

Departmental Administration

Proposed Appropriation Language

For salaries and expenses of the Department of Energy necessary for departmental administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed \$35,000), \$326,306,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): Provided, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: Provided further, That moneys received by the Department for miscellaneous revenues estimated to total \$146,668,000 fiscal year 2004 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of 31 U.S.C. 3302: Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 2004, and any related unappropriated receipt account balances remaining from prior years' miscellaneous revenues, so as to result in a final fiscal year 2004 appropriation from the General Fund estimated at not more than \$179,638,000.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Explanation of Change

Changes consist of changes to the funding amounts and fiscal year references. Other changes from the language proposed in FY 2003 include the addition of "and any related unappropriated receipt account balances remaining from prior years' miscellaneous revenues" which would allow receipts from prior years not offset against that year's budget authority to be offset against FY 2004 budget authority. The Department has a residual balance of \$5.7 million as of October 1, 2001, in the unappropriated miscellaneous revenue receipt account that cannot be transferred to the departmental administration expenditure account without statutory authority. This residual balance, which has accumulated over the past several years, resulted when the amounts cited in the Department of Energy's annual year-end requests to Treasury to transfer the current year receipts did not exactly match the actual collections for that year. The proposed additional language will permit the Department of Treasury to move the \$5.7 million balance that has accumulated as noted below, along with the FY 2004 current year receipts.

<u>Fiscal Year of Differences</u>	<u>895228.001</u>	<u>895228.002</u>
FY 2001	\$177,871.53	\$ 0.00
FY 2000	2,571,394.03	0.00
Prior to FY 1997	<u>2,384,881.95</u>	<u>571,863.80</u>
Total Difference	\$5,134,147.51	\$571,863.80

Departmental Administration

Executive Budget Summary

Mission

The Departmental Administration appropriation account funds eight Department-wide management organizations under Administrative Operations. These organizations support headquarters in human resources, administration, accounting, budgeting, project management, information management, legal services, life-cycle asset management, workforce diversity, minority economic impact, policy, international affairs, Congressional and intergovernmental liaison, and public affairs. Funding for the Office of the Secretary is provided separately from the other administrative functions within the Departmental Administration account.

Strategic Objectives

The offices funded by Departmental Administration are committed to the President's emphasis on performance-based budgeting. The Departmental Administration's strategic objectives are:

- CM1:** Achieve effective and efficient management of the Department of Energy by implementing the President's Management Agenda initiatives on strategic management of human capital; competitive sourcing; improved financial performance; and budget and performance integration. (ME, ED)
- CM2:** Implement the President's E-government initiatives by developing a framework for existing information technology and building a roadmap for corporate direction. (CIO)
- CM3:** Ensure secure, efficient, effective and economical operations of the Department's information technology systems and infrastructure. (CIO)
- CM4:** Provide analysis of domestic and international energy policy, develop implementation strategies, ensure policies are consistent across DOE and within the Administration, communicate analyses and priorities to the Congress, public, industry, foreign governments, and domestic and international organizations, and enhance the export and deployment of energy technologies internationally. (PI)

Strategy

A strong corporate vision helps set the proper priorities to ensure that a program, which succeeds in its goals, will not fail in its mission. The Departmental Administration offices provide a strong internal mechanism to focus program efforts on corporate goals. This is the optimal method of fulfilling our obligations to those who rely on the mission of the Department of Energy.

The Department stands ready to provide essential services to its mission programs, as well as serve the Secretary of Energy and protect taxpayer interests. The following highlights are provided to outline the critical functions and essential services provided by this account. These vital services include:

- Performing strategic planning and implementing management reforms tied to Government Performance and Results Act.
- Providing high level consistent, risk management-based policies and implementation guidance for the protection of cyber assets.
- Providing consistent core training requirements for cyber security professionals, system administrators, senior management and general users.
- Providing Departmental capabilities for cyber incident response, core cyber security architecture, cyber intrusion detection and reporting, and Public Key Infrastructure (PKI) architecture.
- Cooperating with international energy consortiums and interagency review of policies that affect Department of Energy concerns.
- Facilitating communication between the Department and Congress, the Executive Office, state and local Governments and the public.
- Performing financial and accounting functions including producing audited financial statements.
- Reforming processes for project management and acquisition of large facilities to ensure compatibility with mission need and better adhere to project schedules and budgets.
- Supporting the Department's efforts in re-engineering processes and metrics to ensure that facilities and infrastructure are being managed adequately.
- Fulfilling the Department's budget mission in terms of timely formulation and oversight of program execution (overhead and uncosted balances).
- Providing effective and timely legal services, counsel, and support to Departmental elements.

- Representing the Department before Federal, State, and other Governmental Agencies and Courts.
- Protecting the Department's Intellectual Property associated with patents, invention disclosures, and waiver requests.
- Acting as an honest broker for the Secretary among competing programmatic elements.
- Processing procurement and personnel actions.
- Making effective use of commercial applications and solutions for DOE's enterprise-wide IT infrastructure, link IT investments to DOE strategic goals and the needs of business operations.
- Improving enterprise-wide data sharing.
- Ensuring the success of the Working Capital Fund by supplying products and services throughout the Department.
- Promoting diversity within the entire Department and throughout the program areas affected by our decisions (including economic impact).

Program Overview

DOE programs funded in this appropriation are: Office of the Secretary; Office of Policy and International Affairs; Office of Management, Budget and Evaluation; Office of the Chief Information Officer; Congressional and Intergovernmental Affairs; Public Affairs; General Counsel; Economic Impact and Diversity; and the Board of Contract Appeals. Federal support functions include national and international energy policy analysis, environmental policy, cyber security, budget, corporate management information systems, accounting, project management, information management, legal, personnel, labor relations, staffing, organizational management, logistical services, printing, contract management and reform, personal property management, congressional and intergovernmental liaison, public and media outreach, economic impact and diversity, and contract dispute adjudication. Funding includes personnel compensation, travel, training, budget and accounting systems, logistical services, automated data processing development and acquisition (non-program specific), equipment maintenance, civil rights, and working capital fund.

Cost of Work for Others

The budget provides for the cost of products and services provided by the field offices and national laboratories for non-DOE users. Work results from revenue programs related to the budgeted mission of DOE or is reimbursable work for state and local entities which are precluded by law from making advance payments. Costs are offset with revenues received from the sale of products or services.

Revenues

The revenues associated with the Cost of Work for Others program support the products and services described above. Miscellaneous revenues come from the sale of by-products that have no cost associated with the Departmental Administration appropriation, but offset the appropriation.

Major Changes

- In FY 2003, the Office of Policy and International Affairs will establish an office of National Energy Policy (NEP), which will provide Departmental coordination of and strategic direction on implementing NEP initiatives. In FY 2004, the office will aggressively develop policies, strategies and options for implementing the Administration's Climate Change Initiatives, focus on integrating science and technology, and establish effective DOE programs for voluntary emissions reporting, voluntary business compacts to reduce greenhouse emissions, and emissions trading. In addition, the office in coordination with the State Department shall complement domestic programs with international climate change partnerships for cooperation in mutually beneficial areas.
- In July 2002, the Department's Chief Financial Officer and Chief Information Officer directed an independent study to evaluate whether the BMIS/Phoenix project would realize the vision of an integrated corporate business system and be consistent with the Department's Enterprise Architecture. As a result of this study the BMIS/Phoenix project has been refocused into the Integrated Management Navigation System (I-MANAGE) program. I-MANAGE will integrate the Department's business management systems for financial and cost accounting, budget formulation and execution, procurement and contracts management, facilities management, human resources management, travel, payroll, and research and development.
- The Office of the Chief Information Officer (OCIO) has the integral role in advancing the President's Management Agenda (PMA) initiatives for E-government within the Department. The OCIO is committed to leading expanded E-government initiatives in transforming the way the Department interfaces with citizens and organizations. In FY 2004, the OCIO will focus on enhancing cyber security efforts in engineering and assessments and cyber training as well as pursue promising additional E-government initiatives, supporting cost-saving enterprise-wide licensing agreements, and accelerating work on enterprise architecture.

The Department is expanding its emphasis from corporate information technology (IT) systems development to a more comprehensive corporate-based IT planning program. Specifically, resources will be focused on further aligning, strengthening and integrating historically disparate programs such as enterprise architecture and capital planning and investment control activities. Importantly, the Office of the Chief Information Officer will implement an in-depth IT oversight review process intended to ensure all Programmatic IT activities link to the DOE Enterprise Architecture, have active capital planning and investment control processes, and are developing programmatic architectures that will directly influence the corporate architecture. A strengthened corporate program will facilitate the necessary business transformation changes throughout the Department.

- There is a proposed change to the Departmental Administration appropriation language in FY 2004. The Department has a residual balance of \$5.7 million as of October 1, 2001, in the unappropriated miscellaneous revenue receipt account that cannot be transferred to the Departmental Administration expenditure account without statutory authority. This residual balance, which has accumulated over the past several years, resulted when the amounts cited in the Department of Energy's annual year-end requests to Treasury to transfer the current year receipts did not exactly match the actual collections for that year. The proposed language will permit the Department of Treasury to move the \$5.7 million balance that has accumulated, along with the FY 2004 current year receipts.

Budget Overview

The FY 2004 request provides \$4.7 million for 34 full time equivalents within the Office of the Secretary. This request also provides \$271.6 million for salary and benefits, travel, contractual services, and program support expenses for 1,141 full-time equivalent employees for the other organizations within the Departmental Administration Account. Cost of Work for Others and Revenues are budgeted at \$75.1 million and \$146.7 million, respectively. Cost of Work includes \$40 million for safeguards and security in FY 2004.

National Security Programs Administrative Support

From FY 1999 through 2003, funding has been identified within Other Defense Activities to offset funding within the Departmental Administration account. In FY 2004, the requested offset is \$25 million. This offset addresses the significant amount of administrative support activities performed within Departmental Administration that are of direct benefit to programs within the Atomic Energy Defense Appropriation.

Organization Funding Profile

(dollars in thousands)

Sub-Program	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
<u>Departmental Administration:</u>					
Office of the Secretary.....	4,679	4,624	4,624	0	0%
Management, Budget and Evaluation.....	107,223	106,056	104,210	-1,846	-2%
Chief Information Officer.....	72,624	80,427	106,278	25,851	32%
Board of Contract Appeals.....	907	740	653	-87	-12%
Congressional & Intergovernmental.....	4,823	4,931	4,724	-207	-4%
Public Affairs.....	3,875	4,510	4,465	-45	-1%
General Counsel.....	22,603	22,713	22,879	166	1%
Office of Policy & International Affairs.....	15,979	20,752	22,277	1,525	7%
Economic Impact & Diversity.....	6,167	6,493	6,101	-392	-6%
Cost of Work for Others.....	71,837	69,916	75,095	5,179	7%
Subtotal, Dept. Admin. (Gross).....	310,717	321,162	351,306	30,144	9%
Revenues:					
Associated.....	-64,498	-70,689	-78,868	-8,179	12%
Miscellaneous Revenues.....	-58,332	-66,835	-67,800	-965	1%
Subtotal, Revenues.....	-122,830	-137,524	-146,668	-9,144	13%
Subtotal, Dept. Admin (Net).....	187,887	183,638	204,638	21,000	22%
Adjustments:					
National Security Programs Admin Spt.....	-22,000	-25,587	-25,000	587	-2%
Prior Yr. Balances/Adjustments.....	-11,286	0	0	0	0%
Subtotal, Adjustments.....	-33,286	-25,587	-25,000	587	-2%
Total, Departmental Admin	154,601	158,051	179,638	21,587	14%
Additional net budget authority to cover the cost of fully accruing retirement (non-add).....					
	(8,358)	(7,939)	(7,684)	255	-3%

Personnel Compensation and Benefits Profile

(dollars in thousands)

Sub-Program	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Office of the Secretary.....	4,138	4,083	4,083	0	0.0%
Management, Budget and Evaluation.....	66,300	66,933	65,854	-1,079	-1.6%
Chief Information Officer.....	11,202	11,612	12,531	919	7.9%
Board of Contract Appeals.....	670	495	495	0	0.0%
Congressional and Intergovernmental Affairs.....	3,918	4,070	3,876	-194	-4.8%
Public Affairs.....	2,634	3,325	3,235	-90	-2.7%
General Counsel.....	17,740	18,198	18,405	207	1.1%
Office of Policy and International Affairs.....	11,561	13,140	14,477	1,337	10.2%
Economic Impact & Diversity.....	3,916	4,004	3,612	-392	-9.8%
Subtotal, Dept. Admin. (Gross).....	<u>122,079</u>	<u>125,860</u>	<u>126,568</u>	<u>708</u>	<u>0.56%</u>

Travel Profile

(dollars in thousands)

Sub-Program	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Office of the Secretary.....	535	535	535	0	0.0%
Management, Budget and Evaluation.....	1,897	1,927	1,827	-100	-5.2%
Chief Information Officer.....	171	175	150	-25	-14.3%
Board of Contract Appeals.....	5	6	8	2	33.3%
Congressional and Intergovernmental Affairs.....	60	60	60	0	0.0%
Public Affairs.....	76	80	80	0	0.0%
General Counsel.....	102	100	75	-25	-25.0%
Office of Policy and International Affairs.....	779	800	749	-51	-6.4%
Economic Impact & Diversity.....	85	90	90	0	0.0%
Subtotal, Dept. Admin. (Gross).....	<u>3,710</u>	<u>3,773</u>	<u>3,574</u>	<u>-199</u>	<u>-5.3%</u>

Support Services Profile

(dollars in thousands)

Sub-Program	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Management, Budget and Evaluation.....	13,792	12,604	12,954	350	2.8%
Chief Information Officer.....	13,481	13,779	25,403	11,624	84.4%
Congressional and Intergovernmental Affairs.....	5	5	6	1	20.0%
Public Affairs.....	150	60	70	10	16.7%
Policy and International Affairs.....	0	0	100	100	100.0%
General Counsel.....	794	797	692	-105	-13.2%
Subtotal, Dept. Admin. (Gross).....	<u>28,222</u>	<u>27,245</u>	<u>39,225</u>	<u>11,980</u>	<u>44.0%</u>

Other Related Services Profile

(dollars in thousands)

Sub-Program	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Office of the Secretary.....	6	6	6	0	0.0%
Management, Budget and Evaluation.....	25,234	24,592	23,575	-1,017	-4.1%
Chief Information Officer.....	3,954	4,000	4,130	130	3.3%
Board of Contract Appeals.....	232	239	150	-89	-37.2%
Congressional and Intergovernmental Affairs.....	840	796	782	-14	-1.8%
Public Affairs.....	1,015	1,045	1,080	35	3.3%
General Counsel.....	3,967	3,618	3,707	89	2.5%
Office of Policy and International Affairs.....	2,639	2,812	2,451	-361	-12.8%
Economic Impact & Diversity.....	966	999	999	0	0.0%
Subtotal, Dept. Admin. (Gross).....	<u>38,853</u>	<u>38,107</u>	<u>36,880</u>	<u>-1,227</u>	<u>-3.2%</u>

Program Support Profile

(dollars in thousands)

Sub-Program	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Chief Information Officer					
Cyber Security & Secure Comm.....	28,821	30,441	26,432	-4,009	-13.2%
Corporate Management Info. Program.....	14,995	20,420	37,632	17,212	84.3%
Total, Chief Information Officer.....	43,816	50,861	64,064	13,203	26.0%
Office of Policy and International Affairs					
Policy Studies.....	400	800	1,000	200	25.0%
Environmental Policy Studies.....	600	1,200	1,500	300	25.0%
Energy Security and Assurance.....	0	2,000	2,000	0	0.0%
Total, Office of Policy and International.....	1,000	4,000	4,500	500	12.5%
Economic Impact and Diversity					
Minority Economic Impact.....	1,200	1,400	1,400	0	0.0%
Total, Program Support.....	46,016	56,261	69,964	13,703	24.4%

Full Time Equivalents Profile

(dollars in thousands)

Sub-Program	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Office of the Secretary.....	35	34	34	0	0.0%
Management, Budget and Evaluation.....	708	680	659	-21	-3.1%
Chief Information Officer.....	112	112	112	0	0.0%
Board of Contract Appeals.....	5	4	4	0	0.0%
Congressional and Intergovernmental Affairs.....	39	38	33	-5	-13.2%
Public Affairs.....	33	32	30	-2	-6.3%
General Counsel.....	155	150	144	-6	-4.0%
Office of Policy and International Affairs.....	105	112	122	10	8.9%
Economic Impact & Diversity.....	42	42	37	-5	-11.9%
Subtotal, Dept. Admin. (Gross).....	<u>1,234</u>	<u>1,204</u>	<u>1,175</u>	<u>-29</u>	<u>-2.4%</u>

Office of the Secretary

Program Mission

The Office of the Secretary provides policy direction for the Department of Energy in fulfilling its mission to foster a secure and reliable energy system that is environmentally and economically sustainable, to be a responsible steward of the Nation's nuclear weapons, to clean up our own facilities, and to support continued United States leadership in science and technology.

The Office manages an extensive array of energy-related programs over a nation-wide complex including headquarters organizations, operations offices, field offices, national laboratories, power marketing administrations, special purpose offices, and sites dedicated to environmental cleanup.

The program strategic performance goals for the Office of the Secretary are to successfully implement the President's Management Plan and utilize all resources necessary to support, and execute the Administration's National Energy Policy to promote dependable, affordable and environmentally sound production and distribution of energy for the future.

In addition, the Office of the Secretary will provide leadership in the Department of Energy's efforts to meet the national goals of modernizing conservation and the energy infrastructure, increase energy supplies, accelerate the protection and improvement of the environment, and increase the Nation's energy security through:

- # Delivering the scientific knowledge and discoveries for DOE's applied missions; advancing the frontiers of the physical sciences and areas of the biological, environmental and computational sciences; and providing world-class research facilities and essential scientific human capital to the Nation's overall science enterprise.
- # Strengthening United States security through the military application of nuclear energy and by reducing the global threat from weapons of mass destruction.
- # Increasing global energy security, maintaining energy affordability and reducing adverse environmental impacts associated with energy production, distribution, and use by developing and promoting advanced energy technologies, policies and practices that efficiently increase domestic energy supply, diversity, productivity, and reliability.
- # Aggressively cleaning up the environmental legacy of nuclear weapons and civilian nuclear research and development programs at 114 of the Department's sites, permanently disposing of the Nation's radioactive wastes, minimizing the social and economic impacts to individual workers and their communities resulting from Departmental activities, and ensuring the health and safety of DOE workers, the public, and protection of the environment.

Demonstrating excellence in the management of the Department’s human, financial, physical and information assets. Successfully implementing each of DOE’s requirements in the President’s Management Agenda; demonstrating measured progress in resolving DOE’s management challenges; and resolving all management recommendations from DOE’s Inspector General and the Government Accounting Office within three years of issuance.

Funding Profile

(dollars in thousands, whole FTEs)

	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Salaries and Benefits.	4,138	4,083	4,083	0	0%
Travel.	535	535	535	0	0%
Other Related Expenses.	6	6	6	0	0%
Total, Program Direction.	4,679 ^a	4,624 ^a	4,624 ^a	0	0%
Additional Net Budget Authority to Cover Cost of Fully Accruing Retirement (non-add)	(84)	(86)	(86)	0	0%
Full-Time Equivalents.	35	34	34	0	0%

^aReflects a \$21,000 reduction for Homeland Security.

Office of the Secretary

Mission Supporting Goals and Objectives

The budget submission for the Office of the Secretary provides the Federal staffing resources and associated costs required to provide overall policy direction for the Department of Energy in fulfilling its mission to foster a secure and reliable energy system that is environmentally and economically sustainable, to be a responsible steward of the Nation's nuclear weapons, to clean up our own facilities, and to support continued United States leadership in science and technology.

Funding Schedule

(dollars in thousands, whole FTEs)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Salaries and Benefits	4,138	4,083	4,083	0	0%
Travel.	535	535	535	0	0%
Other Related Expenses.	6	6	6	0	0%
Total, Program Direction.	4,679 ^a	4,624 ^a	4,624 ^a	0	0%
Additional Net Budget Authority to Cover Cost of Fully Accruing Retirement (non-add)	(84)	(86)	(86)	0	0%
Full-Time Equivalents.	35	34	34	0	0%

^aReflects a \$21,000 reduction for Homeland Security.

Detailed Program Justification

(dollars in thousands)

	FY 2002	FY 2003	FY 2004
Salaries and Benefits	4,138	4,083	4,083
<p>Salaries and Benefits provide funding for 34 full time equivalents in the Office of the Secretary, Deputy Secretary and the Under Secretary for Energy, Science and Environment (ESE) to cover salaries and wages, overtime pay, cash incentive awards, lump sum leave payments, and performance awards. Prior year balances will be used in FY 2003 and FY 2004 to fully fund the effect of the FY 2003 and FY 2004 pay raise.</p> <p>The Office of the Secretary provides leadership and guidance to the Department's programs which contribute to the Nation by providing technical information and a scientific and educational foundation to achieve: efficiency in energy use, diversity in energy sources, a more productive and competitive economy, improved environmental quality, and a secure national defense.</p> <p>The Office of the Secretary, through its leadership of the Department, will measure its performance in FY 2004 by:</p> <ul style="list-style-type: none"> • Continuing to advance U.S. energy, environmental, economic, and national security policy. • Overseeing DOE's advancement of the President's Management Initiatives and the Administration's National Energy Policy through the agency's strategies, commitments, and performance goals outlined in the Department's FY 2003 Budget and associated performance plan. 			
Travel	535	535	535
<p>The FY 2004 travel request provides funding for the Secretary, Deputy Secretary, Under Secretary for Energy, Science and Environment, and special assistants to travel both internationally and domestically in support of the Department's missions.</p>			
Other Related Expenses	6	6	6
<p>Other Related Expenses provide funding for employee training and development.</p>			
Total, Program Direction	4,679	4,624	4,624

Board Of Contract Appeals

Mission Supporting Goals and Objectives

The Board of Contract Appeals is an administrative tribunal, responsible to the Secretary and under law for the fair and impartial trial and adjudication of a variety of disputes. With few exceptions, these disputes are related to the Department's acquisition and financial assistance programs. The Board exercises an array of statutory and delegated authorities. Board decisions constitute final agency decisions and are not subject to administrative review or modification. The Board also serves as the principal source of neutrals for acquisition and financial assistance related mediation and other alternative dispute resolution procedures.

The goal of the Board of Contract Appeals is to provide to the fullest extent practicable, informal, expeditious and inexpensive resolution of contract and financial assistance related disputes pursuant to the Contract Disputes Act of 1978, the Alternative Disputes Resolution Act, and other authority. The objectives of the office include: contribute to mutually beneficial relationships between the Department and its contractors and financial recipients; hear and decide disputes or resolve them through alternative means in an expeditious, economical, fair and impartial manner, and advance the implementation of alternative disputes resolution procedures. Contract disputes resolution without trials and decisions can save substantial public and private resources.

Funding Schedule

	(dollars in thousands)				
	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Board of Contract Appeals					
Salaries and Benefits.....	670	495	495	0	0%
Travel.....	5 ^a	6	8	+2	+33%
Other Related Expenses.....	232	239	150	-89	-37%
Total, Board of Contract Appeals.....	907 ^b	740 ^b	653 ^b	-87	-11.8%
Additional net budget Authority to cover the Asst. of fully accruing retirement (non-add)	(42)	(42)	(42)	(0)	(0%)
Full-Time Equivalents.....	5	4	4	0	0

^a Includes a \$1,000 general reduction for travel and administrative expenses.

^b Includes a \$3,000 reduction for the Department of Homeland Security.

Detailed Program Justification

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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Salaries and Benefits

670	495	495
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Salaries and Benefits provide funding for 4 full-time permanent and other than full-time permanent employees in the following classes: salaries and wages, overtime pay, cash incentive awards, lump sum leave payments, and Senior Executive and other performance awards. Prior year balances will be used in FY 2003 and FY 2004 to partially fund salaries and benefits.

Performance will be measured in FY 2004 by the following:

- Under delegated authority from the Secretary, provide alternative dispute resolution services to cost-reimbursement contracts.
- Implement fact-finding authority for debarments.
- Serve as the agency board of contract appeals for the U.S. Securities and Exchange Commission, Nuclear Regulatory Commission, and the Federal Energy Regulatory Commission.
- Continue to assess benefits of expanded mediation of disputes at the subcontract level in cost-reimbursement contracts.
- Continue Board-provided alternative dispute resolution through standardized provisions in cost-reimbursement contract solicitations.

Travel.....

5	6	8
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Travel funding for staff to conduct trials, mediations/arbitrations, typically at courthouses and other neutral sites, and for employee training travel

Other Related Expenses.....

232	239	150
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Other Related Expenses include funding for employee training and development and funding to support the Working Capital Fund for rental space, telecommunications, utilities and miscellaneous charges, printing and reproduction, other services (e.g. tuition, experts, neutrals, etc.), operating and maintenance of equipment, purchase of goods and services through government counts, supplies and materials, and equipment. Prior year balances will be used in FY 2003 and FY 2004 to partially fund other related expenses.

