

FY 2008

CONGRESSIONAL BUDGET JUSTIFICATION

WORKING CAPITAL FUND PROGRAMS

WORKING CAPITAL FUND PROGRAMS

PERFORMANCE BUDGET

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GENERAL STATEMENT

Introduction

The Department of Labor (DOL) Working Capital Fund (WCF) was established by Public Law 85-67 and amended by Public Laws 86-703 and 91-204 to provide authority, without fiscal year limitation, for expenses necessary to provide certain services and activities on a centralized basis. The WCF is authorized specifically by law to finance a cycle of operations in which expenditures generate receipts that are available for continuing use without annual reauthorization by Congress. These centralized services are performed at rates which will return in full all expenses of operations, including reserves for accrued leave and depreciation of property and equipment. The WCF authorization has been amended several times since its establishment. Public Law 102-394 and Public Law 103-112 amended the WCF authorization in 1993 to provide authority to retain reimbursements for services rendered to any entity or person for use of Departmental facilities, including associated utilities and security services. Public Law 104-134 amended the WCF authorization in 1996 to establish the Investment in Reinvention Fund for the purpose of investing in Departmental projects designed to produce measurable improvements in agency efficiency and significant taxpayer savings. Public Law 105-78 amended the WCF authorization in 1997 to authorize the annual transfer of up to \$3,000,000 from unobligated balances in the Department's salaries and expenses account to the unobligated balances of the WCF.

The Departmental agencies include in their budget requests an amount required to finance the WCF and to cover the services to be obtained from organizations financed through the WCF. This amount is subsequently advanced to the WCF after enactment of the Department's appropriation. WCF advances normally are obtained from DOL's agencies at the beginning of each quarter. The cost allocation module utilizes the Department of Labor Accounting and Related Systems (DOLAR\$) functionality for allocating WCF costs among DOL agencies. Since WCF charges are included in DOL agency budgets, these funds are already applied against performance goals so redundant performance information is not presented for the WCF.

Issues, Outcomes and Strategies

The WCF provides an extensive range of centralized services to all agencies of DOL, both at the national and regional levels. In addition, through certain WCF services, the Office of the Assistant Secretary for Administration and Management (OASAM) provides leadership, planning, direction, and coordination for administrative and managerial services in support of the Department. The OASAM regional offices provide administrative and managerial services to DOL field locations. The Office of Chief Information Officer (OCIO) provides management of DOL's information resources and technology and addresses ongoing legislative requirements for the department. In the Center for Program, Planning and Results (CPPR), the WCF supports the work of the DOL Historian. The products and services provided by the Office of the Chief Financial Officer (OCFO) include central accounting and vendor payment. The Department's Office of Public Affairs (OPA) provides regional public affairs support and Department-wide audiovisual services. OPA also coordinates and manages the Department's main public website and LaborNet through organizations funded in the WCF. In addition, through the WCF, the

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Office of Small Business Programs (OSBP) provides coordination under the Small Business Regulatory Enforcement Fairness Act (SBREFA) for the DOL enforcement agencies. Finally, the WCF supports the work of the Department's Executive Secretariat in coordinating correspondence within the Department.

The WCF is comprised of the following five DOL budget activities: (1) Financial and Administrative Services; (2) Field Services; (3) Human Resources Services; (4) Telecommunications; and (5) the Investment in Reinvention Fund (IRF).

The FY 2008 WCF budget directly supports all of DOL's strategic goals by providing an extensive range of centralized services to all DOL organizations at the national and regional levels. In addition, the WCF manages organizational operating programs and helps assure effective management of these programs. The request supports the President's Management Agenda (PMA) for competitive sourcing and efficiency measures that will continue to be developed for WCF activities and services.

Cost Model

The FY 2008 Working Capital Fund budget request of \$202,955,000 and 685 FTE will continue to support the following program activities: Financial and Administrative Services with a budget request of \$122,780,000 and 318 FTE, which includes \$22,295,000 for capital acquisitions; Field Services with a budget request of \$39,647,000 and 287 FTE; Human Resources Services with a budget request of \$15,292,000 and 79 FTE; Telecommunications (FTS2001) with a budget request of \$24,106,000; Investment in Reinvention Fund with a budget request of \$557,000; and Non-DOL Reimbursable Activity with a budget request of \$573,000 and 1 FTE. Capital acquisition in the Financial and Administrative Services activity includes \$12,000,000 to continue implementation of the DOL New Core Financial Management System.

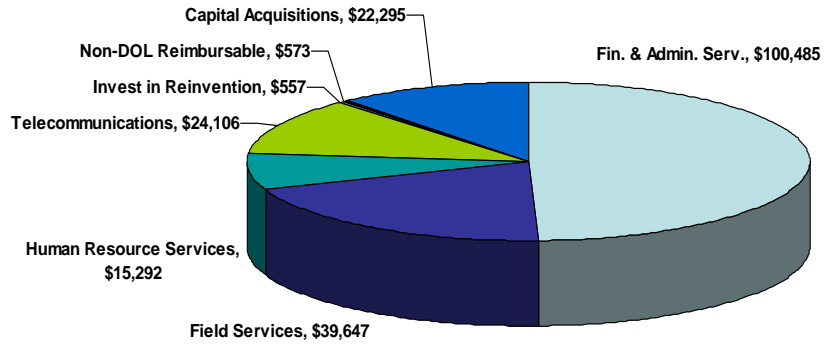
The submission includes performance budget issue papers for each program increase summarized as follows: \$1,000,000 for DOL Computer Network; \$2,000,000 for OCIO programs; \$1,000,000 for National Contact Center full funding; and \$2,000,000 to operate and maintain DOL's e-HR System. In addition, this submission includes an increase of \$12,000,000 and a decrease of \$6,168,000 for a net increase of \$5,832,000 in a direct appropriation to the WCF to complete the implementation of the DOL New Core Financial Accounting System.

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

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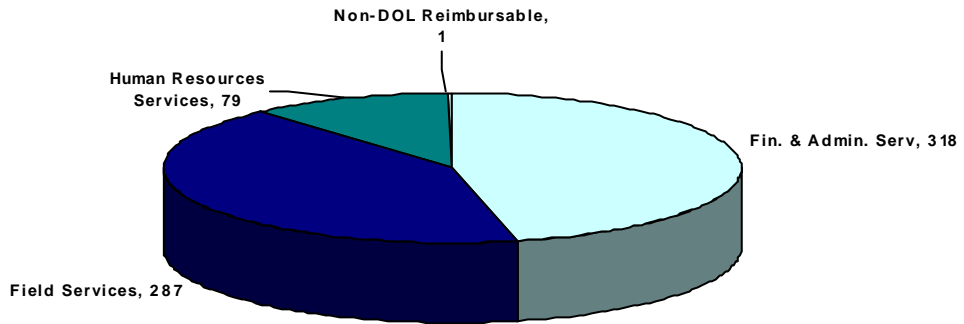
FY 2008 Budget Request by Program Activity

Total WCF Budget: \$202,955
(\$ in Thousands)



