) is responsible for the monitoring, notification, and facility management in support of IT Shared Services. ENOC was established to provide twenty-four hour handling of calls, problem management, staff notification, and system monitoring. Areas monitored 24 X 7 include:

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

These services are provided twenty-four hours a day regardless of physical location. ENOC costs are proportionally distributed to IT Shared Services programs.

Network Engineering 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 Shared Services and establishing a consistent and secure network across DOT. In FY 2013, IT Shared Services will

- Continue to develop and implement processes and procedures for network monitoring and validation of network availability.
- Refresh and continue to enhance remote access for security and usability.

DOT has invested in and deployed the necessary equipment and software to provide system redundancy at our COOP/DR site as well as network access control, enhancing network security so that only those users with patched operating systems, current anti-virus signatures, and authorized access certificates have access to the DOT network. Approximately 10,000 users in the DOT have the ability to utilize Secure Remote Access.

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

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

Logistics & Support Services include direct management and oversight of IT Shared Services programs, Continuity of Operations (COOP) and Disaster Recovery (DR) activities for IT Shared 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 Shared Services program.

**Enterprise Licenses**

**\$1.625 million**

Software Assurance:

Up until FY 2012, DOT funded and managed the Microsoft (MS) Enterprise Licensing Agreement (ELA) separately by each mode. This created significant operational and coordination responsibilities for each mode without giving them the efficiencies of a consolidated, centralized enterprise wide purchase. Additionally, the previous Microsoft ELA did not include the option to upgrade to the next version of the software.

**Server and Messaging Services**

**\$14.649 million**

Server Operations:

The Server Operations program consists of the following functional areas: Departmental Internet, Server Administration, Net Backup, Storage and Backup, and Server Hosting.

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. Departmental Internet Charges reflect increases in FY 2013 to support transparency of the DOT web site and web infrastructure improvements.

Off-site server hosting services for HQ servers and other devices for Operating Administrations (with the exception of FAA) provides server hosting for most OA mission critical systems in a primary data center external to the Headquarters building. 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. Ongoing efforts are underway to study the current data center locations throughout the Department and strategies for consolidation which include virtualization, consolidation, and cloud computing.

Directory & Messaging Services:

The Directory and Messaging program supports DOT directory services, message routing, enterprise messaging backup, custom directory services, email security and spam filtering and virus protection mail server hosting, mailbox administration, and wireless email support. Further consolidation of e-mail systems beyond DOT HQ to include field and regional users will continue into FY 2013. IT Shared Services has planned for capital asset purchases in FY 2013 to support the Microsoft Exchange Upgrade and Mail Failover capabilities. The costs for annual

equipment replacement reserves and increased maintenance and support are included in the FY 2013 estimates.

ITSS currently manages more than 10,000 accounts, providing mailbox administration, mail storage and backup. Consolidation has increased IT Shared Service's messaging infrastructure and management responsibilities which were previously managed by the OAs.

**Voice, Cable & Wireless**

**\$11.873 million**

The IT Shared 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 and 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 17,000 telephone lines and 12,000 voice mailboxes, supported by the Southeast Federal Center's telecommunications switch.

A large majority of costs in this program area, more than \$5 million per year, 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.

IT Shared Services has contained 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.

Explanation of Funding Changes  
for the  
Working Capital Fund (DOT Activities only)

**FY 2012 Base (President's Budget)** 172,000

**FY 2013 Program Changes (+/-)**

All programs include annualization of FTE and inflationary contract costs. Other increases are explained below:

