



Working Capital Fund Quarterly Execution Report

Fiscal Year 2015 – Through December 31, 2014
January 30, 2015



Homeland
Security

Office of the Chief Financial Officer

Message from the Chief Financial Officer

January 30, 2015

I am pleased to provide the following “Working Capital Fund Quarterly Execution Report,” which has been prepared by the Office of the Chief Financial Officer.

This document has been prepared in response to requirements in the *Fiscal Year 2014 DHS Appropriations Act, 2014 (P.L. 113-76)*, which specifies reporting terms in Section 504 of the General Provisions. Included in the report are the details of planned execution to actual obligations and expenditures, for each Working Capital Fund (WCF) Activity, through December 31, 2014.



Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable John R. Carter
Chairman, House Appropriations Subcommittee on Homeland Security

The Honorable Lucille Roybal-Allard
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable John Hoeven
Chairman, Senate Appropriations Subcommittee on Homeland Security

The Honorable Jeanne Shaheen
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

Inquiries relating to this report may be directed to me at (202) 447-5751.

Sincerely,


Chip Fulghum
Chief Financial Officer



Working Capital Fund 1st Quarter Execution Report (through December 31, 2014)

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I. Legislative Language

This document has been prepared in response to the *Fiscal Year 2014 DHS Appropriations Act, 2014 (P.L. 113-76)* and its accompanying Explanatory Statement.

Specifically, P.L. 113-76 states:

Provided further, That the Chief Financial Officer of the Department of Homeland Security shall submit a quarterly execution report with activity level detail, not later than 30 days after the end of each quarter.

The Explanatory Statement includes the following provision:

In lieu of the direction in the House report requiring initiatives funded by multiple DHS organizations to be included in the WCF, the Department is instead directed to base inclusion or exclusion of an activity in the WCF on a thorough business case that justifies the efficiency or effectiveness of such inclusion or exclusion. Further, the Department is not required to formally provide justifications to the Committees identifying initiatives or activities that are not included in the WCF. Section 504 of this Act eliminates the longstanding requirement that the WCF is subject to the reprogramming requirements contained in section 503 of this Act and instead directs quarterly reporting on obligations, expenditures, and the projected annual operating level for each WCF activity. In addition, the Department shall notify the Committees when an initiative or activity is added to or removed from the WCF. These changes will provide increased insight into the real-time operations of the WCF and provide Congress the information necessary to conduct robust oversight.