WCF FTE by Activity

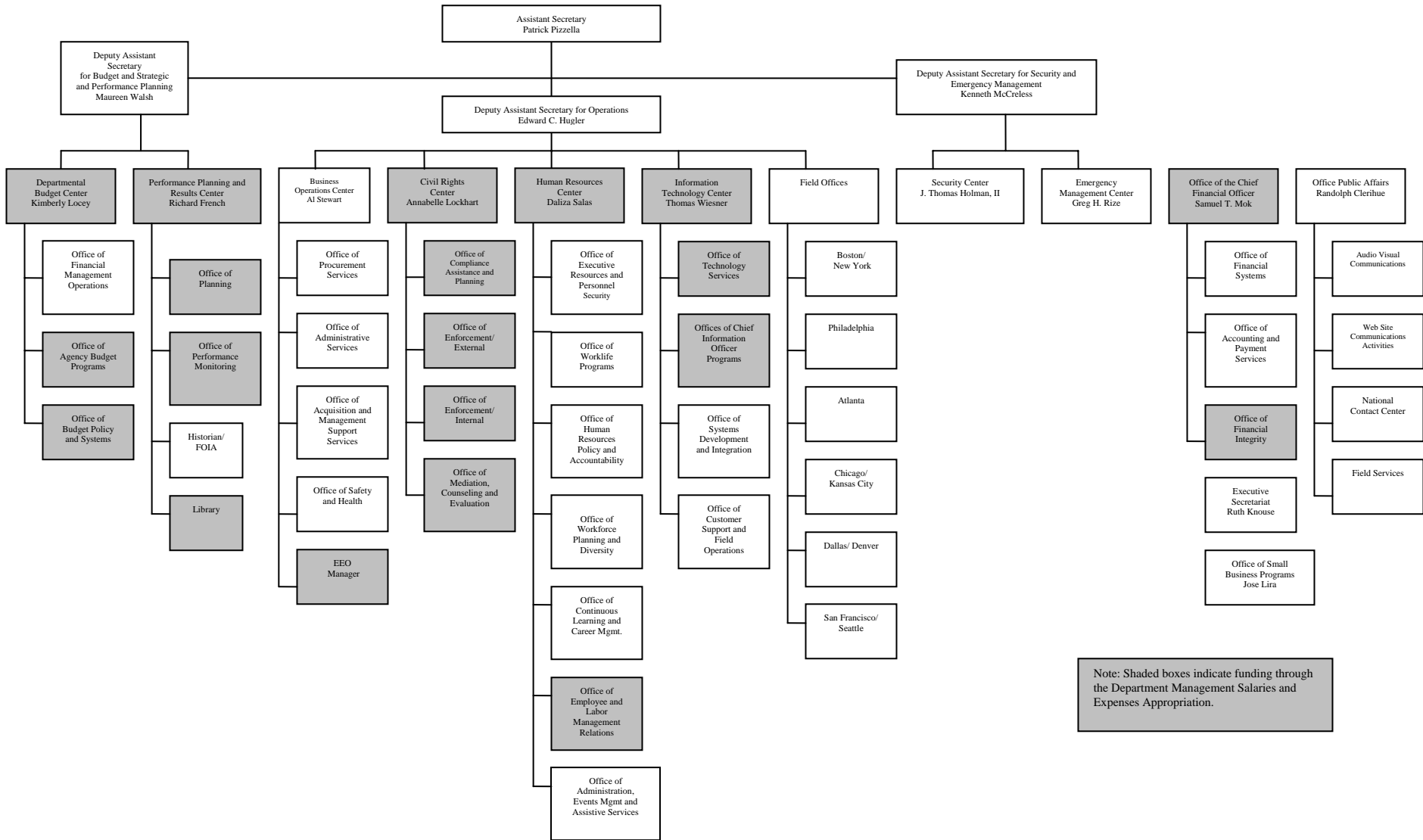
Total FTE: 685



DOL Estimated Population Served: 15,500
WCF Staffing Ratio to DOL Population Served = 1:22

WORKING CAPITAL FUND PROGRAMS

ORGANIZATION CHART



WORKING CAPITAL FUND PROGRAMS

APPROPRIATION LANGUAGE

For the acquisition of a new core accounting system for the Department of Labor, including hardware and software infrastructure and the costs associated with implementation thereof, \$12,000,000.

Note. — A regular 2007 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. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

WORKING CAPITAL FUND PROGRAMS

AMOUNTS AVAILABLE for OBLIGATIONS						
(Dollars in Thousands)						
	FY 2006 Enacted		FY 2007 C. R.		FY 2008 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	6,230	0	6,168	0	12,000
Reduction pursuant to (P.L. 109-148 in FY 2006)	0	-62	0	0	0	0
Appropriation, Revised	0	6,168	0	6,168	0	12,000
A.1) Subtotal Appropriation	0	6,168	0	6,168	0	12,000
DOL Reimbursements	701	166,893	684	180,691	684	190,382
Non-DOL Reimbursements	1	1,516	1	573	1	573
A.2) Subtotal	702	168,409	685	181,264	685	190,955
B. Gross Budget Authority	702	174,577	685	187,432	685	202,955
Non-DOL Reimbursements	-1	-1,516	-1	-573	-1	-573
B.1) Subtotal	-1	-1,516	-1	-573	-1	-573
C. Budget Authority	701	173,061	684	186,859	684	202,382
Before Committee	0	6,168	0	6,168	0	12,000
DOL Reimbursements	701	166,893	684	180,691	684	190,382
Non-DOL Reimbursements	1	1,516	1	573	1	573
C.1) Subtotal	702	174,577	685	187,432	685	202,955
D. Total Budgetary Resources	0	0	0	0	0	0
E. Total, Estimated Obligations	702	174,577	685	187,432	685	202,955

The 2007 level is the assumed current rate under the terms of P.L. 109-289, as amended.

WORKING CAPITAL FUND PROGRAMS

SUMMARY OF CHANGES								
(Dollars in Thousands)								
	FY 2007 C. R.		FY 2008 Agency Request		Net Change			
Budget Authority								
General Funds	187,432		202,955		+15,523			
Trust Funds	0		0		0			
Total	187,432		202,955		+15,523			
Full Time Equivalents								
General Funds	685		685		0			
Trust Funds	0		0		0			
Total	685		685		0			

Explanation of Change	FY 2008 Change							
	FY 2007 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
Costs of pay adjustments	685	54,807	0	0	0	1,121	0	1,121
Personnel benefits	0	20,959	0	0	0	416	0	416
Two More Days of Pay	0	0	0	0	0	571	0	571
Federal Employees Compensation Act (FECA)	0	216	0	0	0	0	0	0
Travel	0	1,828	0	0	0	27	0	27
Transportation of Things	0	31	0	0	0	0	0	0
GSA Space Rental	0	8,183	0	0	0	0	0	0
Communications, utilities & miscellaneous charges	0	28,982	0	0	0	90	0	90
Printing and reproduction	0	202	0	0	0	4	0	4
Advisory and assistance services	0	4,279	0	0	0	448	0	448
Other services	0	26,949	0	0	0	638	0	638
Other Government Accounts (DHS Charges)	0	497	0	0	0	11	0	11
Purchase of goods and services from other Government accounts	0	2,411	0	0	0	51	0	51
Total Operations and Maintenance of Facilities	0	11,412	0	0	0	251	0	251
Operation and maintenance of equipment	0	18,664	0	0	0	396	0	396
Supplies and materials	0	2,000	0	0	0	34	0	34
Equipment	0	6,012	0	0	0	164	0	164
Built Ins Subtotal	+685	+187,432	0	0	0	+4,222	0	+4,222
B. Programs:								
Departmental Computer Network	0	6,900	0	0	0	1,000	0	1,000
Human Resources Line-of-Business (HR-LOB) Maintenance and Operations Costs	0	0	0	0	0	2,000	0	2,000
National Contact Center	0	2,238	0	0	0	1,000	0	1,000
New Core Financial Management System	0	0	0	0	0	12,000	0	12,000
OCIO Programs	0	2,400	0	0	0	2,000	0	2,000
Programs Subtotal			0	0	0	+18,000	0	+18,000
Total Increase	+685	+187,432	0	0	0	+22,222	0	+22,222
Decreases:								
A. Built-Ins:								
Federal Employees Compensation Act (FECA)	0	0	0	0	0	-6	0	-6
GSA Space Rental	0	0	0	0	0	-525	0	-525
Built Ins Subtotal	0	0	0	0	0	-531	0	-531
B. Programs:								
New Core Financial Management System Decrease	0	0	0	0	0	-6,168	0	-6,168
Programs Subtotal			0	0	0	-6,168	0	-6,168
Total Decrease	0	0	0	0	0	-6,699	0	-6,699
Total Change	+685	+187,432	0	0	0	+15,523	0	+15,523