<u>Description</u>	<u>Explanation</u>	<u>Difference</u>
<b>Assistant Secretary for Administration</b>		
Building Security	CCTV & PACS Replacement	271
Copier, Printing & Multimedia	Decrease in customer Demand	(1,850)
E-Gov Initiative	Addition of 3 Initiatives not identified in FY 2012	779
Facilities Services & Utilities	Anticipated rate adjustment	257
Human Resource Services	Candidate Development Program	360
Rent & Space Management	Realignment of SEFC & Warehouse space	154
Transit Benefits & Parking	Change in customer usage.	285
Unemployment Compensation	Increase in Payments to DOL for Unemp. Comp.	339
Other	Pre-negotiated contract increases, adjustments in customer usage, and personnel related expenses such as annualization of new hires.	607
<b>Assistant Secretary for Admin Subtotal:</b>		<b>1,202</b>
<b>Chief Information Officer</b>		
Campus Area Network	Annualization of maintenance requirements on equipment	324
Desktop Services	Changes in customer demand	456
Other	Pre-negotiated contract increases, adjustments in customer usage, and personnel related expenses such as annualization of new hires.	146
<b>Chief Information Office Subtotal:</b>		<b>926</b>
<b>Total FY 2013 Request:</b>		<b>174,128</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WORKING CAPITAL FUND  
PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
021-04-4520-0			
<b>Obligations by program activity:</b>			
08.01 DOT service center activity	143,059	172,000	174,128
08.02 Non-DOT service center activity	374,534	341,966	319,120
09.00 Total new obligations	517,593	513,966	493,248
<b>Budgetary resources available for obligations:</b>			
10.00 Unobligated balance available, start of year	49,129	101,067	33,034
10.21 Recoveries of prior year unpaid obligations	11,076	0	0
10.29 Unobligated balance withdrawn	0	-71,000	0
10.50 Unobligated balance (total)	60,205	30,067	33,034
<b>New budget authority (gross), detail:</b>			
Spending from offsetting collections:			
Discretionary			
17.00 Collected	511,674	517,000	495,000
17.01 Change in uncollected customer payments from Federal sources (unexpired)	47,782	0	0
17.50 Spending authority from offsetting collections (total)	559,455	517,000	495,000
19.30 Total budgetary resources available	619,660	547,067	528,034
19.41 Unexpired unobligated balance, end of year	102,067	33,000	34,786
<b>Change in obligated balances:</b>			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	80,568	126,671	5,996
30.10 Uncollected pymts, Fed sources, brought forward, Oct 1	-48,299	-96,081	-96,081
30.20 Obligated balance, start of year (net)	32,269	30,590	-90,085
30.30 Obligations incurred, unexpired accounts	517,593	513,966	493,248
30.40 Outlays (gross)	-461,414	-634,671	-492,000
30.50 Change in uncollected pymts, Fed sources, unexpired	-47,782	0	0
30.80 Recoveries of prior year unpaid obligations, unexpired	-11,076	0	0
30.90 Unpaid obligations, end of year (gross)	125,671	5,966	7,214
30.91 Uncollected pymts, Fed sources, end of year	-96,081	-96,081	-96,081
31.00 Obligated balance, end of year (net)	29,590	-90,115	-88,867
<b>Outlays (gross), detail:</b>			
40.00 Budget authority (gross)	559,455	517,000	495,000
40.10 Outlays from new discretionary authority	404,061	514,000	492,000
40.11 Outlays from discretionary balances	57,353	120,671	0
40.20 Total outlays (gross)	461,414	634,671	492,000
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
40.30 Federal sources	-509,537	-515,000	-493,000
40.33 Non-federal sources	-2,137	-2,000	-2,000
40.40 Offsets against gross budget authority and outlays (total)	-511,674	-517,000	-495,000
Against gross budget authority only:			
40.50 Change in uncollected customer payments from Federal sources (unexpired)	-47,782	0	0
40.60 Additional offsets against budget authority only (total)	-47,782	0	0
40.80 Outlays, net (discretionary)	-50,259	117,671	-3,000
41.90 Outlays, net (total)	-50,259	117,671	-3,000

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
021-04-4520-0			
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$17,086	\$21,909	\$23,104
11.2 Accrued leave	64	121	179
11.3 Other than full-time permanent	1,599	414	461
11.5 Other personnel compensation	469	1,963	1,985
11.8 Special personal services payments	0	0	0
11.9 Total personnel compensation	19,218	24,407	25,729
12.1 Civilian personnel benefits	5,098	6,345	6,841
13.0 Benefits for former personnel	2,427	1,600	2,000
21.0 Travel and transportation of persons	352	722	885
22.0 Transportation of things	311	528	527
23.1 Rental payments to GSA	6,644	8,884	9,077
23.3 Communications, utilities, and miscellaneous charges	13,215	14,274	14,058
24.0 Printing and reproduction	0	0	0
25.1 Advisory and assistance services	0	0	0
25.2 Other services	222	357	373
25.3 Other purchases of goods and services from Government accts.	87,924	107,908	105,520
25.4 Operation and maintenance of facilities	0	0	0
25.7 Operation and maintenance of equipment	6,069	12,213	12,679
26.0 Supplies and materials	362,649	328,794	305,673
31.0 Equipment	13,464	7,923	9,875
42.0 Insurance claims and indemnities	0	11	11
99.9 Total obligations	\$517,593	\$513,966	\$493,248

PERSONNEL SUMMARY

Identification Code	FY 2011 ACTUAL	FY 2012 ENACTED	FY 2013 REQUEST
021-04-4520-0			
2001 Reimbursable civilian full-time equivalent employment	204.84	241	246

**EXHIBIT V-1**  
**FY 2013 RESEARCH, DEVELOPMENT & TECHNOLOGY BUDGET REQUEST BY GOAL**  
**DEPARTMENT OF TRANSPORTATION**  
**BUDGET AUTHORITY**  
**(in thousands of dollars)**

	<u>FY 2011</u> <u>Actual</u>	<u>FY 2012</u> <u>Enacted</u>	<u>FY 2013</u> <u>Request</u>	<u>FY 2013</u> <u>Applied</u>	<u>FY 2013</u> <u>Development</u>
OFFICE OF THE SECRETARY (TPR&D)					
<b>A. Transportation Planning, Research &amp; Development</b>	<u>9,799</u>	<u>9,000</u>	<u>10,000</u>	<u>0</u>	<u>10,000</u>
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY					
<b>B. Research &amp; Development</b>	<u>6,134</u>	<u>5,792</u>	<u>5,755</u>	<u>3,988</u>	<u>1,767</u>
Salaries and Administrative Expenses	4,701	4,385	4,402	3,302	1,100
Alternative Fuels Research & Development (R&D)	499	499	499	200	299
RD&T Coordination	535	509	509	372	137
Positioning, Navigation, and Timing	399	399	345	114	231
Intelligent Transportation Systems <sup>1/</sup>	[101,860]	[97,454]	[110,000]	[94,590]	[0]
Competitive University Transportation Center (UTC) Consortia	[73,061]	[69,901]	[72,000]	[0]	[0]
Competitive University Transportation Center (UTC) Consortia (FTA)	[7,000]	[4,000]	[8,000]	[0]	[0]
University Transportation Center (UTC) Multimodal					
Competitive Research Grants <sup>1/</sup>	[0]	[0]	[20,000]	[10,000]	[10,000]
Multimodal Innovative Research Program <sup>1/</sup>	[0]	[0]	[20,000]	[10,000]	[10,000]
<b>TOTAL</b>	<b>15,933</b>	<b>14,792</b>	<b>15,755</b>	<b>3,988</b>	<b>11,767</b>

<sup>1/</sup> Resources are shown as non-adds because the funding resides in the FHWA/FTA budget.