II. WCF 1st Quarter Execution Report Data

	A		B	C	D		E	F		G	H	I		J	
	Planned			Actual Execution				Summary Data		Projections					
Formula	F + H + I + J							D + E	B - F						
FY 2015 WCF Service Portfolio	FY15 Annual Plan ¹	Planned Execution ²	Total Cmmt	Actual Obligations ³	Actual Expenses ⁴	Total Obligated/Expended	Delta	Projected Q2 Execution ⁵	Projected Q3 Execution ⁶	Projected Q4 Execution ⁷	Explanations on low Execution Rates (Column G)				
GSA RENT	154,513,814	22,978,111	98,010	4,657,308	16,242,048	20,899,357	2,078,754	61,715,321	35,949,568	35,949,568					
Finance & Acctg Shared Services	25,513,055	6,182,318	-	6,182,318	-	6,182,318	-	6,285,629	6,362,358	6,682,750					
Financial Statement Audit	13,042,518	13,042,518	12,993,350	-	-	-	13,042,518	13,042,518	-	-					Due to the delay in receiving the FY 15 audit estimate from the Office of Inspector General, DHS committed funds prior to 12/31/14; the goal is to have them fully obligated by 1/31/15.
Internal Control Audit	1,301,958	1,301,958	1,301,958	-	-	-	1,301,958	1,301,958	-	-					Due to the delay in receiving the FY 15 audit estimate from the Office of Inspector General, DHS committed funds prior to 12/31/14; The goal is to have fully obligated by 1/31/15.
Financial Management Support (OFO)	4,040,747	1,018,490	-	102,990	793,584	896,574	121,916	1,357,144	904,188	882,841					Attrition and changes in contract timing.
Bankcard Program	53,018	-	-	-	-	-	-	26,509	-	26,509					
TIER	850,550	268,692	-	190,512	62,704	253,216	15,476	254,519	176,966	165,848					
NFC Payroll Services & Reporting	38,972,448	11,812,913	-	7,687,715	-	7,687,715	4,125,198	31,284,733	-	-					Due to the C.R./and timing of the remaining Q1 CR funding, OCHCO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate the remaining Q1 funding and Q2 funding by the end of January 31, 2015.
HQ Human Capital Services	13,629,257	3,039,133	136,325	403,719	2,177,612	2,581,330	457,803	3,861,402	2,985,420	4,201,105					Due to the C.R./and timing of the remaining Q1 CR funding, OCHCO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate the remaining Q1 funding and Q2 funding by the end of January 31, 2015.
Human Capital Business Systems (HCBS)	6,255,123	1,527,987	-	217,383	876,368	1,093,751	434,236	695,675	1,552,247	2,913,450					Due to the C.R./and timing of the remaining Q1 CR funding, OCHCO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate the remaining Q1 funding and Q2 funding by the end of January 31, 2015.
Flexible Spending Plan	376,748	118,684	-	444	2,983	3,427	115,257	32,015	341,306	-					Original estimates for Q1 based on FY14 actuals. Actual invoices received were less than original estimates, as a result funds will be executed in Q3.
DHS EXEC. LEAD. (SES CDP)	1,249,896	239,618	-	117,832	103,882	221,714	17,904	330,711	581,130	116,340					
HQ Leadership Development	321,539	71,897	-	-	-	-	71,897	321,539	-	-					Due to the C.R./and timing of the remaining Q1 CR funding, OCHCO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate the remaining Q1 funding and Q2 funding by the end of January 31, 2015.
National Defense University	855,950	215,746	-	20,926	194,820	215,746	(0)	250,347	197,351	192,506					
Research Library & Information Services (RLIS)	10,177,832	2,684,845	1,036,062	1,477,432	85,819	1,563,251	1,121,594	8,105,806	457,703	51,072					Due to the Continuing Resolution (C.R.) and timing of the remaining Q1 CR funding, funding was insufficient to meet expectations, causing a delay in procurement processing. The goal is to fully obligate the remaining Q1 funding by the end of January 31, 2015.
DHS One Net	69,600,070	9,349,039	6,060,900	2,457,322	580,489	3,037,811	6,311,228	35,328,295	27,103,980	4,129,984					Awards of approximately \$1.4M for DC1 requirements are progressing through pre-awards statuses with the DHS Office of Procurement Operations, with obligations goal of March 30, 2015, while about \$413K are scheduled for management fees and salaries by the end of August. The Security Projects (including EMSG requirements for \$174K; Security Operations requirements for \$682K; SOC requirements for \$600K; and TIC requirements for \$248K are in pre-awards statuses with award dates of February and March, 2015. The Network Services Projects (including PEP requirements for \$839K, OneNet Operations requirements for \$190K; NOC requirements for 198K; and PMO Support for \$2.7M are also in pre-award statuses with awards dates of February and March, 2015.