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SUMMARY BUDGET AUTHORITY and FTE by ACTIVITY
(Dollars in Thousands)

	FY 2006 Enacted 1/		FY 2007 C. R. 2/		FY 2008 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
Financial and Administrative Services	317	103,583	318	110,389	318	122,780
General Funds	317	103,583	318	110,389	318	122,780
Field Services	290	37,083	287	38,799	287	39,647
General Funds	290	37,083	287	38,799	287	39,647
Human Resources	80	10,732	79	13,008	79	15,292
General Funds	80	10,732	79	13,008	79	15,292
Telecommunications	0	21,106	0	24,106	0	24,106
General Funds	0	21,106	0	24,106	0	24,106
Investment in Reinvention Fund	0	557	0	557	0	557
General Funds	0	557	0	557	0	557
Non-DOL Reimbursables	1	1,516	1	573	1	573
General Funds	1	1,516	1	573	1	573
Total	688	174,577	685	187,432	685	202,955
General Funds	688	174,577	685	187,432	685	202,955

1/ The FY 2006 reflects enacted, not actual, levels.

2/ The 2007 level is the assumed current rate under the terms of P.L. 109-289, as amended.

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Budget Authority by Object Class (Dollars in Thousands)				
	FY 2006 Enacted	FY 2007 C. R.	FY 2008 Request	FY 08 Request / FY 07 C. R.
Total Number of Full-Time Permanents Positions	688	685	685	0
Full-Time Equivalent				
Full-time Permanent	687	684	684	0
Reimbursable	1	1	1	0
Average ES Salary	152,000	156,500	164,000	7,500
Average GM/GS Grade	12.1	12.7	12.9	0.2
Average GM/GS Salary	68,000	78,300	82,100	3,800
Average Salary of Ungraded Positions	48,200	49,700	52,100	2,400
11.1 Full-time permanent	50,022	52,698	54,190	1,492
11.5 Other personnel compensation	674	2,109	2,156	47
12.1 Civilian personnel benefits	18,858	21,175	21,738	563
21.0 Travel and transportation of persons	1,365	1,828	1,855	27
22.0 Transportation of things	40	31	31	0
23.1 Rental payments to GSA	8,536	8,183	7,658	-525
23.3 Communications, utilities, and miscellaneous charges	25,091	28,982	29,072	90
24.0 Printing and reproduction	239	202	206	4
25.1 Advisory and assistance services	4,379	4,279	4,727	448
25.2 Other services	19,177	26,949	39,419	12,470
25.3 Other purchases of goods and services from Government accounts 1/	2,908	2,908	2,970	62
25.4 Operation and maintenance of facilities	16,752	11,412	11,663	251
25.7 Operation and maintenance of equipment	17,412	18,664	19,060	396
26.0 Supplies and materials	1,843	2,000	2,034	34
31.0 Equipment	7,281	6,012	6,176	164
Total	174,577	187,432	202,955	15,523
1/Other Purchases of Goods and Services From Government Accounts				
Department of Homeland Security Services (DHS)	497	497	508	11

WORKING CAPITAL FUND PROGRAMS

APPROPRIATION HISTORY
(\$ in thousands)

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

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

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

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

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(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	103,583	110,389	110,389	6,806	122,780	12,391
FTE	317	318	318	1	318	0

Introduction

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

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

BOC services are concentrated in the following areas:

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

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ITC provides an ongoing deployment of efficient and effective technology infrastructure to its customers including the maintenance of the Department's host computer systems and new personnel and payroll systems. ITC has oversight responsibilities of the Department's Federal Telecommunications System (FTS) program.

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

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

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

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

In addition, OCFO provides overall operational support and maintenance for the Department's centralized payroll system and subsystems for the employee compensation and benefits program, including time and attendance tracking ([OCFO - PeoplePower](#)). DOL generates payroll reports and other data required by various regulatory agencies, including the Office of Personnel Management (OPM), and ensures quality control over a broad variety of payroll services such as

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employee retirement and separation processing, union dues reporting, and garnishment and child support deduction processing. In addition, OCFO establishes and monitors payroll, accounting and timekeeper operational policies and procedures. OCFO also designs, develops, and tests central payroll applicable to major automated systems to ensure integration with systems of other federal agencies such as OPM and the U.S. Department of Agriculture (USDA) National Finance Center. As part of the e-payroll initiative to standardize federal payroll processes, DOL migrated to USDA's National Finance Center on April 3, 2005. OCFO continues to manage and provide operational support for this function.

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

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

Under the direction of OPA, the Enterprise Communications Initiative (ECI) ([OPA - Enterprise Communications Initiative](#)) provides leadership for the coordination and management of the Department's main public website and LaborNet to ensure its information and services are cohesive, accessible, timely, accurate and authoritative. In keeping with stated e-Government goals, ECI is actively working on the reduction and consolidation of current Internet and Intranet related hardware systems to minimize duplication of resources and efforts within DOL. The integration of the Department's National Contact Center (DOL-NCC) activities ([OPA - DOL-National Contact Center Initiative \(DOL-NCC\)](#)) and data with DOL websites continues to improve the quality, accuracy and timeliness of the information provided on DOL websites and to reduce Tier 1 call volume.

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

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

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Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	72,337	306
2004	101,531	311
2005	102,514	314
2006	103,583	317
2007	110,389	318

FY 2008

The Financial and Administrative Services activity requests a total of \$122,780,000 and 318 FTE for FY 2008. Included in the requested amount are the following program increases:

- **OCFO** – New Core Financial Accounting System: \$12,000,000 and 0 FTE
- **OCIO** – Departmental Computer Network (DCN): \$1,000,000 and 0 FTE
- **OCIO** – OCIO Programs: \$2,000,000 and 0 FTE
- **OPA** – National Contact Center (NCC): \$1,000,000 and 0 FTE

The FY 2008 request will continue to support the PMA for competitive sourcing, expanded e-government and budget & performance integration; and the President's Financial Management Line of Business initiative.

A net program increase in the amount of \$5,832,000 is requested to continue the replacement of DOL's existing financial management system (DOLAR\$) with a New Core Financial Management System ([OCFO - DOL Labor Executive Accountability Program](#)) that will produce real-time, web-based financial information. This request is imperative to further the transition to the new core financial management system, while maintaining the continued availability of historical data from DOLAR\$.

A program increase is requested in the amount of \$1,000,000 for the DCN to provide continuous funding for the numerous e-Government initiatives under the PMA that require post-operational and maintenance support for their applications and services. Once initiatives are operational and leave the DCN, a funding gap emerges, which would threaten the green status of e-Government metrics. This requested increase will ensure that the DCN is available to provide quality and sustained services to support enterprise e-Government products.

A program increase in the amount of \$2,000,000 for the OCIO programs is requested to support the transition of the OCIO's Information Technology (IT) Security and Privacy Program and the OCIO's Enterprise Architecture Program. OCIO's performance is crucial to departmental success, responsiveness to oversight agencies such as OMB and the General Accountability Office (GAO), and the overall capacity of DOL to support the PMA, particularly in electronic government. Specifically, this increase will support the transition of the OCIO's IT Security and Privacy Program as well as the continued transfer of operational aspects to the WCF.

A program increase in the amount of \$1,000,000 is requested for the DOL-NCC. These funds will allow DOL-NCC to accommodate the projected growth in usage, as well as rise in

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translation needs and will facilitate the centralization of Department-wide Tier-1 customer service call centers.