**Transparency Paper:  
Total Program Resources for  
Office of the Assistant Secretary for Administration  
and  
Office of the Chief Information Officer**

The information contained in this Transparency Paper identifies the amount of funding received and requested by the Office of the Chief Information Officer and the Office of the Assistant Secretary for Administration from direct appropriations, and the amount of funding for those two offices from WCF reimbursements; a clear description of the WCF work that is completed under the appropriations cap, exempt from the cap, and completed under reimbursable agreements; and full supporting information for any request to modify the WCF appropriations language.

**INTRODUCTION**

The Working Capital Fund (WCF) was authorized under the Department of Transportation (DOT) Act, Public Law 89-670, enacted October 15, 1966, to provide technical and administrative services that allow the DOT Operating Administrations (OAs) to focus on core missions while reducing costs by consolidating administrative management structures. The WCF is funded through negotiated agreements with its customers. The WCF is an intra-governmental revolving fund established in order to finance a cycle of operations in which the customers reimburse the costs of goods and services received. Costs reimbursed by customers include direct and indirect costs including accrued annual leave and capital asset depreciation. To extend efficiencies and to increase economies of scale, the WCF also services customers outside of the DOT. These Non DOT customers include the Department of Homeland Security, specifically Coast Guard and Transportation Security Administration, and more than 100 agencies nationwide, including the House of Representatives, that use the WCF to manage transit benefits to their employees.

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 and systems, 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 normally 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.

A WCF Steering Committee (Committee) was established in fiscal year (FY) 2003 to facilitate shared accountability by both WCF and the operating administrations, and ensure a transparent and effective working environment that invites everyone involved to operate with shared responsibilities. The Committee ensures common goods and services are provided in the most cost effective and efficient manner. The Committee is comprised of Associate Administrators of Administration and Chief Financial Officers/Budget Officers from each OA. Specific functions and activities of the Committee include: recommending goods and services that comprise the WCF; approving all WCF funding levels for each service; evaluating the WCF performance in meeting service plans; ensuring that systematic measures of performance against approved service plans are in place; and evaluating and approving capital asset purchases in excess of \$50,000.

The Office of the Assistant Secretary for Administration administers funds for the Working Capital Fund, receives appropriations for Salaries and Expenses for non-WCF functions, and administers a Reimbursable Program. The Office of the Chief Information Officer provides IT services, technical management, and business support through the WCF. The OCIO also receives Salaries and Expenses and a Cyber Security Initiatives appropriations.

The following table shows the breakout of funds for both offices.

**TOTAL OBLIGATIONAL AUTHORITY BY OFFICE**

(In thousands of dollars)

	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
<b>Assistant Secretary for Administration</b>				
Salaries and Expenses	25,469	25,469	28,672	3,203
Working Capital Fund				
DOT	80,959	103,775	104,977	1,202
NON-DOT	446,087	341,380	318,504	(22,876)
Reimbursable	19,940	1,412	1,598	186
<b>TOTAL</b>	<b>572,455</b>	<b>472,036</b>	<b>453,751</b>	<b>(18,285)</b>
<b>Chief Information Officer</b>				
Salaries and Expenses	13,189	14,988	15,117	129
Cyber Security Initiatives	0	10,000	6,000	(4,000)
WCF DOT Activities	66,637	68,225	69,151	926
WCF NON-DOT Activities	600	586	616	30
<b>TOTAL</b>	<b>80,426</b>	<b>93,799</b>	<b>90,884</b>	<b>(2,915)</b>

**Major Responsibility**  
**Source of Funds**  
**FY 2013 Request (in thousands)**

**Office of the Assistant Secretary for Administration Overview:**

The Assistant Secretary for Administration is the policy and operations leader and principal advisor to the Secretary of Transportation on Department-wide and Office of the Secretary administrative functions. The Assistant Secretary serves as the:

- Department's Chief Human Capital Officer and provides leadership on all matters associated with the Chief Human Capital Officers Act of 2002. In this role, oversees the planning, implementation, reporting, and evaluation of personnel policies, programs, operating procedures, and systems that support DOT strategic objectives and performance goals.
- Deputy Chief Acquisition Officer for DOT (49 CFR §1.59(a) (6)). Formulates departmental policy, controls and standards to ensure that procurement and financial assistance management programs are in accord with applicable laws, regulations, and good business practices to meet departmental missions in support of the national transportation system.

The Assistant Secretary also delivers administrative services to DOT and Non-DOT customers through the WCF operations and ensures administrative support services are responsive to OST customer requirements and DOT strategic policy direction.