	A	B	C	D	E	F	G	H	I	J	
	Planned			Actual Execution		Summary Data			Projections		
Formula	F + H + I + J					D + E	B - F				
FY 2015 WCF Service Portfolio	FY15 Annual Plan ¹	Planned Execution ²	Total Cmmt	Actual Obligations ³	Actual Expenses ⁴	Total Obligated/Expended	Delta	Projected Q2 Execution ⁵	Projected Q3 Execution ⁶	Projected Q4 Execution ⁷	Explanations on low Execution Rates (Column G)
NCR Infrastructure Operations	121,631,175	47,344,001	22,742,510	8,981,255	5,157,382	14,138,638	33,205,363	50,532,998	18,925,863	9,985,695	Due to the C.R./and timing of the remaining Q1 CR funding, OCIO was unable to fully execute the remaining Q1 CR funds. The goal is to fully obligate by end of Q2. Additional balance in Q1 is a result of unfilled vacancies.
CLAN Operations	18,755,743	4,975,177	55,553	351,539	358	351,897	4,623,280	10,936,320	2,032,475	812,129	Due to the C.R./and timing of the remaining Q1 CR funding being allotted, C-LAN was unable to execute the remaining Q1 CR allotment. However, C-LAN is in the process of getting the remaining Q1 funding and the Q2 funding committed and obligated by the end of Feb 2015 on option 4 of the ENSS / N/G contract.
Enterprise Licenses Agreements	169,500,311	18,123,219	-	36,354	116,706	153,060	17,970,159	186,421	19,364,291	131,943,086	Original estimates for Q1 will be executed in Q3 and Q4 as a result of Oracle licenses included in ELA in FY14.
Data Center Migration	-	-	-	-	-	-	-	-	-	-	
Procurement Operations	46,214,790	11,466,332	45,203	1,337,299	8,599,768	9,937,066	1,529,266	21,484,195	11,696,285	10,167,746	A delay in the hiring process resulted in 87% execution rate for OPO.
HSPD-12	21,915,377	5,527,187	25,854	1,199,152	853,044	2,052,196	3,474,991	6,013,356	5,704,002	5,523,876	The initial Spend Plan was revised to align to the actual FY 2015 HSPD-12 Acquisition Plan and the realignment created a significant shift to the quarterly Spend Plan target percentages. The Program has successfully achieved the 1st quarter revised target and the revised Spend Plan will be submitted in the 2nd quarter.
e-Training	10,788,671	2,240,532	64,472	62,847	262,794	325,641	1,914,891	6,302,732	548,002	1,960,199	The initial quarterly spend plan assumed that Q1 requirements would be funded with FY15 funds. However, those requirements were able to be funded with carryover, resulting in larger FY15 balances. The program offices are coordinating with the Components on when they will begin implementing PALMS. Funds are anticipated being sent to the Components in Q2, Q3 and Q4 of FY15.
Mail Services	15,425,318	11,443,988	-	1,015,086	1,955,830	2,970,916	8,473,072	2,768,488	119,461	3,049,210	Due to the C.R./and timing of the remaining Q1 CR funding, OCRSO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate these by end of Q2.
Parking Services	983,011	291,989	-	112,766	34,347	147,113	144,876	34,347	208,386	482,637	Due to the C.R./and timing of the remaining Q1 CR funding, OCRSO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate these by end of Q2.
Sedan Services	1,742,581	100,867	15,000	20,764	55,549	76,313	24,554	1,534,060	81,602	81,602	Due to the C.R./and timing of the remaining Q1 CR funding, OCRSO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate these by end of Q2.
Shuttle Services	1,026,454	197,646	-	98,614	41,055	139,669	57,977	673,189	98,337	98,337	Due to the C.R./and timing of the remaining Q1 CR funding, OCRSO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate these by end of Q2.
Transit Subsidy	4,790,570	331,899	-	82,885	175,759	258,645	73,254	491,141	3,904,777	238,512	Due to the C.R./and timing of the remaining Q1 CR funding, OCRSO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate these by end of Q2.
Fee-For-Service Total	753,528,524	175,894,786	44,575,198	36,814,465	38,372,901	75,187,366	100,707,420	299,884,909	140,947,793	237,508,454	