OASAM plans to make advances in performance-based management at DOL through enhancing the implementation of the Government Performance and Results Act (GPRA), meeting Budget and Performance Integration requirements under the PMA, formulating and executing budgets in accordance with OMB and Congressional direction for DOL programs, and continuing pursuit of a number of program evaluations throughout the Department. OASAM, through the Departmental Budget Center's Office of Financial Management Operations, will also provide Departmental leadership and direction in planning and budgeting to improve the results and cost effectiveness of the Departmental programs. Through the deployment of an enterprise budgeting environment, automation advancements in the budget formulation process will be expanded and refined.

OASAM will ensure that its IT governance and support will allow on-going deployment of an efficient and effective technology infrastructure to its customers. In FY 2008, within the four components of the E-Government framework, OASAM will continue to plan, acquire and implement new information technology, business solutions, systems, services, and capabilities that support full IT functions. In addition, OASAM plans to further integrate and align with the federal-wide e-government efforts, such as Presidential Priority Initiatives and the Lines of Business functions.

The Office of the Chief Financial Officer (OCFO) has responsibility to oversee all financial management activities relating to the Department's programs and operations. Program activity planned for FY 2008 includes continued efforts under the Improper Payment Information Act (IPIA) to meet its improper payment reduction and recovery targets as well as the continued execution of corrective and preemptive action plans. In turn, improved internal controls will guard against fraud, waste and abuse to ensure agency resources are used to meet program objectives. Additionally, the Department will implement enhancements to its managerial cost accounting system to provide better cost-based information to managers. OCFO will also engage in training initiatives to enhance the ability of the Department's financial personnel to provide program support beyond traditional administrative roles.

Departmental public outreach will be accomplished through OPA with a comprehensive, nationwide public affairs program designed to inform the public of the Department's laws, policies, programs and activities in an effective, efficient and economic manner with a full range of services and staff support. OPA audiovisual communications services will continue to serve as the Department's central point of development, production and distribution of critical communications both to the American and DOL workforces. OPA also manages the department's internet governance as well as the DOL-NCC, which supports the American public by providing accurate, timely and relevant information through phone and e-correspondence.

Under the direction of the Executive Secretariat, services will continue for correspondence control as well as the Department's management support unit. Under the direction of SBREFA, services will continue in assisting small businesses in understanding their responsibilities under the federal rules and the regulations that affect those businesses. Furthermore, employment and

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training for entry level positions within the Department will continue under the direction of the Professional Administrative Support program.

To reiterate, this activity will dedicate its financial resources to support the PMA and maintain the Department's hard earned and coveted green status. The DOL has succeeded in this endeavor by providing valuable, cost efficient administrative and support services to all the Department program agencies who, in turn, promote the welfare of the job seekers, wage earners, and retirees of the United States.

FY 2007

OASAM's overarching goals for each component funded through this activity are to provide quality, responsive, cost effective administrative support services to DOL program agencies and to pursue management strategies to improve customer services, such as franchising, outsourcing and flexible service arrangements. OASAM will continue to provide departmental leadership and direction enabling the Department to meet or exceed its competitive sourcing goals and requisite consultant support and training for DOL staff responsible for key aspects of the competitive process.

As the Department continues adapting to the digital era and transforms its business processes to take advantage of opportunities provided by technological advancements, the need for effective and efficient management of electronic information is becoming increasingly critical. Consequently, OASAM will lead the charge to lay the groundwork for an electronic document and records management solution for DOL. In addition, OASAM plans to further integrate and align with federal-wide e-government efforts, such as Presidential Priority Initiatives and the Lines of Business functions.

Finally, OASAM will take the required steps to ensure the physical safety of the Department's workforce by maintaining and enhancing facilities. OASAM is committed to providing the necessary tools by which the Secretary and the Department's executive leadership will manage and direct programs and resources in response to a full spectrum of natural or manmade security situations or emergencies.

The OCFO will continue to work towards the implementation of a new core financial management system to support DOL agency programs. By replacing DOL's aging accounting system the Department will be positioned with the technological infrastructure to provide customized, readily accessible financial information to all levels of management on a daily basis. In addition, OCFO will continue to provide high quality financial services.

OPA will continue to serve as the Department's sole source of public affairs support, handling a wide range of complex, controversial issues both at the national and regional levels. Innovative public affairs activities continue to increase public awareness and understanding of the governing laws, departmental programs and Administration goals and initiatives. The Department's audiovisual facility upgrade will be completed including new computerization of a digital system to share and transfer images among different disciplines; rewiring of the facility to meet Federal Communication Commission (FCC) mandated requirements for the production of material that is

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distributed on CD and DVD and public information that goes to broadcast; reformatting and rewiring the video distribution system in the Frances Perkins Building.

As the Secretary's Enterprise Communications Initiative (ECI) continues to establish policy and assign responsibilities for the management of the Department's enterprise communications services, including, Internet and Intranet websites, telephone contact centers, electronic correspondence, translation services, and similar activities, the DOL-NCC will complete the consolidation of Tier-1 call centers. The customer relationship management (CRM) effort will continue in FY 2007. The CRM supports a cost allocation system that enables fee for service cost models and integrated financial and performance data. Additionally, the DOL-NCC will continue working closely with interagency workgroups to develop departmental benchmarks and strategies for customer services in the future.

Overall, resources in this activity will be dedicated to providing quality, responsive, cost effective and timely administrative and support services to DOL program agencies and to pursue management strategies to improve customer services, including franchising, outsourcing and flexible service agreements.

FY 2006

Under OASAM's leadership, this activity continued its current level of administrative and support services to DOL agencies, allowing the Department to achieve its priorities and strategic goals. DOL continued to provide basic safety and health services to employees and resources for building services and building improvements. In competitive sourcing, the Department focused on meeting or exceeding its competitive sourcing goals in support of the PMA. OASAM's PMA IT initiatives continued to ensure a secure environment by maintaining Authority to Operate for 100% of the DOL's major information systems.

In capital planning, OASAM continued to use Earned Value Management (a project management tool that optimizes investment planning and control) and operational analysis to control cost and schedule overruns and performance shortfalls. The Department implemented and supported appropriate e-government initiatives. OASAM maintained an effective Enterprise Architecture (EA) that facilitated the management of change and fostered the integration of systems with a transition strategy that ensured alignment with the Department's business and IT goals. OASAM continued to integrate EA, Capital Planning and Investment Control, security, and the system development to increase agency performance and benefits to citizens.

The OCFO provided high quality financial information in support of the Department's mission to prepare and protect American workers. FY 2006 successes include updating the Department's Cost Analysis Manager (CAM) models, which support decision-making by providing program managers with cost outputs and activities to better understand the cost of programs from an operational perspective. To enhance the accountability of DOL financial executives, OCFO implemented a quarterly certification and review process that focuses on the effectiveness of internal financial management controls. In FY 2006, this process aimed at resolving internal control issues, addressing audit findings, and taking actions to prevent problems from occurring. OCFO focused on the implementation of the new core financial management system including

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the procurement of hardware and software, software licensing, project personnel, contractor support, and training.

OPA provided effective and economical audiovisual and comprehensive information programs to increase the public's knowledge and use of the Department's programs and services and to enhance the public's support of and compliance with laws and programs administered by the Department. OPA instituted a comprehensive plan to bring the audiovisual facility into compliance with new digital requirements, which allowed it to continue meeting the requirements of the Secretary and the Department including numerous grants to states to aid employment, dissemination of information on regulations as well as messages of a public service nature.