For FY 2013, the Office of the Assistant Secretary for Administration will administer three sources of funding in performing its various roles in support of the DOT. Each funding stream is maintained and reported independently. OASA funding directly tracks to the OASA three areas of responsibility:

- Annually appropriated Salaries and Expenses (S&E) for carrying out human resources and procurement policy, security management and follow-up, promoting environmental strategies and technologies, and resolution of Government Accountability Office and Inspector General audit reviews of department programs, including preparation of required reports.
- Reimbursable funding for providing formal Administrative Procedure Act (APA) hearings to DOT operating administrations.
- Working Capital Fund cost reimbursements for providing and supporting Department-wide core administrative, security and facilities functions such as executive and political personnel operations, building security, and facilities management.

Specific breakdown of the uses of these funds follows.

**FY 2013**  
**(\$000)**

Assistant Secretary for Administration - Salaries and Expenses \$28,672

The OASA provides oversight and leadership for major programs such as acquisition reform, human capital planning and recruitment, sustainable operations and environmental compliance, physical and facility security policy outreach and oversight, and emergency preparedness. This program also administers the resources to pay for consolidated rent payments to GSA and OST payments to the Working Capital Fund.

The Assistant Secretary for Administration serves as the principal advisor to the Secretary and Deputy Secretary on Department-wide administrative matters. The Assistant Secretary is the Department's Chief Human Capital Officer (CHCO), with statutory responsibility for developing and reviewing policies and programs to ensure that high-quality, diverse talent is both continuously available and properly deployed to support DOT objectives. Reforms mandated by the Service Acquisition Reform Act (P.L. 108-16) and the Energy Policy (E.O. 13514) have also significantly enlarged the responsibilities of the Assistant Secretary, who is the Deputy Chief Acquisition Officer. In that capacity, the OASA formulates departmental policy, controls, and standards to ensure that procurement and financial assistance programs are in accord with applicable laws, regulations, and good business practices. Under the authority delegated by the Secretary, the Assistant Secretary carries out the responsibilities of the Competitive Sourcing Officer as specified in OMB Circular A-76, Performance of Commercial Activities. The Assistant Secretary is also the senior departmental security executive and provides leadership and direction to departmental organizations to ensure the safety, security, and protection of DOT personnel, information, facilities, and other assets.

Assistant Secretary for Administration - Working Capital Fund \$423,481

DOT: \$104,977

NON-DOT: \$318,504

The Working Capital Fund (WCF) provides Departmental services in human resources, security, acquisition and grants, information services, transportation and facilities, and space management. In the transit benefits area, the WCF manages the program for over 100 agencies nationwide. These services include financial management of DOT's WCF.

The DOT's WCF provides an array of services in support of the Department's Office of the Secretary and Operating Administrations. The WCF is a full cost recovery, fee-for-service organization that normally receives no directly appropriated funds, but recovers costs through cost reimbursable and interagency service level agreements. The WCF has an obligation ceiling set by Congress which limits the amount of business the WCF may do for the Department that fiscal year.

Assistant Secretary for Administration - Reimbursable Program

Office of Hearings

\$1,598

The Office of Hearings is located in the Office of the Assistant Secretary for Administration in order to separate the Office from all investigatory and prosecution functions. The Office of Hearings is composed of administrative law judges, who hold hearings under the Administrative Procedure Act (5 U.S.C. § 551 et seq.) (APA) for the Department's Office of the Secretary (primarily in aviation matters) and the Department's component modal administrations that need formal APA hearings, including the Federal Aviation Administration, Federal Motor Carrier Safety Administration, and the Pipeline and Hazardous Materials Safety Administration.

**Office of the Chief Information Officer Overview:**

The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT) and cyber security advisor to the Secretary. In this strategic departmental role, the CIO provides leadership on all matters associated with the Department's \$3 billion IT portfolio. This includes security, investment management, and improvements in the delivery of services to the American taxpayer through electronic government initiatives.

The DOT OCIO also supports the CIO function for Office of the Secretary. Similar to the role of an operating administration CIO, the OST CIO ensures that IT needs of OST employees are met and sound investment decisions are made, consistent with mission and business requirements of the DOT CIO. Funding is included in this request to address the CIO's strategic departmental, OST and infrastructure roles.

The DOT CIO delivers IT services to DOT customers through the operation of an IT infrastructure that includes e-mail services, a backbone network, and help desk support. Historically, operating administrations contract with the CIO for services and reimburse the CIO for the cost of those services. The WCF is the reimbursement mechanism for these services.

DOT CIO Managed Resources Overview:

For FY 2013, the Office of the Chief Information Officer (OCIO) will administer three sources of funding in performing its various roles in support of the DOT. Each funding stream is maintained and reported independently. OCIO funding directly tracks to the CIO's three areas of responsibility:

- Annually appropriated Salaries and Expenses (S&E) for carrying out IT policy, security and other mandates, guidance, monitoring and reporting; and
- WCF cost reimbursements for providing and supporting Department-wide core IT functions, such as information assurance and support, voice, cable and wireless, campus area network (CAN), desktop services, and server and messaging services.
- A Cyber Security Initiatives appropriation to properly build out and maintain a more secure Wide Area Network (WAN) for the US Department of Transportation, building on and continuing the accomplishments achieved with the FY 2012 Cyber Security Initiatives appropriation.

A specific breakdown of the uses of this funding request follows.