Formula	Planned		Total Cmmt	Actual Execution		Summary Data		Projections			Explanations on low Execution Rates (Column G)
	FY15 Annual Plan ¹	Planned Execution ²		Actual Obligations ³	Actual Expenses ⁴	D + E	B - F	Projected Q2 Execution ⁵	Projected Q3 Execution ⁶	Projected Q4 Execution ⁷	
						Total Obligated/Expended	Delta				
Interagency Council Funding	862,503	-	-	-	-	-	-	-	862,503	-	
USA Jobs	1,038,748	1,038,748	-	204,904	-	204,904	833,844	833,844	-	-	Due to the C.R./and timing of the remaining Q1 CR funding, OCHCO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate these by end of Q2.
Enterprise HR Integration (EHR)	2,990,645	838,145	-	589,936	-	589,936	248,209	2,400,709	-	-	Due to the C.R./and timing of the remaining Q1 CR funding, OCHCO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate these by end of Q2.
e-Rulemaking	507,803	-	-	-	-	-	-	-	507,803	-	
Human Resources LOB	260,870	65,751	-	51,459	-	51,459	14,292	209,411	-	-	Due to the C.R./and timing of the remaining Q1 CR funding, OCHCO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate these by end of Q2.
e-gov/Benefits	215,416	-	-	-	-	-	-	-	215,416	-	
Financial Management LOB	187,342	-	-	-	-	-	-	-	187,342	-	
Geospatial LOB	225,000	-	-	-	-	-	-	-	225,000	-	
Budget Formulation & Execution LOB	105,000	-	-	-	-	-	-	-	105,000	-	
e-gov. Integrated Acquisition Environment	1,727,136	366,014	-	-	-	-	366,014	1,727,136	-	-	Due to the C.R./and timing of the remaining Q1 CR funding, OCPO was unable to execute the remaining Q1 CR allotment. The goal is to fully obligate these by end of Q2.
Disaster Management	12,313,270	3,092,712	-	16,626	-	16,626	3,076,086	5,682,533	6,614,111	-	Planned Web Content Management contract was moved to Q2. The goal is to fully obligate Q1 balance by the end of Q2.
IAE Loans & Grants	220,784	-	-	-	-	-	-	220,784	-	-	
e-Integrated Financial Assistance Environment	377,435	-	-	-	-	-	-	377,435	-	-	
Performance Management LOB	53,000	-	-	-	-	-	-	53,000	-	-	
Government-Wide PPA Total	21,084,952	5,401,370	-	862,924	-	862,924	4,538,446	11,504,853	8,717,175	-	
Capital Planning and Investment Control (CPIC)	9,093,299	2,819,240	2,533,595	-	-	-	2,819,240	4,999,628	2,722,886	1,370,786	Purchase requisitions with option years with period of performance beginning in Q2 were committed and sent to Procurement to award in Quarter 2.
Strategic Sourcing	1,978,838	496,191	-	37,373	312,376	349,750	146,441	455,287	586,900	586,900	Due to change in scope of work and contract requirements, planned obligations were delayed and are now planned for Q2.
CPO Shared Reporting	5,227,835	517,000	35,655	308,421	-	308,421	208,579	226,579	750,000	3,942,835	\$203,127 was budgeted for Oracle Licenses for the Enterprise PRISM Instance. OCIO erroneously billed OCPO for the licenses rather than this account. This issue is currently being researched for resolution.
DHS Crosscutting PPA Total	16,299,972	3,832,431	2,569,250	345,794	312,376	658,170	3,174,261	5,681,494	4,059,786	5,900,521	
Working Capital Fund Operations	1,260,926	317,823	-	29,646	205,783	235,429	82,394	316,811	417,424	291,262	Under executed due to delayed EOD of new hires and unfilled vacancies.
Working Capital Fund Operations	1,260,926	317,823	-	29,646	205,783	235,429	82,394	316,811	417,424	291,262	
Total	792,174,374	185,446,410	47,144,449	38,052,830	38,891,060	76,943,890	108,502,520	317,388,067	154,142,179	243,700,237	

Legend:
¹ Annual Plan under the FY15 Continuing Resolution.
² Cumulative planned obligations and/or expenditures as of the end of the current quarter according to the program offices' spend plan. These amounts are based on the FY15 CR level.
³ Total cumulative FY15 funds obligate in the financial system through the end of the current quarter.
⁴ Total cumulative FY15 actual expenditures through the end of the current quarter.
⁵ Planned obligations and/or expenditure through the end of the 2nd Quarter according to the program offices' spend plan. These amounts are based on the FY15 CR level.
⁶ Planned obligations and/or expenditure through the end of the 3rd Quarter according to the program offices' spend plan. These amounts are based on the FY15 CR level.
⁷ Planned obligations and/or expenditure through the end of the 4th Quarter according to the program offices' spend plan. These amounts are based on the FY15 CR level.