OPA provided leadership and guidance in implementing the ECI to centralize the DOL-NCC department-wide Tier-1 customer service call centers (basic frequently asked questions and referral services). This centralization resulted in increased capabilities for DOL to serve the public in a more efficient and cost effective manner. Year-end usage totals were nearly 1,000,000 for all the contact center activities. OPA improved contact center and email efficiencies by implementing a centralized customer relationship management (CRM) system to serve the entire Department. OPA increased the utilization of services provided at the DOL-NCC, by delivering measurable performance results that support a cost allocation system to enable fee for service cost models and enhance the Department's ability to integrate financial and performance information. In addition, the DOL-NCC acquisition strategy timetable began in early FY 2006 with the competitive bid process and culminated in late FY 2006 with contract award. In FY 2006 the DOL-NCC participated in the GAO study of outsourced federal contact centers. In addition, website communications services focused on standardization and the implementation of best practices to improve the quality of services that are provided by OPA. OPA continued the implementation of the ECI by conducting the alignment and integration of ECI's Business Technology and Human Resources.

The Executive Secretariat continued to provide correspondence control services as well as executive support to the Department's management unit. OSBP continued their efforts in assisting small businesses in understanding their responsibilities under the federal rules and the regulations (i.e. Small Business Regulatory Enforcement Fair Act of 1996) that affect those businesses.

Overall, resources in this activity were dedicated to providing quality, responsive, cost effective and timely administrative and support services to DOL program agencies and to pursue management strategies to improve customer services. Based upon the population served, the objective in this area was to control costs so that costs of providing services in these areas would not increase more than the annual rate of inflation unless the agency service demands increase.

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CHANGES IN FY 2008

(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Costs of pay adjustments		575
Personnel benefits		214
Two More Days of Pay		293
Federal Employees Compensation Act (FECA)		-2
Travel		5
GSA Space Rental		-209
Communications, utilities & miscellaneous charges		81
Printing and reproduction		2
Advisory and assistance services		371
Other services		382
Purchase of goods and services from other Government accounts		51
Operation and maintenance of equipment		364
Supplies and materials		27
Equipment		154
Total Operations and Maintenance of Facilities		251
Total Built-in		2,559
Net Program		\$9,832
	Estimate	FTE
Base	\$112,948	318
Program Increase	\$16,000	0
Program Decrease	-\$6,168	0

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U.S. Department of Labor Financial and Administrative Services Performance Budget Issue Paper OCIO Programs

Applicable Performance Goal:

DOL Strategic Goals supported: *A Prepared Workforce, A Competitive Workforce and Safe and Secure Workplaces.*

Agency Strategic Goal supported: *OASAM - Effectively coordinate and implement the Department of Labor's management priorities.*

Agency Performance Goal support: *Effective Information Technology Governance.*

Requested Resources:

A total of +\$4,400,000 is requested, an increase of +\$2,000,000 from the FY 2007 C.R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

A total of \$4,400,000 is requested in FY 2008, an increase of \$2,000,000 from the FY 2007 President's Budget submitted to Congress. This increase will support the transition of the OCIO's Information Technology (IT) Security & Privacy Program and continues the transfer of the operational aspects of the OCIO to the Working Capital Fund. The Department intends to complete the transition of the OCIO's Enterprise Architecture Program with a final request in FY 2009. This initiative will provide a stable funding source as well as sufficient resources to improve the effectiveness of OCIO programs.

The functions and responsibilities of OCIO Programs have grown exponentially in recent years and its future performance is crucial to departmental success. OCIO programs are responsive to oversight agencies such as OMB and the General Accountability Office. In addition, OCIO has overall responsibility to support the President's Management Agenda (PMA), particularly in electronic government. Funding will be used to mitigate the growing IT security risks, fulfill statutory requirements, and assist the Department to maintain a green rating on the PMA E-Government Scorecard and its A+ on the Federal Security Report Card.

To accomplish its goals and requirements, the OCIO Programs will:

- Facilitate improvements that leverage the Department's business, technology, and information architecture and investments;
- Manage customer relationships and customer information effectively;
- Provide a foundation of secure and private IT service to customers; and

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- Manage change across the Department to simplify enterprise architecture and streamline the use of IT to accomplish the Department's mission.

As in prior years, the OCIO will continue to focus its efforts in four critical functional areas: (1) IT Capital Planning and Investment Control Management, (2) Enterprise Architecture, (3) IT Security & Privacy, and (4) Information Management. In addition, OCIO Programs will continue to implement sound IT investment management principles and practices as it oversees the Department's portfolio of IT investments in performance of the Department's mission.

To ensure the Department continues to operate efficiently and effectively as well as to accommodate the growth and seriousness of security threats and system vulnerabilities, the scope of the OCIO's IT Security & Privacy program has broadened considerably. Specifically, the OCIO will carry out the following activities:

- Develop and implement a comprehensive implementation plan to ensure the Department meets the minimum security control requirements in accordance with guidance provided by the National Institute of Standards and Technology (NIST), specifically, NIST Federal Information Processing Standards Publication 200 - *Minimum Security Requirements for Federal Information and Information Systems* and NIST Special Publication 800-53, *Recommended Security Control for Federal Information Systems*;
- Enhance and expand the Department's IT security controls testing and evaluation methodology to comply with revised NIST minimum testing requirements;
- Build upon an effective Certification and Accreditation Program;
- Enhance an effective DOL centralized Computer Security Incident Response Capability (CSIRC) responsible for coordinating computer security related incidents across DOL agencies; and
- Enhance the Department's IT Security Program to incorporate a privacy component to ensure compliance with the Privacy Act and other privacy related legislative requirements.

Marginal Cost Impact:

None.

Offsets:

None.

Base Level Funding (\$ in thousands):

Base:

Estimate: +\$2,400 FTE: 0

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Program Performance at Request Level (\$ in thousands):

Program Changes:

Estimate: +\$2,000 FTE: 0

Object Class (\$ in thousands):

Object Class		FY 2008 Request
25.1	Advisory and Assistance Services	+\$2,000

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U.S. Department of Labor Financial and Administrative Services Performance Budget Issue Paper Departmental Computer Network

Applicable Performance Goal:

The Office of the Assistant Secretary for Administration and Management (OASAM) is committed to increasing integration of DOL Information and Information Technology (IT) systems and extend access to automated services.

Department Computer Network (DCN) is utilized to support DOL's goal of using information technology to reduce costs and increase accessibility to customers. The Department uses the DCN to promote DOL's IT enterprise architecture vision by integrating IT services with business processes to eliminate redundant costs and provide quality support to DOL's stakeholders.

Requested Resources:

A total of +\$7,900,000 is requested, an increase of +\$1,000,000 from the FY 2007 C.R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

The DCN contains operational services that interconnect nine stand-alone DOL networks and supports the growing number of Department-wide e-Government initiatives. The DCN infrastructure consists of redundant network systems, the necessary interconnectivity and hosting services to support internal and external e-Government initiatives.

As the numerous e-Government initiatives are being developed and deployed using available crosscut funds and ITC services, the follow-up operation and maintenance support needed to maintain the applications and services have not been funded. As such, once operational, these e-Government applications and services have left the DCN without needed funding to sustain their continued existence.

The DCN has received these applications and services over the past few years and expects additional services to continue to come in the future. It is imperative that the necessary funding is available to provide quality and sustained services to support the growing number of these enterprise e-Government products. The requested funding will be used to fulfill responsibilities that include Continuity of Operations, Continuity of Government, Disaster Recovery, HSPD-12 infrastructure Operations, and consolidating and leveraging information technology and network resources between agencies within DOL. DCN supports Desktop support services, Blackberry Services, DOL's Common Email System, Enterprise-wide Active Directory Services, Anti-Spam E-Mail, IT Security Services, and E-Procurement and E-Property enterprise-wide systems.

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It is imperative that the necessary funding is available to provide quality and sustained services to support the growing number of these enterprise e-Government products.

Marginal Cost Impact:

None.

Offsets:

None.