	<b>FY 2013</b> <b>(\$000)</b>
<u>Office of the Chief Information Officer - Salaries and Expenses</u>	\$15,117

The OCIO annual Salaries and Expenses appropriation provides pay, compensation and benefits for the Department’s CIO, and Deputy CIO and Chief Technology Officer, the CIO for OST, as well as technical and administrative government staff. Annual OCIO S&E funding provides resources necessary for the CIO to meet responsibilities to the Department as well as other Executive and Legislative Branch requirements, and for improving practices in the design, modernization, use, sharing, and performance of information resources. The CIO develops recommendations for information technology management policies, procedures, and standards and leads e-government projects to improve service delivery, and foster the effective use of IT communication technologies to enhance business activities performance.

<u>Cyber Security Initiatives</u>	\$ 6,000
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As part of the FY 2012 the DOT CIO received a \$10 million appropriation for Cyber Security Initiative that invests in people, process, and technologies at strategic, operational, and tactical levels. This will allow DOT to address urgent and immediate threats to critical transportation related business operations. The appropriation will assist in stabilizing our technology infrastructure, effectively remediating vulnerabilities, and ensuring adequate threat remediation moving forward. Specific areas for improvement will be focused on Trusted Internet Connection (TIC), Desktop Security, and Compliance Monitoring. In all three areas, work is planned to address DHS compliance elements and OIG recommendations.

The FY 2013 request will provide necessary expenses for cyber security initiatives, including necessary upgrades to wide area network and information technology infrastructure, improvement of network perimeter controls and identity management, testing and assessment of information technology against business, security, and other requirements, implementation of Federal cyber security initiatives and information infrastructure enhancements, implementation of enhanced security controls on network devices, and enhancement of cyber security workforce training tools, \$6,000,000, to remain available through September 30, 2014. The funding will position DOT to address evolving risks in cyber security by implementing an environment that will properly divide the WAN and existing Campus Area Network (CAN) environment associated with the Common Operating Environment Network (COE). The appropriation will provide funding to expand the WAN to accommodate current and future users, replace failing pieces of the existing infrastructure, and properly implement infrastructure components to support critical federal initiatives, including Trusted Internet Connection (TIC), Domain Name System Security Extensions (DNSSEC), and Compliance Monitoring.

Currently, there are pieces of both a DOT WAN and CAN in the Working Capital Fund (WCF). A limited Capital Asset replacement reserve is maintained in the WCF to support replacement of existing capital assets. The current equipment replacement reserve balance in the WCF is

composed primarily of equipment purchased for the New HQ Building infrastructure - intended to support the DOT HQ campus only. The New HQ equipment infrastructure was purchased in FY 2006 with a special appropriation and was transferred into the WCF starting in FY 2008 for operational support, maintenance and future reserves.

In line with the original purpose of the New HQ Building equipment purchase, the WCF assets will continue to support the CAN associated with the DOT HQ. The IT Infrastructure/Cyber Security appropriation will fund the Wide Area Network (WAN). This includes infrastructure outside of the DC campus, focusing on the field network expansion. By consolidating all DOT networks into the COE through an expanded and stabilized WAN, the Department will be more secure through a standardized, integrated environment.

The updated infrastructure approach supports the Departmental cyber security plan, which is a holistic initiative that invests in people, process, and technologies at strategic, operational, and tactical levels.

<u>Office of the Chief Information Officer - Working Capital Fund</u>	\$ 69,767
DOT	\$ 69,151
NON-DOT	\$ 616

The DOT's Working Capital Fund provides an array of services in support of the Department's Office of the Secretary and OAs. The WCF is a full cost recovery, fee-for-service organization that normally receives no directly appropriated funds, but recovers costs through cost reimbursable and interagency service level agreements. The WCF has an obligation ceiling set by Congress which limits the amount of business the WCF may do that fiscal year.

WCF organizationally consists of two major components, personnel/facilities services, and IT shared services. The IT shared services fall organizationally and operationally under the OCIO. OCIO's WCF IT operations are essentially an outsourced environment, consisting primarily of contractors and a small cadre of government project managers and technicians. In addition to providing the DOT Washington metro area's campus-wide telephony, communications backbone infrastructure, and firewall security, OCIO WCF IT operations also provide a common IT operating environment, server hosting facilities, desktop management, as well as IT engineering and DOT intranet/internet support.



The following tables show the Budget Estimates, with a break out for both offices, for FY 2013, FY 2012, and FY 2011:

### FY 2013 REQUEST SUMMARY BY OFFICE

#### ASSISTANT SECRETARY FOR ADMINISTRATION

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	7,984	25,529	1,524
Travel	25	847	11
Other Costs	<u>20,663</u>	<u>397,105</u>	<u>63</u>
TOTAL	28,672	423,481 <sup>1/</sup>	1,598

1/ Of the \$423 million, \$311 million is for the Transit Benefits and Parking Program.

#### STAFFING

Direct Positions	59	0	0
Reimbursable Positions	0	224	9

#### OFFICE OF THE CHIEF INFORMATION OFFICER

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Cyber Security Initiatives</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	5,464	7,042	0	0
Travel	18	38	0	0
Other Costs	<u>9,635</u>	<u>62,687</u>	<u>6,000</u>	<u>0</u>
TOTAL	15,117	69,767	6,000	0

#### STAFFING

Direct Positions	35	0	0	0
Reimbursable Positions	0	32	0	0

**FY 2012 ENACTED SUMMARY BY OFFICE****ASSISTANT SECRETARY FOR ADMINISTRATION**

	<b>Salaries &amp; Expenses</b>	<b>Working Capital Fund</b>	<b>Reimb Programs</b>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	7,865	23,836	1,338
Travel	25	703	11
Other Costs	<u>17,579</u>	<u>420,615</u>	<u>63</u>
TOTAL	25,469	445,154 <sup>1/</sup>	1,412

1/ Of the \$445 million, \$309 million is for the Transit Benefits and Parking Program.