Total, Board of Contract Appeals

907	740	653
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Explanation of Funding Changes from FY 2003 to FY 2004

**FY 2004 vs.
FY 2003
(\$000)**

Other Related Expenses

- Decrease is the result of the use of prior year balances in FY 2004 to partially fund other related expenses..... -89

Travel

- Increase is due to inflation.....+2

Total funding change, Program Direction.....-87

Other Related Expenses

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Training.....	0	0	2	+2	+100%
Working Capital Fund:					
Rental Space.....	223	152	139	-13	-8.6%
Printing and Reproduction	5	5	5	0	0.0%
Supplies/software maintenance/ all other Working Capital Fund expenses	4	4	4	0	0.0%
Total, Other Related Expenses	232	239	150	-89	-37.2%

Office of Chief Information Officer

Program Mission

The Office of Chief Information Officer (OCIO) is responsible for:

- Providing advice and assistance to the Secretary of Energy and senior managers to ensure that Information Technology (IT) is acquired and information resources are managed in a manner that implements the requirements of all relevant legislation, including the Paperwork Reduction Act, Clinger-Cohen Act, and the Government Paperwork Elimination Act.
- Defining and implementing policies and guidelines to ensure efficient, economical and effective Information Management planning, acquisition, and management in support of the Department's missions. These activities include: Enterprise Architecture to structure and prioritize the modernization of DOE Corporate Systems, a Capital Planning Investment Control program to ensure IT resources are managed effectively.
- Leading expanded E-Government initiatives for the Department in support of the President's Management Agenda.
- Coordinating and articulating a corporate perspective among the Department's information activities, ensuring that information created and collected by the Department is provided to internal and external customers in a timely, cost-effective and efficient manner.
- Providing cyber security policy, planning, and technical development to ensure consistent standard solutions are implemented for the protection of classified and unclassified information used or stored on Departmental systems.
- Directing a Corporate Management Information Program (CMIP) which is the Department's corporate investment initiative to replace outdated corporate information systems.
- Providing a managed, centralized, and coordinated approach to modernize DOE corporate business systems using new and emerging technologies and principles.
- Providing timely and cost-effective delivery of core IT infrastructure and services to DOE Headquarters.

Strategic Objectives

CM2: Implement the President's E-Government initiatives by developing a framework for existing IT and building a road map for corporate direction. The strategic objective is supported by the following Program Strategic Performance Goal:

CM2-1: Advocate E-Government citizen service delivery.

CM3: Ensure secure, efficient, effective and economical operations of the Department's IT Systems and Infrastructure. This strategic objective is supported by the Program Strategic Performance Goals that follow:

CM3-1: Promote the effective management of IT resources in the Department.

CM3-2: Ensure that the Department's information assets are secure through effective policies, implementation, and oversight.

Strategy

- The OCIO is comprised of five offices:
 - Office of IT Reform
 - Office of Operations
 - Office of Cyber Security
 - Office of Business and Information Management
 - Office of Special Projects

These Offices are aligned with key goals for the OCIO; for example, the Office of IT Reform is responsible for implementing an Information Architecture that provides a basis for corporate IT initiatives. The Office of Cyber Security is responsible for ensuring secure information systems within the Department.

Among the activities the OCIO will perform in pursuit of these strategic objectives are:

- Implement the OCIO's IT capital planning and investment process to ensure Department-wide consistency and uniformity in addressing Clinger-Cohen Act requirements.
- Maintain IT investments using a Department-wide comprehensive capital planning process.
- Maintains the DOE Strategic Information Management (SIM) Program to ensure alignment of major IT investments with DOE business line goals and objectives.
- Implement an Enterprise Architecture that provides a basis and framework for corporate IT initiatives. Information Architecture includes the technical, procedural, and policy aspects of IT operations.
- Develop standards and policy that will encourage the use of commercial technology and common solutions.
- Utilize common telecommunications, desktop equipment, and software that will reduce costs, improve interoperability, and increase efficiency.
- Reduce operating costs by consolidating IT services in the Department.
- Implement customer/citizen relationship management and utilize intergovernmental best practices to expedite Departmental implementation.
- Address the OCIO emphasis on minimization of the burden on the programs in data collections. Validate and document the burden reduction gained by using open standards across the Department.
- Improve efficiency of electronic record keeping practices by piloting an electronic record keeping system, researching corporate procurement vehicles, and generating policy and best practices documents.
- Ensure compliance with established policy on Internet Privacy.
- Ensure continuance of citizen-centric nature of Departmental website (www.Energy.gov)

- Ensure Departmental compliance with the Amended Section 508 of Rehabilitation Act that addresses technology-driven inequities solutions for persons with disabilities.

**Annual Performance Results and Targets
Program Direction**

FY 2002 Results	FY 2003 Targets ^a	FY 2004 Targets ^a
<p>Advocate and implement E-Government citizen service delivery by taking the following actions:</p> <ul style="list-style-type: none"> -Assess requirements for the Geospatial information One-Stop project and develop a project plan by September 30, 2002. -Develop E-Government framework by June 30, 2002. -Develop E-Government roadmap by September 30, 2002, to reduce information collection burden. -Identify use of open standards across the Department. -Conclude OCIO e-mail pilot. -Increase usage of citizen-centric Energy.Gov website by 5%. -Issue draft Departmental policy and guidance on the use of websites, which includes Section 508 compliance by September 30, 2002. 	<p>Advocate and implement E-Government citizen service delivery by taking the following actions:</p> <ul style="list-style-type: none"> -Ensure all major IT investments have a business case that meets the requirements of OMB Circular A-11 (exhibit 53, Form 300) by 4th quarter. -Ensure that all major IT projects operate within 90% of Form 300, cost, schedule, and performance targets by 4th quarter. -Complete the development of Program IT Architecture based on the Federal Enterprise Architecture Model to Level 1 at all layers by 4th quarter -Demonstrate progress or participation in the Department's E-gov projects by 4th quarter. -Finalize Departmental policy and guidance on use of websites by 3rd quarter. -Integrate citizen one-stop service delivery through Firstgov.Gov cross-agency call centers, and offices or service centers by 4th quarter. 	<ul style="list-style-type: none"> -Continue to review business practices in light of E-Government initiatives to streamline and automate where appropriate. -Transition electronic records management to operational status in concert with E-Government strategy. - Establish a core of common IT services offered to the HQ customers and managed by the CIO. - Meeting Service Level Agreements (SLAs) for all services under eXCITE. - Improved delivery of IT services. - Reduce common IT services costs per user-target of \$3600 per user per year.

^a New initiatives responding to the President's Management Agenda, Expanded Electronic Government.

Annual Performance Results and Targets

Cyber Security

FY 2002 Results	FY 2003 Targets ^a	FY 2004 Targets ^a
<p>The following results are included to provide historical context for the FY 2002 and FY 2003 targets, and do not correspond to a prior year APP target.</p> <p>Specifically:</p> <ul style="list-style-type: none"> - Update and implement DOE Cyber Security Program Action Plan. -Launch cyber security performance measurement program. -Issue updated Cyber Security Threat Statement. -Develop and update Cyber Security Performance Improvement Plan and Cyber Score card. -Integrate cyber security capital planning process with IT capital planning process. -Complete Project Matrix Step One to identify the Department's National critical infrastructure. -Launch Project Matrix Step Two to identify the interdependencies in the infrastructure. -Expand a comprehensive DOE-wide cyber-training program. -Analyze and disseminate cyber security incident information within DOE, and expand PKI capability department wide. 	<p>Maintain a comprehensive cyber security program that implements risk-based policies and guidance for the protection of cyber assets.</p> <p>Specifically:</p> <ul style="list-style-type: none"> -Define roles/responsibilities for Headquarters and the line organization. -Develop and implement directives in configuration and risk management, certification and accreditation. -Launch independent validation and verification (IV&V) program to test/analyze software and/or systems. -Issue updated Cyber Security Threat Statement. -Develop and audit implementation of DOE Headquarters cyber security policies to ensure proper reliability and accessibility of classified systems. -Develop consistent core training requirements for cyber security professionals, system administrators, senior management, and general users. -Launch DOE-wide forensics training program and test managers' awareness of training through focused pilots. -Launch DOE-wide recognition program and update the course catalog. -Replace 25% of the Department's Secure Telecommunication Units (STU) IIIs with Secure Telephone Equipment. 	<p>Implement a risk management program-based on policy implementation and guidance for the protection of cyber assets.</p> <p>Specifically:</p> <ul style="list-style-type: none"> - Implement standardized roles and responsibilities for DOE organizations down to the individual process level for Risk Assessment, Configuration Management, Verification and Validation, and Certification and Accreditation. - Issue an updated Cyber Security Threat Statement. - Provide NIST bases IT self-assessment assistance to the Program Offices and Field. - Begin test bedding assistance program to the field and HQ in full implementation of Departmental Certification and Accreditation process. -Promulgate and audit implementation of DOE Headquarters cyber security policies to ensure proper reliability and accessibility of classified systems. (CM3-2) -Continue to enhance DOE Cyber Security training across the Department. Develop new training courses and methods recommended by the training committee and continue to centralize Departmental training. -Continue to provide consistent core training requirements for cyber security professionals, system administrators, senior management, and general users. Provide an online course catalogue to

^a New initiatives responding to the President's Management Agenda, Expanded Electronic Government.

FY 2002 Results	FY 2003 Targets ^a	FY 2004 Targets ^a
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-Replace 25% of Department's Secure Telecommunication Units (STU) IIIs with Secure Telephone Equipment.

-Upgrade DOE-wide cyber security infrastructure/architecture according to milestones established in the capital planning documentation.

-Upgrade DOE-wide cyber security infrastructure/architecture according to milestones established in capital planning documentation.

assist departmental organizations and individual to select appropriate training paths.

-Re-visit the Department wide anti-virus strategy. Decide on enhancement options.

Continue to provide Departmental capabilities in the following areas:

- Cyber intrusion detection and reporting.

- Cyber security incident response.

-Establish Thin Client services infrastructure for critical operations that will permit the replication of such services to auxiliary locations ensuring survivability of services in the event of a man made or natural disaster.

-Replace a minimum of an additional 25% of the Department's Secure Telecommunication Units (STU) IIIs with Secure Telephone Equipment.

-Upgrade DOE-wide cyber security infrastructure/architecture according to milestones established in capital planning documentation.

Annual Performance Results and Targets
Corporate Management Information Program

FY 2002 Results	FY 2003 Targets ^a	FY 2004 Targets ^a
<p>- Complete Corporate Systems Information Architecture (CSIA) Implementation, Strategic Information Management (SIM) process, and complete first CSIA application SIM for FY 2002.</p> <p>- Complete business case for procurement modernization across the DOE complex. (Critical)</p> <p>- Complete the milestones listed in the FMFIA corrective action plan for the Departmental Challenge of Information Technology. (FMFIA)</p>	<p>-Enhance the corporate Enterprise Architecture and develop DOE Program Office IT architectures. Document and implement Program Office Capital Planning and Investment Processes.</p> <p>-Develop a new corporate IT business management plan to integrate procurement, finance, personnel and other organizational systems and processes. (I-MANAGE) (Critical)</p> <p>- Complete the milestones listed in the FMFIA corrective action plan for the Departmental Challenge of Information Technology. (FMFIA) (Critical)</p>	<p>-Integrate the DOE Program Office IT architectures with the Corporate Enterprise architecture.</p> <p>- Continue the process for institutionalizing the President's E-Government initiatives throughout the Agency.</p> <p>-Complete the milestones listed in the FMFIA corrective action plan for the Departmental Challenge of Information Technology. (FMFIA) (Critical)</p>

^a New initiatives responding to the President's Management Agenda, Expanded Electronic Government.

Funding Profile

	FY 2002 Comparable Approp	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Program Direction.....	28,808 ^a	29,566	42,214	+12,648	+42.8%
Cyber Security	28,821	30,441	26,432	-4,009	-13.2%
Corporate Management Information Program.....	14,995 ^a	20,420	37,632	+17,212	+84.3%
Subtotal, Chief Information Officer	72,624^a	80,427	106,278	+25,851	+32.1%
Adjustments	-936 ^b	0	0	0	0
Total Chief Information Officer	71,688^c	80,427^c	106,278^c	+25,851^c	+32.1%^c
Additional net budget authority to cover the cost of fully accruing retirement (non add).....	(853)	(851)	(596)	(-255)	-30.0%
<i>Full Time Equivalents</i>	112	112	112	0	0.0%

^a Includes a general reduction of \$54,000 in program direction and \$5,000 in CMIP for travel and administrative expenses.

^b Adjustments include a reduction of \$936,000 in prior year balances.

^c Includes a reduction of \$437,000 for the Department of Homeland Security.

Funding By Site

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Albuquerque Operations Office	960	0	0	0	0.0%
Oak Ridge Operations Office.....	350	350	350	0	0.0%
Oakland Operations Office	7,150	7,900	7,900	0	0.0%
Richland Operations Office	1,050	2,150	2,850	+700	+32.6%
Office of Scientific & Technical Information	258	0	0	0	0.0%
Washington Headquarters	62,856	70,027	95,178	+25,151	+35.9%
Total CIO	72,624	80,427	106,278	+25,851	+32.1%

Site Description

Albuquerque Operations Office - Performed Independent Verification and Validation (IV & V) in FY 2002 on select systems throughout the Department. In FY 2003 and FY 2004, this function was rolled into the Office of Cyber Security Security’s Risk Management Program.

Oak Ridge Operations – Funding provides funds for Cyber Security Training and Baseline Skills Evaluation and Certification. The objective of this project is to develop, maintain, update, and conduct Automated Information System (AIS) Security training courses for Classified AIS Security Site Managers, and Independent Verification and Validation Certifiers. Training and awareness modules are also provided for staff with computer security responsibilities. Each course presentation must be updated to reflect the latest technology and DOE policies. Information systems security training courses we provided to DOE and DOE contractor personnel responsible for the use and operation of Government information systems (IS) and networks (i.e. Classified IS Security Operations Managers, Classified IS Security Site Managers, Independent Validation and Verification Certifiers, Computer Protection Program Coordinators, and Computer Protection Program Managers). These information security courses are updated for each presentation to reflect current DOE policy and requirements for classified systems, basic IS security terminology and concepts, and emerging security technologies. Technical assistance and support in the area of classified information systems needs and requirements are provided.

Oakland Operations Office – Cyber Security Engineering and Assessments and CIAC. CIAC acts as the Department’s incident handling and prevention team for the DOE community. Activities in computer security incident handling continue at a high rate with many network-based intrusions and virus attacks in addition to aiding DOE sites that may be experiencing suspicious activity. Network Intrusion Detector (NID) and Connection Log Analysis (Logger) are two other projects underway at CIAC to assist in the prevention and detection of unauthorized activities. NID monitors network traffic on local segments for indications of suspicious activities or connections. The Logger project is based on the premise that the correlation of connection logs from multiple DOE sites can provide an enterprise view about potential intruder activity. This

project will automate the collection of multiple connection logs, install them into a database, and will automatically analyze these logs using advanced correlation analyses for evidence of intrusive or threatening activity.

Richland Operations Office – Cyber Security Training. Computer Based Cyber Security Awareness Courses. The Office of Cyber Security has developed a cyber forensics course as part of the Cyber Security Training, Education, and Awareness Program. This course is the first of many awareness courses designed for the DOE enterprise. The forensic course, in particular, is a basic awareness course in cyber forensics and evidence preservation. There is a module for the cyber user community, managers or supervisors, and a comprehensive awareness course for the Department's system administrators.

Computer Protection Program (CPP) (joint program funded with Office of Counter Intelligence). Provides DOE with an enhanced perspective of security events across the DOE complex in near real-time with sensor development and deployment, enhancing DOE's ability to evaluate and respond to network security issues. This program provides a supportive function to Computer Incident Advisory Capability (CIAC) and the Counter Intelligence community.

Office of Scientific and Technical Information – Performed the following projects in FY 2002: Electronic Analysis and Scanning, Password Validation, Shared Hubs/Switches on Network, and NT Back-up Upgrades.

Cyber Security and Secure Communications Program

Program Mission Supporting Goals and Objectives

The mission of the Cyber Security and Secure Communications Program is to provide consistent principles and requirements for Cyber Security that Departmental organizations can implement for the protection of classified and unclassified information, as required by National laws and policies.

Goals

The goal of the Cyber Security and Secure Communications Program is to provide Corporate Management policies and practices for the protection of classified and unclassified information used or stored on Departmental Information Systems. The policies for the protection of this information will ensure that classified and unclassified information is protected reliably and uniformly across the various elements of the Department in a cost-effective manner, consistent with comparable protective measures for paper documents.

The program will also provide cyber security tools and capabilities that are required for all Departmental elements. These include training requirements, incident response capability, and core cyber security architecture development and deployment.

Objectives

The Cyber Security Program has three major objectives:

- **Policy and Planning** - Provide high-level consistent, risk management-based policies and implementation guidance for the protection of cyber assets. Develop and audit implementation of DOE headquarters cyber security policies to ensure proper reliability and accessibility of classified systems.
- **Training** - Provide consistent core training requirements for cyber security professionals, system administrators, senior management, and general users.
- **Engineering & Assessments** - Provide Departmental capabilities for cyber incident response, core cyber security architecture, cyber intrusion detection and reporting, and Public Key Infrastructure (PKI) architecture. To replace the outdated STU-III equipment with STE's.

Program Strategic Performance Goal

CM3-1: Promote the effective management of IT resources in the Department.

Performance Indicators

- Number of employees trained in cyber security.
- Cyber incident response time.
- Cyber intrusion detection and reporting efficiency.

Significant Accomplishments and Program Shifts

- Developed and issued risk management-based policies for the protection of both classified and unclassified information.
- Initiated an expanded Cyber Security training effort. Deployed Department-wide training to improve the cyber security skills and knowledge of systems administrators, managers, and contractor personnel.
- Enhanced the incident response capability and supporting policies and procedures (Cooperative Protection Program).
- Upgraded DOE site cyber security protection through the expanded use of firewalls and intrusion detection software, stronger passwords, improved system configuration controls, and reconfiguration of system and network connectivity to reduce vulnerabilities
- Enhances the Cyber Security audit function.

Funding Schedule

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Policy and Planning.....	3,000	3,500	5,800	+2,300	+6.6%
Training	1,000	1,500	1,460	-40	-2.7%
Engineering & Assessments	23,321	23,941	19,172	-4,769	-19.9%
Technical Capability	1,500	1,500	0	-1,500	-100.0%
Total, Cyber Security and Secure Communications	28,821	30,441	26,432	-4,009	-13.2%

Detailed Program Justification

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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Policy and Planning	3,000	3,500	5,800
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In FY 2004, develop and maintain policies and guidance documents necessary to provide the framework for an integrated Cyber Security Program across the Department’s varying missions and sites. Updated policies will include new requirements for Risk Assessment, Certification and Accreditation, Configuration Management and Verification and Validation. Review Implementation Plans and provide guidance to Departmental sites on the execution of cyber security programs detailed in the Cyber Security Program Plans (CSPPs). Expand analysis capabilities of the CSPP database in order to baseline the Department’s cyber security posture. Develop real-time reporting capabilities for re-submission of field site CSPP data. Continue to update and implement the Cyber Security Program Action Plan, comprised of an integrated set of ongoing and future activities under the DOE Cyber Security Program.

Training	1,000	1,500	1,460
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In FY 2004, the Cyber Security Training Education and Awareness Program will continue conducting baseline skills evaluation and certification for classified and computer security and training nationwide for all general users. Training encompasses managers, system administrators, cyber security professionals, and general systems users. In FY 2004, a more focused DOE-wide cyber training program will be pursued.

Engineering and Assessments	23,321	23,941	19,172
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Provide for increased and continued Computer Incident Advisory Capability (CIAC) and DOE-wide implementation of baseline cyber security architecture. This involves a wide range of security initiatives including encryption and digital signature. In FY 2004, the Office of Cyber Security will maintain CIAC at Lawrence Livermore National Laboratory to provide cyber security incident response, analysis of cyber intrusions and attempted intrusions, and warning capability throughout the Department. In FY 2004, cyber security upgrades will continue across the DOE complex. Other activities include maintaining Independent Validation and Verification for accreditation of classified systems and inter-site PKI capability for the protection of unclassified data in transit and storage. New activities include Validation and Verification for accreditation of unclassified systems. DOE has a requirement to move forward with its Continuity of Operations initiative using Thin Client services.

Detailed Program Justification

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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Thin Client services infrastructure for critical operations will be established to permit the replication of such services to auxiliary locations ensuring survivability of services in the event of a man made or natural disaster. Additionally, this infrastructure will address the problem of malicious code insertion into the DOE environment as well as provide a higher level of protective control over the storage of sensitive data.

The Office Cyber Security has an established, federally mandated transition plan for replacing current Secure Terminal Unit (STU)-III secure voice/data equipment with the next generation unit, the Secure Terminal Equipment (STE). National-level direction distributed in Advisory Memorandum COMSEC 2-98, Secure Terminal Equipment, dated December 1998, states that the current STU-III equipment will be phased out and replaced with the STE. With the phase-out of STU-III equipment, DOE must upgrade to the STE to ensure that we maintain a secure voice/data capability to support our classified programs. OCIO targets 25% STE upgrades per year.

The Program will also continue Telecom Security Engineering and Information Systems Security Management at Headquarters.

Technical Capability	1,500	1,500	0
Provides for technology assessments, development and application throughout the department. In FY 2004, this program will be transferred to the Office of Security			
 	<hr/>		
Total, Cyber Security and Secure Communications	28,821	30,441	26,432
	<hr style="border-top: 3px double black;"/>		

Explanation of Funding Changes from FY 2003 to FY 2004

From FY 2003 to FY 2004 (\$ 000)
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Policy and Planning

Develop and maintain policies for an integrated Cyber Security Program and more focused effort for review and analysis of Cyber Security Program Plans being developed at Departmental Nationwide sites	+2,300
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Training

Maintain oversight responsibility of the Cyber Security Training Program with reduced funding for courses offered Department-wide sites	-40
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Engineering and Assessments

The Department has been moving toward PKI and other Trust Management type solutions because of both external and internal drivers. Reduce PKI infrastructure to include such functions as cross-certification, biometrics, and secure wireless....	-4,769
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Technical Capability

Beginning in FY 2004, the Office of Security (SO) will be responsible for technical capability.....	-1,500
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Total Funding Change, Cyber Security and Secure Communications	-4,009
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Corporate Management Information Program

Mission Supporting Goals and Objectives

The Corporate Management Information Program (CMIP) is the Department's Corporate initiative investment to replace outdated corporate information systems. CMIP provides DOE with a managed, centralized, and cost-effective way to modernize DOE corporate business systems, under the direction of the Department's CMIP Review Board, utilizing deliberative input from DOE line management. This is accomplished through the development and installation of corporate management systems using new and emerging technologies.

In July 2002, the Department's CFO and CIO directed an independent study to evaluate whether the BMIS/Phoenix project would realize the vision of an integrated corporate business system and be consistent with the Department's Enterprise Architecture. As a result of this study the BMIS/Phoenix project has been refocused into the Integrated Management Navigation System (I-MANAGE) program. I-MANAGE will integrate the Department's business management systems for financial and cost accounting, budget formulation and execution, procurement and contracts management, facilities management, human resources management, travel, payroll, and research and development.

Goal

Develop efficient and cost effective corporate management systems using new technology to assist the Department in the accomplishment of its missions.

Objectives

Implement centralized Information Technology (IT) services and management at Headquarters, and establish standard delivery of infrastructure services and products through a consistent and repeatable delivery process managed by the Department's Chief Information Officer. Specific efforts in support of these objectives include:

- STARS (formerly PHOENIX): Adopt standardized, efficient, and effective financial management practices to support internal and external customers.
- Enterprise Human Resources (formerly Corporate Human Resource Information System): Reduce paperwork and eliminate non-value added work by providing DOE employees and managers web-based access from the desktop to view appropriate personnel and payroll information.
- eProcurement (formerly Procurement Modernization): increase the number of orders placed electronically as a percentage of simplified acquisitions made by the Department purchasing offices.
- Data Warehouse: A repository of financial data extracted from major DOE financial systems.
- Strategic Information Management (SIM): Strategic alignment of major IT investments with DOE business goals and objectives to maximize improvements in mission performance.

- Identify and support development of hardware infrastructure needed to manage corporate data and support the DOE business functions.
- Enterprise Architecture: Implement Department-wide ongoing, architecturally driven IT selection and management through the establishment of the DOE Enterprise Architecture management process. Identify applications and acquire or develop the infrastructure that facilitates processing and sharing of information effectively among Departmental elements.
- Capital Planning and Investment Control Program: Support application of capital planning principles to DOE program IT investments. Annually manage the DOE IT portfolio of IT investments ensuring maximum value to the Department of IT resources.
- Implements and supports the President's Management Agenda to fully meet the Innovative Department of Energy E-Government Applications (IDEA).

Activities for Integrating DOE's Business Management Systems (I-MANAGE) (formerly Business Management Information Systems)

- **STARS** (formerly Phoenix) is a project to design and implement a new integrated and user-friendly financial management system. This system will help the Department fulfill its fiduciary responsibilities and meet both internal management and external reporting requirements. The new system will replace and extend the functionality of the current DISCAS, MARS and FDS legacy systems. The need for a major change in DOE financial management practices is also driven by actions external to the Department such as the Chief Financial Officer's Act of 1990, Government Performance and Results Act of 1993, Federal Financial Improvement Act of 1996, Clinger-Cohen Act of 1996, OMB Circular A-127, and Joint Financial Management Improvement Program.
- **Enterprise Human Resources** is the Department's official personnel system. It provides integrated human resource information functions for areas such as training, position management, and performance management. Personnel data is used to produce the payroll for employees for financial, budget and resource reporting and planning. The day-to-day operations and maintenance of the features and functions is funded through the Department's Working Capital Fund. The capabilities are being developed and implemented to enable managers to track health and safety incidents, employee and labor relation cases, perform succession planning, and other human resource functions.
- **eProcurement** is an effort to utilize computer information systems to improve and promote efficient use of resources in the Office of Procurement and Assistance Management and throughout the contracting activities across the DOE complex. The eProcurement information system(s) must support those activities that are required or are directly associated with the planning, awarding, and administering of various acquisition and financial assistance instruments.
- **Data Warehouse** is a repository of financial data extracted from the major financial systems within the Department. Data from source systems is periodically fed into the Data Warehouse, where it is restructured for efficient access.

Activities for Architecture and Planning

- **Enterprise Architecture (EA)** produces detailed analyses, definition and modeling of the DOE business, data, application and technology layers to ensure alignment and integration with Departmental E-Government Strategy, the Security Architecture, and the Corporate IT infrastructure initiative. The EA program was put in place in FY 2003 to better manage the initiatives within the CIO Office of IT Reform and to respond to OMB's Federal Information Resources Management Circular A-130 guidance. Architecture CSIA applications development were included into the EA

program and in FY 2004, all remaining previously reported information architecture (IA) activities will also be included. This program will expand and update the Department's Corporate Business Model, Data, and Applications Architectures.