Base Level Funding (\$ in thousands):

Base:
Estimate: +\$6,900 FTE: 0

Program Performance at Request Level (\$ in thousands):

Program Changes:
Estimate: +\$1,000 FTE: 0

Expected performance:

- Average help Desk response time: 75% of calls answered in 60 seconds or less
- % of Help Desk tickets resolved on first call: 60%
- Total hours of required service: 3,012
- % of service interruptions resolved within target timeframe: 80%
- % of customers who are satisfied with IT projects: 85%
- % of major systems in compliance: 100%
- % of major systems operating securely: 100%

Object Class (\$ in thousands):

Object Class		FY 2008 Request
25.2	All Other Services	+\$1,000

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**U.S. Department of Labor
Financial and Administrative Services
Performance Budget Issue Paper
New Core Financial Management System Decrease**

Applicable Performance Goal:

Improve the accuracy, timeliness, and usefulness of financial information.

Requested Resources:

A total of -\$6,168,000 is requested, a decrease of -\$6,168,000 from the FY 2007 C. R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

A program decrease of \$6,168,000 provides for the one year elimination of direct appropriation funding in the FY 2007 Request.

Marginal Cost Impact:

None.

Offsets:

None.

Base Level Funding (\$ in thousands):

Base:
Estimate: +\$0 FTE: 0

\$0 Base 1-yr Direct Appropriation

Program Performance at Request Level (\$ in thousands):

Program Changes:
Estimate: -\$6,168 FTE: 0

Object Class (\$ in thousands):

Object Class		FY 2008 Request
25.2	All Other Services	-\$6,168

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U.S. Department of Labor Financial and Administrative Services Performance Budget Issue Paper New Core Financial Management System

Applicable Performance Goal:

Improve the accuracy, timeliness, and usefulness of financial information.

Requested Resources:

A total of +\$12,000,000 is requested.

Rationale/Strategy and Performance Impact Related to Resource Increase:

Implementation of the new core financial management system will ensure the availability of timely, accurate, reliable and useful financial information that can be used to better discern how well programs deliver results in regard to the resources invested. As a strategic asset for the Department, the system will empower superior decision making through better business intelligence and enable integrated financial performance management solutions. Older, batch-oriented systems such as DOLAR\$ were developed to meet accounting needs and cannot produce the real-time, web-based financial information to program managers and decision-makers as they seek to achieve improved program results.

DOLAR\$ is based on technology that does not efficiently support the on-line, real-time needs of the Department's financial and program managers. The customized code in the system has resulted in modifications that have become increasingly costly to maintain. In addition, although DOLAR\$ continues to be a very secure system, it relies on technology developed before the advent of modern security controls and protections. The Department intends to increase centralization and standardization of financial management. DOL's target enterprise architecture indicates that financial management is a universal function performed by all DOL agencies currently using nearly 31 applications (interfaced to DOLAR\$) across the Department.

FY 2008 funding will allow for the continued availability of historical information from DOLAR\$ through the development of a financial data storage warehouse. The availability of this information is critical to the planning, year-to-year financial comparisons, and performance analysis. Additionally, because of the size and complexity of an Enterprise Resource Planning System (e.g., Oracle), a sizable support operation must be in place during the first six to nine months of operation in the production environment to ensure the success of the deployment.

Continued funding of the new core financial management system will enable DOL to take advantage of e-Government capabilities built into the new technology. Systems and data are increasingly being shared by agencies with common needs. Consistent with the objectives of the President's Financial Management Line of Business initiative (FMLoB), DOL is developing the new core financial information system that will be hosted by a commercial Financial

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Management Shared Service Provider in accordance with the Office of Management and Budget's policy.

Marginal Cost Impact:

Continued funding for this initiative will enable DOL to take advantage of new technology, including a Service Oriented Architecture, which is a cornerstone of the FMLoB. Increasingly, systems and data are being shared by agencies with common needs. Consistent with the objectives of the President's FMLoB program, DOL is developing the new core financial information system so that it can be hosted by a Financial Management Shared Service Provider. Continued funding in FY 2008 will enable DOL to benefit from e-Government capabilities built into the new technology.

Offsets:

None.

Base Level Funding (\$ in thousands):

Base:
Estimate: +\$0 FTE: 0

Requesting 1-year funding.

Program Performance at Request Level (\$ in thousands):

Program Changes:
Estimate: +\$12,000 FTE: 0

Object Class (\$ in thousands):

Object Class		FY 2008 Request
25.2	All Other Services	+\$12,000

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U.S. Department of Labor Financial and Administrative Services Performance Budget Issue Paper National Contact Center

Applicable Performance Goal:

The DOL National Contact Center's (DOL-NCC) work supports all DOL goals and activities.

Requested Resources:

A total of +\$3,238,000 is requested, an increase of +\$1,000,000 from the FY 2007 C.R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

The DOL-NCC directly supports all of DOL's strategic goals by providing citizens across the nation with timely, accurate, and understandable information on a wide range of Departmental programs and services. It is a mission critical program that is identified in the DOL E-Government Strategic Plan and the Department's Continuity of Operations (COOP) plans.

The DOL-NCC was the first federal contact center to provide full 24x7 services after the recent devastating hurricanes. DOL provided timely, critically needed information to hurricane survivors. As a result of the Gulf Coast hurricanes, DOL-NCC implemented the DOL Employee Emergency Communications System, 1-877-DOL-SAFE in June 2006. This broadcast communications tool will allow DOL employees across the nation to call in their status as well as receive important messages from the Department in the event of an emergency situation. The demand to be responsive and compliant even in times of crisis is a significant task that is achieved only at a full funding level.

In FY 2008, public inquiries on the main help lines at DOL-NCC are projected to total more than 400,000 telephone calls and 16,000 emails annually. The forecast for the entire DOL-NCC (six existing toll-free and email programs) is expected to reach 1.7 million calls and over 80,000 emails in FY 2008. Statistics also suggest that by the year 2008 up to 20% of the general public's inquiries will need to be responded to in languages other than English and up to 2% of inquiries will require assistive technologies.

With the requested resources, the DOL-NCC will continue to support the American public by providing accurate, timely and relevant information through telephone and e-correspondence. As part of the Secretary's Enterprise Communications Initiative, the centralization of department-wide Tier-1 (basic frequently asked questions and referral services) customer service call centers into the DOL-NCC will be completed. This centralization will result in increased capabilities for DOL to serve the public in a more efficient and effective manner and will provide DOL agencies with consistent and accurate performance data and usage statistics. Fee for service cost models that allocate DOL-NCC costs fairly among DOL agencies through the Working Capital Fund

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will be realized. Additionally, the DOL-NCC will lead the effort to develop Departmental benchmarks and strategies for customer services into the future.

Our goal is to deliver a seamless citizen information system that better serves citizens and the Department. If full funding is not provided the result will be the abolishment of the centralized citizen contact services provided by the DOL-NCC. Customer service tasks will return to the agencies, potentially resulting in reduction of services to citizens as well as an increase in overall operating costs for the Department. DOL-NCC budget projections are developed from historical data and trending analysis which has proven accuracy over time. Every year the contact center budget is reduced to below service levels that force the Department to find resources to fully fund this mission critical program. Even the current services level of \$ 2,290,954 will result in the termination of program services on the primary DOL help line, including:

- 1) Reduction in the number of hours the call center would be open.
- 2) Reduction in training.
- 3) Reduction of translation services required for inquiries in languages other than English, which would affect up to 20% of the general public who contact the center daily.
- 4) Reduction in operators, which would affect wait times, quality of service and employee turnover rates.
- 5) Reduction in supervisors and Quality Assurance staff, which would affect accuracy of information and quality of service.

Marginal Cost Impact:

None.

Offsets:

None.