STAFFING

Direct Positions	66	0	0
Reimbursable Positions	0	230	9

**OFFICE OF THE CHIEF INFORMATION OFFICER**

	<b>Salaries &amp; Expenses</b>	<b>Working Capital Fund</b>	<b>Cyber Security Initiatives</b>	<b>Reimb Programs</b>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	5,423	6,890	0	0
Travel	18	19	0	0
Other Costs	<u>9,547</u>	<u>61,903</u>	<u>10,000</u>	<u>0</u>
TOTAL	14,988	68,812	10,000	0

STAFFING

Direct Positions	35	0	0	0
Reimbursable Positions	0	32	0	0

**FY 2011 ACTUAL SUMMARY BY OFFICE****ASSISTANT SECRETARY FOR ADMINISTRATION**

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	7,416	23,856	2,298
Travel	67	779	50
Other Costs	<u>17,986</u>	<u>502,411</u>	<u>17,464</u>
TOTAL	25,469	527,046 <sup>1/</sup>	19,812

1/ Of the \$527 million, \$468 million is for the Transit Benefits and Parking Program.

STAFFING

Direct Positions	66	0	0
Reimbursable Positions	0	214	20

**OFFICE OF THE CHIEF INFORMATION OFFICER**

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	4,843	4,876	0
Travel	25	41	0
Other Costs	<u>8,321</u>	<u>62,320</u>	<u>0</u>
TOTAL	13,189	67,237	0

STAFFING

Direct Positions	35	0	0
Reimbursable Positions	0	32	0

The following tables show the total Working Capital Fund estimate and a break out for both offices.

**ASSISTANT SECRETARY FOR ADMINISTRATION  
WORKING CAPITAL FUND  
FY 2013 BUDGET ESTIMATE**  
(In thousands of dollars)

<u>Program</u>	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
DOT Activities	80,959	103,775	104,977	1,202
Non-DOT Activities	446,087	341,380	318,504	<b>(22,876)</b>
<b>Total</b>	<b>527,046</b>	<b>445,155</b>	<b>423,481</b>	<b>(21,674)</b>
<u>Staffing</u>				
Reimbursable Positions	214	230	224	<b>(6)</b>
Reimbursable FTE	182.34	214	217	3

**OFFICE OF THE CHIEF INFORMATION OFFICER  
WORKING CAPITAL FUND  
FY 2013 BUDGET ESTIMATE**  
(In thousands of dollars)

<u>Program</u>	FY 2011 <u>Actual</u>	FY 2012 <u>Enacted</u>	FY 2013 <u>Request</u>	Difference from FY 2012 <u>Enacted</u>
DOT Activities	66,637	68,225	69,151	926
Non-DOT Activities	600	586	616	30
<b>Total</b>	<b>67,237</b>	<b>68,811</b>	<b>69,767</b>	<b>956</b>
<u>Staffing</u>				
Reimbursable Positions	32	32	32	0
Reimbursable FTE	22.50	27	29	2

The following tables display the WCF/OCIO cost estimates by Operating Administration:

**Working Capital Fund  
Operating Administration Costs  
And Other Expenses Estimate  
(\$000)**

**Working Capital Fund  
Operation Administration Costs  
And Other Expenses Estimate  
(\$000)**

	FY 2011 Actual			FY 2012 Enacted			FY 2013 Request		
	WCF Administration	WCF OCIO	Total	WCF Administration	WCF OCIO	Total	WCF Administration	WCF OCIO	Total
<b>Operating Administration</b>									
OST	8,578	7,978	16,557	9,358	8,576	17,934	10,026	8,662	18,688
FAA	19,972	10,422	30,394	36,728	9,981	46,709	37,707	9,982	47,688
FHWA	8,569	15,584	24,153	10,427	16,065	26,492	10,674	16,336	27,010
FRA	3,538	3,355	6,893	3,825	3,638	7,464	3,884	3,770	7,655
NHTSA	5,035	6,027	11,063	5,548	6,166	11,714	5,511	6,252	11,762
FTA	3,283	4,118	7,401	3,687	4,479	8,166	3,674	4,525	8,199
SLSDC	200	402	602	275	393	668	272	407	679
VOLPE	381	111	491	474	110	584	463	110	573
MARAD	2,902	3,366	6,269	3,516	3,563	7,079	3,690	3,803	7,493
OIG	2,458	1,021	3,479	2,706	1,073	3,778	2,922	1,100	4,022
STB	183	0	183	165	38	203	179	38	217
FMCSA	4,629	3,558	8,188	5,197	3,568	8,765	5,221	3,626	8,847
RITA	2,096	3,206	5,302	2,285	3,595	5,880	2,581	3,627	6,208
PHMSA	3,156	4,273	7,428	5,956	4,814	10,770	3,530	4,862	8,392
DOT Unspecified	3,127	6,394	9,521	1,567	7,717	9,284	1,791	6,376	8,167
<b>SUBTOTAL</b>	<b>68,106</b>	<b>69,816</b>	<b>137,922</b>	<b>91,713</b>	<b>73,777</b>	<b>165,490</b>	<b>92,125</b>	<b>73,476</b>	<b>165,601</b>
<b>Other Expenses</b>									
Capital Assets	0	4,079	4,079	304	4,579	4,883	0	5,405	5,405
Depreciation	(172)	(5,305)	(5,477)	(224)	(7,446)	(7,670)	(220)	(7,379)	(7,599)
Net NON-DOT Intrafund Costs	10,895	0	10,895	9,679	0	9,679	9,139	0	9,139
Net WCF Intra Fund Costs	2,130	(1,953)	177	2,303	(2,685)	(382)	3,933	(2,351)	1,582
<b>TOTAL</b>	<b>80,959</b>	<b>66,637</b>	<b>147,596</b>	<b>103,775</b>	<b>68,225</b>	<b>172,000</b>	<b>104,977</b>	<b>69,151</b>	<b>174,128</b>