- **Capital Planning Investment Control (CPIC)** is a new program that includes the activities previously within the Capital Planning and IT Investment initiative which was put in place in response to the Clinger-Cohen Act of 1996. CPIC implements OMB's Circular A-130 that directs Federal Agencies to use a comprehensive capital planning process for selecting, controlling, and evaluating IT investments. The evolving CPIC process provides an analytical framework for linking Departmental IT investment decisions to strategic objectives, mission achievement, and business plans. In order to fully satisfy a "green" score for the President's Management Agenda for E-Government, the OCIO must be able to document that major IT projects are operating within 90% of Exhibit 300 cost, schedule and performance targets. To achieve this goal, the OCIO must implement a major IT project review and oversight process that tracks project against goals, establishes corrective actions, and reports results. As a key implementing process of the E-Government strategy and the President's management agenda for E-Government, the CPIC process will support the following additional activity: Departmental Major IT Project Management Review and Oversight.
- **Strategic Information Management (SIM)** ensures strategic alignment of major IT investments with DOE business goals and objectives to maximize improvements in mission performance. SIM techniques identify organizational business needs that can be met effectively and efficiently through IT investments, justifying each dollar against business objectives and processes. The SIM process is used to study cross-functional segments of an organization, identifying relationships between business processes and the alignment with IT investments.

Activities for Modernization Initiatives

- **Innovative Department of Energy E-Government Applications (IDEA)** task force was implemented in March 2002. This is DOE's strategy to assure that E-Government implementation efforts at the Department are facilitating the necessary business transformation changes throughout DOE. The primary focus is to assure that the "highest value" E-Government initiatives are identified and implemented, resulting in fewer duplicative IT system investments, and delivering higher quality citizen-centric services. The main goal is to develop an E-Government implementation plan for institutionalizing E-Government initiatives throughout the organization over the next 12-24 months.

Program Strategic Performance Goal

CM3-1: Promote the effective management of IT resources in the Department.

Performance Indicators:

- Complete all CMIP milestones and report status annually to Congress.
- Ensure economical and effective management of information resources to support DOE missions and objectives.
- Identify new opportunities and fund enterprise licenses for software, hardware, and support services.
- Make effective use of commercial applications and solutions for DOE's enterprise-wide IT infrastructure, link IT investments to DOE strategic goals and the needs of business operations. Minimize the number of redundant and duplicative systems. Improve enterprise-wide data sharing.
- Link IT investments to DOE strategic goals and the needs of business operations.
- Minimize the number of redundant and duplicative systems. Improve enterprise-wide data sharing.
- Develop process or rules that will drive Headquarter's IT organizations to use the Enterprise Agreements. Define guidelines that will mandate program areas utilize these products whenever possible.
- Expanded activities to include standards, data management, DOE IT portfolio management and oversight, and other architecture refresh activities needed to ensure a robust, architecture-driven IT management structure.

Significant Accomplishments and Program Shifts

- Major accomplishments for the STARS (formerly Phoenix Core Financial System) project included installation of system hardware and software, training of the project teams, completion of a change readiness baseline assessment, expansion of the communications efforts through newsletters and a project website, completion of the select (software and system integrator), prepare (planning), and focus (gap analysis) phases of the IBM system development methodology, completion of two successful conference room pilots to test preliminary design decisions, and creation of a database instance for team members to experiment with the software. In addition, the analyses of business structure changes, including the Standard General Ledger, were completed in preparation for the transition to I-MANAGE/STARS.

- Major accomplishments for Enterprise Human Resources included the automated recruitment system pilot; the implementation of the update function for the Thrift Savings Plan to the employee self service module; enhancing the human resource and training functions to improve efficiency and streamline processes; and the programmed, tested and deployed web-based Individual Development Plan function.
- Completed Strategic Information Management business case for eProcurement (formerly Procurement Modernization).
- Major accomplishments for Information Architecture included the publication of a DOE level 1 EA, the establishment of the agency Information Architects Forum, revision of Information Architecture web pages to meet Amended Section 508 of the Rehabilitation Act guidance, oversight/liaison of the agency Web Council, facilitated communication on Microsoft licensing, further development of the desktop standards profile and associated guidance, and piloted the Architectural Alignment Assessment process.
- Implemented the Department's Information Technology Capital Planning Investment Control process in accordance with OMB Circular A-130.
- In FY 2003, CSIA applications developed infrastructure initiatives that integrated with the Enterprise Architecture program. In FY 2004, all Information Architecture initiatives will be integrated with the Enterprise Architecture program.
- In FY 2004, the Capital Planning and Investment Control and the Strategic Information Management programs will move from the Architecture and Planning line item to separate initiative line items that have been created to better manage the programs within the OCIO's Office of IT Reform.

Funding Schedule

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Integrating DOE's Business Management Systems (I-MANAGE)					
STARS	9,995	10,400	10,212	-188	-1.8%
Enterprise Human Resources	1,800	1,800	1,800	0	0.0%
eProcurement	500	1,850	2,100	+250	+13.5%
Data Warehouse	0	0	4,000	+4,000	+100.0%
Subtotal, I-MANAGE.....	12,295	14,050	18,112	+4,062	+28.9%
Architecture and Planning					
Information Architecture/Enterprise Architecture.....	1,150	2,770	6,110	+3,340	+120.6%
Capital Planning Investment Control	400	520	3,480	+2,960	-569.2%
Strategic Information Management	750	1,500	2,510	+1,010	-67.3%
Subtotal, Architecture and Planning.....	2,300	4,790	12,100	+7,310	+152.6%
Modernization Initiatives					
Network Switching Infrastructure Upgrade	400	0	2,000	+2,000	+100.0%
IDEA E-Gov Task Force.....	0	0	5,420	+5,420	+100.0%
Voice Telecommunications System Upgrade.....	0	535	0	-535	-100.0%
Centralized Locator Repository Enhancement	0	215	0	-215	-100.0%
Defense Message System Pilot.....	0	430	0	-430	-100.0%
Corporate Repository Data Exchange.....	0	400	0	-400	-100.0%
Subtotal, Modernization Initiatives	400	1,580	7,420	+5,840	+369.6%
Total, Corporate Management Information Program	14,995	20,420	37,632	+17,212	+84.3%

Detailed Program Justification

(dollars in thousands)

	FY 2002	FY 2003	FY 2004
I-MANAGE	12,295	14,050	18,112
<ul style="list-style-type: none"> ■ STARS (formerly Phoenix) <table style="display: inline-table; vertical-align: middle; border: none;"> <tr> <td style="width: 15%; text-align: right;">9,995</td> <td style="width: 15%; text-align: right;">10,400</td> <td style="width: 10%; text-align: right;">10,212</td> </tr> </table> <p>STARS is a project to design and implement a new integrated and user-friendly financial management system. This system will help the Department fulfill its fiduciary responsibilities and meet both internal management and external reporting requirements. The new system will replace and extend the functionality of the current DISCAS, MARS and FDS legacy systems. The need for a major change in DOE financial management practices is also driven by actions external to the Department such as the Chief Financial Officer's Act of 1990, Government Performance and Results Act of 1993, Federal Financial Improvement Act of 1996, Clinger-Cohen Act of 1996, OMB Circular A-127, and Joint Financial Management Improvement Program.</p>	9,995	10,400	10,212
9,995	10,400	10,212	
<ul style="list-style-type: none"> ■ Enterprise Human Resources <table style="display: inline-table; vertical-align: middle; border: none;"> <tr> <td style="width: 15%; text-align: right;">1,800</td> <td style="width: 15%; text-align: right;">1,800</td> <td style="width: 10%; text-align: right;">1,800</td> </tr> </table> <p>Identify one or two HR functions as implementation priorities based on Department-wide needs and the degree of Federalization of the software at the time of their decision. Finish analysis of People Soft Federal product software functions to ensure that they meet Departmental requirements. Maintain a state-of-the-art system by appropriately planning for and implementing People Soft Federal release upgrades to assure that the Department takes advantage of planned technology and functional improvements in the commercial-off-the-shelf product.</p>	1,800	1,800	1,800
1,800	1,800	1,800	
<ul style="list-style-type: none"> ■ eProcurement <table style="display: inline-table; vertical-align: middle; border: none;"> <tr> <td style="width: 15%; text-align: right;">500</td> <td style="width: 15%; text-align: right;">1,850</td> <td style="width: 10%; text-align: right;">2,100</td> </tr> </table> <p>eProcurement is an effort to utilize computer information systems to improve and promote efficient use of resources in the Office of Procurement and Assistance Management and throughout the contracting activities across the DOE complex. The eProcurement information system(s) must support those activities that are required or are directly associated with the planning, awarding, and administering of various acquisition and financial assistance instruments.</p>	500	1,850	2,100
500	1,850	2,100	
<ul style="list-style-type: none"> ■ Data Warehouse..... <table style="display: inline-table; vertical-align: middle; border: none;"> <tr> <td style="width: 15%; text-align: right;">0</td> <td style="width: 15%; text-align: right;">0</td> <td style="width: 10%; text-align: right;">4,000</td> </tr> </table> <p>Data Warehouse is a repository of financial data extracted from the major financial systems within the Department. Data from source systems is periodically fed into the Data Warehouse, where it is restructured for efficient access.</p>	0	0	4,000
0	0	4,000	
Architecture and Planning	2,300	4,790	12,100
<ul style="list-style-type: none"> ■ Enterprise Architecture (EA)..... <table style="display: inline-table; vertical-align: middle; border: none;"> <tr> <td style="width: 15%; text-align: right;">1,150</td> <td style="width: 15%; text-align: right;">2,770</td> <td style="width: 10%; text-align: right;">6,110</td> </tr> </table> <p>Enterprise Architecture activities include such items as the IT Standards program and the DOE E-Government initiatives activity. The purpose of this program is to manage and expand the DOE Enterprise Architecture as required by OMB Circular A-130 and the Clinger-Cohen Act, to structure and prioritize modernization of departmental corporate systems, guide and consolidate IT initiatives and serve as the basis for supporting related infrastructure technology implementation. These activities are intended to support and align previously disparate IT Planning and portfolio management functions and move the</p>	1,150	2,770	6,110
1,150	2,770	6,110	

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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Department to a higher level of maturity in the IT investment management capability maturity model. Beyond simply establishing a static Enterprise Architecture document, the Department will implement process whereby the EA is continually refreshed to reflect changing missions, technologies, and environments. The Corporate Systems Information Architecture Applications development activities were integrated into the Enterprise Architecture program in FY 2003.

Capital Planning Investment Control (CPIC)..... 400 520 3,480

The Capital Planning Investment Control (CPIC) program (formerly reported within Architecture and Planning) implements a Departmental unified process. This process enables greater coordination and shared vision; i.e., centralized corporate management perspective, among the Department’s IT initiatives to effectively provide for corporate systems and infrastructure that add value to the business needs of the Department. This process guides the annual selection and management of the Departmental IT portfolio of investments. Basic implementation of the Information Technology Investment Portfolio System (I-TIPS) will be performed at this funding level to support IT portfolio reporting. Activities performed in support of this process include guidance development, governance group management, and IT investment oversight and reporting.

Strategic Information Management (SIM)..... 750 1,500 2,510

The Strategic Information Management (SIM) program evaluates business requirements, determine systems needed and identify existing system shortfalls. The SIM process produces business case analyses leading to recommendations for new or enhanced corporate information technology investments.

Modernization Initiatives..... 400 1,580 7,420

- **Network Switching Infrastructure Upgrade** 400 0 2,000

The current network switching architecture needs to be enhanced through the provisioning of more robust and higher capacity platforms for operating the current heterogeneous network. Network traffic has grown approximately five fold over the past three years. The network will be upgraded from 10/100 megabyte shared to a 1-gigabyte backbone to support the multiple corporate applications and program mission needs. The enhancements will allow the IT service technicians to better manage the availability and capacity of the switching infrastructure in support of DOE Headquarters IT media services while providing the tools for managing the availability and performance of the network IT switching infrastructure systems.

- **Innovative Department of Energy E-Government Applications (IDEA)** 0 0 5,420

IDEA will support DOE’s new focus on E-Government initiatives. DOE’s strategy is to assure that E-Government implementation efforts at the Department are facilitating the necessary business transformation changes throughout DOE. The following initiatives are Streamlining Grants Processing, Intranet Portal, Integrated Document Management System, STARS, and IT Capital Planning.

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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▪ Voice Telecommunications System Upgrade	0	535	0
<p>DOE headquarters operates two voice switches that will be upgraded in FY 2003 to provide additional capabilities to support customer mission needs. These include improving telephone conferencing capabilities to accommodate the anticipated future usage at DOE. FY 2003 funding will provide an SL-100 PRI Class Service capability to allow caller ID information to be processed and reconciled with commercial vendor charges. In addition, this class service will enable conference bridging (needed for telephone conferences). Currently scheduled for completion in FY 2003.</p>			
▪ Centralized Locator Repository Enhancement	0	215	0
<p>The DOE-wide Centralized Locator Project is designed to provide more accurate, timely and useful information about DOE employees (including: name, location, phone/fax numbers, organization, and e-mail address). FY 2003 funding will provide for the enhancement of the current People Program and the development of WEB based display and update of information. Currently scheduled for completion in FY 2003.</p>			
▪ Defense Message System (DMS) Pilot.....	0	430	0
<p>DOE relies on two systems to provide access to the Department of Defense AUTODIN system for receipt and transmission of classified and unclassified messages, the CSP for Top Secret messages, and the SIMEX Switch for the Secret/Restricted Data classification level. The DOE DMS pilot will identify a transitional architecture to maintain or improve current security profile standards. The transition/ replacement system will provide: secure, encrypted message/data handling services; maximum use of state-of-the-art equipment; reduce overall system costs; and be capable of extension to DOE headquarters and field. Currently scheduled for completion in FY 2003. Starting in FY 2004, this will be integrated into the IDEA Corporate Repository funded by the Office of Management, Budget and Evaluation (ME).</p>			
▪ Corporate Repository Data Exchange	0	400	0
<p>Currently, data from the Corporate Repository is exchanged with numerous corporate systems DOE-wide. This project is intended to provide a subscription process using extended mark-up language, an emerging data transfer standard to automatically support the exchange of data. This approach is much more efficient, cost effective and improves support to DOE wide users of the Corporate Repository. Currently scheduled for completion in FY 2003. Starting in FY 2004, this will be integrated into the IDEA Corporate Repository funded by the Office Management, Budget and Evaluation (ME).</p>			
Total, Corporate Management Information Program	14,995	20,420	37,632

Explanation of Funding Changes from FY 2003 to FY 2004

From FY 2003 to FY 2004 (\$000)
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I-MANAGE

- STARS.....
-188

The development project will be substantially finished in FY 2003. FY 2004 funding will be used to implement STARS Nationwide. STARS will provide the Department with a modern, comprehensive and responsive financial management system that will electronically integrate budget formulation, budget execution, financial accounting, financial reporting, cost accounting, and performance measurement. The successful implementation of STARS is critical to support the President’s Management Agenda for a government-wide initiative related to financial management performance, integrated of performance and budget, and E-government. FY 2004 efforts will focus on completing all testing and training required for an October 2004 deployment date.

- eProcurement
+250

Additional funding to support continued development of Procurement Modernization application.

- Data Warehouse
+4,000

Funding will support development of a data warehouse to support I-MANAGE systems. Data Warehouse will link common data elements from each of the Department’s business systems. Each manager will use the central data warehouse as a “knowledge bank” of information about portfolios, programs or projects including budget execution, accumulated costs, performance achieved, and critical milestones met. FY 2004 efforts will focus on identifying the required business information and analytical processing, and designing and developing the warehouse.

Architecture and Planning

- Information Architecture/Enterprise Architecture
+3,340

In past fiscal years, Information Architecture/Enterprise Architecture was funded by CMIP and Program Direction budgets. In FY 2004, funding for this activity will solely be provided by CMIP resulting in an increase of funds. This increase will continue to support the development of the Enterprise Architecture program and associated applications modernization projects that began in FY 2002.

<ul style="list-style-type: none"> ▪ Capital Planning Investment Control (CPIC)..... 	<p>+2,960</p>
<p>In past fiscal years, CPIC was funded by CMIP and Program Direction budgets. In FY 2004, funding for this activity will solely be provided by CMIP resulting in an increase of funds. This increase will continue to support the implementation of a Departmental United CPIC Program.</p>	
<ul style="list-style-type: none"> ▪ Strategic Information Management (SIM)..... 	<p>+1,010</p>
<p>Additional funding supports increased SIM processes needed to complete Modernization activities identified by the Enterprise Architecture program.</p>	
<ul style="list-style-type: none"> ▪ Modernization Initiatives (CSIA Technology Infrastructure) 	<p>+5,840</p>
<p>Additional funding to support continued development of the modernization projects that began in FY 2002/FY 2003 in support of the Enterprise Architecture (EA) program. The EA program was put in place in FY 2003 to better manage the initiatives within the OCIO's Office of IT Reform and response to OMB's Federal Information Resources Management Circular A-130 guidance.</p>	
<p>Total, Corporate Management Information Program</p>	<p>+17,212</p>

Chief Information Officer Program Direction

Mission Supporting Goals and Objectives

The Mission of Program Direction is to provide resources (including Federal and contractor personnel funding) for activities of the Office of the Chief Information Officer (OCIO) providing support to the Department's mission with the emphasis on Corporate Management Strategic Objective CM2.

Program Direction provides resources (including federal and contractor personnel funding) to support the activities of OCIO. These activities are carried out in coordination with all DOE Program elements through four customer forums: the Executive Council for Information Management, the CIO Executive Council, the E-Government Management Council, and the Working Capital Fund.

Goals

In support of the President's Management Agenda, the major emphasis of the OCIO is to fully meet goals of the President's Management Agenda. To this end, the Innovative Department of Energy E-Government Applications (IDEA) task force was implemented in March 2002. This is DOE's strategy to assure that E-Government implementation efforts at the Department are facilitating the necessary business transformation changes throughout DOE. The primary focus is to assure that the "highest value" E-Government initiatives are identified and implemented, resulting in fewer duplicative IT system investments, and delivering higher quality citizen-centric services. The main goal is to develop an implementation plan for institutionalizing E-Government initiatives throughout the organization over the next 12-24 months. Other program direction goals include:

- Funding salaries and benefits, travel, training, support services, and other related expenses (the latter including the Working Capital Fund), associated with the overall management, direction, and administration of the OCIO.
- Delivering support services as required to ensure that any necessary IT studies/reviews are conducted properly and in a timely manner.
- Delivering voice, video and data network services throughout the DOE headquarters that will establish a consistent operating environment (this is a set of standards that outline necessary hardware and software to be used at DOE Headquarters) and meet information management business requirements of DOE.
- Implementing cyber security programs to assure protection of DOE Headquarters classified and unclassified information technology assets; assuring implementation of Departmental cyber security policies.
- Providing IT office systems support to DOE headquarters that meets or exceeds industry best practice standards, establishing and managing service level agreements for the entire suite of IT services supported that align with DOE customer needs.

- Planing, acquiring or developing, engineering, and implementing all operating system software and hardware requirements for DOE headquarters administrative computer facilities enterprise servers. Provide computer systems support on these computer platforms 24 hours/day, 7 days/week, 365 days/year.
- Improving the use of wireless resources and Spectrum assets for the Department.
- Providing facilities management support for the Germantown and Forrestal Operations facilities.
- Conducting Workforce Planning for the OCIO organization.
- Ensuring that DOE adequately documents its missions and functions, policies, procedures, and decisions and preserves its historically valuable records.
- Represents a partnership of many Federal agencies and organizations whose purpose is to provide improved, personalized access to Government assistance programs. In accordance with electronic Government mandates, Gov Benefits provides a web site which outlines available programs and an online screening tool to help citizens determine their eligibility.

Objectives

Specific E-Government efforts in support of the President's Management Agenda include:

- Developing business cases outlining the key E-Government initiatives in support of 4 project portfolios (Government to citizen, Government to Government, Government to business, and internal efficiency and effectiveness).
- Developing action plan that mitigates risk and assures key E-Government initiatives are implemented within 12-24 months to better deliver citizen-centric services.
- Accelerating the implementation of geospatial information one-stop project to enhance the implementation of E-Government by enabling geospatial data to be more accessible and usable.
- Implementing customer/citizen relationship management and utilizing intergovernmental best practices to expedite Departmental implementation in FY 2004. Developing agency strategy for E- Government initiatives, which will establish a framework for existing initiatives underway in the Department and providing a roadmap for future corporate direction and organization-specific efforts.
- Addressing the OCIO emphasis on minimization of the burden on the programs in data collections. Validating and documenting the burden reduction gained by using open standards and Electronic Business Extensible Markup Language across the Department. Validation will occur in FY 2004.
- Improving efficiency of electronic record keeping practices by an electronic record keeping system, researching corporate procurement vehicles, and generating policy and best practices documents.

- Ensuring compliance with established policy on Internet Privacy.
- Ensuring continuance of citizen-centric nature of Departmental website (Energy.Gov).
- Ensuring Departmental compliance with the Amended Section 508 of Rehabilitation Act that addresses technology-driven inequities for persons with disabilities.

Other Objectives Include:

- Providing salaries and benefits for OCIO Federal employees, including overtime, awards, lump-sum leave payments, transit subsidies, contributions to employee benefits, and associated cost-of-living increases.
- Ensuring needed studies/reviews and related financial support services are provided within OCIO.
- Providing support for meetings of the newly formed CIO Executive Council and for conferences sponsored by the OCIO.
- Managing the DOE Telecommunications Program, including the management and operation of the Headquarters e-mail architecture.
- Engineering and implementing new telecommunications (voice, data, video, and image) services.
- Managing the DOE headquarters Local (LAN), Wide (WAN) - DOEnet, and Metropolitan area network (MAN) backbone infrastructures.
- Establishing and assessing the policies that assure the appropriate security requirements are included in specifications for operation of classified network facilities, equipment, software packages, or related services.
- Providing IT office systems support (communications, networking, and desktop processing hardware/software) to the Office of the Secretary, DOE Staff Offices, and OCIO.
- Providing end users with application maintenance support for limited use mainframe, micro based, and LAN based applications systems.
- Providing computer operation, systems programming and database management support on the Enterprise mainframe server and other operating systems in the DOE Headquarters Administrative Computing Center.
- Planning, testing, and implementing a disaster recovery plan for restoring DOE mission critical applications that are supported in the Germantown Administrative Computing Center.

- Developing a DOE Wireless Strategic Plan, Enterprise Architecture component, and DOE Wireless Telecommunications Policy. Improving Spectrum program web-based services to field customers. Meeting Departmental objectives for Homeland security through the project SAFECOM initiatives.
- Ensuring that DOE records are identified, stored, and managed in an efficient, cost-effective manner, so that they are accessible when needed, that historically valuable records are preserved appropriately, and that records management guidance and assistance is provided to headquarters program offices and field sites.
- Providing contractor support for technical, analytical, administrative, and operational activities of the OCIO related to the Clinger-Cohen Act.
- Providing technical, analytical, and administrative, support for the financial management functions of the OCIO. The daily operation and associated technical direction of the contracts will remain with Federal program managers in each organization.
- Ensuring that OCIO organizational staffing needs are identified through comprehensive workforce planning.
- Providing funding for other related expenses that include the Working Capital Fund. Other Related Expenses support the administrative costs of maintaining Federal Staff, such as IT expenses, training, and other miscellaneous services. The Working Capital Fund includes centrally provided goods and services at Headquarters, such as space, utilities, general printing, graphics, copying, supplies, postage, telephones, supplies, and rent.

Program Strategic Performance Goals

CM2-1: Advocate E-Government citizen service delivery office.

CM3: Manage Department's Information Technology Systems and Infrastructure

CM3-1: Promote the effective management of Information Technology resources in the Department.

Performance Indicators:

- Duplicative IT E-Government initiatives are reduced and simplified.
- E-government initiatives are integrated with DOE's strategic plan, GPEA, and annual performance plan and budget.
- IT Systems provide improved service to citizens.
- Number of helpdesks, systems availability, reduction in maintenance times, reduction in software costs, reduction in hardware costs, and reduction in support staff.

Significant Accomplishments and Program Shifts

- Complete an assessment and business cases for E-Government initiatives, which will result in identification of key E-Government initiatives. Began development of strategic action plan along with implementation plan for institutionalizing E-Government initiatives across DOE.
- Identify, prioritize, and implement highest value E-Government initiatives to DOE customers.
- Initiation of IT services consolidation in DOE Headquarters.

Funding Schedule

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Salaries and Benefits	11,202 ^a	11,612	12,531	+919	+7.9%
Travel	171	175	150	-25	-14.3%
Support Services	13,481	13,779	25,403	+11,624	+84.4%
Other Related Expenses	3,954	4,000	4,130	+130	+3.3%
Total Program Direction	28,808	29,566	42,214	+12,648	+42.8%
Additional net budget authority to cover the cost of fully accruing retirement (non-add).....	(853)	(851)	(596)	(-255)	(-30.0%)
Full Time Equivalentents	112	112	112	0	0.0%

^a Includes a general reduction of \$54,000 for travel and administrative expenses.