Base Level Funding (\$ in thousands):

Base:			
Estimate:	+\$2,238	FTE:	0

Program Performance at Request Level (\$ in thousands):

Program Changes:			
Estimate:	+\$1,000	FTE:	0

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Object Class (\$ in thousands):

Object Class		FY 2008 Request
25.1	Advisory and Assistance Services	+\$1,000

FIELD SERVICES

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	37,083	38,799	38,799	1,716	39,647	848
FTE	290	287	287	-3	287	0

Introduction

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

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

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	32,705	293
2004	34,398	293
2005	35,953	290
2006	37,083	290
2007	38,799	287

FY 2008

The Field Services activity request is a total of \$39,647,000 and 287 FTE. The increase is \$1,898,000 above the comparative amount provided in FY 2007 and provides a built-in increase for pay and rent costs. This activity will continue its current level of services to DOL agencies, allowing the Department to achieve its priorities, strategic goals and promote effective business practices in the administrative programs and internal support. Resources in this activity will be dedicated to providing quality, responsive, cost effective and timely administrative and support services to DOL program agencies and to pursue management strategies to improve customer service.

OASAM will continue to strengthen the Department’s financial performance by reducing erroneous payments and paying invoices and vouchers on time 95% of the time. In the area of

FIELD SERVICES

human resources management, the focus will continue to be on establishing the Department as a workplace that fosters an environment of lifelong learning and continual development of employee skills, ensuring high organizational performance, and enabling all employees to achieve their full potential. OASAM regions will participate with OPM and OMB in developing and implementing several initiatives that will streamline and automate the human capital processes including electronic official personnel files, training, clearances, and job classifications.

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

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

FY 2007

OASAM servicing finance offices will continue to provide high quality financial management products and services for the field offices of the Department as mandated by the Chief Financial Officers Act of 1990. The budget activity will continue to increase the use of electronic funds transfer as a primary means of making payments for vendor services, travel vouchers and other non-salary payments to DOL employees, private vendors and other federal and non-federal staff to promote effective business practices in the Department's internal support and administrative programs.

This budget activity will also continue the delivery of financial support to the DOL field offices. OASAM will stress the accuracy of financial information and will work with program agencies to implement analytical relationships between new program cost measures and outcome-type performance measures.

The San Francisco OASAM regional office will begin to move into the new San Francisco Federal Building on March 1, 2007. All other DOL agencies are scheduled to move into the new location by April, 2007. DOL will be the major tenant; approximately 650 DOL employees will be relocated to the new building from three current work locations in San Francisco. This initiative supports DOL's Strategic Goal of ensuring a quality workplace for its employees and addresses the Secretary's area of interest to "coordinate the work of various agencies to ensure a systematic approach to Department-wide management issues."

FIELD SERVICES

FY 2006

This budget activity continued to emphasize cost-effective and timely delivery of support services including financial management, human resources management, information technology management, safety and health, and general administrative support to the DOL field offices. Under the leadership of OASAM, this activity consolidated DOL program agencies' space holdings in field offices, co-locating offices where possible, in order to realize rent savings.

OASAM regional offices continued to work with OCFO and the Travel Management Center to implement the e-Travel system while continuing to explore new opportunities for providing service to the customers. At the same time, Field Services provided centralized administrative services that supported DOL agencies' program mandates.

FIELD SERVICES

CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Costs of pay adjustments		407
Personnel benefits		176
Two More Days of Pay		217
Federal Employees Compensation Act (FECA)		-4
Travel		13
GSA Space Rental		-269
Communications, utilities & miscellaneous charges		9
Printing and reproduction		2
Other services		245
Other Government Accounts (DHS Charges)		11
Purchase of goods and services from other Government accounts		0
Operation and maintenance of equipment		32
Supplies and materials		6
Equipment		3
Total Built-in		848
	Estimate	FTE
Base	\$39,647	287

HUMAN RESOURCES SERVICES

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	10,732	13,008	13,008	2,276	15,292	2,284
FTE	80	79	79	-1	79	0

Introduction

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

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

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	9,509	81
2004	9,987	81
2005	10,384	80
2006	10,732	80
2007	13,008	79

FY 2008

The Human Resources Services activity requests a total of \$15,292,000 and 79 FTE for FY 2008. The Department will continue recruiting, retaining, and developing talented employees enabling DOL to carry out its Strategic Human Capital Management and competitive sourcing goals of the President’s Management Agenda (PMA). Through a comprehensive approach that includes effective performance management, professional development, succession planning and continuous learning, Human Resource Services will strive to keep the Department’s skills current with evolving workforce needs.

In support of the overall workforce planning effort, DOL will continue to attract a highly skilled and diverse workforce including persons with disabilities utilizing the Department’s Online Opportunities and Recruitment System (DOORS). To address the growing challenges of

HUMAN RESOURCES SERVICES

attracting and retaining highly qualified employees, DOL will pursue the use of various Departmental and OPM hiring authorities, lifelong learning initiatives, and workplace flexibilities. In addition, career development and succession planning opportunities such as the DOL Senior Executive Service (SES) Candidate Program, Management Development Program, and MBA Fellows will be fully utilized.

FY 2007

The Human Resources Services budget activity will continue to lead and assist all DOL agencies to recruit, develop and retain a high quality workforce that meets the changing mission requirements and program priorities of today. Efforts will continue to support the Department's Human Capital strategic planning in furtherance of the PMA. This activity will continue to build upon an aggressive outreach and recruitment effort to attract a highly skilled and diverse workforce utilizing DOORS. The Human Resources budget activity will continue to focus on succession planning programs such as the Senior Executive Service (SES), mid-level management development and training programs, and MBA Fellows Program.

Through the use of technology and the Electronic Human Resources Initiatives (EHRI) such as e-OPF, e-Training, e-Clearance, and e-Reporting, alternative methods for presenting and disseminating materials that can be used to guide employees in the planning and management of their careers will continue into FY 2007. In addition, this budget activity will continue to promote and establish DOL as a quality workplace by providing information and resources on a myriad of available family-friendly initiatives to 100% of the Department's employees.

FY 2006

In FY 2006, the Human Resources Services budget activity led the effort to reestablish a common foundation for workforce planning within the Department. By integrating meaningful data on human capital into the Department's Annual Performance Plans and Performance-Based budgets, the Department created a basis for identifying future workforce needs, including the size of the workforce, its deployment across the organization, and the competencies needed to efficiently and effectively carry out the mission of the Department. DOL continued to provide succession planning programs to meet skills gaps identified in the workforce analysis. In support of the overall workforce planning effort, DOL also built upon its aggressive outreach and recruitment effort to attract highly skilled and diverse workforce (including persons with disabilities) utilizing DOORS. To address the growing challenge of attracting and retaining highly skilled and qualified employees, DOL continued to pursue the use of various Departmental and OPM hiring authorities including the Career Intern Program, lifelong learning initiatives, and workplace flexibilities.

The Department maintained the SES and mid-level management development and training programs based on succession planning requirements. The MBA Fellows and Mentoring programs were also continued in FY 2006. The Department increased diversity and specific representation in management and mission-critical occupations and also began to analyze the linkage of performance to compensation and implemented competency-based performance

HUMAN RESOURCES SERVICES

management this fiscal year. The Department continued to improve on its accountability system by using a metrics plan, accountability reviews, and methods for measuring progress.