**Note: Totals may not add due to rounding**

**Crosswalk of DOT Operating Costs/Expenses**

The WCF is a fee-for-service operation which normally receives no direct appropriations. Instead, the WCF is a self-sustaining reimbursable fund. During the budget formulation stage, the WCF provides to its customers operating cost estimates they will need to contribute to the WCF. These estimates are based on historical data and projected on-demand service levels. The preceding chart is a summary of the DOT operating cost estimates to our customers based on full cost recovery. These operating costs represent the costs provided to each Operating Administration during the fiscal year.

To crosswalk the DOT customer operating costs to DOT obligations, it is necessary to account for items that are (a) at the time of budget formulation were not directly attributable to a specific customer or (b) not directly collected as operating costs.

- DOT Unspecified represents costs where the scope of the work for individual customers is not yet determined and it is not possible to determine a specific billing methodology or customer base, such as for IT consolidation.
- Capital Asset obligations will be expensed over the expected life of the asset and collected in the future as asset replacement reserve.
- Depreciation expenses are treated as a replacement reserve to enable capital assets to be refreshed on a regular cycle. These assets are typically significant technology investments, such as networking and telecommunications equipment that have a useful life of two or more years.
- Net Non DOT Intra Fund Costs provide support services to NON-DOT programs that are not reflected in the DOT cost numbers
- Net WCF Intra Fund Costs are the indirect expenses shared between WCF programs.

<b>Customer Operating Costs:</b>	<i><b>FY 2013</b></i> <b>(\$000)</b>
DOT Customer Total	157,434
DOT Unspecified	8,167
DOT Operating Administrations' Costs	<u>165,601</u>
Capital Assets	5,405
Depreciation	(7,599)
Net Non-DOT Intra Fund Costs	9,139
Net WCF Intra Fund Costs	<u>1,582</u>
<b>Total WCF Obligations</b>	<b>174,128</b>

**The DOT unspecified amounts** in FY 2013 relate primarily to on-demand services such as facility services, personnel services, and the phased implementation of IT field consolidation and enterprise license consolidations. These services are subject to fluctuations in customer demand. A breakout of these amounts is provided in the following chart:

<b>Service</b>	<b>Amount (\$000)</b>	<b>Reason</b>
Transit Benefits and Parking	\$78	Changes in Customer Demand
Facilities Services & Utilities	\$201	Potential New Customers (Personnel Property)
Security Operations	\$250	Unknown Customer Demand (HSPD-12)
Voice, Cable & Wireless	\$615	Changes in Customer Demand
Desktop Services	\$5,761	Changes in Customer Demand
Unemployment Compensation	\$432	Changes in Customer Usage
E-Gov Initiative	\$61	Financial Management Line of Business
Human Resource Systems	\$469	FPPS Customer Requirement
Commerical Services Management	\$300	Changes in Customer Requirement
<b>Total</b>	<b>\$8,167</b>	

Capital Asset obligations will be expensed over the expected life of the asset and collected in the future as asset replacement reserve. A breakout of these amounts being purchased is provided in the following chart:

<b>Program Area</b>	<b>Asset Description</b>	<b>Budgeted Asset Value</b>	<b>Useful Life (Months)</b>
Campus Area Network	Network Infrastructure Optimization	\$ 1,550	48
Information Assurance & Privacy	Remedy Upgrade	\$ 270	48
Information Assurance & Privacy	ArcSight Logger	\$ 185	36
Server & Messaging Services	Server Hosting/Infrastructure Build-out	\$ 2,000	48
Server & Messaging Services	Messaging Enhancements	\$ 400	48
Server & Messaging Services	Google Search Appliance	\$ 250	24
Voice, Cable & Wireless	Additional Telecomm Infrastructure	\$ 750	36
	<b>Total FY 2013 Assets</b>	<b>\$ 5,405</b>	

The following tables show WCF obligations by business line:

**FY 2013 REQUEST BUDGET**  
**WCF DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2013 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	2,740	0	2,740
Building Security	13,774	0	13,774
Commercial Services Management	365	0	365
Consolidated Federal Funds	143	0	143
Copier, Printing & Multimedia	8,490	30	8,520
Disability Resource Center	2,306	290	2,596
Dockets Management and Operations	2,162	206	2,368
E-Gov Initiative	1,804	0	1,804
Facilities Services & Utilities	11,187	360	11,547
Federal Acquisitions Reporting Systems	247	0	247
Federal Laboratory Consortium	26	0	26
COOP Facility	905	0	905
Financial Mgmt, Accting & Admin	7,795	0	7,795
Flexible Spending Account	363	0	363
Human Resource Services	6,093	44	6,137
Human Resource Systems	18,783	0	18,783
Library & Information Services	1,321	0	1,321
Mail Services & Postage	3,371	0	3,371
Publications Distribution	0	0	0
Rent & Space Management	8,375	0	8,375
Security Operations	4,910	0	4,910
Substance Abuse Awareness & Testing	1,872	4,381	6,253
Transit Benefits & Parking	5,317	313,193	318,510
Unemployment Compensation	1,939	0	1,939
Warehouse	689	0	689
<b>Assistant Secretary for Admin Subtotal:</b>	<b>104,977</b>	<b>318,504</b>	<b>423,481</b>
<b>Chief Information Officer</b>			
Campus Area Network	6,862	0	6,862
Desktop Services	19,778	0	19,778
Information Assurance & Privacy	14,980	0	14,980
Enterprise Licenses	1,625	0	1,625
Server & Messaging Services	14,649	0	14,649
Voice, Cable & Wireless	11,257	616	11,873
<b>Chief Information Office Subtotal:</b>	<b>69,151</b>	<b>616</b>	<b>69,767</b>
<b>Grand Total:</b>	<b>174,128</b>	<b>319,120</b>	<b>493,248</b>



**FY 2012 ENACTED BUDGET**  
**WCF DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT Obligations</u>	<u>Non-DOT Obligations</u>	<u>2012 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	2,513	0	2,513
Building Security	13,503	0	13,503
Commercial Services Management	265	0	265
Consolidated Federal Funds	62	0	62
Copier, Printing & Multimedia	10,340	15	10,355
Disability Resource Center	2,230	290	2,520
Dockets Management and Operations	2,103	113	2,216
E-Gov Initiative	1,025	0	1,025
Facilities Services & Utilities	10,930	340	11,270
Federal Acquisitions Reporting Systems	197	0	197
Federal Laboratory Consortium	25	0	25
COOP Facility	905	0	905
Financial Mgmt, Accting & Admin	7,690	0	7,690
Flexible Spending Account	363	0	363
Human Resource Services	5,733	42	5,775
Human Resource Systems	18,771	0	18,771
Library & Information Services	1,310	0	1,310
Mail Services & Postage	3,370	0	3,370
Publications Distribution	-	0	0
Rent & Space Management	8,221	0	8,221
Security Operations	5,030	0	5,030
Substance Abuse Awareness & Testing	1,890	4,190	6,080
Transit Benefits & Parking	5,032	336,390	341,422
Unemployment Compensation	1,600	0	1,600
Warehouse	667	0	667
<b>Assistant Secretary for Admin Subtotal:</b>	<b>103,775</b>	<b>341,380</b>	<b>445,156</b>
<b>Chief Information Officer</b>			
Campus Area Network	6,538	0	6,538
Desktop Services	19,322	0	19,322
Information Assurance & Privacy	14,949	0	14,949
Enterprise Licenses	1,625	0	1,625
Server & Messaging Services	14,601	0	14,601
Voice, Cable & Wireless	11,190	586	11,776
<b>Chief Information Office Subtotal:</b>	<b>68,225</b>	<b>586</b>	<b>68,811</b>
<b>Grand Total:</b>	<b>172,000</b>	<b>341,966</b>	<b>513,966</b>

**FY 2011 ACTUAL BUDGET  
WCF DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT Obligations</u>	<u>Non-DOT Obligations</u>	<u>2011 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	4,989	0	4,989
Building Security	11,693	0	11,693
Commercial Services Management	200	0	200
Consolidated Federal Funds	132	0	132
Copier, Printing & Multimedia	8,315	10	8,325
Disability Resource Center	2,241	290	2,531
Dockets Management and Operations	2,257	199	2,456
E-Gov Initiative	0	0	0
Facilities Services & Utilities	11,006	365	11,371
Federal Acquisitions Reporting Systems	240	0	240
Federal Laboratory Consortium	25	0	25
COOP Facility	881	0	881
Financial Mgmt, Accting & Admin	7,038	0	7,038
Flexible Spending Account	363	0	363
Human Resource Services	5,026	42	5,068
Human Resource Systems	0	0	0
Library & Information Services	1,321	0	1,321
Mail Services & Postage	3,283	16	3,299
Publications Distribution	275	42	317
Rent & Space Management	7,454	0	7,454
Security Operations	5,030	0	5,030
Substance Abuse Awareness & Testing	1,474	4,348	5,822
Transit Benefits & Parking	5,159	440,687	445,846
Unemployment Compensation	1,600	25	1,625
Warehouse	957	63	1,020
<b>Assistant Secretary for Admin Subtotal:</b>	<b>80,959</b>	<b>446,087</b>	<b>527,046</b>
<b>Chief Information Officer</b>			
Campus Area Network	6,914	0	6,914
Desktop Services	20,341	0	20,341
Information Assurance & Privacy	14,268	0	14,268
Server & Messaging Services	13,661	0	13,661
Voice, Cable & Wireless	11,453	600	12,053
<b>Chief Information Office Subtotal:</b>	<b>66,637</b>	<b>600</b>	<b>67,237</b>
<b>Grand Total:</b>	<b>147,596</b>	<b>446,687</b>	<b>594,283</b>