Support Services

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Mission Support Services	11,474	11,730	23,354	+11,624	+99.1%
Other	2,007	2,049	2,049	0	0.0%
Total Support Services	13,481	13,779	25,403	+11,624	+84.4%

Other Related Expenses

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Working Capital Fund	3,775	3,817	3,980	+163	+4.3%
Training	179	183	150	-33	-18.0%
Total, Other Related Expenses	3,954	4,000	4,130	+130	+3.3%

Detailed Program Justification

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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Salaries and Benefits.....	11,202	11,612	12,531
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Chief Information Officer Staff functions are to:

- Provide funding for 112 full time equivalent employees.
- Develop and issue policy, procedures, and guidance on the management of information and IT across the Department and Government-wide through the Federal Chief Information Officer Council.
- Establish, implement, and maintain a comprehensive cyber/computer security program to protect the Department's classified and unclassified information and information technology assets.
- Manage the Corporate Management Information Program.
- Produce Departmental IT reports required by the White House and Congress.
- Promote and facilitate the evolution and growth of Departmental electronic Government products emphasizing web-based capabilities as efficient tools for public service.
- Provide improved Headquarters desktop services including a unified and effective help desk, timely response and support of DOE missions via a reliable and cost effective DOE corporate network, local and long distance telephone services, pagers and cellular telephones, and video conference support.
- Performance is measured for the OCIO's function by how well the Department:
 - Ensures economical and effective management of information resources to support DOE missions and objectives.
 - Makes effective use of commercial applications and solutions for DOE's enterprise-wide IT infrastructure.
 - Links IT investments to DOE strategic goals and the needs of business operations.
 - Minimizes the number of redundant and duplicative systems.
 - Improves enterprise-wide data sharing. .

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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Travel..... 171 175 150

Includes domestic and foreign trips necessary to conduct the Chief Information Officer’s activities. Domestic travel includes interface with field offices, laboratories and IT systems vendors.

Mission Support Services..... 13,481 13,779 25,403

▪ GovBenefits..... 0 0 1,110

GovBenefits represents a partnership of many Federal agencies and organizations whose purpose is to provide improved, personalized access to Government assistance programs. In accordance with electronic Government mandates, GovBenefits provides a web site which outlines available programs and an online screening tool to help citizens determine their eligibility. This program is supported by contributions from partner agencies. While GovBenefits currently provides access to over 100 programs, DOE is a partner with only one program included in the GovBenefits site, Weatherization in the Energy Efficiency and Renewable Energy (EERE) Program.

▪ Networking Support..... 869 1,801 2,223

Provides a variety of networking support and services to the Headquarters-wide community that are outside of the Headquarters Working Capital Fund. Support includes Headquarters Network backbone cyber security systems (firewall, intrusion detection, etc.) and Headquarters Common IT Infrastructure services modernization. The increase is due to funding support for the Headquarters wide Network Security Engineering Support for Operations.

▪ Headquarters Cyber Security..... 0 0 2,500

Provides operational guidance, oversight, and assessment of classified and unclassified cyber security networks, telecommunications, applications, systems, and processes and procedures that support the operation of DOE Headquarters, to include the program offices as well as the staff offices. This responsibility is confined to the cyber security operations that exist geographically within the Washington D.C. metropolitan area or the Headquarters site. The Headquarters site is composed of 14 facilities, including the two major facilities (Forrestal and Germantown Buildings). The guidance and policies support the operation of the Headquarters site that must be compliant with DOE (promulgated by all DOE facilities nationwide) and National (promulgated by the National Institutes of Standards and Technology) cyber security policy and incorporate where possible industry and Government best practices.

▪ Communications Support 639 382 384

Provides a number of telecommunications services to the Departmental Administration - funded customer base (e.g., Office of the Secretary and DOE Staff Offices). Also includes: Secure Telephone Unit (STU) III maintenance and operations; satellite UPLINK time for official televideo broadcasts; circuits and maintenance for the TIMPLEX multiplexed communications system and cellular telephone, pager, SIMEX crypto maintenance, and calling card services.

<ul style="list-style-type: none"> ▪ E-Mail and Messaging Support ▪ IT Office Systems ▪ Data Center Services ▪ Wireless Program ▪ Business, Finance, and Procurement ▪ Records Management 	<p>Provides hardware, software and contractor support for managing the Headquarters-wide electronic mail messaging service. Provides direct support to 7,500 e-mail users that include integrated directory services, protection against viruses introduced via e-mail in the headquarters environment, and funding to maintain the AUTODIN circuit connectivity to the DISA system for the Department-wide SIMEX system. The increase supports the increased number of users.</p> <p>Provides hardware, software, and contractor desktop support services to the Departmental Administration (DA) funded customer base currently supported by the OCIO's Operations office (e.g., Office of the Secretary, OCIO, Office of Management and Budget and Evaluation (ME), and other staff offices) to a 2,200 person user base. This includes ensuring that desktop hardware and software is no more than three years old (one-third of the users are upgraded per year on a revolving cycle); help desk and contractor support services for correcting desktop configuration problems, operational problems, ad-hoc user training, etc.</p> <p>Provides for computer operations, facilities management, hardware maintenance, software licensing, systems programming and data base management support for the mainframe systems operating Department-wide mission critical and DOE Corporate Systems (i.e., Payroll, Procurement, Corporate Data Repository, Online Locator System, etc.). Also, includes disaster recovery services for the Headquarters Administrative Computing Center. The reduction is in support for OCIO applications & web support.</p> <p>Very limited action plans will be developed in FY 2004 to implement the DOE Wireless Strategic Plan and continued maintenance of the Wireless Technology Web site will be provided.</p> <p>Provides support to the Chief Information Officer for financial management, analytical studies, logistical/administrative support, contract administration, technical information, and timesharing services in support of its operational responsibilities.</p> <p>The Records Management Program in OCIO has agency-wide policy and oversight responsibility for management of the Department's records. In compliance with the Federal Records Act, ensures that DOE adequately documents its missions and functions, policies, procedures, and decisions and preserves its historically valuable records. DOE will be able to support program offices demanding support closure site activities and provide an enterprise central storage solution for key historical and legal records.</p>	<p>1,290 1,227 1,323</p> <p>3,524 3,566 3,454</p> <p>2,813 2,915 2,759</p> <p>251 396 252</p> <p>916 1,443 1,021</p> <p>419 551 2,113</p>
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<ul style="list-style-type: none"> ▪ Technical and Administrative Support 	2,760	1,498	2,264
<p>Provides technical support to the OCIO and administrative support for meetings and conferences. Also provides support for management studies strategic planning, and process reviews initiated by the OCIO.</p>			
<ul style="list-style-type: none"> ▪ ORACLE Maintenance 	0	0	5,000
<p>Provides annual maintenance requirement for an enterprise-wide license established in FY 2003. The increase is due to cover an enterprise-wide license being negotiated in FY 2003. This is an annual contract.</p>			
<ul style="list-style-type: none"> ▪ STARS (formerly Phoenix AIX) Support..... 	0	0	1,000
<p>Includes operational support for MARS/DISCAS, PDW/EIS, PDSNT and STARS (Phoenix). This increase is to cover equipment support for applications support transferred to OCIO.</p>			
Other Related Expenses	3,954	4,000	4,130
<ul style="list-style-type: none"> ▪ Training..... 	179	183	150
<p>Ensures that OCIO staff are adequately trained and prepared to provide service to Headquarters and Field Offices in support of the CIO mission. Individual Development Plans are prepared for each employee and are followed to ensure staff receives appropriate training</p>			
<ul style="list-style-type: none"> ▪ Working Capital Fund..... 	3,775	3,817	3,980
<p>Working Capital fund includes Headquarters space, utilities, general printing, graphics, copying, supplies, telephones, general automation support, payroll processing, mail, and other miscellaneous expenses associated with office operations.</p>			
Total Program Direction	28,808	29,566	42,214

Explanation of Funding Changes from FY 2003 to FY 2004

From
FY 2003
to
FY 2004
(\$000)

Salaries and Benefits

Salaries and Benefits increase funds cost of living increases, promotions, within grade increases, lump sum payment, and overtime..... +919

Travel

Minimal funding is provided for transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal Travel Regulations..... -25

Mission Support Services

Mission Support Services expenses are increasing in FY 2004 due to GovBenefits, technology needs in the network, common IT services infrastructure, business transformation initiatives, and support to enterprise-wide initiatives. Gov Benefits is a Government wide initiative that supports the President’s Management Agenda related to E-Government. Funding was added in FY 2004 for GovBenefits, Cyber Security, Records Management, Oracle Maintenance, and STARS (Phoenix AIX) support..... +11,624

Other Related Expenses

Escalation costs in training and Working Capital Fund..... +130

Total Funding Change, Program Direction..... +12,648

Congressional & Intergovernmental Affairs

Program Mission

The mission of the Office of Congressional and Intergovernmental Affairs (CI) is to promote Departmental policies, programs and initiatives through liaison, communications, coordination and interaction with Congress, State, Local, and Tribal governments, other Federal agencies, stakeholders, and the general public.

Program Goals

- Embrace the importance of keeping the nation's citizens informed and provide information to members of Congress, Committees and staff, State, Local and Tribal officials, and DOE stakeholders; contribute to a broad national understanding of the Department's missions in areas ranging from energy security to economic development and national security; and support the statutory requirements of the DOE Organization Act, Public Law 95-91, to provide liaison between the Department, Congress and State, Local and Tribal governments.
- Build trust and ensure public understanding of Department of Energy (DOE) policies, programs, and initiatives.
- Comply with DOE's Acquisition Regulation which directs this office to advise members of Congress regarding pending awards that have an impact upon the member's State/District.
- Assure full and timely communication with all of our customers through advice and coordination with program offices on matters relating to congressional, intergovernmental, and tribal, and other outreach activities.
- Provide timely, complete information in anticipation of stakeholders' needs targeted to the full range of DOE constituents – from members of Congress, Committees and staff, governors, Tribal leaders, local elected/appointed officials, and community groups around DOE sites, to professionals in the business, environment, and national security communities.
- Support early and effective public involvement in DOE decision making by improving coordination of stakeholder activities that cross-cut DOE programs.
- Prepare briefing materials for the Secretary, Deputy Secretary and Under Secretary in preparation for meetings with members of Congress, Tribal leaders and stakeholders.

Significant Accomplishments

- Worked closely with Members of Congress, their staffs, and Committees/Subcommittees to define, articulate, and advance the Department's positions on the FY 2003 Authorization and Appropriations legislation, and other legislative and policy priorities such as the Energy Security Act, the National Defense Authorization Act, and legislation relating to the Yucca Mountain high-level waste repository.

- Worked closely with governors and their staffs, local elected/appointed officials, and Tribal officials to provide information on DOE activities and decisions, and to elicit and incorporate their concerns and interests into DOE decision processes.
- Coordinated and provided two-way communication with national and regional stakeholder groups and other external constituents.
- Advised DOE program officials on scope and schedule of public involvement activities and coordinated efforts across DOE to assure easier, more effective stakeholder participation.
- Represented DOE and Administration policies and positions at national and public interest group (intergovernmental, Native American, and non-governmental organizations) meetings.

Congressional & Intergovernmental Affairs

Mission Supporting Goals and Objectives

The office is charged with being responsive to the needs of members of Congress and Committees; State, Local and Tribal governments; DOE stakeholders; consumer and public interest groups; and other Federal government agencies. The office fulfills its mission and responsibilities by functioning as a central point of contact for information about the Department's work in the areas of energy, national security, science and environmental management. The office measures its success in terms of promoting the release of timely, factual information; coordinating extensive interactions with members of Congress, their staff and Committees, and with State, Local, and Tribal officials; and advising on opportunities for public involvement in the Department's decision-making processes.

CI strives for continuous improvement in its communication and service to constituent groups and stakeholders. CI focuses its efforts on: close collaboration with DOE managers and program staff in the development and implementation of legislative strategies; on more timely communication of DOE's initiatives and accomplishments to our multiple constituencies; and on rapid response to their requests for information.

Funding Schedule

	(dollars in thousands)				
	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Salaries and Benefits	3,918 ^a	4,070	3,876	-194	-4.8%
Travel	60	60	60	0	0
Support Services	5	5	6	+1	+20.0%
Other Related Expenses	840	796	782	-14	-1.8%
Total, Congressional & Intergovernmental Affairs	4,823^b	4,931^b	4,724^b	-207	-4.2%
Additional net budget authority to cover the cost of fully accruing retirement (non- add)	(277)	(271)	(271)	(0)	(0%)
Full Time Equivalents	39	38	33	-5	-13.1%

^a FY 2002 Comparable includes \$350,000 that was internally reprogrammed to CI for salaries and benefits and a general reduction of \$5,000 for travel and administrative expenses.

^b Includes a reduction of \$22,000 for the Department of Homeland Security.

Detailed Program Justification

(dollars in thousands)

	FY 2002	FY 2003	FY 2004
Salaries and Benefits	3,918	4,070	3,876

Salaries and benefits provides funding for 33 full-time permanent and other than full-time permanent employees, overtime pay, cash incentive awards, lump sum leave payments, Senior Executive Service and other performance awards, and payments to fund workmen’s compensation. The change in FY 2004 reflects a decrease in the FTE level.

CI will measure its performance in FY 2004 by:

- Customer feedback; leadership’s ability to meet commitments and program objectives; and employee feedback.
- Continued assistance to program offices in their preparation of official Departmental testimony and support to senior Departmental officials at approximately 110 congressional hearings.
- Attendance at more than 3,000 briefings and meetings and over 60 committee markups in performance of CI’s liaison functions.
 - Support to Secretarial and Program Officers in the research, preparation, and/or review of:
 - More than 150 briefing books/papers for Congressional hearings and meetings and gubernatorial and tribal events.
 - More than 2,500 pieces of Congressional, State, and Tribal correspondence, developed with program offices on program/policy issues.
 - Reports on Congressional hearings, coordination of 110 hearing statements, approximately 1,200 pre- and post-hearing questions and answers; and 80 inserts for the record.
 - 250 Daily Reports and 52 Weekly Reports for senior Departmental officials providing detailed congressional and intergovernmental information on meetings, hearings, mark-ups, site visits and other major events.
 - Weekly calendar of DOE-sponsored public meetings and workshops for general public distribution.

- Numerous Congressional, gubernatorial, and stakeholder notifications on Departmental program issues and major announcements.
- Approximately 3,000 contract and grant notifications for members of Congress requiring over 9,000 congressional notifications, and notifications to affected governors.
- Numerous notifications to Governors/Tribal leaders/American Indian Organizations/ consumer groups and industry of major actions.
- Continue to prepare and maintain specialized biographies of 535 members of Congress (including energy-related information, Committee assignments, energy and environment-related legislation sponsored and co-sponsored by Member(s), background information on Departmental facilities in Member's District/State, and major energy interest and concerns).
- Continue to advise and support program offices and field organizations on appropriate policy and procedures for consultations with Tribal Governments.
- Continue to maintain comprehensive and specialized lists of Departmental stakeholders.

Travel 60 60 60

Travel provides funding for official travel for site visits to facilities of interest to Congress; attendance at conferences and meetings with State, local, and Tribal government officials, business and community groups, and a broad range of DOE stakeholders to discuss DOE initiatives and policies and elicit their views.

Support Services 5 5 6

Support services provide funding for shared maintenance cost of the Spectrafax broadcast fax Liaison System.

Other Related Expenses 840 796 782

Other related expenses provides funding for employee training and development; timesharing services for continued legislative research and analysis activities (Lexis/Nexis, Congressional Quarterly, Hotline/Greenwire, Westlaw) and library reference materials; and services included in the business lines of the Working Capital Fund, e.g., office space, building operations and maintenance, postage, telephone service, printing and graphics, copying, desktop services, supplies/equipment, On-Line Learning Center, expanded IT services, and subscription to DOCS for software, licenses and maintenance.

Total, Program Direction 4,823 4,931 4,724

Explanation of Funding Changes from FY 2003 to FY 2004

FY 2004 vs. FY 2003 (\$000)

Salaries and Benefits

- Salaries and benefits reflect a decrease of five FTEs from the FY 2003 request level of 38. -194

Support Services

- Support services reflect an increase in shared maintenance costs of the Spectrafax broadcast fax system. +1

Other Related Expenses

- The decrease in other related expenses is a net result of an increase in Lexis/Nexis, Congressional Quarterly, Hotline/Greenwire, Westlaw (\$+16,000), funds for library reference materials (\$+5,000) and a decrease in the Working Capital Fund (\$-35,000). -14

Total Funding Change, Congressional & Intergovernmental Affairs. -207

Support Services

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Technical Support Services (Fax Liaison)	5	5	6	+1	+20.0%
Total, Support Services	<u>5</u>	<u>5</u>	<u>6</u>	<u>+1</u>	<u>+20.0%</u>

Other Related Expenses

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Training	5	6	6	0	0
Other Program Support—Contracts	56	0	0	0	0
Lexis/Nexis, Congressional Quarterly, Hotline/ Greenwire, Westlaw (Timesharing)	40	50	71	+21	+42%
Working Capital Fund	<u>739</u>	<u>740</u>	<u>705</u>	<u>-35</u>	<u>-4.7%</u>
Total, Other Related Expenses	<u>840</u>	<u>796</u>	<u>782</u>	<u>-14</u>	<u>-1.8%</u>

Economic Impact and Diversity

Program Mission

The Office of Economic Impact and Diversity consists of the Offices of Minority Economic Impact, Small and Disadvantaged Business Utilization, Civil Rights and Diversity, and the Employee Concerns/ National Ombudsman. The mission of the Office is to identify the impact of energy policies on minorities, minority businesses and minority institutions; to promote equal opportunity in employment and contracting at DOE and DOE's major facility contractors; and to assure that small businesses receive a fair and equitable share of Departmental contracts and subcontracts.

Program Strategic Performance Goal:

CM1-6: Promote inclusion in all aspects of the Department's human capital and financial resources by increasing diversity in hiring, contracting, university partnerships, banking economic development, mentoring and other small business developmental programs.

Performance Indicators:

- # Increase in small business activities accomplishments and outreach programs.
- # Increase diversity in DOE's workplace comparable to the national civilian labor force and local populations.
- # Conduct quarterly reviews of programs under the purview of Employee Concerns/Ombudsman; Civil Rights; and Small Business.
- # Continue development and implementation of no less than five diversity projects.

Annual Performance Results and Targets

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
<p>Completed DOE-wide diversity review and formatted implementation plan which includes strategies for employing a system approach to workforce diversity. Analyze the effectiveness of the DOE Employee Concerns program and the Department's "zero tolerance for reprisal" policy.</p>	<p>To implement the Diversity Plan:</p> <ul style="list-style-type: none"> • Increase from three to four the number of Title VI/Title IX field reviews. • Deploy a new case tracking system by February 2003 to process and produce statutorily mandated reports for the Equal Employment Opportunity Commission and Congress. • Conduct diversity conference for federal and contractor employees in September 2003. • Conduct sexual harassment training for all employees. • Prepare report on the diversity implementation plan by December 2003. • Prepare annual Federal EEO Statistical Report of Discrimination Complaints by November 2003. • Prepare Federally Assisted Programs Workload and Performance Data Report by January 2003. • Prepare Affirmative Employment Program Accomplishment Report and Plan Update for Minorities and Women by April 2003. (CM1-6) 	<p>Continue implementation of Diversity Plan by:</p> <ul style="list-style-type: none"> • Increasing from four to five the number of Title VI/Title IX field reviews. • Based on tracking benchmark established in FY 03, improve EEO complaint processing time for complaints and prepare year end documentation report. • Conduct a diversity conference for federal and contractor employees in September 2004. • Conduct diversity training for all employees. • Conduct sexual harassment training for all employees. • Prepare report on the diversity implementation plan. • Prepare Federally Assisted Programs Workload and Performance Data Report by January 2004. • Prepare Affirmative Employment Program Accomplishment Report and Plan Update for Minorities and Women by April 2004. (CM1-6)

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
<p>Met with heads of Departmental elements to identify areas of support for minority educational institutions to enforce the Secretary's commitment for baseline funding levels and funding increase of 5 percent above the previous year actual funding.</p>	<ul style="list-style-type: none"> • Issue Minority Education Policy increase by 5 percent the funding for minority institutions. • Increase Departmental element participation by up to two. • Establish seven partnerships with minority educational organizations/institutions to include Hispanic Educational Institutions, Historically Black Colleges and Universities, and Tribal Colleges and Universities. • Prepare Annual Report on Activities with HBCUs by December 2003. • Prepare Performance Report on Activities with Tribal Colleges and Universities by December 2003. • Prepare Performance Report on implementing Executive Order 12900 on Educational Excellence for Hispanic Awareness by December 2003. (CM1-6) 	<p>Implement Minority Education Policy by:</p> <ul style="list-style-type: none"> • Establish three new partnerships with minority-serving institutions/ organizations to increase the number of students pursuing science-related degrees and energy careers. • Increase by 5 percent the funding for minority institutions. • Increase departmental element participation by up to two. • Host the first annual minority educational institutions conference. • Prepare Annual Report on Activities with HBCUs by December 2004. • Prepare Plan of Activities with HBCUs by December 2004. • Prepare Performance Report on Activities with Tribal Colleges and Universities by December 2004. • Prepare Performance Report on implementing Executive Order 12900 on Educational Excellence for Hispanic Awareness by December 2004. (CM1-6)

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
	<p>Expand the Minority Banking Program by:</p> <ul style="list-style-type: none"> • Increasing the number of minority banks within the current program by two in FY 03. • Increasing the number of minority trustees by two in FY 03. • Participate and support the Minority National Bankers Association Convention. • Partner with two federal agencies on expanding the Minority Banking Program in FY 03. (CM1-6) 	<p>Continue expanding the Minority Banking Program by:</p> <ul style="list-style-type: none"> • Increasing the number of minority banks within the current program by two in FY 04. • Increase the number of minority trustees by two in FY 04. • Participate and support the Minority Bankers Association Convention. • Partner with two federal agencies on expanding the Minority Banking Program in FY 04. (CM1-6)

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
<p>Mid-year data indicates that the Department will achieve its objective of an increase of \$179 million to its FY 01 base of \$512 million. Subcontracting dollars for FY 02 dollars represent a \$0.5B increase from FY 01 dollars.</p>	<p>Implement Small Business Policy by:</p> <ul style="list-style-type: none"> • Developing and submitting small business goals to SBA by November 2002. • Prepare Annual Small Business Report to Congress by July 2003. • Submit Annual Report to Congress by September 30, 2003. • Develop small business plan by end of first quarter 2003. • Develop new small business database of 1000 small businesses by end of FY 03. • Host series of regional small business conferences. • Host 4th Annual Small Business Conference in third quarter of FY 03. • Provide technical assistance for 25 small businesses on GSA certifications. • Publish Small Business Forecast of Subcontracting Opportunities by November 2003. • Establish, negotiate and provide small business goals to departmental elements by the end of the first quarter of FY 03. • Prepare annual competitive demonstration program by end 	<p>Continue implementation of the Small Business Policy by:</p> <ul style="list-style-type: none"> • Developing and submitting small business goals to SBA by November 2003. • Prepare Annual Small Business Report to Congress by July 2004. • Submit Annual Report to Congress by September 30, 2004. • Increase number of small businesses in database by 500 by end of FY 04. • Host 5th Annual Small Business Conference. • Increase number of small businesses registered for GSA certification by 25. • Host series of regional small business conferences. • Publish Small Business Forecast of Subcontracting Opportunities by November FY 04. • Establish, negotiate and provide small business goals to departmental elements by the end of the first quarter of FY 04. • Prepare annual competitive demonstration program by end of FY 04. (CM1-6)

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
	<p>Conduct comprehensive review of the Ombudsman operation by:</p> <ul style="list-style-type: none"> • Preparing annual Ombudsman report by end of FY 03. • Prepare White House Initiative Report on Asian Americans and Pacific Islanders quarterly. • Update the Ombudsman website. • Prepare quarterly status reports on small business Ombudsman activities and services. (CM1-6) <p>Increase awareness of Employee Concerns activities by:</p> <ul style="list-style-type: none"> • Holding quarterly employee concerns managers meetings. • Preparing Annual Employee Concerns Report by November of each year. • Develop a marketing plan to improve access to Employee Concerns programs by the end of FY 03. • Implement four quarterly special emphasis programs/ events and two commemorative events in FY 03. (CM1-6) 	<p>Continue comprehensive review on the Ombudsman operation by:</p> <ul style="list-style-type: none"> • Preparing annual Ombudsman report by the end of FY 04. • Prepare White House Initiative Report on Asian Americans and Pacific Islanders quarterly. • Update the Ombudsman website. • Prepare quarterly status reports on small business Ombudsman activities and services. (CM1-6) <p>Maintain departmental awareness of the Employee Concerns activities by:</p> <ul style="list-style-type: none"> • Holding quarterly employee concerns managers meetings. • Preparing Annual Employee Concerns Report by November of each year. • Update marketing plan established in FY 03. • Conduct four special emphasis training programs/ events and two commemorative events in FY 04. (CM1-6)

Significant Accomplishments and Program Shifts:

Office of Minority Economic Impact

- # Implement the first Department-wide policy statement on minority educational institutions, which will strengthen the Department's commitment to providing opportunities for minority educational institutions to participate in core energy programs.
- # Convene 3 regional technical assistance workshops to address Departmental partnership and employment opportunities for minority educational institutions.
- # Establish 3 additional academic achievement partnerships with educational organizations and institutions to increase the number of students who are prepared to complete studies in areas of interest to their agencies.
- # Develop strategies to provide incentives to encourage financial institutions to partner with the Department of Energy "Pro Bono" as "Trustee" for the Bank Deposit Financial Assistance Program.
- # Implement competitive sourcing to provide small businesses with competition opportunities.

Office of Small and Disadvantaged Business Utilization

- # Develop and submit small business goals to the Small Business Administration by the end of second quarter FY 2003.
- # Establish, negotiate and provide small business goals to departmental elements.
- # Prepare Annual Small Business Report to Congress by September 30, 2003.
- # Develop small business strategic plan by end of March 2003.
- # Develop new small business database of 1000 small businesses by September 30, 2003.
- # Conduct quarterly regional small business conferences by August 2003.
- # Host 4th Annual Small Business Conference in May 2003.
- # Publish Small Business Forecast of Subcontracting Opportunities by November 2003.
- # Prepare Annual Competitive Demonstration Program Report by end of FY 2003.

Office of Civil Rights and Diversity (OCRD)

- # Increase from three to four, the number of Title VI/Title IX field reviews.
- # Deploy a new case tracking system by February 2003 to process and produce statutorily mandated reports to the Equal Employment Opportunity Commission and Congress.
- # Conduct the Annual Diversity Training Seminar for federal and contractor employees no later than September 2003.