HUMAN RESOURCES SERVICES

CHANGES IN FY 2008

(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Costs of pay adjustments		139
Personnel benefits		26
Two More Days of Pay		61
Travel		9
GSA Space Rental		-47
Communications, utilities & miscellaneous charges		0
Advisory and assistance services		77
Other services		11
Supplies and materials		1
Equipment		7
Total Built-in		284
Net Program		\$2,000
	Estimate	FTE
Base	\$13,292	79
Program Increase	\$2,000	0

HUMAN RESOURCES SERVICES

**U.S. Department of Labor
Human Resources Services
Performance Budget Issue Paper
Human Resources Line-of-Business (HR-LOB) Maintenance and Operations Costs**

Applicable Performance Goal:

DOL Strategic Goals Supported:

- OASAM Performance Goal HR 3 - The right people are in the right place at the right time to carry out the mission of the Department
- OASAM Performance Goal HR 4 - Improving organizational performance and expanding customer access to automated services and deployment of IT resources

HR LOB Strategic Goals Supported:

- Improved Management
- Cost Savings/Avoidance
- Operational Efficiencies
- Improved Customer Service

Requested Resources:

A total of +\$2,000,000 is requested, an increase of +\$2,000,000 from the FY 2007 C.R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

The requested funds are necessary to operate and maintain the Department's "steady state" e-HR Systems including the Department's Online Opportunities Recruitment System (DOORS), e-OPF, e-Clearance, and e-Reporting. These e-HR systems support Department-wide operations and provide services to all DOL employees and job applicants. Contractor support is required to perform day-to-day operations, evaluate and test system upgrades, develop and deliver training, and staff the four help desks needed to assist the Department's employees and job applicants. The number of operational help desks in FY 2008 will have significantly increased from one in FY 2005 to four in FY 2008.

Marginal Cost Impact:

The FY 2008 request of \$2,000,000 consolidates all of the costs associated with the maintenance and operation of the e-HR systems. This is a decrease of \$1,500,000 from the FY 2007 request in the Departmental Management IT Crosscut activity of \$3,500,000 which provides for the final development and implementation phases of e-Recruit (DOORS and USAJOBS), e-OPF, e-Clearance, e-Reporting, and the HR-LoB annual service fee to OPM. The consolidation of the operations and maintenance costs of the e-HR systems improves the efficiency, effectiveness,

HUMAN RESOURCES SERVICES

and provides the best product to the Department's employees and potential applicants. These systems and associated help desks will improve the Department's ability to recruit, develop, and retain a highly quality, diverse workforce that effectively meets the changing mission requirements and program priorities of the Department.

Offsets:

In FY 2007, \$3,500,000 was requested for e-HR Initiatives in the Information Technology (IT) Crosscut appropriation. In FY 2008, there is no request in the IT Crosscut for these initiatives; e-Recruit (DOORS), e-OPF, e-Clearance, e-Reporting, and the HR-LoB annual service fee to the OPM. This request consolidates the costs necessary to operate and maintain the Department's steady state e-HR Systems.

Base Level Funding (\$ in thousands):

Base:

Estimate:	+\$0	FTE:	0
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The e-HR Initiatives are currently funded through the IT Crosscut account while in the developmental and implementation phases. The current FY 2008 request is to consolidate the operation and maintenance costs of these e-HR systems to improve the overall efficiency and effectiveness and provide the best product to the Department's employees and potential employees.

Program Performance at Request Level (\$ in thousands):

Program Changes:

Estimate:	+\$2,000	FTE:	0
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This request consolidates the costs necessary to run the Department's "steady state" e-HR systems which include the DOORS, including Recruitment One-Stop's (ROS), USAJOBS search interface and the applicant American Customer Satisfaction Index Survey, e-OPF, e-Clearance, and e-Reporting. Each of these e-HR systems has successfully met their OMB alignment milestones. Costs covered by this request include annual licenses, external hosting fees, upgrades to existing systems, and maintenance/service fees. This request also includes the cost of three contractors necessary to support systems' administration, customer support and triage, product upgrade testing, training and development and delivery, and to support the Department's DOORS, e-OPF, e-Reporting, and e-Clearance help desks.

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Object Class (\$ in thousands):

Object Class		FY 2008 Request
25.1	Advisory and Assistance Services	+\$665
25.2	All Other Services	+\$164
25.3	OTHER SERVICES	+\$1,171
	TOTAL	+\$2,000

TELECOMMUNICATIONS

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	21,106	24,106	24,106	3,000	24,106	0
FTE	0	0	0	0	0	0

Introduction

The Telecommunications budget activity provides for Departmental Federal Telecommunications payments to the General Services Administration (GSA). The Federal Telecommunications System (FTS) is a domestic, long-distance service provided by a commercial carrier under contract to GSA. The network provides voice, data, dedicated transmission, packet, video transmission, wireless, blue pages, and digital integrated service.

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

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

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	20,833	0
2004	21,106	0
2005	21,106	0
2006	21,106	0
2007	24,106	0

FY 2008

The Telecommunications activity requests a total of \$24,106,000 and 0 FTE in FY 2008. In FY 2008, the Telecommunications Services activity will implement the transition from FTS2001 to the Networx program. DOL will conduct a full and fair competition of all current FTS2001 with the Networx awardees. The Networx program will include cellular and other wireless service, which is currently provided by other contract vehicles. The Telecommunications Services activity will provide for transition support including personnel training, contract staff, and administrative support software. The Department is planning to move swiftly to the new

TELECOMMUNICATIONS

contract, to reduce the risk of paying additional charges to the carriers by requiring an extension to the FTS2001 contracts.

This funding request includes program activities directly related to administrative support functions which sustain the Long Distance Telecommunications activity and funds to implement the Secretary's priority of using information technology applications to more effectively enhance Departmental program performance and reduce administrative costs. DOL will use this transition to enhance its ability to achieve greater economic and administrative overhead savings by implementing an automated ordering, inventory management, and bill verification system.

FY 2007

In FY 2007, the Telecommunications Services activity will continue to review and monitor DOL agencies' billing data for accuracy and proper billing. Staff will continue to work with GSA to improve the reporting of DOL agencies' charges to the Morris website. Staff will also prepare for the GSA conversion to the Networx program, now slated for implementation in FY 2008. The Telecommunications Services activity will provide services to Departmental agencies that will allow them to achieve their priorities and strategic goals.

FY 2006

Under the direction of OASAM, components of this activity reviewed and monitored DOL agencies' billing data for accuracy and proper billing. Departmental staff met with GSA staff to ensure that FTS2001 services were properly billed and requested GSA to place increased emphasis on the timeliness and accuracy of the data from the vendors. Staff continued to work with GSA to improve the reporting of DOL agencies' charges to the Morris website. This level of funding allowed Departmental agencies to achieve their priorities and strategic goals.

TELECOMMUNICATIONS

CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Total Built-in		0
	Estimate	FTE
Base	\$24,106	0

INVESTMENT IN REINVENTION

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	557	557	557	0	557	0
FTE	0	0	0	0	0	0

Introduction

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

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

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	557	0
2004	557	0
2005	557	0
2006	557	0
2007	557	0

FY 2008

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

FY2007

Loans will be made available for new projects as requests are received and approved.

FY 2006

Requests for new projects were not received during fiscal year 2006.

INVESTMENT IN REINVENTION

CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Total Built-in		0
	Estimate	FTE
Base	\$557	0

WORKING CAPITAL FUND PROGRAMS

APPENDIX

Total Budgetary Resources by Activity48

WORKING CAPITAL FUND PROGRAMS

TOTAL BUDGETARY RESOURCES by ACTIVITY
FY 2006 – 2008
(Dollars in Thousands)

	FY 2006 Enacted				FY 2007 C. R.				FY 2008 Request			
	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total
Financial and Administrative												
Services	6,168	97,415	0	103,583	6,168	104,221	0	104,221	12,000	110,780	0	122,780
Field Services	0	37,083	0	37,083	0	38,799	0	38,799	0	39,647	0	39,647
Human Resources	0	10,732	0	10,732	0	13,008	0	13,008	0	15,292	0	15,292
Telecommunications	0	21,106	0	21,106	0	24,106	0	24,106	0	24,106	0	24,106
Investment in Reinvention												
Fund	0	557	0	557	0	557	0	557	0	557	0	557
Non-DOL Reimbursables	0	0	1,516	1,516	0	0	573	573	0	0	573	573
Total	6,168	166,893	1,516	174,577	6,168	180,691	573	187,432	12,000	190,382	573	202,955

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

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