- # Conduct sexual harassment training for all Headquarters employees and ensure that Field elements are conducting such training in accordance with DOE policies and guidelines.
- # Prepare Federal EEO Statistical Report of Discrimination Complaints by November 2003.
- # Prepare a report on the diversity Review Implementation Plan and other DOE diversity activities by December 2003.
- # Prepare the Analysis of Workforce and Assurance of Nondiscrimination and Affirmative Action for Individuals with Handicaps by February 2003.
- # Prepare the Information and Reporting Requirements and Federally Assisted Programs Workload and Performance Data Report pursuant to Executive Order 12250 by January 2003.
- # Prepare Multi-year Affirmative Employment Program Report and Plan Update for Minorities and Women by April 2003.

Office of Employee Concerns/National Ombudsman

- # Hold first Employee Concerns Managers meeting in conjunction with the Employee Concerns Forum, an umbrella group representing nuclear facilities and companies in the utility industry.
- # Provide training to the Employee Concerns Program Managers on how to interact most effectively with the Office of the National Ombudsman, and the Alternative Dispute Resolution (ADR) Program at the Department.
- # Mediate and facilitate EEO, whistleblower, and employment disputes at DOE Headquarters and in the field.
- # Increase employee concerns data collection from a quarterly to a monthly basis to provide more up-to-date statistics for review by senior management.
- # Initiate the first Annual Report for the Office of the National Ombudsman to the Secretary to outline the subject matter and location of issues brought to the Ombudsman.
- # Reconfigure the Department's Ombudsman Office functions, establishing interaction with the Small Business Administration's Office of National Ombudsman.
- # Monitor Departmental racial profiling activities and accomplishments.
- # Redesign the National Ombudsman website to increase visibility and jurisdiction of the program.

Funding Profile

(dollars in thousands)

	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Economic Impact and Diversity					
Program Direction	4,967 ^a	5,093	4,701	-392	-7.7%
Minority Economic Impact Program	1,200	1,400	1,400	0	0%
Subtotal, Economic Impact and Diversity	6,167	6,493	6,101	-392	-6%
Adjustments	-235 ^b	0	0	0	0%
Total, Economic Impact and Diversity	5,932 ^c	6,493 ^c	6,101 ^c	-392	-6.0%
Additional net budget authority to cover the cost of fully accruing retirement (non-add)					
	(304)	(300)	(300)	(0)	(0%)
FTEs	42	42	37	-5	-11.9%

Public Law Authorizations:

- P.L. 95-619, "National Energy Conservation Policy Act" (NECPA - 1978) Section 641 of (42 U.S.C. 7141)
- P.L. 95-507, 92 Stat. 770, Small & Disadvantaged Business Utilization, 1978
- P.L. 88-351, Title VII of the Civil Rights Act of 1964, as amended
- P.L. 95-89, "Small Business Reauthorization Act - HUBZone Empowerment", 1997
- 10 CFR, Part 708 "Contractor Employees Protection Program, 1999

Executive Orders:

- 13256 "Historically Black Colleges and Universities"
- 13230 "Educational Excellence for Hispanic Americans"
- 13021 "Tribal Colleges and Universities"
- 12138 "Creating a National Women's Business Enterprise Program, 1979"
- 13216 "Improving Quality of Life of Asian Americans and Pacific Islanders"
- 13254 "USA Freedom Corp"

^aIncludes a \$5,000 general reduction for travel and administrative expenses.

^bFY 2002 adjustments include a reduction of \$235,000 in prior year balances.

^cIncludes a reduction of \$28,000 for the Department of Homeland Security.

Economic Impact and Diversity Program Direction

Mission Supporting Goals and Objectives

CM 1-6: Promote inclusion in all aspects of the Department’s human capital and financial resources by increasing diversity in hiring, contracting, university partnerships, banking economic development, mentoring and other small business developmental programs.

ED’s Program Strategic Performance Goal is to manage diversity in DOE’s human capital and financial resources by increasing hiring, retention, internships, mentoring, contracting and other developmental programs. To support its Program Strategic Performance Goal, ED has mission supporting goals and objectives that include: (1) becoming the leader among federal agencies in managing diversity of DOE’s human capital; 2) providing equitable opportunities for small, minority and women-owned businesses to compete for contracts and subcontracts, (3) promoting collaborative efforts with educational institutions, federal agencies and community based organizations, (4) conducting research to determine the effects of national energy programs, policies and regulations on the minority community at large, and (5) execute acquisition strategies to utilize small business and/or 8(a) firms to achieve efficient and effective competition between federally performed functions and private resources. This approach will be implemented within all internal tasks as well as evaluating other DOE program offices’ commitment to the Federal Activities Inventory Reform (FAIR) Act.

Funding Schedule

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Salaries and Benefits	3,916	4,004	3,612	-392	-10%
Travel	85 ^a	90	90	0	0.0%
Other Related Expenses	966	999	999	0	0%
Total, Economic Impact and Diversity	4,967 ^b	5,093^b	4,701^b	-392	-7.7%
Additional net budget authority to cover the cost of fully accruing retirement (non-add)	(304)	(300)	(300)	(0)	(0%)
FTEs	42	42	37	- 5	-11.9%

^aIncludes a \$5,000 general reduction for travel and administrative expenses.

^bIncludes a reduction of \$28,000 for the Department of Homeland Security.

Detailed Program Justification

(dollars in thousands)

	FY 2002	FY 2003	FY 2004
# Salaries and Benefits	3,916	4,004	3,612

Salary and Benefits provide funding for 37 full-time permanent and other than full-time permanent employees in the following classes: salaries and wages, overtime pay, cash incentive awards, lump sum leave payments, Senior Executive Service and other performance awards and payments to funds for employee benefits.

In FY 2004 performance will be measured by the following:

- S Increase or improve small business contracting opportunities and outreach programs to minority, small, and disadvantaged businesses.
- S Increase diversity, monitor and support the Department's progress in a model workplace.
- S Conduct quarterly reviews of programs and monitor "zero tolerance" policies of reprisals.
- S Continue development and implementation of no less than five projects to strengthen minority educational institutions and provide increased opportunities to participate in Departmental programs.
- S Increase the number of interagency programs designed to improve programs for minorities in the

# Travel	85	90	90
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Travel provides funding to perform site visits to review and monitor funded projects, conduct complaint investigations, conduct outreach activities, conduct/attend training, meet with financial institutions and investors, attend procurement/contracting seminars, and attend/conduct EEO/Diversity seminars and visits to DOE field and M&O offices.

# Other Related Expenses	966	999	999
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Other Related Expenses includes the costs for investigating and counseling discrimination complaint cases; sponsoring small and disadvantaged and women-owned business exhibits, conferences, workshops, summits, outreach activities; diversity surveys; upgrading necessary websites; mediation reviews; special emphasis training and diversity awareness training. In addition, this item covers the Working Capital Fund which supports utilities, telephone, rent, supplies, equipment, printing, graphics, copying, postage, etc.

Total, Program Direction	4,967	5,093	4,701
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Explanation of Funding Changes from FY 2003 to FY 2004

	FY 2003 vs. FY 2004 (\$000)
# Salaries and Benefits	-392
<p>The decrease is the net result of a reduction of full-time equivalent employees which is offset by the full effect of the FY 2003 pay raise and the partial effect of the FY 2004 pay raise.</p>	
Total, Funding Change	-392

Other Related Expenses

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Office of Civil Rights	120	120	120	0	0.0%
Office of Minority Economic Impact	30	30	30	0	0.0%
Office of Small & Disadvantaged Business . . .	116	143	178	+35	+24.5%
Office of Employee Concerns/ National Ombudsman	10	10	10	0	0.0%
Subtotal, Other Related Expenses	276	303	338	+35	+11.6%
Working Capital Fund	690	696	661	-35	-5%
Total, Other Related Expenses	966	999	999	0	0.0%

Minority Economic Impact Program Support

Mission Supporting Goals and Objectives

CM1-6: Promote inclusion in all aspects of the Department's human capital and financial resources by increasing diversity in hiring, contracting, university partnerships, banking economic development, mentoring and other developmental programs.

The Office of Minority Economic Impact (OMEI) is mandated by legislation and Executive Orders to advise the Secretary of Energy on the effects of energy policies, regulations, and other actions of the Department and its components on minorities and minority business enterprises and on ways to insure that minorities are afforded an opportunity to participate fully in the energy programs of the Department. OMEI's Program Strategic Program Goal of managing diversity in all aspects of DOE's human capital and financial resources is carried out by dividing this mission into several component parts involving (1) research and analysis, (2) management and technical assistance, and (3) financial assistance.

Research and Analysis Program (RAP)

The Research and Analysis Program will provide analysis to determine the effects of energy programs, policies, and regulations of the Department on minorities.

Management and Technical Assistance (M&TA)

The Minority Educational Institutional Assistance Program provides guidance to minority educational institutions on how to access research and planning grants; economic and business analysis resources, and program and contract opportunities at DOE.

The Minority Information Clearinghouse serves as a centralized repository and dissemination point for energy-related information on various energy programs and resources at DOE.

The Minority Business and Community Development Program provides funding for technical assistance to minority business enterprises to enable these enterprises to participate in the research, development, demonstration, and contract activities of the Department.

Financial Assistance Program

The Financial Assistance Program markets non-appropriated funds obtained through consent decrees in the Economic Regulatory Administration's Petroleum Violation Escrow Account (PVEA) for deposit in short-term certificates of deposit by minority financial institutions. These funds are then targeted to loans and investments in minority communities.

Funding Schedule

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
SocioEconomic Research and Analysis Program Data Development and Minority Energy Assessment Models	50	50	50	0	0.0%
Management and Technical Assistance Program - Minority Educational Inst. Support	550	550	550	0	0.0%
Minority Business and Community Development.	400	550	550	0	0.0%
Financial Assistance Program - Bank Deposit Financial Assistance	200	250	250	0	0.0%
Total, Minority Economic Impact	1,200	1,400	1,400	0	0.0%

Detailed Program Justification

(dollars in thousands)

	FY 2002	FY 2003	FY 2004
# Research and Analysis Program (RAP)	50	50	50
<ul style="list-style-type: none"> ▶ The Research and Analysis Program will include development of a data analysis series showing information on per-household space-heating consumption and expenditures for electricity, natural gas, and heating oil by race and ethnicity. ▶ The performance goal is to better facilitate the Department’s capacity to determine the impact of energy policies and programs on minority population groups and address equity in policy determinations through regular comprehensive analysis and reviews of existing policies and programs and publications of findings along with a Department-wide strategic plan of eradication of barriers to equity in program participation among minority groups. 			
Management and Technical Assistance Program			
# Minority Education	550	550	550
<ul style="list-style-type: none"> ▶ Provides funding for Minority Educational Institutions to improve scientific research and related capabilities at minority educational institutions. ▶ The performance goal is to increase the financial participation of DOE elements to minority serving institutions by 5 percent above the FY 2003 level. 			
# Business and Community Development	400	550	550
<ul style="list-style-type: none"> ▶ Provides funding for developing and improving the dissemination of relevant technical information to minority businesses and communities. ▶ The performance goal is to offer management and technical assistance through three regional training seminars and three developmental workshops to constituents to enhance their opportunities to participate fully in the energy programs of DOE. 			
# Financial Assistance Program.	200	250	250
<ul style="list-style-type: none"> ▶ Provides funding for the administration of the Bank Deposit Financial Assistance Program which provides short-term deposits of Federal funds in minority owned financial institutions. ▶ Implement the Federal Activities Inventory Reform Act through acquisition strategies when procuring services for purchasing certificates of deposit. ▶ The performance goal is to increase by two the number of new minority and women-owned financial institutions that will participate in the program. 			
Total, Minority Economic Impact	1,200	1,400	1,400

Funding by Site

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Oak Ridge Operations Office	23	0	0	0	0.0%
Total, Oak Ridge Operations Office	23	0	0	0	0.0%
Rocky Flats Field Office	40	0	0	0	0.0%
Total, Rocky Flats Field Office	40	0	0	0	0.0%
Washington Headquarters	6,104	6,493	6,101	-392	-6.0%
Total, Minority Economic Impact	6,167	6,493	6,101	-392	-6.0%

Site Description

Oak Ridge Operations Office (ORO)

ORO has successful partnerships with the private sector. Whether through relatively simply technical assistance arrangements with small business or collaborative technology development with large consortiums.

Rocky Flats Field Office

In support of the Cooperative Developmental Energy Program (CDEP) at the Fort Valley State University, Rocky Flats Field Office administers the CDEP which is a minority education program designed to increase the number of minorities and women in science and engineering career fields.

General Counsel

Mission Supporting Goals

The Office of General Counsel is responsible for providing comprehensive legal services to the Secretary and the Department. These services include legal counsel with respect to every program and function of the Department, except those relating to the Federal Energy Regulatory Commission and Environment, Safety, and Health's administrative enforcement activities related to Nuclear Safety. General Counsel assures that the Department operates in compliance with applicable laws and regulations. The position of General Counsel is established by Public Law 95-91, Section 202(b).

Funding Profile

(dollars in thousands, whole FTEs)

	FY 2002 Comparable Appropriations	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Salaries and Benefits	17,740	18,198	18,405	+207	+1.1%
Travel.	102	100	75	-25	-25.0%
Support Services	794	797	692	-105	-13.2%
Other Related Expenses . .	3,967 ^a	3,618	3,707	+89	+2.5%
Subtotal, General Counsel .	22,603 ^b	22,713 ^b	22,879 ^b	+166	+0.7%
Adjustments	-150 ^c	0	0	0	0%
Total, General Counsel	22,453	22,713	22,879	+166	+0.7%
Additional net budget authority to cover the cost of fully accruing retirement (non-add)	(1,201)	(1,151)	(1,151)	(0)	(0.0%)
Full Time Equivalentents	155	150	144	-6	-4.0%

^aIncludes a \$21,000 general reduction for travel and administrative expenses.

^bIncludes a reduction of \$100,000 for the Department of Homeland Security.

^cAdjustments include a reduction of \$150,000 in prior year balances.

Detailed Program Justification

(dollars in thousands)

	FY 2002	FY 2003	FY 2004
Salaries and Benefits	17,740	18,198	18,405
<p>Provides funding in FY 2004 for 144 full-time equivalent employees to include salaries, benefits, overtime, incentive awards, lump sum leave, SES and other performance awards, and payments on behalf of employees for payments to funds such as unemployment compensation and buyouts.</p> <p>General Counsel will measure its performance in FY 2004 by:</p> <ul style="list-style-type: none"> ▶ Feedback received from customers and General Counsel personnel, and reviews such as those conducted by the DOE Inspector General and the General Accounting Office. 			
Travel	102	100	75
<p>Provides funding for employees to attend hearings, court trials, proceedings, and to take depositions wherever necessary. Also provides funding for conference and training attendance.</p>			
Support Services	794	797	692
<p>Provides funds for technical support services, including: mediators for Alternative Dispute Resolution, staffing of the DOE law library, contract attorneys to process intellectual property actions, and computer/LAN operations, including consulting and software programming services for a nationwide intellectual property database and other General Counsel databases.</p>			
Other Related Expenses	3,967	3,618	3,707
<p>Provides funding for the DOE headquarter's law library materials, training, Department of Commerce fees for intellectual property prosecution, Lexis/Nexis and Westlaw services (timesharing), national archives storage fees, computer/LAN hardware and software costs, items included in the headquarters Working Capital Fund (rent, utilities, building operation and maintenance, supplies, telephone, DOE-wide computer/LAN operations, etc.), and other miscellaneous costs.</p>			
Subtotal, General Counsel	22,603	22,713	22,879
Adjustments	-150^a	0	0
Total, General Counsel	22,453^b	22,713^b	22,879^b

^aAdjustments include a reduction of \$150,000 in prior year balances.

^bIncludes reduction of \$100,000 for the Department of Homeland Security.

Explanation of Funding Changes from FY 2003 to FY 2004

FY 2003 vs FY 2004 (\$000)

Salaries and Benefits

Decrease of 6 FTEs which is offset by an increase in salaries and benefits due to the full effect of the FY 2003 pay raise and the partial effect of the FY 2004 pay raise +207

Travel

Decrease in travel resulting from fewer FTEs -25

Support Services

Decrease in Intellectual Property activity (-\$179,000), increase for Alternate Dispute Resolution (+\$40,000) and increase in Computer/LAN support (+\$34,000). -105

Other Related Expenses

Increases in: Library materials (+\$21,000), Archives Storage (+\$15,000) and Working Capital Fund (+\$228,000). Decreases in: Training (-\$22,000), Intellectual Property activity (-\$123,000), Computer hardware/software (-\$25,000) and Other (-\$5,000). +89

Total, General Counsel +166

Support Services

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Technical Support Services					
Intellectual Property	191	260	81	-179	-68.8%
Alternate Dispute Resolution	77	40	80	+40	+100.0%
Computer / LAN	426	397	431	+34	+8.6%
Law Library - Personnel . .	100	100	100	0	0%
Total, Support Services	794	797	692	-105	-13.2%

Other Related Expenses

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Law Library - materials	300	286	307	+21	+7.3%
Training	41	42	20	-22	-52.4%
Government Agencies -					
Intellectual Property	445	292	169	-123	-42.1%
Timesharing	300	300	300	0	0%
Archives storage	54	15	30	+15	+100.0%
Computer, hardware/software	30	75	50	-25	-33.3%
Working Capital Fund	2,743	2,553	2,781	+228	+8.9%
Other	54	55	50	-5	-9.1%
Total, Other Related Expenses	3,967	3,618	3,707	+89	+2.5%

Office of Management, Budget and Evaluation/Chief Financial Officer

Program Mission

The Office of Management, Budget and Evaluation (OMBE) provides the Department of Energy (DOE) with centralized direction and oversight for the full range of financial, management, program evaluation and administrative services. OMBE coordinates DOE's efforts to achieve the goals of the President's Management Agenda (PMA) and leads implementation of PMA initiatives on Strategic Management of Human Capital, Competitive Sourcing, Improved Financial Management, and Budget and Performance Integration. OMBE's financial activities include budget formulation, presentation and execution; oversight of DOE-wide internal controls; and operation of the Department's payroll and financial management systems. Management activities include strategic planning and program evaluation; project and contract management policy development and oversight; human resources policy development and delivery of human resource and procurement services to DOE headquarters staff. Administrative activities include the management of headquarters facilities and the delivery of other services critical to the proper functioning of the Department of Energy.

The budget for the Office of Management, Budget and Evaluation also supports the activities of the Secretary of Energy Advisory Board (SEAB), an external advisory board chartered under the Federal Advisory Committee Act of 1972 (Public Law 92-436). The Board and its subcommittees allow the Secretary of Energy to obtain timely, balanced, and independent external advice on issues of national importance related to the missions of the Department of Energy. The Board maintains two standing subcommittees: the Openness Advisory Panel and the Laboratory Operations Board. The Board forms additional subcommittees as required to address the policy concerns of the Secretary of Energy and the Department.

Program Strategic Performance Goals

CM1-1: Implement the DOE 5-Year Workforce Restructuring Plan.

Performance Indicators:

Improved functioning of the Department's Human Capital Management Program.

Annual Performance Results and Targets

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
Improve Departmental Human Capital Management by initiating comprehensive human resources strategies which will:	Improve Departmental Human Capital Management by initiating comprehensive human resources strategies which will:	Improve Departmental Human Capital Management by implementing comprehensive human resources strategies which will:
Streamline the DOE hiring process through process reengineering, automated recruitment, and other means that reduce the time it takes to fill jobs by at least 20 percent at DOE Headquarters;	Cascade a new performance management system (based upon the SES model) down to all GS-15 and below managers and supervisors;	Continue the streamlining efforts of the DOE hiring process at HQ through process re-engineering, improved automated recruitment, and other means that reduce the time it takes to issue selection certificates by 20% from the FY 2003 baseline.
		Address skills gaps and aging

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
<p>Increase employee access to mission-related training by at least 30 percent through "on-line" and other technology assisted learning capabilities;</p>	<p>Initiate implementation of a workforce planning methodology that identifies critical skills for key scientific and technical positions; integrate expanded use of hiring incentives and flexibilities with budget and performance plans;</p>	<p>workforce challenges by ensuring that at least 15% of the employees hired during FY 2004 in the administrative, technical and professional career fields are at the entry level;</p>
<p>Achieve cost savings and reduce traditional manually-generated personnel and training paper records by at least 20 percent utilizing CHRIS;</p>	<p>Ensure Departmental leadership succession by developing a cross-cutting succession planning process within DOE for mission critical occupations;</p>	
<p>Reduce managerial layering and shift staffing resources to front line, mission critical positions consistent with Administration guidelines. Address skills gaps and aging workforce challenges by hiring at least 15% of new administrative, technical and professional employees at entry levels;</p>	<p>Reduce managerial layering and shift staffing resources to front line, mission critical positions consistent with Administration guidelines;</p>	<p>Reduce managerial layering and shift staffing resources to front line, mission critical positions consistent with Administration guidelines;</p>
<p>Complete the milestones listed in the FMFIA corrective action plan for the Departmental challenge of human capital management.</p>	<p>Complete the milestones listed in the FMFIA corrective action plan for the Departmental challenge of human capital management.</p>	<p>Achieve the FY 2004 milestones listed in the FMFIA corrective action plan for the Departmental challenge of human capital management and eliminate as a Departmental challenge.</p>

CM1-2: By the end of FY 2004, complete three competitive sourcing studies. Conduct additional studies in FY 2005 and beyond based on requirements established by the Office of Management and Budget and an assessment of Departmental needs.

Performance Indicators:

Number of studies and performance work statements completed as of a given fiscal year.

Annual Performance Results and Targets

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
Establish an Agency plan for ensuring the accuracy of Federal Activities Inventory Reform (FAIR) Act data for 2002.		
Plan public, private or direct conversion competitions for 15 percent of the Department's inventory of commercial positions.	Complete public, private or direct conversion competitions for two studies in FY 2003 toward the 15 percent goal.	At least three of the FY 2002/FY2003 A-76 studies will be completed and two of the three will be fully implemented.
	Identify potential functions for future studies, to include expansions of existing studies.	For FY 2002/FY 2003 studies that have not been completed, the Performance Work Statements (PWS) will be finished.
		Any approved FY 2004 studies will have completed the preplanning study phase.

CM1-3: Manage the Department's financial resources and other assets; obtain an unqualified opinion by independent auditors on the Department's annual financial statements; and integrate financial, budget, and program information.

Performance Indicators:

Schedule variations of annual financial statement issuance, interim financial statement issuance, and systems implementation.

Independent auditor attestation regarding the Department's annual financial statements, and reports regarding internal controls.

Annual Performance Results and Targets

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
By September 30, 2002, complete the project design phase for the STARS (formerly Phoenix) core financial system; update the Project Plan/Baseline, and the Business Case; and begin the Configure/Build Phase to prepare the system for	Meet major milestones for the implementation of the Integrated Management Navigation System (I-MANAGE) Standard Accounting and Reporting System (STARS), Standard Budget System, and Data Warehouse projects.	Meet major milestones for the implementation of the Integrated Management Navigation System (I-MANAGE) Standard Accounting and Reporting System (STARS), Standard Budget System, and Data Warehouse projects.

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
deployment.		
Obtained an unqualified audit opinion on the Department's FY 2001 financial statements with no material internal control weaknesses reported by auditors.	Obtain an unqualified audit opinion on the Department's FY 2002 financial statements with no material internal control weaknesses reported by auditors by January 31, 2003.	Obtain an unqualified opinion on the Department's FY 2003 financial statements with no material internal control weaknesses reported by auditors by December 15, 2003.
Issue interim financial statements by May 31, 2002. By September 30, 2002, define requirements for integrating financial information with budget and program information.	Issue timely and accurate interim financial statements within 45 days of the end of each quarter.	Issue timely and accurate interim financial statements within 21 days of the end of each quarter.
Complete all planned External Independent Reviews (EIRs) of projects on schedule, to support both the needs of the project managers and the validation of the performance baselines.	Complete all planned External Independent Reviews (EIRs) of projects on schedule, to support both the needs of the project managers and the validation of the performance baselines.	
Review and revise the Department's policy on program and project management for the acquisition of capital assets, and the Project Management Manual and Practices.	Publish the Departmental directive related to the implementation of a facilities and infrastructure program by June 2003.	
	Issue standards for acceptable cost and schedule performance. Eighty-five percent (85%) of DOE's projects will be reported in the Monthly Project Status Report as on-track to be completed within 10 percent of the cost and schedule baseline. All projects greater than \$5M will be assessed with the 85% goal applying to both number of projects and total dollar value.	Issue standards for acceptable cost and schedule performance. Ninety percent (90%) of DOE's projects will be reported in the Monthly Project Status Report as on-track to be completed within 10 percent of the cost and schedule baseline. All projects greater than \$5M will be assessed with the 90% goal applying to both number of projects and total dollar value.
	Pilot six of 11 core courses on Project Management Career Development Program.	Certify 40% of DOE Federal Project Managers participating in the Project Management Career Development Program (PMCDP) by March 2004.
	Resolve 10 and have an action plan in place for six of the 16 remaining recommendations requiring action identified in the National Research Council report, "Progress in Improving Project Management at the Department of Energy, 2001."	Accomplish and close out the initiatives identified in the Project Management Departmental Challenge action plan by the end of FY 2004.

CM1-4: By the end of FY 2004, all of the Department's goals and performance measures in the Strategic Plan, the Annual Performance Plan and the Budget will be aligned, written in quantifiable and measurable terms, and will demonstrate clear outcomes and/or outputs, such that these goals and measures will provide a basis to evaluate progress, justify resource decisions, and ensure management accountability for results.

Performance Indicators:

Elimination of the Reportable Condition in the Departmental Financial Statement on Performance Measures by end of FY 2004.

Elimination of the Federal Managers Financial Integrity Act (FMFIA) finding on Reporting on Departmental Performance Measures by December 2004 (with the publication of the FY 2004 Performance and Accountability Report).

Annual Performance Results and Targets

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
Establish a Program Analysis and Evaluation Office to enhance performance analysis capability.	Track the performance measures contained in the Department's Annual Performance Plan using the new tracking software.	Complete all FY 2004 actions in the FMFIA corrective action plan for the departmental challenge of performance management, thereby eliminating the challenge and the reportable condition for FY 2004.
Implement a new performance tracking system.		Program performance will be reviewed quarterly, with a report to the Deputy Secretary and, as required, to the DOE Management Council.
Expand applied research and development investment criteria to all applied research programs.		Development and use of performance measurement will be supported by offering a suite of training courses annually to include: strategic planning; performance measurement; and, as appropriate, OMB initiated activities such as R&D investment criteria or the Program Assessment Rating Tool (PART).
Establish a 5-year process, with integrated performance data, for the preparation of the FY 2004 budget.		
Issue guidance and begin development of an updated Department Strategic Plan.	Complete Departmental Strategic Plan and initiate the development of Program Plans based upon the revised Strategic Plan.	
Complete the milestones in the FMFIA corrective action plan for the Departmental Challenge of Performance Management.	The Department's FY 2005 budget submitted to the Office of Management and Budget in September 2003 will: (1) present an integrated view of program	The Department's FY 2006 budget submitted to the Office of Management and Budget in September 2004 will: (1) present an integrated view of program performance and budget request,

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
	performance and budget request, clearly explaining what taxpayers will get for the requested funds; (2) include specific and quantified performance measures linked to at least 75 percent of the requested funds; and (3) show how the program funding requests are allocated to support Administration priorities.	clearly explaining what taxpayers will get for the requested funds, (2) include specific and quantifiable performance measures linked to at least 90 percent of the requested funds; and (3) show how the program funding requests are allocated to support Administration priorities, and to better coordinate out year mortgages for major construction projects.

CM1-5: Improve the efficiency and effectiveness of DOE’s contract management to become a model for government.

Performance Indicators:

Percentage of eligible service contracts that are performance based.

Status of contract management as a management challenge.

Percentage of new competitive awards made electronically.

Annual Performance Results and Targets

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
Increase the use of on-line procurement and other E-Government services and information so that for 100 percent of acquisitions valued over \$25,000, all synopses for which widespread notice is required, and all associated solicitations (unless covered by an exemption in the Federal Acquisition Regulation), will be posted on the Government wide point of entry website (www.FedBizOpps.gov)	Increase the use of on-line procurement and other E-Government services and information so that 100 percent of acquisitions valued more than \$25,000, all synopses for which required, and all associated solicitations (unless covered by an exemption in the Federal Acquisition Regulation), will be posted on the Government-wide point of entry website (www.FedBizOpps.gov); Thirty percent of all new competitive awards will be made via electronic methods.	In support of the President’s Management Agenda initiative to advance e-Government strategies and on-line paperless processes, DOE will increase the percentage of new competitive contracts over \$100,000 awarded electronically from 25% in FY 2002 to 40% in FY 2004. Performance based contracts require the contractor to perform against measurable objectives, and reward or penalize the contractor based on actual performance. DOE will be a leader among civilian Federal agencies in its use of performance based contracts by: Increasing the percentage of eligible service contract dollars that are obligated under performance based contracts from 60% in FY 2002 to 70% in FY 2004;
Increase the use of performance-based contracts so that:	Increase the use of performance-based contracts so that:	

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
Sixty percent of total eligible service contracting dollars (over \$100K) will be obligated as performance-based service contracts; and	Sixty percent of total eligible service contracting dollars (over \$100K) will be obligated as performance-based service contracts; and	Increasing the percentage of eligible new service contracts that are awarded as performance based contracts from 66% in FY 2002 to 68% in FY 2004.
Sixty-six percent of total eligible new service contracts (over \$100K) will be performance-based service contracts.	Sixty-six percent of total eligible new service contracts (over \$100K) will be performance-based service contracts.	In support of internal contract reform initiatives, and consistent with OMB performance targets, maintain the percent of competitive contracting at 75% of all eligible contract dollars for awards over \$100K in FY 2004.
Complete milestones listed in the FMFIA corrective action plan for the Departmental challenge of contract management.		

Funding Profile

(dollars in thousands)

	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Salaries and Benefits.....	66,300	66,933	65,854	-1,079	-1.6%
Travel.....	1,897	1,927	1,827	-100	-5.2%
Support Services.....	13,792	12,604	12,954	350	+2.8%
Other Related Services.....	25,234	24,592	23,575	-1,017	-4.1%
Subtotal, Program Direction.....	107,223 ^{ab}	106,056 ^b	104,210 ^b	-1,846	-1.7%
Adjustments.....	-2,987 ^c		0		
Total, Program Direction.....	104,236	106,056	104,210	-1,846	-1.7%
Additional net budget authority to cover the cost of fully accruing retirement (non-add)	(4,705)	(4,305)	(4,305)	(0)	(0%)
FTEs.....	708	680	659	-21	-3.1%

Significant Accomplishments and Program Shifts

- President’s Management Agenda. OMBE established a framework for achieving the goals of the President’s Management Agenda (PMA) and is overseeing its implementation. OMBE manages the Department of Energy Management Council and has responsibility for four of the five government-wide PMA initiatives. In addition, OMBE leads the effort to accomplish the one agency-specific initiative assigned to DOE, Better R&D Investment Criteria. To further ensure DOE-wide support for PMA goals, OMBE is instituting new accountability measures, including the issuance of PMA scorecards to each departmental element.

^a Includes a \$97,000 general reduction in travel and administrative expenses.

^b Includes a reduction of \$480,000 for the Department of Homeland Security.

^c Adjustments include a \$2,987,000 prior year balance reduction.

- Strategic Management of Human Capital. OMBE has led the effort to improve DOE's management of human capital. OMBE has:
 - worked with DOE senior managers to develop business visions for their organizations and workforce development plans to achieve those visions;
 - identified mission-critical skill needs, especially contract and project management, and developed programs to address those needs;
 - developed a comprehensive five-year workforce restructuring plan to ensure DOE has the workforce needed to achieve its strategic goals;
 - designed a new SES Performance Management System that integrates PMA initiatives into SES performance plans and creates stronger linkages between mission priorities and individual performance;
 - published a Human Capital Management Flexibilities Guide, which includes a wide range of available resources that support hiring and retention needs, developing employees, and rewarding excellence in the DOE workforce;
 - established an SES Candidate Development Program; and
 - implemented a Department-wide Career Intern Program to develop highly qualified technical and non-technical entry- to mid-level candidates.

In recognition of these efforts, DOE was one of only four agencies recently scored by OMB as "yellow" in the strategic management of human capital.

- Competitive Sourcing. OMBE has led DOE's competitive sourcing initiative. OMBE developed the structure for implementing A-76 studies at DOE and launched, managed, and provided technical support for six competitive sourcing studies covering 1,000 positions. OMBE has also coordinated development of the annual FAIR Act inventory for DOE and is aggressively seeking additional opportunities for competitive sourcing throughout the complex. As a result of these efforts, DOE has been recognized as a leader in competitive sourcing throughout the Federal government.
- Improved Financial Management. In the area of financial management, OMBE has provided the leadership and technical expertise to enable DOE to receive an unqualified financial audit every year since 1998. OMBE has aggressively sought to correct the four reportable conditions identified in the FY 2001 financial audit and to ensure no further reportable conditions are found. OMBE is building a new corporate business management system that integrates financial, performance, human resources, and other data to generate reports that will help managers make more informed decisions.

OMBE has established a system to aggressively monitor implementation of Departmental challenges identified in the FY 2001 Performance and Accountability Report. In addition, OMBE received a certificate of excellence from the Association of Government Accountants for DOE's FY 2001 Performance and Accountability Report.

As a result of its efforts, the Department received an unqualified audit opinion of its financial statements for 2002 with only two reportable conditions noted by the auditors. The Secretary also issued an unqualified assurance statement on the adequacy of the Department's management controls. In recognition of its

accomplishments, DOE received an improved score of “yellow” on the most recent scorecard for the President’s Management Agenda.

- Expanded E-Government. DOE’s Chief Information Officer (CIO) is leading DOE’s e-government initiative. Nonetheless, OMBE has played a significant role in supporting the CIO’s efforts. For example, OMBE and the CIO worked together during the FY 2004 budget development process to withhold funding requests for DOE offices that had not submitted their information technology (IT) business cases. As a result of this joint effort, all business cases were submitted. OMBE is also leading E-government initiatives in the areas of data warehousing, financial management, and procurement.
- Budget and Performance Integration. In the area of budget and performance integration, OMBE has:
 - Established a management structure to facilitate budget/performance integration;
 - Instituted a five-year budget planning process;
 - Launched a budget development system modeled after the Department of Defense’s Program Objectives Memorandum (POM) process to ensure that budget requests are linked to strategic goals;
 - As part of the new budget development system, has issued Program Budget Decision memoranda to each departmental element with clear specific direction on mission, program, and budget priorities;
 - Developed R&D investment criteria for applied research;
 - Instituted a performance measurement system to link measures to performance and assess outcomes rather than process;
 - Revised SES and manager performance appraisal systems to include performance measures; and
 - Developed an action plan to integrate budget and performance.

Project Management. In the area of project management, OMBE implemented the Project Analysis and Report System (PARS), which reports cost and schedule performance for all DOE projects. OMBE uses the information from the system to ensure the Department’s projects are managed on time and at cost. OMBE also instituted a critical decision system to ensure that each step of a project – from conception to closure – is analyzed to ensure proper planning takes place and that plans are executed on time and within budget. In addition, OMBE designed a comprehensive project management development program to ensure project managers possess the expertise needed to achieve project goals.

Contract Management. In the area of contract management, OMBE exceeded DOE’s goal of obligating over 60 percent of total eligible service contracting dollars for contracts over \$100,000 as performance-based service contracts. OMBE also increased the use of on-line procurement, 100 percent of all synopses requiring widespread notice and associated solicitations for acquisitions valued at over \$25,000 were posted at the government-wide point of entry website, FedBizOpps.

Purchase Card Management. OMBE conducted six comprehensive reviews of purchase card usage by DOE employees and contractors at sites across the complex. As a result, significant changes were made in guidelines governing DOE’s purchase card program and reviews of all sites were conducted. In addition, a special team

led by a senior executive was established to conduct in-depth reviews at sites with the highest risk for misuse of purchase cards. The special team began its monthly reviews in December 2002.

Reducing Motor Vehicle Fleet. OMBE led the effort to reduce the size of DOE's motor vehicle fleet. At the Secretary's direction, OMBE reduced the headquarters fleet by 10 percent in FY 2002. At sites throughout the nation, the fleet will be reduced by 3 percent in FY 2002 and by a total of 8 percent in FY 2003.

Property Management. OMBE established a policy with broad parameters to acquire, manage and dispose of the Department's land, buildings and infrastructure. OMBE also developed an integrated facilities and infrastructure budget to provide visibility in the budget process for facilities issues such as minor construction, renovations, maintenance, recapitalization and excess elimination.

Other OMBE accomplishments include:

- Issuing a comprehensive report on Laboratory Directed Research and Development for the Department;
- Publishing and implementing a comprehensive aviation order that defines DOE aviation policies, standards, processes and procedures, thereby ensuring the efficiency, effectiveness, safety and security of DOE's aviation program;
- Updating and expanding occupant emergency plans to reflect the current environment and initiated training to prepare employees for a variety of scenarios;
- Initiating building upgrade program at Headquarters to address Americans with Disabilities Act requirements and to improve the quality of worklife for employees; and
- Implemented Electronic FOIA (EFOIA) requirements to allow public access to releasable documents via the Department's website.

The following are highlights of the Secretary of Energy Advisory Board (SEAB) recent accomplishments:

- Appointed 17 new members to SEAB and created two new subcommittees: Industry Sector Summit Initiative Task Force to address issues related to the recommendations and implementation of the President's National Energy Policy (NEP) and its effects on the competitiveness of firms in the industry sectors; and the Task Force on the Future of Science Programs at the Department of Energy to provide appraisals and recommendations regarding the content and structure of science programs at DOE.
- Appointed 40 new members to the Electricity Advisory Board (EAB) to provide independent advice and recommendations on electricity policy issues, including DOE's electricity programs; current and future capacity of the electricity system; issues related to production, reliability and utility restructuring; and coordination between the Department and state and regional officials and the private sector on electricity supply and reliability issues.
- Created two new subcommittees of the EAB: Subcommittee on Electricity Resources Capitalization Concerns to provide appraisals and recommendations regarding the financial and regulatory incentives and obstacles in the power generation market; and the Subcommittee on Transmission Grid Solutions to make recommendations on methods to improve the physical and financial state of the transmission infrastructure, and effects on the transition to competitive regional markets.

Management, Budget and Evaluation/Chief Financial Officer

Mission Supporting Goals and Objectives

The Office of Management, Budget and Evaluation (OMBE) provides the Department centralized direction and oversight for the full range of financial, management, program evaluation, and administrative services to meet the Program Strategic Performance Goals for Corporate Management.

OMBE consists of the following Offices:

- Executive Operations and Support – manages financial, resource, corporate performance and administrative management activities for the Office of Management, Budget and Evaluation;
- Management Analysis – integrates DOE’s business management information systems through the IMANAGE system and manages reviews and assessments of Department-wide operations;
- Competitive Sourcing – manages the Department’s Competitive Sourcing initiative;
- Aviation Management – manages all aircraft and contracted aviation services for the Department world-wide including the operation of a DOE-owned fleet of aircraft equivalent to the activities of a small regional airline and supplemented by contracted aviation activities;
- Finance and Accounting Policy – establishes and interprets Departmental accounting and financial policies and general procedural requirements for Federal accounting and reporting Department-wide; oversees the development and implementation of all major financial systems; and provides all accounting services for Headquarters, including payroll, travel, cash management, contractor oversight, and administrative control of funds;
- Program Analysis and Evaluation – develops, implements and manages the Department’s strategic planning, multi-year planning, program evaluation, and performance measurement systems;
- Budget – directs the formulation, execution, analysis and preparation of the Department’s budget; develops and maintains Departmental budget planning activities and budget controls; and manages the Department’s interface with the Office of Management and Budget (OMB) and Congressional committees on appropriations and other budget-related matters;
- Administration – provides Department-wide oversight and support for printing, mail and library services, and Headquarters support for facilities and assets management, travel and transportation, moving, warehousing, supplies, mail and space management; in addition, supports and maintains key corporate management communication systems through Directives, Policy Memoranda, and Delegations;
- Human Resources Management – provides leadership and advice to the Department regarding the impact and use of policies, proposals, programs and partnership agreements related to personnel management; coordinates programs and develops standards necessary to ensure that Departmental employees maintain the technical qualifications necessary to safely operate all Departmental facilities; provides leadership and direction in dealings with Federal and non-Federal organizations regarding human resources programs and policies;
- Procurement and Assistance Management – ensures the development and implementation of DOE-wide policies, procedures, programs, and management systems pertaining to procurement and financial

assistance, real and personal property management, maintenance management, and related activities to provide procurement services to Headquarters elements;

- Executive Secretariat – provides quality document management; develops, maintains and shares institutional memory; facilitates the timely delivery of executive commitments and information; implements the Department’s Freedom of Information Act and Privacy Act programs; and manages the life-cycle of Federal Advisory Committees;
- Engineering and Construction Management – provides corporate oversight of the Department’s projects; drives value added change in the Department’s project management systems; and supports the Department’s project managers;
- Program Liaison and Financial Analysis – provides analysis for sound management and stewardship of the Department’s financial resources by providing assistance and meaningful financial analytical information to senior managers, program and field officers; provides oversight through independent financial analysis and reviews; develops and tracks financial performance measures; administers the Department’s Management Control Program; and promotes sound cash management practices.

During FY 2004, the Office of Management, Budget and Evaluation (OMBE) will continue to accomplish the goals of the President’s Management Agenda by helping to ensure that:

- DOE’s workforce has the skills and knowledge to achieve DOE’s mission and is strategically deployed;
- Competitive sourcing is used as a strategic tool to improve performance;
- Reliable, useful, and timely financial information is available for decision-making;
- DOE’s corporate business information systems provide reliable data for decision-makers;
- Budget presentations are linked to performance measures; and
- Contract reforms are instituted to improve performance by contractors.

Funding Schedule

(dollars in thousands, whole FTEs)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Salaries and Benefits.....	66,300	66,933	65,854	-1,079	-1.6%
Travel.....	1,897	1,927	1,827	- 100	-5.2%
Support Services.....	13,792	12,604	12,954	+ 350	+2.8%
Other Related Services.....	25,234	24,592	23,575	-1,017	-4.1%
Total, Program Direction.....	107,223 ^{ab}	106,056 ^b	104,210 ^b	-1,846	-1.7%
Additional net budget authority to cover the cost of fully accruing retirement (non-add)	(4,705)	(4,305)	(4,305)	(0)	(0%)
FTEs.....	708	680	659	-21	-3.1%

^a Includes a \$94,000 general reduction in travel and administrative expenses.

^b Includes a reduction of \$480,000 for the Department of Homeland Security.

Detailed Program Justification

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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Salaries and Benefits	66,300	66,933	65,854
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Provides funding in FY 2004 for 659 employees to include salaries, overtime, incentive awards, lump sum leave, and SES and other performance awards. In addition to salaries and benefits, funding is provided for workman’s compensation payments on behalf of all employees funded through the Departmental Administration appropriation.

The Office of Management, Budget and Evaluation will:

CM1-1: Implement the DOE 5-Year Workforce Restructuring Plan. This includes developing and implementing a succession planning model, developing a knowledge management capability, and ensuring Department staff have the skills and knowledge to achieve the Department’s mission.

CM1-2: By the end of FY 2004, complete three competitive sourcing studies to streamline operations and reduce costs. Conduct additional studies in FY 2005 and beyond based on requirements established by the Office of Management and Budget and an assessment of Departmental needs.

CM1-3: Manage the Department’s financial resources and other assets; obtain an unqualified opinion by independent auditors on the Department’s annual financial statements; and integrate financial, budget, and program information.

CM1-4: By the end of FY 2004, all of the Department’s goals and performance measures in the Strategic Plan, the Annual Performance Plan and the Budget will be aligned, written in quantifiable and measurable terms, and will demonstrate clear outcomes and/or outputs, such that these goals and measures will provide a basis to evaluate progress, justify resource decisions, and ensure management accountability for results.

CM1-5: Improve the efficiency and effectiveness of DOE’s contract management to become a model for government.

Travel	1,897	1,927	1,827
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Travel funds finance: staff travel; Secretary of Energy Advisory Board and subcommittee travel; and all travel associated with scheduling and logistics for Secretarial trips; program oversight, program evaluation, and project engineering and construction management activities; and permanent change of station. Also included are: DOE shuttle bus service, rental of vehicles from the GSA motor pool, lease of DOE fleet, and charter of aircraft or buses.

Support Services	13,792	12,604	12,954
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Support Services finance technical and management support services. The areas of support include computer support, project control and performance, facilities and infrastructure, strategic planning, independent auditor, automated data processing, delivery of training, operation of the Headquarters technical and law libraries, database maintenance, financial system operations and minimal technical financial support.

Other Related Expenses	25,234	24,592	23,575
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Other Related Expenses finance the acquisition of goods and services that support this office’s mission that are not classified as support services, in addition to items purchased from the working capital fund such as rent, supplies, telephone service, etc.

In addition to the funding provided here, the Office of the Chief Information Officer’s Program Direction budget includes \$2,000,000 in FY 2002 – 2004 for day-to-day OMBE desktop activities.

Total, Program Direction	107,223	106,056	104,210
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Explanation of Funding Changes from FY 2003 to FY 2004

FY 2004 vs. FY 2003 (\$000)

Salaries and Benefits

- The decrease is the net result of a reduction of 21 fulltime equivalent employees (FTEs) plus an increase for the full effect of the FY 2003 pay raise and the partial effect of the FY 2004 pay raise. The FTE reduction will follow the completion of three competitive sourcing studies in the areas of Training, Financial Management, and Administration. The studies are expected to result in streamlined organizations that require fewer FTEs. -1,079

Travel

- The decrease results from streamlining operations to reduce travel requirements... -100

Support Services

- The increase in support services includes two components; develop application cyber security plans and strengthen the cyber security program (\$150,000); and improve risk identification, mitigation, planning and management of DOE projects (\$200,000)..... +350

Other Related Expenses

- The decrease is a result of completing building improvements funded in FY 2003 -1,017

FY 2004 vs. FY 2003 (\$000)

Total Funding Change, Program Direction..... -1,846

Support Services

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Technical Support Services					
Administrative Support	3,244	3,244	3,244	0	0.0%
Professional Support	4,253	3,065	3,265	+200	+6.5%
Information Management Support	6,295	6,295	6,445	+150	+2.4%
Total, Support Services.....	13,792	12,604	12,954	+350	2.8%

Other Related Expenses

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Working Capital Fund.....	16,650	16,616	16,717	101	0.6%
Capital Equipment	880	880	880	0	0.0%
Other.....	7,704	7,096	5,978	-1,118	-15.8%
Total, Other Related Expenses.....	25,234	24,592	23,575	-1,017	-4.1%

Office of Policy and International Affairs

Program Mission

The Assistant Secretary for Policy and International Affairs (PI) is the primary advisor to the Secretary and the Department on policy development, analysis and implementation. PI advises the Department's leadership on existing and prospective energy-related policies, based on integrated and well-founded data and analysis. PI represents the Department in interagency discussions on energy and related policy issues, and addresses all aspects of the U.S. energy sector, including energy production, markets, reliability, environmental impacts and economic efficiency.

PI has primary responsibility for the Department's international energy affairs, including international energy policy issues, international energy emergency and national security issues, and international technology cooperation. PI also develops and leads the Department's bilateral and multilateral cooperation, investment, and trade activities with other nations and international agencies. PI works closely with Departmental elements, Federal agencies, and other relevant organizations and institutions to coordinate and align national security and energy emergency activities.

In these capacities, PI plays a central role in the further development and implementation of the National Energy Policy (NEP).

Program Strategic Performance Goal

CM4-1: Provide analysis of domestic and international energy policy, develop implementation strategies, ensure policies are consistent across DOE and within the Administration, communicate analyses and priorities to the Congress, public, industry, foreign governments, and domestic and international organizations, and enhance the export and deployment of energy technologies internationally.

Performance Indicators

- 1) Energy supplies are more secure and the U.S. is better prepared to respond to energy emergencies;
- 2) International deployment of U.S. energy technology is increased;
- 3) Effective and well-balanced policies are established to achieve the Nation's energy-related economic and environmental objectives;
- 4) Energy research and development, and science priorities support national objectives.

Annual Performance Results and Targets

FY 2002 Results	FY 2003 Targets	FY 2004 Targets
<p>Energy Supplies are More Secure and the U.S. is Better Prepared to Respond to Energy Emergencies.</p>		
Continued working with foreign governments and multilateral organizations to develop and implement policy decisions that will diversify and enhance world oil production and reduce oil demand growth, as recommended in the NEP.	Continue to work with foreign governments and multilateral organizations to develop and implement policy decisions that will diversify and enhance world oil production and reduce oil demand growth, as recommended in the NEP.	Continue to work with foreign governments and multilateral organizations to develop and implement policy decisions that will further diversify and significantly enhance world oil production and reduce oil demand growth, as recommended in the NEP.
Provided assessments of the likely effects of supply constraints in petroleum product and electricity markets, and worked with foreign governments, energy suppliers, NERC, EPA and other Federal agencies, and State governments to enhance preparedness for energy market disruptions, as called for by the NEP.	Provide assessments of the likely effects of supply constraints in petroleum product, electricity or natural gas markets, and work with foreign governments, energy suppliers, FEMA and other Federal agencies, and State governments to enhance responses to energy market disruptions, as called for by the NEP.	Provide assessments of the likely effects of supply constraints in petroleum product, electricity or natural gas markets, and work with foreign governments, energy suppliers, FEMA and other Federal agencies, and State governments to enhance responses to energy market disruptions, as called for by the NEP.
<p>International Deployment of U.S. Energy Technology is Increased.</p>		
Participated in trade negotiations, regulatory cooperation programs and commercial advocacy, as recommended by the NEP.	Continue to participate in trade negotiations, regulatory cooperation programs and commercial advocacy, as recommended by the NEP.	Promote US industry interest in China's clean energy technology market, particularly in its hosting of the 2008 summer Olympics, by providing feasibility studies, resource assessments, training, and small scale pilot projects. Continue to participate in trade negotiations, regulatory cooperation programs and commercial advocacy, as recommended by the NEP.
Collaborated with USAID to direct an interagency working group to implement the Clean Energy Technology Exports initiative as recommended in the NEP. Submitted 5 year strategic plan for CRB to Congress.	Collaborate with USAID to direct an interagency working group to implement the Clean Energy Technology Exports initiative as recommended in the NEP.	With the successful completion of the 5-year strategic plan, enhance collaboration with USAID and the Department of Commerce in support of an interagency working group in implementation of the Clean Energy Technology Exports initiative as recommended in the NEP. Establish CETE Working Group and start CETE implementation of selected projects.
Organized technology training and other capacity building efforts to accelerate the worldwide adoption of technologies and practices that limit, reduce, avoid, or sequester greenhouse gas emissions.	Organize technology training and other capacity building efforts to accelerate the worldwide adoption of technologies and practices that limit, reduce, avoid, or sequester greenhouse gas emissions.	Enhance support for U.S. Mexico Joint Fund Proposal for Energy Science & Technology Cooperation through initiating joint R&D programs, technology exchanges, workshops and other capacity building activities, aimed at promoting mutually beneficial energy S&T cooperation. Organize technology training and other capacity building efforts to accelerate the worldwide adoption of technologies and practices that limit, reduce, avoid, or sequester greenhouse gas emissions.
<p>Effective and Well-Balanced Policies are Established to Achieve the Nation's Energy-related Economic and Environmental Objectives.</p>		

Coordinated and oversaw the implementation of the NEP, elements of the President's Climate Policy Initiative and other Administration policies, including development of improvements to DOE's greenhouse gas emission registry.	Coordinate and oversee the implementation of the NEP, including providing analysis and policy guidance, where needed.	Coordinate and oversee the review and updating of the NEP, including development and analysis of possible policy changes.
Analyzed the potential effects of proposed environmental actions, including proposals affecting motor fuel additives and formulation, multi-pollutant regulation of power plants, and New Source Review guidelines. The results of these analyses were used to minimize potential adverse effects on the energy sector, while still achieving key environmental objectives.	Analyze the potential effects of proposed environmental actions, including regulations, legislation and international agreements on energy markets. Implement the President's climate change initiatives (GHG registry and Business Challenges). Use the results of these analyses to recommend appropriate modifications. Primary areas of activity are likely to include: integration of Federal regulation of power plant emissions; actions to mitigate any adverse effects of "boutique" fuel regulations; and proposals to reduce, avoid or sequester greenhouse gases.	Analyze the potential effects of proposed environmental actions, including regulations, legislation and international agreements on energy markets. Use the results of these analyses to recommend appropriate modifications. Implement the President's climate change initiatives (GHG registry and Business Challenges).
Developed and analyzed legislative and regulatory proposals to enhance competition and reliability within electricity markets, including completion of the National Transmission Grid study. Initiated efforts to implement the recommendations of the Transmission Grid Study.	Develop and analyze legislative and regulatory proposals to enhance competition and reliability within electricity, natural gas and oil markets.	Develop and analyze legislative and regulatory proposals to enhance competition and reliability within electricity, natural gas and oil markets.
Energy Research and Development, and Science Priorities Support National Objectives		
Reassessed the balance of R&D programs by coordinating strategic reviews of R&D portfolios for all four major DOE business lines. Completed the National Climate Change Technology Initiative report and initiated implementation efforts.	Guide periodic reviews of DOE energy R&D and science priorities to enhance their support of National objectives. Analyze the economic impact of policies and programs that reduce greenhouse gas emissions.	Guide periodic reviews of DOE energy R&D and science priorities to enhance their support of National objectives. Analyze the economic impact of policies and programs that reduce greenhouse gas emissions.
Coordinated efforts to strengthen technology transfer efforts at DOE national laboratories. Reviewed, evaluated, and recommended improvements to technology transfer activities.	Coordinate efforts to strengthen technology transfer efforts at DOE national laboratories. Develop improved methods for information dissemination, data collection, appraisal and evaluation of technology transfer activities. Conduct analyses of technology transfer activities to determine their effectiveness in support of national objectives.	Coordinate efforts to strengthen technology transfer efforts at DOE national laboratories. Develop improved methods for information exchange, data collection, appraisal and evaluation of technology transfer activities. Conduct analyses of technology transfer activities to determine their effectiveness in support of national objectives.
Leveraged domestic science and technology resources through new and renewed international collaborations in high priority science and technology areas through work with international partners as called for by the NEP.	Leverage domestic science and technology resources through new and renewed international collaborations in high priority science and technology areas through work with international partners as called for by the NEP.	Leverage domestic science and technology resources through new and renewed international collaborations in high priority science and technology areas through work with international partners as called for by the NEP.

Significant Accomplishments and Program Shifts

National Energy Policy (cross-cutting all goals and performance indicators)

Coordinated and helped lead the Department's implementation of the National Energy Policy and supported the development and analysis of legislative proposals consistent with the NEP. Provided analysis of cross-cutting energy market, energy assurance, and energy efficiency issues in support of the development of DOE, EPA, DOT and other agency regulatory actions, budgetary or legislative proposals.

- Led the Department's efforts to assess the implications of multi-pollutant proposals for electric power generation.
- Co-led the development of the National Transmission Grid Study and provided economic analysis; provided analysis to support Administration's Clear Skies Initiative and New Source Review proposals.
- In coordination with the General Counsel's Office, led the Department's efforts to evaluate the impact of the Environmental Protection Agency's New Source Review program under the Clean Air Act on investment in new and existing refining and power plant capacity, energy efficiency and environmental protection in accordance with the National Energy Plan and, based on that evaluation, made recommendations for reforming the program to EPA.
- Implement the first phases of aggressive development of policies, strategies and options for implementing the Administration's Climate Change Initiatives, focused on integrating science and technology efforts, and the establishment of effective DOE programs for voluntary emissions reporting, voluntary business compacts to reduce greenhouse gas emissions, and emissions trading and, in coordination with the State Department, complemented domestic programs with international climate change partnerships for cooperation in mutually beneficial areas.

Energy Supplies are More Secure and the U.S. is Better Prepared to Respond to Energy Emergencies

- Led the North American Energy Working Group's efforts to foster a stronger and more secure North American market.
- Held a successful G-8 Energy Minister's Meeting in Detroit, Michigan, on May 1-3, 2002, as mandated in the National Energy Plan.
- Reinvigorated the U.S.-Africa Energy Ministerial Process (a NEP recommendation), bringing the energy ministers of African nations together with Secretary Spencer Abraham to discuss supply, demand, trade and sustainable development issues.
- Enhanced energy development in Nigeria through a series of workshops and senior DOE presence in this key oil-supplying nation.
- Held Hemispheric Regulators Conference, the first meeting of regulators from 20 countries in over seven years. Discussions focused on four important areas for future cooperation – energy trading integration, regulatory framework compatibility and harmonization, information sharing and dissemination, and institutional capacity building and training.
- Led efforts to promote development of oil and gas resources in the Caspian while minimizing risk of delivery disruption to the world market as recommended in the NEP.
- Established U.S.-Russia Energy Working Group to highlight Russian contributions to world oil market stability.
- Worked with International Energy Agency to test emergency response mechanisms in event of oil

market disruptions and led U.S. efforts to ensure U.S. capabilities to respond to an oil market disruption.

- Planned and participated in 8th International Energy Forum – a dialogue between energy producers and consumers – to improve communication among and between oil producers and consumers.
- Implemented the U.S.-Kazakhstan Energy Partnership Declaration that will enhance oil production from Kazakhstan, including participation in the opening of the Caspian Pipeline Consortium facility that brings oil from Kazakhstan to world oil markets.

International Deployment of U.S. Energy Technology is Increased

- Continued support for enhanced US investment in China, including support for DOE's Office of Fossil Energy in organizing the fourth session of the U.S.-China Oil and Gas Industry Forum (July 2002).
- Implemented the energy portion of the U.S.-India Economic Dialogue.
- Continued planning support including workshop(s) with national and municipal authorities and private sector on application of clean energy technologies in the 2008 Beijing Olympics.
- Continued assistance with policies/modeling associated with the creation and maintenance of national oil reserves.
- Continued support including workshop(s) and follow-up work to address obstacles to the development of cross-border electricity and natural gas interconnections between Mexico and the U.S.
- Continued support, including seminar(s), on regional energy issues in Africa and in support of regulatory priorities.
- Negotiated Energy Services Agreement within the World Trade Organization and engaged members, including developing nations, in procedures for negotiations on the Agreement.
- Organized, in cooperation with Commerce, U.S.-Russian Commercial Energy Summit to provide investment opportunities for U.S. firms in Russia.
- Led efforts to advocate on behalf of U.S. companies to enhance international investment opportunities.
- Established interagency Clean Energy Technology Exports (CETE) Working Group as recommended in the NEP. Submitted 5 year Strategic Plan to Congress in FY 2002.
- Established U.S.-Russian Energy Working Group subgroup to focus on sharing information on clean energy technology.
- Spearheaded U.S. efforts to support development of production sharing framework in Russia.
- Established a Task Force on International Energy Cooperation within the Climate Change Science and Technology Interagency Working Group, co-managed by DOE and the State Department, to coordinate international energy technology efforts with respect to climate change.
- In coordination with AID and State, led efforts to develop the U.S. energy deliverable for the World Summit on Sustainable Development, "Powering Sustainable Development from Village to Metropolis, which was approved as one of the Administration's "signature actions." Within that initiative, developed the "Energy Efficiency for Sustainable Development" partnership.

Effective and Well-balanced Policies are Established and Implemented to Achieve the Nation's Energy-related Economic and Environmental Objective

- Provided analysis of the factors contributing to seasonal price fluctuations of gasoline and provided

policy proposals for dealing with gasoline supply issues. Provided analysis of the energy supply/environmental impacts of ethanol as an additive to national transportation fuels.

- Led the Department’s efforts to assess the likely impacts of proposed environmental regulations affecting motor fuels, power plant emissions, and substances listed in the Toxic Release Inventory.
- Led the Department in implementing the President’s climate change initiatives, including the National Climate Change Technology Initiative (NCCTI), revising the greenhouse gas registry and implementing Business Challenges.
- Led the Department’s assessment of, and response to, regional electricity shortages. Also provided analysis of electric industry restructuring proposals, and provided analysis on policy options to assure future electricity availability, reliability, and environmental protection.

Energy Research and Development, and Science Priorities Support National Objectives

- Negotiated more than 40 agreements with foreign governmental agencies for DOE program offices.
- Reviewed, evaluated, and recommended improvements to technology transfer activities. Chaired the Technology Transfer Working Group, created by the DOE R&D Council, to review, evaluate, and recommend improvements to the technology transfer programs at the national laboratories. Encouraged widespread communication among various management and oversight elements (e.g., patent councils, operations offices, laboratories, and program offices) of the DOE’s technology transfer program.
- Completed a draft report on climate change entitled, *Stabilizing Greenhouse Gas Concentrations in the Atmosphere - The Technology Challenge*, the outcome of the National Climate Change Technology Initiative (NCCTI). PI played a lead role in bringing together national experts on climate technologies to stabilize CO2 concentration in the atmosphere.
- Contributed to OECD studies to enhance the causal relationships between science and technology and economic growth, and the effectiveness of innovation policies to enhance R&D productivity.

Funding Profile

(dollars in thousands)

FY 2002 Comparable	FY 2003 Request	FY 2004 Request	\$ Change	% Change
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	Appropriation				
Program Direction	14,979 ^a	16,752	17,777	+1,025	+ 6%
Policy Analysis and Systems Studies	400	800	1,000	+ 200	+25%
Environmental Energy Policy Analysis	600	1,200	1,500	+ 300	+25%
Energy Security and Assurance	0	2,000	2,000	0	0%
Subtotal, Policy and International Affairs	15,979	20,752	22,277	+1,525	+7%
Adjustments	-640 ^b	0	0		
Total Policy and International Affairs	15,339 ^c	20,752 ^c	22,277 ^c	+1,525	+7%
FTEs	105	112	122	+10	+9%
Additional net budget authority to cover the cost of fully accruing retirement (non-add)	(735)	(779)	(779)	0	0%

a / includes a general reduction of \$14,000 for travel and administrative expenses

b / adjustments include a \$640,000 reduction in prior year balance administrative expenses

c / includes a reduction of \$88,000 for the Department of Homeland Security

Policy and International Affairs Program Direction

Mission Supporting Goals and Objectives

The Office of Policy and International Affairs (PI) is the primary advisor to the Secretary and the Department's senior management on issues related to domestic and international energy and energy-related environmental policy. The requested Program Direction funds are required to meet PI's Program Strategic Performance Goals and Targets for FY 2004.

Funding Schedule

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Salaries and Benefits	11,561 ^a	13,140	14,477	+1,337	+10%
Travel	779	800	749	-51	-6%
Support Services	0	0	100	+100	+100%
Other Related Services	2,639	2,812	2,451	-361	-13%
Subtotal, Program Direction	14,979	16,752	17,777	+1,025	+6%
FTEs	105	112	122	+10	+9%
Additional net budget authority to cover the cost of fully accruing retirement (non-add)	(735)	(779)	(779)	(0)	(0%)

^a /includes a \$14,000 reduction in travel and administrative expenses

Detailed Program Justification

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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Salaries and Benefits	11,561	13,140	14,477
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Provides funding for 122 full-time permanent and other than full-time permanent employees, in the following categories: salaries and benefits, cost of living increases, the Department's FICA contribution, unemployment, health benefits, thrift savings plan, overtime pay, cash incentive awards, lump sum leave payments, Senior Executive Service and other performance awards and permanent change of station moves. Prior year balances are expected to be used in FY 2003 to fully fund salary and benefits.

The FY 2004 request reflects the next, expanded phase of efforts to aggressively develop policies, strategies and options for implementing the Administration's Climate Change Initiatives, to focus on integrating science and technology efforts, the establishment of effective DOE programs for voluntary emissions reporting, voluntary business compacts to reduce greenhouse gas emissions, and emissions trading and, in coordination with the State Department, to complement domestic programs with international climate change partnerships for cooperation in mutually beneficial areas.

Performance will be measured in FY 2004, by whether:

- 1) Energy supplies are more secure and the U.S. is better prepared to respond to energy emergencies;
- 2) International deployment of U.S. energy technology is increased;
- 3) Effective and well-balanced policies are established to achieve the Nation's energy-related economic and environmental objectives;
- 4) Energy research and development, and science priorities support national objectives.

Travel	779	800	749
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Funds transportation to field sites, to meetings with stakeholders and other energy policy professionals, to international negotiations and policy coordination meetings, and to other meetings relevant to domestic and international energy, science and technology, environmental, and national security policies.

Support Service Contracts	0	0	100
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Supports logistics costs related to high level Conferences, Public Hearings, and Secretarial Ministerial meetings such as the G-8 Ministerial.

Other Related Expenses	2,639	2,812	2,451
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(dollars in thousands)

FY 2002	FY 2003	FY 2004
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Provides funding for various operating expenses including working capital expenditures, subscriptions, telephone credit cards, pagers, portable phones, interpreters, information technology hardware and software acquisition, LAN administration, international phone charges, training, and equipment for the Flexiplace program.

Total, Program Direction

14,979	16,752	17,777
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Explanation of Funding Changes From FY 2003 to FY 2004

FY 2004 vs.
FY 2003
(\$000)

Salaries and Benefits

The increase is a result of 10 additional FTEs that are required to support the further development and implementation of national energy policy, particularly implementation of the President's climate change initiatives, development of integrated energy markets in the Western Hemisphere, and improvements in electricity markets. The additional FTEs will be used to increase efforts to:

- Facilitate the expansion of international markets for technology transfers and investment by building public-private partnerships, developing self-sustaining financing, and promoting market reform.
- Harmonize energy, environmental and trade policy interests in furthering the integration of energy markets in the Western Hemisphere.
- Increase international cooperation on climate change research and development and developing policies to enhance R&D benefits and productivity and to accelerate the transfer of technology into the marketplace.
- Expand the Department's business challenge program in assisting industry in developing climate change risk management strategies, and stimulating and leveraging voluntary mitigation actions.
- Facilitate improvements in the electricity markets..... +1,337

Travel

Reduced to reflect the most recent actual usage data..... -51

Support Services

Increase primarily supports logistics costs related to high level Conferences, Public Hearings and Secretarial Ministerial meetings such as the G-8 Ministerial..... +100

Other Related Expenses

Reflects anticipated management efficiencies such as reductions in Working Capital Fund more requirements through stringent review of supply purchases..... -361

Total Funding Change, Program Direction..... +1,025

Other Related Expenses

Dollars in thousands

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Training	90	120	123	3	3%
Working Capital Fund	2,122	2,212	1,848	-364	-16%
Purchases from Government Accounts ^a	427	480	480	0	0%
Total, Other Related Expenses	2,639	2,812	2,451	-361	-13%

^a/ Includes non-WCF expenditures for subscriptions, telephones, credit cards, pagers, portable phones, interpreters, information technology hardware/software acquisitions, LAN administration, international phone charges, and budget and accounting system maintenance.

Policy and International Affairs Program Support

Mission Supporting Goals and Objectives

The Assistant Secretary for Policy and International Affairs (PI) is the primary advisor to the Secretary and the Department on policy development, analysis and implementation. PI's role is to advise the Department's leadership on existing and prospective energy-related policies, based on integrated and well-founded data and analysis. PI represents the Department in interagency discussions on energy and related policy issues, and addresses all aspects of the U.S. energy sector, including energy production, markets, reliability, environmental impacts and economic efficiency.

PI has primary responsibility for the Department's international energy affairs, including international energy policy issues, international energy emergency and national security issues, and international technology cooperation. PI also develops and leads the Department's bilateral and multilateral cooperation, investment, and trade activities with other nations and international agencies. PI works closely with Departmental elements, Federal agencies and other relevant organizations and institutions to coordinate and align national security and energy emergency activities.

In these capacities, PI plays a central role in the further development and implementation of the National Energy Policy (NEP).

Performance Indicators:

- 1) Energy supplies are more secure and the U.S. is better prepared to respond to energy emergencies;
- 2) International deployment of U.S. energy technology is increased;
- 3) Effective and well-balanced policies are established to achieve the Nation's energy-related economic and environmental objectives;
- 4) Energy research and development and science priorities support national objectives.

Funding Schedule

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Policy Analysis and System Studies	400	800	1,000	+200	+25%
Environmental and Energy Policy Studies	600	1,200	1,500	+300	+25%
Energy Security and Assurance ^a	0	2,000	2,000	0	0%
Total, Program Support	1,000	4,000	4,500	500	+13%

a / new initiative in FY 2003

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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400 800 1,000

Policy Studies and Systems Analysis

- *Facilitate improvements in electricity markets.* Conduct analyses of the environmental and economic effects of electric industry restructuring; guide the implementation of legislation and regulatory reforms, and demonstrate the benefits of competition.
- *Enhance oil markets* by assessing oil market operations providing twice daily oil market analyses, and developing initiatives for increasing oil market competition and security.
- *Strengthen international emergency preparedness* by supporting the maintenance of the response mechanisms of the IEA, a conference on emergency response training, and a conference on use of oil stocks in event of an oil market disruption.
- *Support DOE efforts to improve energy markets* by providing analysis to Secretarial officers on oil markets, oil and gas transit from Central Asia and the Caspian, and the status of energy infrastructure and production.
- *Improve the effectiveness of international cooperative R&D programs* by further refining the international agreements management system, assessing the International Grants Program for Scientific and Technological Cooperation, and evaluating the results of international science and technology agreements for their effectiveness.
- *Facilitate the establishment of integrated energy markets in the Western Hemisphere* by monitoring the progress of market integration efforts and identifying key challenges and by fostering the harmonization of energy, environmental and trade policy interests.
- *Enhance North American energy trade and interconnections* by developing the North American Energy Initiative, a trilateral cooperative initiative between the United States, Canada and Mexico to foster communication and cooperation on energy related matters.
- *Facilitate the establishment of competitive international energy markets* by encouraging regulatory reform in support of open markets and energy resource development in developing countries and emerging markets.
- *Facilitate increased diversity in world oil production and environmental protection* by supporting operation of the Black Sea Environmental Information Center web page, and by conducting workshops to develop an oil spill response capability and the scientific underpinning for environmental remediation in the Black Sea and Central Asia.
- *Facilitate oil market stability* by enhancing investment opportunities in the Russian and Central Asian oil industries; working with the international community within the International Energy Forum context; and working with other nations to enhance data transparency and timeliness.
- *Facilitate the Powering Sustainable Development* initiative and the Energy Efficiency for Sustainable Development partnership, by encouraging sustainable financing, public-private partnerships, technical assistance, training, and capacity building activities with developing countries.
- *Facilitate the capability* of developing countries to access, adopt and develop clean energy technologies through innovative financing to catalyze private investment and technology diffusion.

- *Facilitate dialogue and information exchange* with and assist other countries through workshops and other appropriate means in connection with their review of national and regional energy policies with a view to managing energy risks, attracting private investment, developing market-based approaches to address environmental concerns and promoting voluntary regional cooperation on energy matters and regional energy integration efforts.

Environmental and Energy Policy Studies

600 1,200 1,500

- *Help assure environmental policies are consistent with national energy objectives* by conducting economic analysis on the impact of proposed environmental restrictions and requirements for petroleum, natural gas and electricity markets.
- *Enhance the environmental benefits of energy policy* by developing and assessing fuel economy policies and options to reduce pollution and greenhouse gas emissions, and to achieve other energy security and environmental objectives.
- *Improve the incentives to report greenhouse gases* by implementing the President’s directives to revise DOE’s 1605(b) greenhouse gas registry.
- *Minimize the adverse economic effects of global climate change policies* by assessing strategies to reduce greenhouse gases emissions, including market-based mechanisms to minimize the costs and efforts to accelerate climate-friendly technology diffusion.
- *Promote international deployment of clean energy technologies* by supporting the implementation of the Clean Energy Technology Export Initiatives’ 5-year strategic plan.
- *Facilitate increased international use of cleaner fuels and technologies* by supporting studies or workshops on natural gas restructuring/reform/technical issues in China.
- *Support the international adoption of clean U.S. energy technologies* by conducting a study of U.S. export competitiveness in key Asian markets compared to other industrialized countries and ways of enhancing such competitiveness, including an analysis of the use of tied-aid or “soft loans” by European and Japanese competitors in key markets such as China.
- *Reassess the balance of DOE R&D programs* by coordinating strategic reviews of R&D portfolios for all four major DOE business lines.
- *Help ensure DOE R&D programs are matched to national objectives* by supporting the R&D Council’s efforts to oversee and assess the R&D programs of the Department.
- *Assure DOE R&D programs support national objectives* by conducting science and technology policy studies on topics such as technology transfer and deployment; R&D partnerships; licensing of intellectual property; and foreign firms participation in DOE sponsored R&D.
- *Identify and evaluate the effectiveness of cutting-edge energy technologies* for reducing the emissions of greenhouse gases, in particular, CO₂, and assess the R&D needs.
- *Improve the methodology for evaluating the benefits of energy R&D* and the effectiveness of innovation policies on energy productivity.
- *Improve policy for mitigating greenhouse gas emissions* through examination of current voluntary industry greenhouse gas mitigation practices, tax incentives, and other measures.
- *Facilitate the evaluation and development of market-based incentives* to fulfill national energy policy objectives.

- *Facilitate the capability of developing countries* to access and adopt clean energy technologies by assessing strategies to encourage the integration of energy and environmental interests in their economic development policymaking and their focus on reducing the energy, resource and pollution intensity of energy use.
- *Implement the Department's business challenge program* aimed at assisting industry in developing climate change risk management strategies, stimulating and leveraging voluntary mitigation actions, promoting best practices in energy use, and entering into compacts to reduce, avoid and sequester greenhouse gas emissions.
- *Identify and evaluate opportunities for building partnerships with other countries* in the Western Hemisphere and globally for developing and deploying clean energy technologies, undertaking collaborative research and development in energy alternatives and energy efficient technologies, building scientific cooperation, developing policy tools and expertise needed to measure, report and monitor greenhouse gas emissions, and creating market-based incentives or other innovative approaches to address global climate change mitigation and adaptation.
- *Assure effective implementation of the national energy policy*, not only in the short term, but also with respect to transforming the energy sector over the longer term, by conducting analyses and studies of the need for appropriate policy, regulatory and legislative changes.

Energy Security and Assurance

0 2,000 2,000

Policy analysis within PI will support this expanded activity within other Defense Activities. The program will provide energy policy analysis needed to support Energy Security and Assurance efforts to lead the federal government's effort to ensure a secure and reliable flow of energy to America's homes, industry, public service facilities and the transportation system.

PI will analyze U.S. energy supply sectors and examine key interdependencies in energy delivery systems. This analysis will inform and support regional teams of federal experts to address specific regional energy supply disruption issues such as the energy consequences of catastrophic earthquakes to be deployed by energy security and assurance.

Total Program Support

1,000	4,000	4,500
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Explanation of Funding Changes From FY 2003 to FY 2004

FY 2004 vs.
FY 2003
(\$000)

Policy Studies and Systems Analysis

- Provide planning support, including workshop(s) with national and municipal authorities and private sector, on application of clean energy technologies in the 2008 Beijing Olympics.
- Assist developing countries in the establishment of the policies and methods necessary to create and maintain estimates of national oil reserves.
- Mexico Cross border - Provide support, including workshop(s) and follow up work, to address obstacles to the development of cross border electricity and natural gas interconnections between Mexico and the US.
- Provide support, including seminars, on regional energy issues in Africa such as support of development of proper regulatory frameworks.
- Provide support for implementing the Powering Sustainable Development initiative and the Energy Efficiency for Sustainable Development partnership.
- Provide support, including workshops and studies, for the agenda of the International Energy Cooperation Task Force within the Interagency Working Group on Science and Technology.
- Provide support for assessing policy options for harmonizing energy, environmental and trade interests in connection with integrating Western Hemisphere energy markets..... +200

Environmental and Energy Policy Studies

- Electricity: Develop the capability to model the banking of multipollutant emission (NOx, SOx, and Mercury) allowance credits using the Policy Office Electricity Modeling System (POEMS) and perform an analysis of legislative proposals to enact multipollutant legislation.
- Climate Change Policy Studies: Develop a framework for estimating the potential long term (more than 25 years) impacts on CO2 emissions of cutting-edge energy technologies, and assess related applied R&D and basic research needs.
- Provide support for the Department's business challenge program to facilitate voluntary mitigation actions.
- Provide support, including workshops and follow-up work, to address ways to enhance international climate change cooperation on research, development and deployment of clean energy technologies..... +300

Total Funding Change, Program Support.....	<u>+500</u>
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Public Affairs

Program Mission

The mission of the Office of Public Affairs is to communicate information about DOE's work in a timely, accurate and accessible way. Program direction provides Federal staffing resources and associated costs required to provide overall direction and execution of the Office of Public Affairs' responsibilities to accomplish immediate and effective communications with the public.

Program Goals

- Communicate information about the Department in a timely, accurate and accessible way to the news media and the public.
- Deliver on the Department's commitment for public participation in decision making through wide dissemination of documents to the media.
- Provide public affairs guidance and services to program and field offices including writing news releases, planning news conferences, arranging interviews, preparing and editing written and visual materials.
- Manage and operate the public inquiries room and respond to walk-up visitors inquiring about the Department's programs and activities and research and respond to telephone and written inquiries.
- Improve internal communications by writing and publishing a monthly newsletter about current events around the Department, and compiling and distributing news clips about Departmental activities.
- Provide coordinated review of non-technical Departmental publications, audiovisual materials, and exhibits to ensure consistency, cost-effectiveness and clarity.
- Prepare speeches, briefing materials, and analysis for the Secretary, Deputy Secretary, Under Secretary and principal secretarial officers in support of their work to explain Administration and Departmental policies, initiatives and actions.

Significant Accomplishments

- Provided staff resources for planning and coordinating over 50 press conferences; preparing and distributing over 400 press releases, advisories and news briefs; and responding to over 19,500 inquiries for information or interviews from the news media.
- Operated the Departmental public inquiries office that handles requests concerning all DOE programs and activities; responding to over 12,000 public inquiries from students, schools, colleges, libraries, industry, businesses, Federal agencies, State and local governments, and private citizens.
- Produced and distributed 12 editions of the Departmental news magazine to DOE employees and contractors with external copies sent to Congressional offices, Federal agencies, State and local

governments, news media, libraries, colleges, schools, energy-related trade associations and public interest organizations, embassies and others on request.

- Compiled news articles from national and regional newspapers and magazines/journals, and produced and distributed over 500 copies of news, magazine, and regional clips.
- Assisted, advised and prepared speeches, talking points, and presentations for the Secretary.
- Communicated guidance and coordinated activities with field and laboratory public affairs offices.

Public Affairs

Mission Supporting Goals and Objectives

The office is responsible for overall public affairs for the Department, including communicating Departmental policies, initiatives and information to the news media and the general public; managing and coordinating public affairs activities for Headquarters, field offices and sites, and DOE laboratories; serving as primary spokesperson for the Department; responding to requests for information from the public and the news media; arranging interviews with the news media; providing speechwriting services to the Secretary, Deputy Secretary and Under Secretary; preparing written information about Departmental activities; reviewing publications, audiovisuals, and exhibits; and compiling news clips.

Funding Schedule

(dollars in thousands)

	FY 2002 Comparable Appropriation	FY 2003 Request	FY 2004 Request	\$ Change	% Change
Salaries and Benefits	2,634	3,325	3,235	-90	-2.7%
Travel	76 ^a	80	80	0	0%
Support Services	150	60	70	+10	+16.7%
Other Related Expenses	1,015	1,045	1,080	+35	+3.3%
Total, Public Affairs	3,875^b	4,510^b	4,465^b	-45	-1.0%
Additional net budget authority to cover the cost of fully accruing retirement (non-add)	(157)	(154)	(154)	(0)	(0%)
Full Time Equivalents	33	32	30	-2	-6.3%

^a Includes a general reduction of \$4,000 for travel and administrative expenses.

^b Includes a reduction of \$21,000 for the Department of Homeland Security.

Detailed Program Justification

(dollars in thousands)

	FY 2002	FY 2003	FY 2004
Salaries and Benefits	2,634	3,325	3,235

Salaries and benefits provide funding for 30 full-time permanent and other than full-time permanent employees, overtime pay, cash incentive awards, lump sum leave payments, Senior Executive Service and other performance awards.

The changes in FY 2004 reflect a decrease of \$90,000 due to a reduction in the FTE level.

PA will measure its performance in FY 2004 by:

- Customer feedback, ability to meet commitments and program objectives.

- Serve as an intermediary with the news media and the general public, by providing staff resources for:
 - Planning and coordinating approximately 60 press conferences and briefings, preparing and disseminating over 400 press releases, advisories and new briefs, and responding to over 19,500 inquiries for information or interviews from the news media.

 - Operate the Departmental public inquiries office that handles requests concerning all DOE program and activities, responding to about 12,000 public inquiries from students, schools, colleges, libraries, industry, businesses, Federal agencies, State and local governments, and private citizens.

 - Produce and distribute 12 editions of the Departmental news magazine to DOE employees and contractors with external copies sent to Congressional offices, Federal agencies, State and local governments, news media, libraries, colleges, schools, energy-related trade associations and public interest organizations, embassies and others on request.

 - Compile news articles from five national newspapers, seventy-five regional papers, eight weekly magazines/journals and produce/distribute over 500 copies of news, magazine, and regional clips.

 - Review/approve over 175 publications, exhibits and audiovisuals of Departmental activities.

- In support of the Department's mission:
 - Assist, advise, and/or prepare speeches, talking points, and presentations for the Secretary.

 - Communicate guidance and coordinate activities with field and laboratory public affairs offices.

 - Coordinate and provide strategic guidance regarding major announcements.

Travel	76	80	80
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Travel provides funding for official travel to arrange and lead all media events, to accompany the Secretary, Deputy Secretary, and Under Secretary at public appearances; and to attend conferences and meetings with Public Affairs Field Directors to convey DOE initiatives and policies.

Support Services	150	60	70
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Support services provides funding for maintenance of the Spectrafax broadcast fax liaison system and funding for maintenance and software upgrades for the DOE Home Page.

Other Related Expenses	1,015	1,045	1,080
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Other related expenses provides funding for employee training and development; other program support services for producing the daily news clips, radio/TV transcription services and public service announcements; timesharing services (Lexis/Nexis, Associated Press, Reuters, Federal News, Hotline/Greenwire); and services included in the business lines of the Working Capital Fund, e.g., office space, building operations and maintenance, postage, telephone service, printing and graphics, copying, desktop services, supplies/ equipment, On-Line Learning Center, and IT services, etc. The increases in FY 2004 are in the Working Capital Fund, timesharing services, other program support—contracts, and library reference material.

Total, Program Direction	3,875	4,510	4,465
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Explanation of Funding Changes from FY 2003 to FY 2004

FY 2004 vs. FY 2003 (\$000)

Salaries and Benefits

- Reduction of twofull-time equivalent employees.
-90

Support Services

- Increased support for the DOE HomePage and broadcast fax liaison system.
+10

Other Related Expenses

- Other related expenses reflect increases in the Working Capital Fund (\$20,000), timesharing services (\$10,000), and other program support—contracts (\$5,000).
+35

Total Funding Change, Public Affairs.
-45

Support Services

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Technical Support Services (Fax Liaison)	150	60	70	+10	+16.7%
Total, Support Services	150	60	70	+10	+16.7%

Other Related Expenses

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Training	5	5	5	0	0
Other Program Support—Contracts	74	115	120	+5	+4.3%
Lexis/Nexis, Associated Press, Reuters, Federal News Service (Timesharing)	55	85	95	+10	+11.8%
Working Capital Fund	881	840	860	+20	+2.4%
Total, Other Related Expenses	1,015	1,045	1,080	+35	+3.3%

Cost of Work for Others

Mission Supporting Goals and Objectives

The Cost of Work for Others (CWO) program provides funding to the Department of Energy's (DOE) multi-purpose field offices and national laboratories to finance the cost of products and services requested by non-DOE users, both foreign and domestic. The products and services provided by the Department under this program generally are not available from alternate sources and 1) are a revenue program which results from a budgeted mission of the Department; or, 2) are reimbursable work for non-federal entities where the sponsor is precluded by law from providing advance funding. The costs of the Cost of Work for Others program are offset by revenues received from the sale of products and services to our customers.

The goals for this program are: continued access to the Department's laboratory complex, and the availability of by-products for sale to non-federal customers. The CWO program satisfies the needs of our non-federal customers. For this reason, performance evaluation for this work is the responsibility of our customers. The success of this program is indicated by the steady stream of business from the targeted groups.

The Cost of Work for Others Program includes a portion of the Department's Foreign Research Reactor Spent Fuel Program. This program which involves the receipt and storage of foreign research reactor spent fuel is provided for in the Cost of Work for Others Program only to the extent of revenues provided.

In FY 2004, approximately \$40.0 million will be funded in Departmental Administration within the Cost of Work for Others program to be offset by an estimated \$40.0 million in revenues. This funding will be utilized for safeguards and security reimbursable activities by the following program offices: Defense Programs; Defense Environmental Management; Science; and Security, Other Defense Activities. This funding approach is a continuation of the FY 2001 funding provided in the Conference Report, P.L. 106-377. Each of the four program offices will display this funding within their respective safeguards and security reimbursable programs but will back it out of their program totals so that the \$40.0 million in budget authority can be provided for within Departmental Administration totals. Allocation of the funds among program offices is provisional since reimbursable work levels are somewhat remote estimates. The Department will provide timely notification to Congress of the actual allocation of these funds in FY 2004.

Funding Schedule

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Products Sold:					
Savannah River Operations Office.....	5,286	5,427	5,573	+146	+3%
Services Performed:					
Albuquerque Operations Office.....	1,000	800	700	-100	-13%
Argonne National Laboratory.....	250	250	-	-250	-100%
Brookhaven National Laboratory.....	502	572	572	0	0%
Chicago Operations Office.....	150	150	150	0	0%
Idaho Operations Office.....	1,000	0	0	0	0%
Lawrence Berkeley Laboratory.....	1,321	588	588	0	0%
Lawrence Livermore Laboratory.....	1,453	1,446	1,446	0	0%
Oak Ridge National Laboratory.....	2,525	2,741	2,741	0	0%
Oak Ridge Operations Office.....	2,450	1,430	4,932	+3,502	+245%
Oakland Operations Office.....	1,100	1,115	1,115	0	0%
Pacific Northwest Laboratory.....	0	3,028	1,534	-1,494	-49%
Savannah River Operations Office.....	14,800	12,369	15,744	+3,375	+27%
Safeguards and Security.....	40,000	40,000	40,000	0	0%
Subtotal, Services Performed.....	66,551	64,489	69,522	+5,033	+8%
Subtotal, Cost of Work for Others.....	71,837	69,916	75,095	+5,179	+7%
Use of Prior Year Balances.....	-6,338	0	0	0	0%
Total, Cost of Work for Others.....	65,499	69,916	75,095	+5,179	+7%

Detailed Program Justification

(dollars in thousands)

FY 2002	FY 2003	FY 2004
---------	---------	---------

Products Sold

- | | | | |
|---|-------|-------|-------|
| Savannah River Operations Office | 5,286 | 5,427 | 5,573 |
|---|-------|-------|-------|

Supports forest management and the sale of timber by the U.S. Forest Service. The funding level was derived based on the personnel costs for the 32 full time equivalent employees (FTEs) of the U.S. Forest Service who support the Savannah River Timber Management Program, and the historical costs, adjusted for inflation, associated with contractual support for services, radio maintenance, reforestation activities, surveying and monitoring of protected, endangered, and threatened species, archeology surveys and various research studies.

Services Performed

- | | | | |
|--|-------|-----|-----|
| Albuquerque Operations Office | 1,000 | 800 | 700 |
|--|-------|-----|-----|

Provide miscellaneous services for state and local governments, such as tasks at the Sandia National Laboratory to support the National Aging Aircraft Research Program Mission Area II, Aging Aircraft Maintenance, and Inspection for Iowa State University as part of a continuing effort on behalf of the Federal Aviation Administration (FAA). In addition, Los Alamos National Laboratory will provide lab interface for Tuberculosis Management, and develop open interfaces for data exchange between laboratory systems and medical information systems with an example demonstration of them.
- | | | | |
|--|-----|-----|---|
| Argonne National Laboratory | 250 | 250 | 0 |
|--|-----|-----|---|

Support research activities for state and local governments such as Internet service capability to educational organizations participating in the Illinois Educational Network Consortium. No work is anticipated in FY 2004.
- | | | | |
|---|-----|-----|-----|
| Brookhaven National Laboratory | 502 | 572 | 572 |
|---|-----|-----|-----|

Provide for the sale of isotopes and continue to provide miscellaneous activities for state and local governments. Participate in the synthesis workshops and produce data products expected of OMP investigators. Deploy a novel technique, the particle-into-liquid sampler coupled to ion chromatography analysis on the NASA WP3 aircraft during the TRACE-P project to measure aerosol chemical data on time scales approaching measurements of meteorological and aerosol physical properties.
- | | | | |
|---------------------------------------|-----|-----|-----|
| Chicago Operations Office..... | 150 | 150 | 150 |
|---------------------------------------|-----|-----|-----|

Provide certified reference materials from the New Brunswick Laboratory which are used by the nuclear community to calibrate or validate the accuracy of measurement methods. The level of funding was derived based on historical sales of certified reference materials and the costs associated with

(dollars in thousands)

FY 2002	FY 2003	FY 2004
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projected new sales.

- **Idaho Operations Office**..... 1,000 0 0

Previously, this funding allowed the site to receive, manage and provide interim storage of one shipment of Foreign Research Reactor Spent Fuel from Japan. The site does not expect a shipment of Foreign Research Reactor Spent Fuel in FY 2004.
- **Lawrence Berkeley Laboratory** 1,321 588 588

Conduct work for state and local governments and non-profit organizations including activities with the National Institutes of Health to: launch a multilingual epidemiological study of cancer risk factors through data acquisition on the Internet; develop a DNA microarray screening system based on measuring gene expression to support cancer diagnoses, tumor staging and prognostication; develop new radiopharmaceuticals for early detection of many forms of cancer of the lower abdomen; and, advance measurement technologies for determination of carbonaceous species in airborne particulate matter.
- **Lawrence Livermore Laboratory** 1,453 1,446 1,446

Conduct work for state and local governments and non-profit organizations including activities such as: evaluate leaking underground fuel tanks (LUFT) and structural inspection of dams and water contaminants; and analyze fault and site information relating to the San Francisco and Oakland bay bridges.
- **Oak Ridge National Laboratory**..... 2,525 2,741 2,741

Provide funding for: (1)University of Illinois for analyzing and forecasting state and regional economies including transportation flows and modeling; (2) University of Virginia for scientific underpinning of bulk-glass formability; and (3) University of Massachusetts for enterprise-wide simulation and analytical modeling of comprehensive freight movements.
- **Oak Ridge Operations Office**..... 2,450 1,430 4,932

Provide miscellaneous services for state and local governments, universities and institutions and foreign governments including technical and manufacturing training support from Y-12. Process and prepare low-enriched uranium and a small quantity of highly enriched uranium for sale to foreign countries for use in either research reactors or reduced enrichment for research and test reactors as part of the Department’s nonproliferation programs. The estimate is based on the historical costs adjusted for inflation associated with providing each of the requested services as stated in the statements of work to the requesting state or local government. These costs include staff resources, supplies, materials and contractual expenses.
- **Oakland Operations Office** 1,100 1,115 1,115

Support particle physics collaboration with Japan and other development efforts at the Stanford Linear Accelerator Center (SLAC). The Japanese participation at SLAC is covered by the

(dollars in thousands)

FY 2002	FY 2003	FY 2004
---------	---------	---------

U.S./Japan agreement in high-energy physics. The Japanese involvement includes the B Factory, and various accelerator R&D programs related to the Next Linear Collider.

▪ Pacific Northwest Laboratory	0	3,028	1,534
FY 2004 activities include watershed and fish studies and a study for the mycoremediation of contaminated marine sediments.			
▪ Safeguards and Security	40,000	40,000	40,000
Provides funding for safeguards and security requirements throughout the Department.			
▪ Savannah River Operations Office	14,800	12,369	15,744
Receive, manage and provide interim storage of Foreign Research Reactor Spent Fuel from Germany, Denmark, France, the Netherlands, South Africa, Japan, France and Sweden. The funding level was derived based on the historical transportation cost of a shipment from a country, unloading costs for a shipment at the port, satellite tracking costs, and overland shipment support activities such as emergency preparedness training and other needs of the country involved with the shipment. Facility operating costs based on allocation of incremental costs at the facility (and supporting organizations) to receive and unload foreign casks.			
Subtotal, Services Performed.....	66,551	64,489	69,522
Total, Cost of Work for Others	71,837	69,916	75,095

Explanation of Funding Changes from FY 2003 to FY 2004

FY 2004 vs. FY 2003 (\$000)

Products Sold:

- | | | |
|---|---|------|
| ▪ Savannah River Operations Office | Increase is due to the payraise and inflationary increases related to timber sales program. Fluctuation in contracts results from work on the acreages varying from year to year..... | +146 |
|---|---|------|

Services Performed:

- | | | |
|--|---|------|
| ▪ Albuquerque Operations Office | Decrease is due to a reduction in the amount of funding needed for several projects with Iowa University, University of California, Washington State University, and New Mexico State University due to their ability to provide advance funding..... | -100 |
|--|---|------|
- | | | |
|--------------------------------------|--|------|
| ▪ Argonne National Laboratory | No work is anticipated in FY 2004..... | -250 |
|--------------------------------------|--|------|
- | | | |
|--------------------------------------|---|--------|
| ▪ Oak Ridge Operations Office | Increase in projected uranium sales due to the anticipated signing of contracts for research and reactor material. | +3,502 |
|--------------------------------------|---|--------|
- | | | |
|---------------------------------------|---|--------|
| ▪ Pacific Northwest Laboratory | Decrease is due to the completion of a fish passage joint study with the Bonneville Power Administration..... | -1,494 |
|---------------------------------------|---|--------|
- | | | |
|---|--|--------|
| ▪ Savannah River Operations Office | Increase is due to normal fluctuation in the number of projected Foreign Research Reactor (FRR) Spent Fuel shipments in FY 2004..... | +3,375 |
|---|--|--------|

Total Funding Change, Services Performed.....	+5,033
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Total Funding Change, Cost of Work	+5,179
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Revenues Associated With Cost of Work for Others

Mission Supporting Goals and Objectives

Associated Revenues represents the full-cost recovery offset to Cost of Work for Others, the program associated with providing products and services to our customers.

Funding Schedule

(dollars in thousands)

	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Products Sold:					
Savannah River Operations Office	-3,344	-6,200	-6,200	0	0%
Services Performed:					
Albuquerque Operations Office.....	-366	-800	-700	+100	-13%
Argonne National Laboratory	-48	-250	0	+250	-100%
Brookhaven National Laboratory.....	-96	-572	-572	0	0%
Chicago Operations Office.....	-29	-150	-150	0	0%
Lawrence Berkeley Laboratory	-1,262	-588	-588	0	0%
Lawrence Livermore Laboratory.....	-1,388	-1,446	-1,446	0	0%
Oak Ridge National Laboratory.....	-2,102	-2,741	-2,741	0	0%
Oak Ridge Operations Office.....	-1,189	-1,430	-4,932	-3,502	+245%
Oakland Operations Office.....	-1,052	-1,115	-1,115	0	0%
Pacific Northwest National Laboratory.....	-401	-3,028	-1,534	+1,494	-49%
Safeguards and Security.....	-37,750	-40,000	-40,000	0	0%
Savannah River Operations Office	-15,471	-12,369	-15,744	-3,375	+27%
Subtotal, Services Performed.....	-61,154	-64,489	-69,522	-5,033	+8%
Total, Cost of Work for Others	-64,498	-70,689	-75,722	-5,033	+7%

Detailed Program Justification

	FY 2002	FY 2003	FY 2004
Products Sold:			
▪ Savannah River Operations Office	-3,344	-6,200	-6,200
Includes revenues received from the sale of timber			
Subtotal, Products Sold	-3,344	-6,200	-6,200

Services Performed

▪ Albuquerque Operations Office	-366	-800	-700
Includes revenue from miscellaneous services provided for state and local governments, such as tasks at the Sandia National Laboratory to support the National Aging Aircraft Research Program for Iowa State University in the areas of technology validation and development, nondestructive inspection system evaluations and structural integrity, maintenance and inspection.			
▪ Argonne National Laboratory	-48	-250	0
Reflects revenue from research activities conducted for state and local governments such as Internet service capability to educational organizations participating in the Illinois Educational Network Consortium.			
▪ Brookhaven National Laboratory	-96	-572	-572
Includes revenue from the sale of isotopes and from miscellaneous research activities provided for state and local governments.			
▪ Chicago Operations Office	-29	-150	-150
Includes revenues from the sale of certified reference materials used by the nuclear community at the New Brunswick Laboratory.			
▪ Lawrence Berkeley Laboratory	-1,262	-588	-588
Includes revenues received for work conducted for state and local governments and non-profit organizations including activities with the National Institutes of Health to: develop advanced technology to identify and sequence proteins; develop techniques to automate sample mounting and alignment of proteins using robotic manipulation; and research on the relationship of materials used in dental work.			
▪ Lawrence Livermore Laboratory	-1,388	-1,446	-1,446
Includes revenues received for work conducted for state and local governments and non-profit organizations including measurement of samples at the Acceleratory Mass Spectrometry Center at LLNL for the UC-San Francisco and other universities and evaluation of leaking underground fuel tanks and structural inspection of dams and water contaminants for the California Department of Natural Resources.			

Departmental Administration/
 Cost of Work for Others/
 Associated Revenues

FY 2004 Congressional Budget

	FY 2002	FY 2003	FY 2004
<ul style="list-style-type: none"> Oak Ridge National Laboratory..... <ul style="list-style-type: none"> Reflects revenues received for miscellaneous services provided for state and local governments including as the development of advanced spectrochemical sensors and an optical sensing microchip system for use by the New Mexico Institute of Mining and Technology in the detection of a wide range of environmental pathogens and infectious agents. 	-2,102	-2,741	-2,741
<ul style="list-style-type: none"> Oak Ridge Operations Office..... <ul style="list-style-type: none"> Reflects revenues received for miscellaneous services provided for state and local governments such as technical and manufacturing training support from Y-12, and revenues received from the processing and preparation of low enriched uranium and a small quantity of highly enriched uranium for sale to foreign countries for use in either research reactors or reduced enrichment for research and test reactors. 	-1,189	-1,430	-4,932
<ul style="list-style-type: none"> Oakland Operations Office..... <ul style="list-style-type: none"> Includes revenues from particle physics collaboration with Japan and other development efforts at the Stanford Linear Accelerator Center (SLAC). 	-1,052	-1,115	-1,115
<ul style="list-style-type: none"> Pacific Northwest National Laboratory..... <ul style="list-style-type: none"> FY 2003 activities include: watershed and fish studies, study for the mycoremediation of contaminated marine sediments, and a fish passage joint study with the Bonneville Power Administration. 	-401	-3,028	-1,534
<ul style="list-style-type: none"> Savannah River Operations Office..... <ul style="list-style-type: none"> Reflects revenues received from foreign countries in return for the receipt, management and interim storage of their spent research reactor fuel. 	-15,471	-12,369	-15,744
<ul style="list-style-type: none"> Safeguards and Security..... <ul style="list-style-type: none"> Reflects revenues received to support safeguards and security requirements throughout the Department. 	-37,750	-40,000	-40,000
Subtotal, Services Performed	-61,154	-64,489	-69,522
Total, Cost of Work Associated Revenues	-64,498	-70,689	-75,722

Explanation of Funding Changes from FY 2003 to FY 2004

FY 2004 vs. FY 2003 (\$000)

Services Performed:

<ul style="list-style-type: none"> <p>▪ Albuquerque Operations Office Decrease due to a reduction in the amount of funding needed for several projects with the Iowa University, University of California, Washington State University, and New Mexico State University due to their ability to provide advance funding.....</p> <p>▪ Argonne National Laboratory No Work is anticipated in FY 2004.....</p> <p>▪ Oak Ridge Operations Office Increase due to the anticipated signing of contracts for research reactors material.....</p> <p>▪ Pacific Northwest National Laboratory Decrease is due completion of a fish passage joint study with the Bonneville Power Administration.....</p> <p>▪ Savannah River Operations Office Increase is due to a reduced number of shipments of Foreign Research Reactor Spent Fuel expected to this site.....</p> 	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 1px solid black;"> Total, Services Performed..... </td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 1px solid black;"> -5,033 </td> </tr> <tr> <td style="border-bottom: 3px double black;"> Total Funding Change, Cost of Work for Others..... </td> <td style="text-align: right; border-bottom: 3px double black;"> -5,033 </td> </tr> </table>	Total, Services Performed.....	-5,033	Total Funding Change, Cost of Work for Others.....	-5,033
Total, Services Performed.....	-5,033				
Total Funding Change, Cost of Work for Others.....	-5,033				

Miscellaneous Revenues

Mission Supporting Goals and Objectives

Miscellaneous Revenues are received from the sale of by-products that have no cost associated with the Departmental Administration appropriation. These items are by-products of activities funded by other on-going departmental programs and are collected as miscellaneous revenues. Included in this estimate are revenues collected from the Reimbursable Work program for Federal Administrative Charges.

Funding Schedule

	(dollars in thousands)				
	FY 2002	FY 2003	FY 2004	\$ Change	% Change
Albuquerque Operations Office.....	0	-1,000	-1,000	0	0%
Idaho Operations Office.....	-10,055	-11,948	-13,146	-1,198	+10%
Pittsburgh Naval Reactors Office.....	-16,922	-24,876	-25,871	-995	+4%
Federal Administrative Charge.....	-23,712	-24,227	-25,929	-1,702	+7%
Other Revenues.....	-7,643	-4,784	-5,000	-216	+5%
Total, Miscellaneous Revenues.....	-58,332	-66,835	-70,946	-4,111	+6%

Detailed Program Justification

(dollars in thousands)

	FY 2002	FY 2003	FY 2004
<ul style="list-style-type: none"> ▪ Albuquerque Operations Office..... 0 -1,000 -1,000 Revenues are for the utilities of facilities (gas and electric) at the Los Alamos National Laboratory at Albuquerque. ▪ Idaho Operations Office..... -10,055 -11,948 -13,146 Costs incurred at the Idaho Chemical Processing Plant for handling and basin storage of spent fuel cores for the Department of Navy. ▪ Pittsburgh Naval Reactors Office -16,922 -24,876 -25,871 The Department of the Navy reimburses the Pittsburgh Naval Reactors Office for the nuclear material burn-up while the core is in operation. ▪ Federal Administrative Charge..... -23,712 -24,227 -25,929 Federal Administrative Charges collected from other federal agencies as well as non-federal entities for Reimbursable activity conducted by the Department in accordance with full-cost recovery policy. ▪ Other Revenues..... -7,643 -4,784 -5,000 Estimate based on current rate of collections for various miscellaneous revenues collected at all Departmental sites. 			
Total, Services Performed	-58,332	-66,835	-70,946